

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

3 JOINT LEGISLATIVE HEARING

4 In the Matter of the
5 2022-2023 EXECUTIVE BUDGET
6 ON HOUSING

7 Virtual Hearing
8 Conducted Online via Zoom

9 January 31, 2022
4:06 p.m.

10 PRESIDING:

11 Senator Liz Krueger
12 Chair, Senate Finance Committee

13 Assemblywoman Helene E. Weinstein
14 Chair, Assembly Ways & Means Committee

15 PRESENT:

16 Senator Thomas F. O'Mara
Senate Finance Committee (RM)

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

19 Assemblyman Steven Cymbrowitz
Chair, Assembly Housing Committee

20 Senator Brian Kavanagh
21 Chair, Senate Housing Committee

22 Assemblyman Harvey Epstein

23 Senator Pete Harckham

24 Assemblyman Michael J. Fitzpatrick

1 2022-2023 Executive Budget
Housing
2 1-31-22

3 PRESENT: (Continued)

4 Assemblyman Colin Schmitt

5 Senator Brad Hoylman

6 Senator Julia Salazar

7 Senator John Liu

8 Assemblywoman Yuh-Line Niou

9 Senator Robert Jackson

10 Senator Diane J. Savino

11 Assemblywoman Linda B. Rosenthal

12 Assemblywoman Alicia Hyndman

13 Senator Pamela Helming

14 Assemblywoman Chantel Jackson

15 Senator James Tedisco

16 Assemblyman Harry B. Bronson

17 Senator Zellnor Myrie

18 Assemblywoman Latoya Joyner

19 Assemblywoman Dr. Anna R. Kelles

20 Assemblyman Jonathan Rivera

21 Assemblywoman Latrice Walker

22 Assemblyman Mike Lawler

23 Senator Jabari Brisport

24 Assemblywoman Rodneyse Bichotte Hermelyn

1 2022-2023 Executive Budget
Housing
2 1-31-22

3 PRESENT: (Continued)

4 Assemblyman Demond Meeks

5 Assemblyman Chris Burdick

6 Senator John W. Mannion

7 Assemblywoman Rebecca A. Seawright

8 Senator Phil Boyle

9 Assemblywoman Maritza Davila

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17
18
19
20
21
22
23
24

1 2022-2023 Executive Budget
 Housing
 2 1-31-22

3 LIST OF SPEAKERS

| 4 | | STATEMENT | QUESTIONS |
|----|--|-----------|-----------|
| 5 | RuthAnne Visnauskas Commissioner & CEO New York State Homes and 6 Community Renewal | 10 | 18 |
| 7 | Barika Williams 8 Executive Director Association for Neighborhood 9 and Housing Development (ANHD) -and- | | |
| 10 | Erin Burns-Maine Chief of Staff and 11 VP of Policy Community Preservation Corporation 12 -and- | | |
| 13 | Rachel Fee Executive Director New York Housing Conference 14 -and- | | |
| 15 | Mary Robinson CEO Habitat for Humanity of NYS 16 -and- | | |
| 17 | Baaba Halm VP and NY Market Leader Enterprise Community Partners | 146 | 165 |
| 18 | | | |
| 19 | | | |
| 20 | | | |
| 21 | | | |
| 22 | | | |
| 23 | | | |
| 24 | | | |

1 2022-2023 Executive Budget
 Housing
 2 1-31-22

3 LIST OF SPEAKERS, Cont.

| 4 | | STATEMENT | QUESTIONS |
|----|----------------------------------|-----------|-----------|
| 5 | Fannie Lou Diane | | |
| | Member Leader | | |
| 6 | Neighbors Together | | |
| | -and- | | |
| 7 | Karen Blondel | | |
| | President | | |
| 8 | Red Hook West Tenant Association | | |
| | -and- | | |
| 9 | Kassi Keith | | |
| | Leader | | |
| 10 | VOCAL-NY | | |
| | -and- | | |
| 11 | Pablo Estupiñan | | |
| | Director | | |
| 12 | Community Action for Safe | | |
| | Apartments (CASA) | 181 | 198 |
| 13 | | | |
| | Christie Peale | | |
| 14 | CEO/Executive Director | | |
| | Center for NYC Neighborhoods | | |
| 15 | -and- | | |
| | Jay Flemma | | |
| 16 | Senior Foreclosure | | |
| | Defense Attorney | | |
| 17 | Legal Aid Society of | | |
| | Mid-New York | | |
| 18 | -and- | | |
| | Jeremy Bunyaner | | |
| 19 | Staff Attorney | | |
| | CAMBA Legal Services | | |
| 20 | -and- | | |
| | Malika Conner | | |
| 21 | Director of Organizing | | |
| | Right to Counsel Coalition | 215 | 230 |
| 22 | | | |
| 23 | | | |
| 24 | | | |

1 2022-2023 Executive Budget
 Housing
 2 1-31-22

3 LIST OF SPEAKERS, Cont.

4 STATEMENT QUESTIONS

| | | | |
|----|--------------------------------|-----|-----|
| 5 | Michael Borges | | |
| | Executive Director | | |
| 6 | Rural Housing Coalition | | |
| | of New York | | |
| 7 | -and- | | |
| | Blair W. Sebastian | | |
| 8 | Director | | |
| | New York State Rural Advocates | | |
| 9 | -and- | | |
| | Athena Bernkopf | | |
| 10 | Project Director | | |
| | East Harlem/El Barrio | | |
| 11 | Community Land Trust | | |
| | -and- | | |
| 12 | Elise Goldin | | |
| | Campaign Organizer | | |
| 13 | New Economy Project | | |
| | New York City Community | | |
| 14 | Land Initiative | | |
| | -and- | | |
| 15 | Mark Streb | | |
| | Executive Director | | |
| 16 | Neighborhood Preservation | | |
| | Coalition of NYS | | |
| 17 | -and- | | |
| | Joseph Condon | | |
| 18 | General Counsel | | |
| | Community Housing | | |
| 19 | Improvement Program | 241 | 263 |

20

21

22

23

24

1 2022-2023 Executive Budget
 Housing
 2 1-31-22

3 LIST OF SPEAKERS, Cont.

| 4 | | STATEMENT | QUESTIONS |
|----|--|-----------|-----------|
| 5 | Ben Anderson | | |
| 6 | Director of Economic Mobility and Health Policy | | |
| 7 | Children's Defense Fund-New York -and- | | |
| 8 | Sonal Jessel | | |
| 9 | Director of Policy Lead Free Kids New York -and- | | |
| 10 | Paul Webster | | |
| 11 | Director of Programs Clean and Healthy New York | 279 | 290 |
| 12 | Elaine Gross | | |
| 13 | President ERASE Racism -and- | | |
| 14 | Katherine Leitch | | |
| 15 | Senior Policy Analyst Citizens Housing and Planning Council -and- | | |
| 16 | Samuel Stein | | |
| 17 | Housing Policy Analyst Community Service Society | 297 | 306 |

18
 19
 20
 21
 22
 23
 24

1 2022-2023 Executive Budget
 Housing
 2 1-31-22

3 LIST OF SPEAKERS, Cont.

| 4 | | STATEMENT | QUESTIONS |
|----|-----------------------------------|-----------|-----------|
| 5 | Casey Berkovitz | | |
| | Coalition Coordinator | | |
| 6 | ADU New York | | |
| | -and- | | |
| 7 | Sally Santangelo | | |
| | Executive Director | | |
| 8 | CNY Fair Housing | | |
| | -and- | | |
| 9 | Marlene Zarfes | | |
| | Executive Director | | |
| 10 | Westchester Residential | | |
| | Opportunities | | |
| 11 | -and- | | |
| | Ryan Chavez | | |
| 12 | Program Director | | |
| | Cypress Hills Local | | |
| 13 | Development Corporation | | |
| | -and- | | |
| 14 | Timothy Foley | | |
| | CEO | | |
| 15 | Building and Realty Institute | | |
| | of Westchester and the | | |
| 16 | Mid-Hudson Region | 312 | 329 |
| 17 | William J. Simmons | | |
| | President | | |
| 18 | NYS Public Housing Authorities | | |
| | Directors Association | | |
| 19 | -and- | | |
| | Elise Levy | | |
| 20 | Tenant Organizer and Advocate | | |
| | Housing Conservation Coordinators | | |
| 21 | -and- | | |
| | Christine Hughes | | |
| 22 | Tenant Leader | | |
| | Affordable Housing Leaders Group | | |
| 23 | Housing Conservation Coordinators | 351 | 359 |
| 24 | | | |

1 CHAIRWOMAN WEINSTEIN: Good afternoon.
2 I'm Helene Weinstein, chair of the Assembly
3 Ways and Means Committee and cochair of
4 today's hearing.

5 Today we begin the fourth in a series
6 of hearings conducted by the joint fiscal
7 committees of the Legislature regarding the
8 Governor's proposed budget for fiscal year
9 2022-2023, and today is the hearing regarding
10 Housing.

11 I'll introduce the members of the
12 Assembly who are here. Then I'll turn it
13 over to Senator Krueger, the cochair of
14 today's hearing, the chair of the Finance
15 Committee, to introduce her colleagues, and
16 we will have our ranking members introduce
17 their colleagues.

18 And just to remind witnesses --
19 actually, Commissioner, you'll have
20 10 minutes to make a presentation. We
21 already have circulated your testimony, so
22 feel free to not use all the 10 minutes. And
23 then there will be -- we'll go to the chairs
24 for 10 minutes, up to 10 minutes each, to

1 ask --

2 (Zoom interruption.)

3 CHAIRWOMAN WEINSTEIN: Make sure
4 you're muted if you're not speaking. So
5 Senator Krueger and I should be the only ones
6 unmuted.

7 The other witnesses, once we leave the
8 governmental witnesses, the witnesses will,
9 as I mentioned to my colleagues, mostly be in
10 panels, and each witness will have three
11 minutes to make a presentation and then
12 members will have three minutes to ask a
13 question of the panel.

14 And just keep an eye on the clock.
15 The time sometimes goes faster than you think
16 it does.

17 So I think with that, as long as
18 everybody adheres to our guidelines, I want
19 to introduce the New York State Homes and
20 Community Renewal Commissioner RuthAnne
21 Visnauskas, who is the commissioner and CEO.

22 And RuthAnne, the floor is yours for
23 10 minutes.

24 COMMISSIONER VISNAUSKAS: Thank you.

1 Good afternoon, Chairs Krueger, Weinstein,
2 Kavanagh, Cymbrowitz, and distinguished
3 members of the Legislature.

4 My name is RuthAnne Visnauskas, and
5 I'm commissioner and CEO of New York State
6 Homes and Community Renewal. I'm honored to
7 testify before you today on the housing
8 portion of Governor Kathy Hochul's Executive
9 Budget proposal for the 2022-2023 state
10 fiscal year.

11 The Executive Budget lays out a
12 comprehensive and thoughtful blueprint for
13 addressing New York's housing and
14 homelessness crisis. It recognizes housing
15 access as critical to the state's economic
16 recovery efforts and commitment to social
17 justice, and it addresses longstanding
18 systemic inequities and brings us closer to
19 our goals of achieving a cleaner, greener
20 climate and closing the gap in digital
21 connectivity for lower-income families.

22 The centerpiece of the Governor's
23 budget for housing is a new \$25 billion
24 five-year Housing Plan designed to build on

1 affordable homes will be guided by the events
2 and lessons of the last two years.

3 More specifically, our aim will be to
4 address the community health disparities
5 exposed during the pandemic, erase the
6 redlines that still block people of color
7 from homeownership and housing choice, expand
8 housing access and supply in historically
9 underinvested areas, support statewide goals
10 for clean energy and green jobs, and bridge
11 the digital divide.

12 The new Housing Plan expands resources
13 for electrification and weatherization that
14 benefit our health, safety and environment,
15 helping us achieve the state's essential
16 climate goals. We've also included a pilot
17 program to spur innovation in affordable
18 housing governance and construction methods.

19 To accomplish all of this, we will
20 once again rely on your support and
21 partnership to help us cement New York's
22 reputation as an innovative leader in
23 compassionate, thoughtful and purpose-driven
24 affordable housing and community development.

1 However, these investments alone cannot
2 address the root cause of our housing
3 shortage. Governor Hochul's Executive Budget
4 includes several proposals to help the state
5 boost its overall housing supply and
6 affordable housing supply by easing or
7 removing restrictive land-use regulations
8 that are barriers to housing production. To
9 this end, we're proposing some strong,
10 commonsense changes.

11 The Governor's budget will encourage
12 increasing our housing supply by requiring
13 localities to allow accessory dwelling units
14 in single-family neighborhoods; requiring
15 localities to allow multifamily development
16 opportunities in transit-rich areas; removing
17 the state's cap on residential density in
18 high-density neighborhoods in New York City;
19 and easing restrictions on the conversion of
20 hotels and commercial buildings into housing.

21 But these actions are not enough.
22 Providing equal and fair access to housing is
23 just as important as building new homes and
24 apartments. As part of our mission to reduce

1 housing insecurity, our social justice agenda
2 will help improve access to housing for
3 people who have been involved in the criminal
4 justice system or have negative credit
5 histories. We will combat housing
6 discrimination statewide by expanding the
7 state's fair housing testing program,
8 particularly in counties not previously
9 served by local fair housing organizations
10 but where suspected systemic discrimination
11 exists.

12 And we will seek to reduce unjust
13 evictions by making free legal counsel
14 available to low- and middle-income tenants
15 in eviction proceedings. This proposal, the
16 Eviction Prevention Legal Assistance Program,
17 will provide renters a measure of protection
18 from the economic, physical and emotional
19 harm that comes from being displaced. With
20 proper access to legal representation, we
21 know that more than 80 percent of tenants are
22 able to remain in their homes.

23 We believe that our plan and proposals
24 offer rational alternatives to the status

1 introduce the Assemblymembers, and then
2 Senator Krueger will introduce the Senators.

3 So we have with us our Assembly chair,
4 Assemblyman Cymbrowitz; Assemblyman Bronson;
5 Assemblyman Burdick; Assemblyman Epstein;
6 Assemblywoman Hyndman; Assemblywoman Jackson;
7 Assemblywoman Joyner; Assemblywoman Kelles;
8 Assemblyman Meeks; Assemblywoman Niou;
9 Assemblyman Rivera; Assemblywoman Rosenthal;
10 and Assemblywoman Seawright.

11 Assemblyman Ra, do you want to
12 introduce your colleagues who are here?

13 ASSEMBLYMAN RA: Sure. Hi. We are
14 joined by Assemblyman Fitzpatrick, our ranker
15 on Housing, and Assemblyman Lawler.

16 CHAIRWOMAN WEINSTEIN: Thank you.
17 Senator Krueger, would you please
18 introduce your colleagues.

19 CHAIRWOMAN KRUEGER: Thank you.

20 I see Senator Robert Jackson,
21 Senator Leroy Comrie, of course our Housing
22 Chair Brian Kavanagh, Senator John Mannion,
23 Senator Zellnor Myrie, Senator Pam Helming,
24 Senator John Liu, Senator Pete Harckham. And

1 that's just the question askers so far.

2 We also have Senator Phil Boyle,
3 Senator Julia Salazar, Senator Diane Savino,
4 Senator Jim Tedisco, Senator Jabari Brisport,
5 Senator Brad Hoylman.

6 I think I've got us all, both sides.
7 Thank you.

8 CHAIRWOMAN WEINSTEIN: Okay. So then
9 now we will go to our Assembly Housing chair,
10 Assemblyman Steven Cymbrowitz, for
11 10 minutes, please, on the clock.

12 ASSEMBLYMAN CYMBROWITZ: Thank you
13 very much. Thank you, Chairs Weinstein,
14 Krueger. I want to shout out to my colleague
15 Senator Kavanagh. We always say hello at
16 these hearings.

17 SENATOR KAVANAGH: Hello,
18 Assemblymember.

19 ASSEMBLYMAN CYMBROWITZ: Welcome,
20 Commissioner Visnauskas. I want to
21 personally thank you for being such a strong
22 advocate for the five-year plan, and want to
23 congratulate you for all you've accomplished
24 in the previous five-year plan. I know that

1 we're heading toward the finish line of doing
2 that, and look forward to the next five
3 years.

4 I wanted to spend a little time
5 talking about homeownership. That's a major
6 issue that we have found, traveling around
7 the state, that there are so many people who
8 are renting and they could pay for a mortgage
9 with those dollars that they're paying for
10 rent, and we need to help them.

11 Can we talk a little bit about -- I
12 know that in the 2021-'22 budget we included
13 \$539 million for the Homeowner Assistance
14 Fund that just began taking applications
15 January 3rd. You know, I was wondering if
16 you have any updates on this process, and
17 then talk about the allocation in this year's
18 housing plan that includes \$400 million for
19 homeownership projects.

20 COMMISSIONER VISNAUSKAS: Sure, I
21 would be happy to talk about both those
22 things, thank you.

23 So for the Housing Assistance Fund we
24 were -- we worked very hard to get our

1 application into Treasury, we were very
2 excited to be first in the country to be
3 approved. We started our marketing right
4 around Thanksgiving so people would have a
5 sort of nice long period of time to
6 understand the program and their eligibility
7 and get their documents in order. And as you
8 said, we opened January 3rd.

9 We anticipated being open for at least
10 30 days, and we're just about at that 30-day
11 mark. We have a little over 20,000
12 applications received and completed. And we
13 are not quite at our, you know, full sort of
14 spend, so we will stay open and keep
15 evaluating.

16 You know, the process with the
17 mortgages involves us reaching out to the
18 banks and making sure that homeowners have
19 been offered every program and opportunity
20 that the banks can provide for homeowners for
21 their mortgages, so it's going to take us a
22 little longer to sort of do that
23 back-and-forth.

24 But we feel very good about the

1 program. We have a very high percentage of
2 socially disadvantaged applicants, which was
3 one of our sort of key features of this, is
4 making sure we are getting to people that
5 don't traditionally get access to
6 governmental programs.

7 So we will remain in communication
8 with the Legislature and with the public
9 about how we're doing on the applications,
10 but so far so good on that front.

11 On the homeownership in the Housing
12 Plan, we -- there are sort of two sides to
13 the homeownership with sort of the supply
14 side and the demand side.

15 So on the demand side we have our
16 SONYMA platform that provides mortgages to
17 first-time homebuyers, and we have made a lot
18 of changes there on the demand side to make
19 sure that we are increasing our down payment
20 assistance. We rolled out -- and I talked
21 about this last year -- a program called Give
22 Us Credit to make sure that people weren't
23 being denied who had historically been denied
24 for credit reasons for mortgages. And we

1 be very data-driven in what we do. When we
2 launched Give Us Credit last year, we looked
3 around the state and looked at places where
4 we saw homeowners of color getting denied at
5 twice the rate as white homeowners, holding
6 constant for income, and made sure that we
7 from a marketing and outreach and grassroots
8 perspective were very heavily in those areas.

9 And that will hold true going forward.
10 We really try to make sure that we are
11 utilizing our network of organizations around
12 the state, whether that's legal service
13 providers or nonprofit housing providers, to
14 make sure that people are aware, especially
15 those who are, you know, often least likely
16 to have access to or sort of know about
17 government programs, to make sure that
18 they're the ones who can avail themselves of
19 these opportunities.

20 ASSEMBLYMAN CYMBROWITZ: Moving on to
21 public housing. Public housing authorities
22 outside the city were identified in this
23 proposed budget to receive additional
24 funding. Can you discuss why NYCHA was

1 excluded and not provided any new funding?

2 And if you can talk about -- I know
3 we've discussed in the past the Preservation
4 Trust and the importance -- the fact that
5 there will not be any Build It Back Better
6 money coming and that the only way that NYCHA
7 can be saved is through the Preservation
8 Trust.

9 COMMISSIONER VISNAUSKAS: I would say
10 I haven't given up completely on Build It
11 Back Better. I am still advocating and
12 hopeful that there will be not just funding
13 for public housing authorities, of which a
14 large share of that would go to NYCHA, but
15 also many of the other things that were in
16 Build Back Better for housing. So we're
17 going to keep fighting on that front to try
18 to get those things.

19 In terms of the budget for NYCHA, you
20 know, at the time that the budget was getting
21 pulled together, Build Back Better was
22 really -- you know, still seemed somewhat --
23 very much alive, with the potential for
24 \$40 billion to come to NYCHA. So I think

1 that's one of the reasons why you don't see
2 capital for NYCHA.

3 We do have capital in for
4 rest-of-state. We were very thankful to get
5 an additional slug of capital last year, and
6 we haven't spent all of that, and now we've
7 put a new ask in for another five years.

8 We are still working with many, many
9 wonderful public housing authorities around
10 the state. I was just up in Schenectady in
11 December looking at what they have done to
12 transform their public housing stock. And so
13 there's a lot of great work still to be done.
14 So we're really excited and looking forward
15 to working with the rest-of-state housing
16 authorities on their renovation plans.

17 I think as relates to the trust, you
18 know, the trust is a complicated document.
19 And NYCHA is complicated, given its sort of
20 federal, city and state sort of multiparty
21 interested parties there. I think that we
22 have tried to advocate that NYCHA needs as
23 many tools as it can get. There are, you
24 know, hundreds and hundreds of thousands of

1 residents at NYCHA who are in much need of
2 vital repairs. And as many people know, the
3 proposal around the trust would allow NYCHA
4 to access much, much more revenue from the
5 federal government that would allow it to
6 make capital repairs at scale.

7 So we have been working with the city
8 administration and the new administration,
9 and so I think those conversations around the
10 trust will continue.

11 ASSEMBLYMAN CYMBROWITZ: Do you think
12 there's any chance that the Governor might
13 put the trust into her 30-day amendment?

14 COMMISSIONER VISNAUSKAS: I can't
15 speak to that. But we are certainly working
16 with the city and talking with them to better
17 understand what they need in the trust
18 legislation.

19 ASSEMBLYMAN CYMBROWITZ: In the
20 remaining time, could you just talk about the
21 change of use in New York City of certain
22 buildings and talk about additional building
23 density in New York City? How would that
24 produce more affordable housing?

1 COMMISSIONER VISNAUSKAS: So New York
2 City has not kept up with its housing supply
3 relative to population growth and job growth.
4 There are some estimates that say that the
5 city needs to build another 500,000 units of
6 housing by 2030. And at the scale at which
7 housing is produced, market-rate and
8 affordable housing is produced today, we
9 would not get there. It's a two-or-three-
10 times-fold production.

11 So we've tried to put forward in the
12 budget this year a series of solutions for
13 that, and that includes helping developers
14 convert commercial or hotels into housing.
15 That includes lifting the FAR cap to allow
16 the city to have a little more discretion
17 over where residential development is in the
18 city; that includes a tax exemption. All of
19 these tools will allow us to grow in a way
20 that will alleviate housing affordability,
21 alleviate overcrowding, and we think those
22 are important policy issues as we go forward.

23 ASSEMBLYMAN CYMBROWITZ: Thank you
24 very much.

1 CHAIRWOMAN WEINSTEIN: I'll move it
2 over to the Senate, but first I see that
3 Assemblywoman Maritza Davila has joined us,
4 and Assemblywoman Latrice Walker.

5 So now we go to Senator Krueger for
6 their Housing chair.

7 CHAIRWOMAN KRUEGER: Thank you. We're
8 going to hand it over to Senator Brian
9 Kavanagh for 10 minutes. Thank you.

10 SENATOR KAVANAGH: Thank you very
11 much, Senator Krueger. And let me just begin
12 by thanking both Senator Krueger and
13 Assemblymember Weinstein for your marathon of
14 chairing these hearings and leading in this
15 process.

16 And also just to note, you know, our
17 own Finance staff -- Dave Frazier and Chris
18 Friend and Michael Sherman, as well as our
19 counsel staff, Nic Rangel and Nayram Gasu,
20 who have done a lot of work in preparation
21 for this, as well as Hally Chu, who is the
22 housing director on my staff.

23 And, you know, also just -- I'll
24 return the shout-out for Assemblymember

1 Cymbrowitz. We've worked very closely on a
2 lot of these issues for a very long time.
3 He's a terrific partner and of course taught
4 me everything I know about housing when I was
5 a young Assemblymember on his Housing
6 Committee.

7 And also my ranker in the Senate,
8 Pam Helming, whom we'll hear from shortly,
9 and the rankers on the other side, Mike
10 Fitzpatrick and Ed Ra, who I also had a lot
11 of opportunity to interact with over many
12 years in the Assembly on all of these issues.
13 So it's good to see everybody.

14 And thank you, Commissioner, for your
15 testimony today and also for your leadership
16 in the last few years. It's been really I
17 think a very productive time in housing in
18 New York, and we're looking forward to, you
19 know, an even more productive time with a
20 very substantial five-year plan.

21 Can you just begin with -- just give
22 us -- you sort of highlighted a few aspects
23 of the five-year plan. Can you just talk a
24 little bit about how this plan differs from

1 the preceding five years?

2 COMMISSIONER VISNAUSKAS: Sure.

3 So, you know, in many ways our sort of
4 production is limited by federal resources.
5 Sort of the backbone of our work is the
6 volume cap and the 9 percent tax credits that
7 we get from the federal government, and we
8 had been very hopeful for the second half of
9 last year that there would be a Build Back
10 Better bill that would allow for the
11 expansion of both those things. You know,
12 such as it is, we are where we are, and
13 that's not exactly on the table, although we
14 will keep, as I said, sort of advocating and
15 working for that.

16 So what you see in our new plan is
17 sort of maintaining a lot of the programs
18 that, you know, as you all will recall, when
19 we did this five years ago, we didn't really
20 have a series of programs and a five-year
21 plan. And so we have gotten the industry
22 across the state I think somewhat acclimated
23 to a series of programs around new
24 construction, supportive housing, senior

1 housing, renovating our Mitchell-Lama housing
2 and our public housing in a series of
3 programs. So we really thought it was
4 important to maintain those.

5 We have increased funding for many of
6 those programs for a variety of reasons. In
7 the original plan we did have some sort of
8 additional dollars sort of from previous
9 times. So we had sort of more than the
10 2.5 billion that we started with at the
11 beginning of the last five years.

12 But we've made a couple of changes.
13 One is that in order to align with the CLCPA,
14 we have sort of embedded electrification into
15 our new construction and will be rolling it
16 into all of our preservation work too, which
17 will come -- sort of follow a little bit
18 after our new construction. But so our costs
19 went up as a result of that, and you will see
20 that in here.

21 We also added a sort of new focused
22 line item specifically to electrify the
23 existing housing stock to make sure that
24 low-income tenants and buildings in

1 low-income communities don't get left behind
2 as we go to a sort of carbon-neutral housing
3 stock.

4 So I think those are two sort of
5 fundamental things.

6 In addition to that, as the
7 Assemblymember had mentioned, we have a much
8 bigger investment into homeownership
9 programs. I think that, you know, you don't
10 have to look very far in the housing policy
11 world to read about the racial wealth gap in
12 homeownership. And so we are very much
13 leaning into that with a series of -- with
14 this funding that will allow us to really get
15 at supply side housing production, affordable
16 housing production.

17 So I think those are probably some of
18 the highlights I would call out.

19 SENATOR KAVANAGH: I appreciate that.
20 That's a helpful review.

21 I'm going to talk about a few of those
22 issues, but I want to go back to something
23 that Assemblymember Cymbrowitz talked about,
24 that public housing, especially the NYCHA

1 commitment -- we have seen, I think, you
2 know, some inadequate investments in capital
3 from all sides in NYCHA. But this bill
4 doesn't have any. And, you know, Steve asked
5 you, like, you know, is there some assumption
6 that we might get Build Back Better. You
7 said you were still hopeful. I'm hopeful as
8 well.

9 But is there -- assuming we get to
10 March 31st and we don't have Build Back
11 Better dollars for NYCHA, would it be
12 appropriate for us to be rethinking what
13 we're enacting this year to ensure that there
14 is significant capital for NYCHA?

15 COMMISSIONER VISNAUSKAS: As you all
16 probably know from asking me in years past,
17 the money that's in the Housing Budget for
18 NYCHA is subject to an agreement largely
19 between NYCHA and DASNY as to how those funds
20 get spent and the scope of work. And often
21 you all ask me for sort of an update on that,
22 which I usually provide sort of a light
23 update but I'm often sort of -- I'm not
24 really -- we are not really directive of

1 those funds or involved in those capital
2 funds.

3 So I wouldn't sort of put my thumb on
4 the scales to say whether it's appropriate or
5 not. As you would say, it's been -- there
6 has been funding for NYCHA in the past. I
7 think the scale of obviously the \$40 billion
8 coming from the federal government is the
9 scale on which NYCHA's needs are, which are,
10 you know, much different than what we would
11 be able to provide at the state level.

12 But -- and as I said, I think we
13 remain open and optimistic to push the
14 federal government to really provide NYCHA
15 with the level of funding that it needs,
16 rather than have it go another generation
17 without that.

18 SENATOR KAVANAGH: Okay. I'm not
19 going to belabor this now, but just to say,
20 for the record, I mean the notion of DASNY
21 being involved in that was I think a
22 particular predisposition of the prior
23 governor. So I think we should be revisiting
24 this question of whether, you know, our

1 housing agency can consider the housing needs
2 of New York City residents as well -- you
3 know, public housing residents as well as
4 those outside the city.

5 On the electrification, recognizing
6 that most of the -- I guess most of the
7 adjustments are about increases in costs for
8 development, how much money is in this budget
9 for retrofitting existing buildings for
10 electrification?

11 COMMISSIONER VISNAUSKAS: So we tried
12 to build into our programs -- you know, one
13 of the I think challenges for owners trying
14 to do this work is having to go in silos to
15 multiple different agencies and get access to
16 funding.

17 So we built into our -- on both our
18 new construction and our multifamily
19 preservation program, assumptions that came
20 out of the CLCPA work which we've spent the
21 better part of two years doing, to make sure
22 that we can, you know, pay for those either
23 electric-ready or actual electrification,
24 depending on sort of the building stock and

1 the technology available, within these
2 existing funds.

3 So I don't have an exact sort of
4 number, but we worked on this -- built sort
5 of the budget with those costs included.

6 SENATOR KAVANAGH: Could your staff
7 try -- could somebody try to take a look at
8 the budget and figure out how -- like
9 presumably various things were increased by
10 various percentages. It would be helpful, I
11 think, given -- we know there's a massive
12 scale, but I think it would be helpful to
13 know how much we're investing in that work.

14 And as you know, I think there's
15 also -- you know, there's a proposal for a
16 requirement of electrified buildings in the
17 future in the private sector as well. And I
18 have the Electric Building Act I've been
19 working on with Assemblymember Gallagher and
20 others. But I'd like to focus on that as
21 this process is unfolding.

22 The City of New York estimates that
23 when tenants are represented and they have
24 legal services during eviction proceedings,

1 they are very likely to remain in their
2 home -- about 84 percent, I think, is the
3 number there. Is that -- given that this
4 budget is appropriating additional money for
5 legal representation -- first of all, I guess
6 it's \$35 million in the budget. Is that --
7 how much legal representation might that
8 provide? And is -- what is your assessment
9 of how much -- could we replicate the
10 success -- that rate in New York City in
11 upstate communities if we were to provide
12 adequate funding for legal representation?

13 COMMISSIONER VISNAUSKAS: So this is
14 something that is very important to the
15 Governor in the budget. And as many people
16 saw, there was \$25 million actually that came
17 out of the ERAP funding sort of as a seed for
18 this. And so we looked at some data for
19 rest-of-state around evictions and around
20 costs, and there's sort of a variety of
21 estimates about what the demand and the costs
22 might be.

23 So this is a sort of projection. I
24 don't think we really, you know, know what

1 the full uptake will be. But we're very
2 committed to getting this out the door, you
3 know, as a test to then see sort of what the
4 real demand in uptake will be.

5 But we -- you know, we agree with you
6 that the percent success rate in New York
7 City certainly merits us doing this in the
8 rest of the state and giving people access.

9 SENATOR KAVANAGH: Just to be clear,
10 you're not projecting that this meets the
11 whole cost of legal representation statewide,
12 is that fair?

13 COMMISSIONER VISNAUSKAS: I don't
14 think we know -- when we looked, we found
15 many estimates that were very wide in their
16 numbers. So I think we don't really know.
17 And this is an attempt to put a number in the
18 budget and evaluate.

19 SENATOR KAVANAGH: Okay. Again, I
20 think as we continue negotiations, I think
21 we'd like to get a sense of how that -- you
22 know, how widespread -- how available legal
23 representation that would -- how available
24 that would make legal representation in

1 various jurisdictions.

2 Just one quick question. There is
3 funding for Neighborhood and Rural
4 Preservation programs that I think are
5 straight-lined against last year's adopted
6 budget, which is an improvement, because it
7 includes some legislative adds that I think
8 we put in last year.

9 There is still no money for the
10 coalitions, for the Neighborhood and Rural
11 Preservation Coalitions respectively. I
12 think in the past we've sought to make sure
13 they had funding to administer their
14 centralized services.

15 Is that -- I mean, does the Executive
16 Budget reflect some skepticism of the value
17 of that, or is it sort of an oversight or
18 just --

19 COMMISSIONER VISNAUSKAS: I think that
20 we had thought that the coalitions were
21 included in that. So maybe we can just get
22 back to you on that.

23 SENATOR KAVANAGH: Okay. Our staff
24 analysis has said they're not, so we would

1 appreciate that question.

2 And I think I will come back for
3 another round of questions if our chairs will
4 permit me, but my time is up now. So thank
5 you for --

6 CHAIRWOMAN KRUEGER: Your time is up
7 now, so we'll talk about that later. Thank
8 you, Brian.

9 Chair Weinstein.

10 CHAIRWOMAN WEINSTEIN: The Housing
11 ranker, Assemblyman Fitzpatrick, for five
12 minutes.

13 ASSEMBLYMAN FITZPATRICK: Yes, thank
14 you, Madam Chair. Welcome, Commissioner.
15 Great to see everybody.

16 Commissioner, just let me ask you,
17 with regard to the regulated housing stock,
18 do you have any concern about its future
19 condition, you know, given that there was a
20 rather drastic reduction in the number of
21 MCIs?

22 COMMISSIONER VISNAUSKAS: We have not
23 seen a large uptick in complaints. So, you
24 know, I think it depends on what you use as

1 your metric for the housing stock. But at
2 this time we aren't concerned that there's
3 been an adverse impact on the housing stock.
4 As we can see in, you know, data.

5 ASSEMBLYMAN FITZPATRICK: I see. All
6 right. Do you have any statistics on the
7 number of individual apartment improvements
8 undertaken by owners in 2022 and 2021?

9 COMMISSIONER VISNAUSKAS: We have a
10 couple of thousand IAIs that have been
11 uploaded into the public database that was
12 included as part of the HSTPA legislation. I
13 don't know the exact number from this year,
14 but I'd be happy to follow up and get that to
15 you.

16 ASSEMBLYMAN FITZPATRICK: Okay, thank
17 you.

18 And then what is the number of
19 harassment complaints filed in '19, '20 and
20 '21 and the number of owners who were found
21 guilty?

22 COMMISSIONER VISNAUSKAS: I don't have
23 those off the top of my head, but I'd be
24 happy to follow up with those as well.

1 ASSEMBLYMAN FITZPATRICK: Okay --

2 CHAIRWOMAN KRUEGER: Just a
3 clarification. You meant 2019 and 2020 --

4 ASSEMBLYMAN FITZPATRICK: Yeah, 2019,
5 2020.

6 CHAIRWOMAN KRUEGER: You said 1920,
7 and I thought that was a bit of a stretch --

8 ASSEMBLYMAN FITZPATRICK: I meant
9 2019, sorry.

10 CHAIRWOMAN KRUEGER: Thank you.

11 ASSEMBLYMAN FITZPATRICK: Great.

12 And, Commissioner, with regard to the
13 accessory dwelling units, what was the
14 rationale in frankly removing local control
15 and local zoning and interfering with local
16 zoning here? What is the rationale of the
17 Governor in doing this?

18 COMMISSIONER VISNAUSKAS: So as I
19 mentioned a little bit earlier, there is --
20 we are not keeping pace with our housing
21 production based on our population growth and
22 our job growth. And so there's a real demand
23 for housing, especially in downstate --
24 Long Island, New York City, Westchester,

1 Hudson Valley. You know, there's an
2 affordability issue. Many people are doubled
3 up. You could argue that many people in our
4 homeless shelter system are there for purely
5 economic reasons because they can't afford
6 housing.

7 And so accessory dwelling units is a
8 way for there to be the creation of
9 additional housing supply. You know, it can
10 be affordable, but it could just be
11 additional housing supply. It allows seniors
12 to either receive additional income in -- you
13 know, perhaps if they're on a fixed income
14 and in a place where taxes are going up, it
15 would allow them to move into an accessory
16 dwelling unit, allow their family to move
17 into the larger home, especially at a time
18 where I think there's a lot of
19 intergenerational care, whether it's for a
20 parent or for a child and the families have
21 gotten -- sort of spreading among the
22 generations for that type of support.

23 And so we see accessory dwelling units
24 as giving homeowners the opportunity to have

1 more choice in where they live, to have more
2 affordability options, potentially to have
3 income options, at a time when we really are
4 in need of more housing supply.

5 ASSEMBLYMAN FITZPATRICK: Well, let me
6 ask you, you have situations where you have
7 quarter-acre zoning -- I know in Suffolk
8 County, for example, all development is
9 guided by the health code. You know, we live
10 above an aquifer, so overburdening that
11 aquifer and, you know, increased density.
12 We're already -- I mean, a number of
13 communities on Long Island are doing pretty
14 good work around the transit-oriented
15 development model. And, you know, our
16 limitations are sewers. We could use more
17 sewer money to develop that. And that is
18 becoming a more popular option. Downtown
19 redevelopment, second- and third-floor
20 apartments above stores along Main Streets.

21 But, you know, people -- regardless of
22 where they come from, they move out to the
23 suburbs to live in a single-family home.
24 And, you know, in my years on the town

1 council in Smithtown we were always having
2 problems with basement apartments, illegal
3 apartments and absentee landlords that were
4 becoming a huge problem in suburban areas.

5 And I think the way -- from what I've
6 read so far, we may have those problems
7 again, in spite of the fact that there's a
8 one-year requirement to live there. If
9 that's not monitored very closely, I think
10 that will be gamed, and we're going to have
11 some real problems in the suburbs. And I'm
12 not crazy about this proposal, and I think it
13 needs to be thought through.

14 Do you have any comment?

15 COMMISSIONER VISNAUSKAS: I think I
16 would say two things. One is I don't think
17 anybody wants illegal apartments, so I think
18 providing sort of a framework for this allows
19 those apartments to be legal where people are
20 adding basement apartments or attic
21 apartments or whatever that may be.

22 And we put in the bill, you know, to
23 be somewhat responsive to that issue, that
24 municipalities can obviously take into

1 consideration health and safety issues as
2 they create their own sort of zoning to allow
3 the accessory dwelling units.

4 So we understand that there are
5 obviously health and safety issues, whether
6 it's sewers or flood plain issues, and that
7 those should be taken into account.

8 ASSEMBLYMAN FITZPATRICK: Okay. My
9 time is up. Thank you, Commissioner.

10 Thank you, Madam Chair.

11 CHAIRWOMAN WEINSTEIN: We'll go to
12 Senator Krueger.

13 CHAIRWOMAN KRUEGER: Thank you very
14 much. Senator Pam Helming for five minutes,
15 the ranker on Housing.

16 SENATOR HELMING: Thank you, Senator
17 Krueger.

18 Commissioner, it's great to see you
19 again. Happy New Year.

20 And as always, I want to take a moment
21 and recognize both you and your incredible
22 team. I mean, you're just doing tremendous
23 things around the entire state and for that
24 I'm truly appreciative. And while I know,

1 you know, we may not always agree on policy,
2 I think there's a lot that we can join
3 together on to do better for residents of New
4 York State.

5 So I wanted to talk a little bit -- an
6 example of that, I think, is the five-year
7 Housing Plan. I think it's absolutely
8 remarkable. But I'm curious, how are we
9 going to ensure that that funding is shared
10 with our suburban, rural and upstate -- how
11 is it going to be used to address our upstate
12 housing needs, that they're equally
13 considered?

14 COMMISSIONER VISNAUSKAS: So we have
15 a -- I would say two things.

16 One is we -- as Senator Kavanagh
17 mentioned, I think funding of our rural
18 preservation organizations is key to that,
19 because they really are our eyes and ears on
20 the ground that help make sure people are
21 aware of our programs and can access them.

22 And whether that is, you know,
23 preserving an existing rural multifamily
24 building, of which there are many in the

1 state, whether it's a manufactured home
2 park -- and we have, in the last five years,
3 as you know, rolled out a series of programs
4 to make sure that people can have access to
5 mortgages, to make sure that people can get
6 new homes and to make sure that there's
7 funding for parks and for infrastructure and
8 really trying to shore up that part of our
9 housing stock which is often very rural.

10 So we've sort of tried, through a
11 series of our programs, to make sure, whether
12 it's, you know, public housing or
13 preservation or multifamily or on the
14 single-family side, that we will be getting
15 to those rural housing needs as much as we'll
16 be getting to the urban ones.

17 SENATOR HELMING: I appreciate that.
18 And I'll be taking a closer look too to see
19 how it breaks down, to make sure that it does
20 feel that in upstate we're getting our fair
21 share.

22 I will tell you I was happy last year
23 that the HONDA language, we were able to get
24 that changed, right, so that it excluded

1 areas outside of New York City -- but then
2 extremely disappointed to hear that the only
3 projects funded were within New York City,
4 and that there's language that exists to
5 direct the additional funding to New York
6 City properties.

7 Just changing subjects for a minute,
8 we've -- this has been mentioned. The
9 Executive Budget includes a proposal for
10 35 million to be appropriated to support
11 legal representation for eviction cases
12 outside of New York City.

13 During your opening remarks, and I
14 think during Senator Kavanagh's questioning,
15 it was my understanding that this funding
16 will be earmarked solely for tenants. Is
17 that accurate?

18 COMMISSIONER VISNAUSKAS: The funding
19 will go to legal service providers, to the
20 organizations themselves, so that they will
21 be able to provide legal representation for
22 tenants.

23 SENATOR HELMING: Is there any
24 financial assistance that's available to our

1 home providers, especially our small
2 mom-and-pop property owners?

3 COMMISSIONER VISNAUSKAS: That's a
4 fair -- that's a fair question, and I think
5 we would be happy to work with you on that.

6 SENATOR HELMING: So at this point the
7 answer is no, though, right?

8 COMMISSIONER VISNAUSKAS: I don't
9 think as drafted. I think it's intended to
10 provide legal representation for tenants who,
11 you know, in most cases are often not even
12 aware that they can have access to legal
13 representation or that they should get it and
14 that their outcomes might be better. Most of
15 these cases are often found in the case of
16 the landlord, so I think the need was seen as
17 on the tenant side to make sure they could
18 have fair standing in court.

19 But, you know, it's a fair comment, I
20 think, about smaller landlords, and we could
21 talk about that.

22 SENATOR HELMING: Thank you.

23 So we all know, we've all heard from
24 them, that the housing providers throughout

1 the state, especially the mom-and-pops that I
2 mentioned, they're really struggling to
3 continue to operate because of the
4 significant rental arrears. And I know
5 there's an effort being made to try and
6 secure additional federal dollars. But
7 what's going to happen if we're unable to do
8 that? Is the state prepared to step up and
9 cover these rental arrears for the small
10 mom-and-pop property owners?

11 COMMISSIONER VISNAUSKAS: So my
12 understanding -- and this is more in the
13 purview of OTDA than it is for HCR, is that
14 there's some funding in the budget that I
15 think can be potentially targeted towards the
16 rental arrears programs should there not be
17 enough funding that comes through at the
18 federal level.

19 SENATOR HELMING: Okay. And just real
20 quickly, the Executive Budget proposes
21 \$77 million for areas specifically impacted
22 by Hurricanes Sandy, Irene and Lee. Is there
23 any funding that you're aware of for the
24 communities along Lake Ontario that have just

1 been devastated by flooding that could be
2 attributed to not only rain events but the
3 implementation of Plan 2014?

4 COMMISSIONER VISNAUSKAS: So the
5 funding that's in the budget for the
6 Governor's Office for Storm Recovery is, as
7 you said, for Irene, Sandy and Lee, and is
8 meant to complete a series of existing
9 community reconstruction and small sort of
10 infrastructure projects.

11 I think we are happy to, as we have in
12 the past, sort of work with you on funding as
13 other needs come up for the shoreline
14 communities. You know, we have the large
15 effort from a couple of years ago working on
16 all those infrastructure projects. But
17 happy, I think, to reconnect on those with
18 you.

19 SENATOR HELMING: Thank you.

20 CHAIRWOMAN KRUEGER: Thank you.
21 Assemblywoman.

22 CHAIRWOMAN WEINSTEIN: We go to
23 Assemblywoman Joyner.

24 First I just want to acknowledge

1 Assemblywoman Rodneyse Bichotte Hermelyn
2 joined us earlier.

3 Assemblywoman Joyner, for three
4 minutes.

5 ASSEMBLYWOMAN JOYNER: Thank you.

6 Good afternoon, Commissioner. I have
7 two issues. I'll just state them up front
8 and then allow you time to address them.

9 A huge crisis is unfolding in my
10 district, in the Highbridge section of my
11 district, where an owner applied to HCR to
12 deregulate six buildings that will impact
13 over 500 tenants. The owner argues these
14 buildings should no longer be rent-stabilized
15 because the J-51 tax credits will expire.

16 What is DHCR committed to doing to
17 prevent this owner from being released from
18 his regulatory agreement? And just my
19 position, on the record, is we have an
20 affordable housing crisis and I urge the
21 agency to take all necessary efforts to
22 maintain these buildings within the
23 rent-stabilized program. That's the first
24 issue.

1 The second issue is with regards to
2 Findlay Houses, a senior Mitchell-Lama
3 building at 1175 Findlay Avenue. In 2018 the
4 building received a Housing Finance Agency
5 subsidy loan and was also awarded funds
6 through the Preventive Troubled Asset Program
7 to help with security upgrades and emergency
8 electric repairs.

9 The building has not seen a dime of
10 this money. What is the timeline for the
11 release of this money, and what efforts can
12 be made to expedite this process?

13 Thank you.

14 COMMISSIONER VISNAUSKAS: I'm happy to
15 answer those.

16 On your first question, I am aware of
17 that case. It is, I believe, subject to some
18 litigation, and so I'm not sure that I can
19 provide -- sort of comment specifically on it
20 other than to share your concern that we
21 are -- will certainly be very focused on
22 making sure that there's not a negative
23 impact to the tenants there. And happy to
24 follow up with you directly on that one also.

1 On Findlay House -- Findlay House has
2 been a challenging building for us for the
3 whole time I've been at the state, partially
4 because it had a somewhat absent owner. So
5 we are in sort of the final part of a process
6 to bring in a new owner for that building,
7 and that owner will -- while we had allocated
8 some sort of temporary funding for that, what
9 we really want to do in that building is
10 really a comprehensive renovation, like we
11 would for any project we would touch, rather
12 than sort of fixing only small, incremental
13 things.

14 So we are very much looking forward to
15 a new owner taking that on this year, very
16 shortly, and working with them to do a large
17 refinance of the whole building and give it
18 all the investment that it really needs.

19 ASSEMBLYWOMAN JOYNER: Okay. Well,
20 you know, time is of the essence, right? So
21 we look forward to revisiting these issues
22 and prioritizing the unfinished work that is
23 desperately needed at buildings such as
24 Findlay House. Thank you.

1 CHAIRWOMAN WEINSTEIN: Thank you.

2 Back to the Senate.

3 CHAIRWOMAN KRUEGER: Okay. Thank you
4 very much.

5 Senator Robert Jackson for three
6 minutes.

7 SENATOR JACKSON: Thank you,
8 Madam Chair.

9 Commissioner, good afternoon. We've
10 been in this since 11 o'clock, and
11 continuous. But a couple of questions.

12 So can you tell me -- there's been --
13 a lot of criticism on the 421-a has been that
14 the tax bracket -- the tax break provided to
15 developers is worth far more than the
16 affordable housing it produces, because the
17 program subsidizes the entire building, not
18 just affordable units.

19 What would Governor Hochul's proposed
20 new program change this dynamic -- how is it
21 going to change it? My understanding is that
22 there is no tax incentive whatsoever. So
23 shed some light on that, if you don't mind.

24 COMMISSIONER VISNAUSKAS: Happy to.

1 So we -- as I said before, New York
2 City and the state as a whole needs more
3 housing supply. And the lack of housing
4 supply is what we experience when we see
5 people doubled up, when we see people not
6 able to find affordable housing. We need
7 more housing.

8 So we believe that the tax incentive
9 is -- we've moved it to a new section of law
10 to sort of separate it from all the old parts
11 of 421-a. It's now in 485-w. We feel like
12 it's a critical tool to get housing produced
13 in the City of New York, rental housing. I
14 think in the absence of a tax incentive that
15 requires affordable housing, we would have
16 all market-rate housing. So we feel that the
17 tax incentive does a couple of things better
18 than the program did before.

19 Number one, we've lowered the
20 affordability in the program. So previously
21 many developers had taken the option where
22 units were at 130 percent of AMI, so we have
23 dropped that to 90 AMI and 80 AMI, which is a
24 very significant reduction both in the

1 household incomes it serves but also in the
2 rents that it creates.

3 And we have made that affordability
4 for all buildings that are 30 units or
5 greater permanent.

6 So this is affordable housing that can
7 get built in neighborhoods that stays there
8 forever. It doesn't expire when the tax
9 exemption expires, it doesn't expire when the
10 regulatory agreement expires. It gets built
11 into the fabric. And we think it's
12 important, as the city grows, to make sure we
13 get real affordability in all those
14 neighborhoods.

15 SENATOR JACKSON: Do you think that
16 this change that she's proposing, is it going
17 to cost the taxpayers more in tax credits or
18 is it going to cost less? And is it going to
19 build more affordable housing for the people
20 that really need it?

21 COMMISSIONER VISNAUSKAS: We think
22 that it will cost less. We have taken
23 portions of the tax exemption from the prior
24 program and reduced them, so now the benefit

1 is less than it was. For a subset of the
2 buildings, it will cost less.

3 And we think that dropping the
4 affordability, again, from sort of 120, 130
5 down to 80 or 90 is more meaningful
6 affordability. You know, a 130 AMI apartment
7 for a single person is someone who makes
8 \$107,000 a year. This would drop that --
9 this is at the upper end -- to someone who
10 makes more like \$65,000 a year and that's at
11 80 AMI. So at 40 AMI, it's half of that, and
12 someone who makes \$33,000 a year.

13 So we think those affordability levels
14 in the city are affordable and are important.

15 SENATOR JACKSON: Thank you. My time
16 is up.

17 CHAIRWOMAN WEINSTEIN: Thank you.

18 Assemblyman Lawler, three minutes.

19 ASSEMBLYMAN LAWLER: Thank you,
20 Chairwoman.

21 And Commissioner, thanks for joining
22 us. I want to thank you and your staff for
23 working with me recently to address the
24 dispute between the federal government and

1 the state over the Rockland County Homes for
2 Heroes. I think that's an important project
3 to move forward and build housing for our
4 veterans.

5 I am, however, deeply concerned about
6 the ADU legislation that is included in the
7 Governor's budget. I have heard from all of
8 my municipalities in opposition to this,
9 bipartisan opposition. And it is something
10 that I think will end single-family zoning
11 throughout New York State and seriously
12 impede upon local control, which is a
13 constitutional right of local municipalities.

14 I represent Southern Rockland County.
15 Rockland County is predominantly
16 single-family residential neighborhoods. We
17 do have multifamily housing, we do have
18 accessory dwelling units. But it is based on
19 the decisions of our local elected officials,
20 our planning boards, our zoning boards. And
21 local control is essential for our state.
22 And I think anything that would impede upon
23 that, in a one-size-fits-all approach to
24 housing, is problematic.

1 Especially -- I understand the
2 challenges New York City faces. But if
3 New York City wants to implement ADUs, by
4 right, they can do that. They can do that
5 already. They can do that by their own City
6 Council and they can do that through the
7 Mayor.

8 But to force local municipalities in
9 New York State to allow, by right, accessory
10 dwelling units, will create a lot of problems
11 in our municipalities. Rockland County,
12 two-thirds of our land is developed, a third
13 of our land is parkland. We have 340,000
14 residents and growing. Allowing ADUs will
15 explode the population almost overnight.

16 We have serious concerns about the
17 impact it will have on roads, bridges, gas
18 pipelines, power lines, water mains, sewer
19 lines, train tracks, which are already
20 overburdened and in serious need of financial
21 support.

22 We will have a dramatic increase in
23 traffic and street parking, which is
24 prohibited throughout most of Rockland

1 County, especially in the winter with the
2 snow plows. And I have serious concerns
3 about the impact for our first responders.

4 Proposals that are out there limit the
5 ability of municipalities to require multiple
6 exterior access doors, reduce the required
7 ceiling height in basement units, and limit
8 the side and rear setbacks. This will also
9 have a significant impact on SEQRA at a time
10 that we're trying to combat climate change.

11 I strongly encourage the Governor to
12 remove this from her budget -- and, if not,
13 to allow for a local opt-out. If you want to
14 incentivize ADUs, by all means. But to
15 promote a one-size-fits-all plan is
16 irresponsible and will lead to the
17 elimination of local control of zoning.

18 CHAIRWOMAN KRUEGER: I guess that
19 hands it back over to the Senate. Thank you.

20 Senator Leroy Comrie. Are you there,
21 Leroy?

22 (No response.)

23 CHAIRWOMAN KRUEGER: All right, in the
24 absence of Leroy Comrie, I will go back to

1 him, but I'm jumping to Senator John Mannion.

2 SENATOR MANNION: Thank you, Senator
3 Krueger.

4 A couple of quick questions here,
5 Commissioner. And I know this might be a
6 little bit out of your world, but I know that
7 this is a major issue in my district and
8 others.

9 So has there been any assistance or
10 coordination with OTDA to move along ERAP
11 applications? Because tenants and landlords
12 in my district have indicated that they're
13 waiting months for a decision when it comes
14 to the applications.

15 COMMISSIONER VISNAUSKAS: I know that
16 OTDA and their brand-new commissioner are
17 very focused on getting those applications
18 approved.

19 I don't have an update sort of on
20 their numbers or anything; I'm sure they can
21 supply that at their hearing. But I know
22 that the commissioner is laser-focused on
23 that.

24 SENATOR MANNION: I appreciate that

1 and understand, of course.

2 A different question is, do you know
3 how much can you -- do you have any numbers
4 or estimates on how much the state and the
5 city spend on affordable housing each year,
6 spending on affordable housing?

7 COMMISSIONER VISNAUSKAS: That's a
8 great question. I think it probably depends
9 on how you think about that. Obviously the
10 projects that we finance are sort of highly
11 structured and involve both, you know,
12 federal funds, state funds, a lot of
13 private-sector funds raised through tax
14 credit equity, and private bank funds.

15 So I think it depends on the spend,
16 depends sort of on spends, a little bit on
17 whose dollars you mean. And as you know, the
18 state has a large Housing Plan, as does the
19 city, but many municipalities around the
20 state also spend a significant amount of
21 their resources.

22 So I don't have an exact number but
23 would be happy to talk more about that.

24 SENATOR MANNION: And understanding

1 that and appreciate your answer, knowing
2 that, you know, I was not going to get a
3 number there, most likely.

4 If you talk about the public dollars
5 versus private-sector development dollars,
6 can you without those specific numbers just
7 speak with your, you know, level of expertise
8 and professionalism about how do they compare
9 in the State of New York as far as public
10 versus private for affordable housing?

11 COMMISSIONER VISNAUSKAS: I think this
12 would hold true for the city as well, that we
13 all leverage at least three times, if not
14 more, public dollars to private dollars.

15 SENATOR MANNION: I appreciate that.
16 Thank you for that information.

17 And appreciate your work today,
18 Senator Krueger and Assemblymember Weinstein.
19 Thank you.

20 Thank you, Commissioner.

21 CHAIRWOMAN KRUEGER: Thank you.
22 Assemblywoman.

23 CHAIRWOMAN WEINSTEIN: Assemblyman
24 Epstein, three minutes.

1 ASSEMBLYMAN EPSTEIN: Thank you,
2 Chair.

3 And thank you, Commissioner, for all
4 your work. And really I just want to applaud
5 your efforts on the accessory dwelling unit
6 language. I think it's an important step to
7 deal with our affordable housing crisis.

8 And I know I only have three minutes,
9 but if we could just quickly -- I'd love to
10 talk maybe more offline about the 421-a
11 substitute program you put in. I have some
12 real reservations about it. I don't think it
13 gets us along the affordability path, and it
14 costs a lot of money. So I don't think
15 it's -- while I understand this is a program
16 that the Governor's proposed, I don't think
17 it's actually a good substitute for 421-a.

18 I'm wondering if there's going to be
19 an opportunity to have a back and forth,
20 because I think we need a better plan, if we
21 have any plan at all.

22 COMMISSIONER VISNAUSKAS: Sure, I'd be
23 happy to continue talking about that.

24 ASSEMBLYMAN EPSTEIN: Great. And I

1 notice you didn't put Good Cause in the
2 budget. And obviously Good Cause is an
3 important policy position because it protects
4 tenants. You know, obviously rent increases
5 can continue to happen. I'm wondering is
6 there any chance to talk more about
7 Good Cause in the context of the budget,
8 especially with a 30-day amendment?

9 COMMISSIONER VISNAUSKAS: I think we
10 feel that we've put together a, you know,
11 sort of robust series of tools to address
12 evictions, to address increasing our
13 preservation efforts to make sure we're
14 investing in the housing stock, creating new
15 housing stock. As I mentioned, the Eviction
16 Prevention Legal assistance we think is a
17 great tool for upstate. We still have the
18 Tenants Safe Harbor in place for people who
19 are impacted.

20 So I think we feel that we have a good
21 set of policies here. But obviously we're
22 always open to working with the Legislature.

23 ASSEMBLYMAN EPSTEIN: Well, great.
24 I'm looking forward to those conversations as

1 well.

2 I appreciate you putting in
3 electrification of the housing stock. I
4 wondered, in that language, are you going to
5 require mandatory charging infrastructure
6 putting in place as well?

7 COMMISSIONER VISNAUSKAS: For cars?

8 ASSEMBLYMAN EPSTEIN: For cars. If --
9 yeah, where there's parking lots. We're
10 going to need places for people to charge
11 their vehicles, and I'm wondering if part of
12 that requirement will be some mandatory
13 electrification for charging stations.

14 COMMISSIONER VISNAUSKAS: Yeah,
15 Assemblyman, we've started to see those in
16 many of our upstate budgets where we have
17 more parking. I don't think it's a
18 requirement at the moment in our design
19 guidelines, but we are working on a series of
20 revisions based on the CLCPA recommendations,
21 so happy to talk more about that.

22 ASSEMBLYMAN EPSTEIN: Good. I'd love
23 to see you put those in if possible.

24 I know Assemblymember Cymbrowitz and

1 Senator Kavanagh talked about funding for
2 NYCHA, and I know there's nothing in the
3 budget. I would encourage you to go back to
4 the Governor's office. We need money for
5 NYCHA, whether we get money from Build Back
6 Better -- which I hope we do, and I know
7 we're all going to push for that.

8 We need to support our public housing,
9 and as you know, this is something we're
10 deeply committed to. I hope we can get a
11 commitment at least from the Governor's
12 office to do something for public housing
13 this year that isn't just focusing on a
14 Preservation Trust.

15 And then finally, in my last few
16 minutes, you know, we have the condo/co-op
17 tax abatement that's expiring this year. And
18 so especially on the higher end, we're giving
19 away a lot of money for higher-income people
20 that we could use for other sources. And I'm
21 wondering if there's been any conversations
22 about kicking that back so at least the
23 higher-end people who are getting \$35,000,
24 \$40,000 a year in tax abatement, we can

1 recapture that money for public housing or
2 other affordable housing programs.

3 COMMISSIONER VISNAUSKAS: I'm not sure
4 that has come into our office as an ask,
5 although it may be in a --

6 CHAIRWOMAN WEINSTEIN: We're going
7 to --

8 COMMISSIONER VISNAUSKAS: But happy to
9 talk about that.

10 ASSEMBLYMAN EPSTEIN: Okay, thank you.
11 Thank you, Chair.

12 CHAIRWOMAN WEINSTEIN: We sent it back
13 to the Senate.

14 CHAIRWOMAN KRUEGER: Thank you.
15 State Senator Leroy Comrie is next.

16 SENATOR COMRIE: Thank you, Madam
17 Chair.

18 Good afternoon, Commissioner. I
19 wanted to ask you about the DHR and whether
20 or not their computer technology has been
21 improved at all, because we are getting a lot
22 of complaints about the inability of folks on
23 all sides to get a real update on whether or
24 not their complaints have been registered or

1 their complaints are being followed through
2 on.

3 And could you give us a sense of where
4 we are with upgrading the technology at DHR?

5 COMMISSIONER VISNAUSKAS: Yes. So we
6 have this very large transformation project.
7 We had previously been working with a vendor,
8 that vendor is no longer working with us, and
9 now we're working directly with ITS. ITS
10 obviously has been -- during the course of
11 the COVID pandemic had a lot of technology
12 platforms that they've been rolling out for a
13 variety of pandemic-related needs. But we
14 continue to work with them.

15 I -- in the intervening year we have
16 added parts of the system to come online
17 around the Tenant Protection Unit and some
18 legal tracking pieces of it, but we are not
19 fully there yet on the whole. And we don't
20 have an exact timeline today for you, but I'm
21 happy to follow up on that.

22 SENATOR COMRIE: Thank you. Have you
23 been able to fully expand the Tenant
24 Protection Unit with the dollars that you

1 were given last year? Or are you still
2 looking for --

3 CHAIRWOMAN WEINSTEIN: Senator Comrie,
4 I think you're unmuted.

5 SENATOR COMRIE: I'm unmuted. Hello,
6 can you hear me?

7 COMMISSIONER VISNAUSKAS: Yes.

8 CHAIRWOMAN WEINSTEIN: Oh, okay. No,
9 sorry. Okay, it was hard to hear. Thank
10 you.

11 SENATOR COMRIE: I'm sorry, I'll talk
12 louder.

13 Have you been able to fully staff up
14 the Tenant Protection Unit now with the
15 dollars?

16 COMMISSIONER VISNAUSKAS: Yes, we have
17 25 staffers in that division. The head of
18 the unit, Greg Fewer, actually just recently
19 retired, and we are in the process of
20 bringing on a new head for that. So -- but
21 we are at full staff.

22 SENATOR COMRIE: Okay. Also I
23 represent a lot of homeowners, and I'm going
24 to actually follow Senator Helming in her

1 request that we do more for homeowners to
2 make sure that they can get some relief, that
3 we do some tax credits and some tax relief
4 for homeowners.

5 And also that we consider doing a
6 program for homeowners, small homeowners that
7 can't get to court because they're trying to
8 work four jobs to maintain their homes,
9 especially since they haven't gotten any
10 relief for arrears in two years.

11 And I would hope that the Governor's
12 office seriously looks at some programs where
13 we do more for homeowners in this budget,
14 especially since we're doing so much more for
15 non-homeowners in the budget, and so we need
16 some equality. Thank you.

17 I'll end my time. Thank you, Madam
18 Chair.

19 CHAIRWOMAN KRUEGER: Thank you.
20 Assembly.

21 CHAIRWOMAN WEINSTEIN: We next go to
22 Assemblywoman Hyndman, I believe.

23 ASSEMBLYWOMAN HYNDMAN: Thank you,
24 Chair Weinstein.

1 I have a couple of questions regarding
2 the amount of -- how long does it take to
3 process the MCIs that your office receives?
4 And the reason why I'm asking that is because
5 there's a huge amount of tenants that live in
6 the Zara buildings in Queens who have been
7 complaining that every time they get an
8 increase that it's because the owners are
9 telling them it's an MCI. So that's my first
10 question.

11 And is it self-reporting, and how do
12 you investigate the validity of an MCI? And
13 also when it comes to the accessory dwelling
14 units, you know, in Southeast Queens we have
15 a large homeownership of black homeowners.
16 And this has been talk amongst the civic
17 associations, is that while we want to make
18 sure that everyone has housing, just like my
19 colleagues maybe in Nassau and Suffolk and
20 upstate, when you talk about in single-family
21 neighborhoods, there is a lot of pushback on
22 changing the quality of life and so forth.
23 We have a lot of basement apartments, we want
24 them to be legal apartments but what we don't

1 want to see is an influx of backyards
2 becoming multifamily spaces.

3 And the same as it would be here, we'd
4 be worried about people would move after a
5 year once they realize they can get income
6 for that.

7 So those are my two questions.

8 COMMISSIONER VISNAUSKAS: Okay. I
9 think I'll take the MCI one first. We take
10 the case processing of MCIs very seriously.
11 It's not something we -- you know, we process
12 it and review all the materials. Owners are
13 required to submit receipts and documents,
14 and so -- and there is a fair amount of back
15 and forth. The tenants are noticed.

16 And so I would be happy to sort of
17 follow up on the Zara buildings or any others
18 on the MCIs there. But we certainly do, you
19 know, process those and take that seriously.

20 On the accessory dwelling units, what
21 we have aimed to do with the proposed
22 legislation in New York City is to give
23 New York City some tools to create a pathway
24 of amnesty for owners so that they can bring

1 have put in the state budget, in HCR's
2 capital budget, \$85 million that could be for
3 accessory dwelling units, you know, as we see
4 sort of where the needs are for that. So we
5 do have a funding source there.

6 ASSEMBLYWOMAN HYNDMAN: Okay. Thank
7 you, Commissioner.

8 COMMISSIONER VISNAUSKAS: Yup.

9 CHAIRWOMAN KRUEGER: Thank you.
10 Senator Zellnor Myrie.

11 SENATOR MYRIE: Thank you, Chair
12 Krueger.

13 And thank you, Commissioner. Thank
14 you for working with our office on the
15 Homeowner Assistance Fund. We've held a
16 number of events, and the office has been
17 very helpful to us, and we hope that we can
18 continue that partnership.

19 I want to first associate myself with
20 the comments made by my colleagues as relates
21 to 421-a. You know, I am not fully convinced
22 that the replacement proposed by the budget
23 really extends true affordability,
24 particularly for neighborhoods like the ones

1 that I represent. And so I would urge us to
2 reconsider that.

3 And also urge our policymakers to
4 consider that our property tax system in
5 New York City is very jacked up -- I think
6 that's the legal term -- and that makes it I
7 think necessary for us to subsidize
8 affordable housing the way that we do.

9 My one question is on the \$50 million
10 that is proposed by the Governor for
11 affordable homeownership opportunities that
12 prioritizes residential control. It doesn't
13 specify what that looks like. A number of us
14 have proposals -- I have a proposal, the
15 Tenant Opportunity to Purchase Act, that is a
16 specific type of residential control
17 providing opportunities particularly for
18 Black and brown folks in our communities that
19 have not had a path to homeownership.

20 I'm wondering if this is what is
21 envisioned in the budget. If not, is it
22 CLTs, is it some mix of TOPA, CLTs? And if
23 you could just talk to us more about that.

24 COMMISSIONER VISNAUSKAS: So what we

1 tried to do in the budget was sort of carve
2 out a little bit of space and dollars to be
3 able to fund sort of specifically kind of all
4 the -- you know, whether it's a CLT model or
5 a limited equity co-op model or something
6 like that, to allow folks to bring us those
7 projects and to sort of have a set-aside of
8 dollars to look at governance, look at
9 permanent affordability, be able to do some
10 of those projects.

11 So I think it's, you know, a little
12 bit of all of the above. We envision it as a
13 new construction, as a new creation, a
14 program. But I think we're going to be
15 pretty open from a -- assuming it gets passed
16 in the budget, be pretty open to what we get.

17 SENATOR MYRIE: Thank you very much.
18 I cede the rest of my time.

19 CHAIRWOMAN KRUEGER: Thank you.
20 Assembly.

21 CHAIRWOMAN WEINSTEIN: We go next to
22 Assemblywoman Jackson.

23 ASSEMBLYWOMAN JACKSON: Thank you,
24 Chair.

1 Thank you, Commissioner. I just have
2 a few quick questions.

3 When it comes to Black homeownership
4 and brown homeownership, we know that the
5 numbers have been down historically and we
6 would love to see -- I just wanted to know
7 what support are we giving to people to own
8 their home, finally.

9 When it comes to NYCHA, I have to
10 listen to my residents. They do not trust
11 the trust. So we need to know what kind of
12 funding, if any, or what kind of help,
13 assistance can we offer NYCHA at this point.
14 Mitchell-Lama makes it easy for young people
15 and people who are middle-to-lower income to
16 own a home. And so I would love to know what
17 if anything we are doing for our
18 Mitchell-Lamas.

19 And if you have any idea on short-term
20 rentals in the city so that people can find
21 another way of creating income for themselves
22 in the city.

23 So Black homeownership, NYCHA funding,
24 Mitchell-Lamas, and short-term rentals.

1 COMMISSIONER VISNAUSKAS: Okay. I'll
2 try my best here.

3 So on NYCHA, you know, I understood
4 we -- there are -- you know, we believe that
5 we want to give NYCHA as many tools as we can
6 to be successful. And so we are just
7 continuing to work with the city
8 administration on the trust.

9 I think as it relates to short-term
10 rentals and income for people -- and I don't
11 know if this is what you mean, but I think we
12 are hopeful that with the accessory dwelling
13 legislation in the city that that will allow
14 people to take units that are not legal and
15 make them legal and make them safe for
16 tenants who live there, because we do
17 understand that obviously that provides
18 income for the homeowners who have those
19 accessory dwelling units, the basement
20 apartments or the attic apartments.

21 And then I think on Black
22 homeownership and Mitchell-Lama -- obviously
23 we have a fixed amount of Mitchell-Lamas in
24 the city right now, and we work very hard to

1 make sure that they can stay in the program,
2 that they can stay in good repair.

3 I do think that what Senator Myrie was
4 just asking, about this effort that we have
5 around putting some funding aside for new
6 models of homeownership like a Mitchell-Lama
7 structure or a limited equity in a co-op
8 structure, we're really excited to start
9 doing more of those and really want to get at
10 the supply side of this and make sure that
11 there are houses for people to buy that are
12 affordable.

13 And we have tried -- as I talked about
14 a little bit before, we launched last year
15 the Give Us Credit program, which looked at
16 places where we saw Black homeowners getting
17 rejected at double the rate of white
18 homeowners, holding constant for income
19 around the state. And we've gone into all
20 those, about 33 places around the state, and
21 we are making sure that people are aware of
22 our SONYMA mortgage program, we are making
23 sure that people understand what their
24 opportunities are, they have financial

1 literacy, and really trying to -- you know,
2 the Black homeownership rate in New York is
3 no better than it is in the rest of the
4 country, and it's not good.

5 And so we are hopeful that a series of
6 tools both on the mortgage side as well as on
7 the supply side will help make a dent in
8 that.

9 CHAIRWOMAN WEINSTEIN: Thank you.

10 We go to the Senate. Perfect timing.

11 CHAIRWOMAN KRUEGER: Thank you.

12 Senator Pete Harckham.

13 SENATOR HARCKHAM: Thank you very
14 much, Madam Chair.

15 Commissioner, it is always great to
16 see you. Thank you for your testimony. I
17 want to thank you and the Governor for the
18 \$85 million in the capital plan to support
19 accessory dwelling units. That's a big step
20 forward for making them safe and bringing
21 them out of the shadows.

22 I don't want to talk about ADUs, but
23 I'm going to talk about ADUs for a second, in
24 that there is a tremendous amount of

1 misinformation. Some of it's purposeful, and
2 that's fine, it's an election year. But if
3 people really want to know about the ADU
4 bills, please, call my office, call me, call
5 Assemblyman Epstein. We address many, many,
6 many concerns of the municipalities in the A
7 print. So please give us a call if you
8 really want to have a fact-based conversation
9 about ADUs.

10 What I want to talk to you about,
11 Commissioner -- we had spoken about this
12 briefly -- we need to find a way in our
13 capital plan to do something around recovery
14 housing. Part of our substance use disorder
15 crisis is people come out of treatment and
16 they have nowhere to go to in their early
17 recovery. They're either going back to
18 dangerous environments, they're going to
19 shelters, or they're going to badly
20 unregulated, unsafe environments.

21 So, you know, OASAS is not in the
22 housing business, you're not in the recovery
23 business, but we need to find a way to marry
24 the two of you because we lose so many people

1 to relapse and overdose in those early phases
2 of recovery because they don't have safe and
3 stable housing.

4 So I just wanted to put that plug in
5 your ear. I know we've briefly spoken about
6 it. But if that's something you can put on
7 your work list, I'd greatly appreciate it.

8 COMMISSIONER VISNAUSKAS: Yes, happy
9 to. We understand it's a real issue around
10 the state.

11 SENATOR HARCKHAM: All right,
12 terrific. Thanks so much.

13 CHAIRWOMAN KRUEGER: Thank you.
14 Assembly.

15 CHAIRWOMAN WEINSTEIN: We go to
16 Assemblywoman Rosenthal.

17 Linda, are you here? She might have
18 needed to step away.

19 So is Assemblywoman Seawright -- I see
20 Rebecca. Why don't you go ahead, and we'll
21 find Rosenthal.

22 ASSEMBLYWOMAN SEAWRIGHT: Okay, thank
23 you, Chairwoman.

24 Thank you, Commissioner, for your

1 testimony.

2 I have Roosevelt Island in my
3 district, and I'm starting to receive more
4 and more letters from constituents in
5 Westview. As you know, it went through a
6 conversion from a modified Mitchell-Lama with
7 an offering plan to purchase. And some of
8 the tenants have expressed a desire to
9 purchase and are being told due to succession
10 rights they're not allowed to, even though
11 their name is on the purchasing agreement.

12 So if we could have someone from your
13 office work with the tenants to review these
14 claims that I'm getting, that would be
15 helpful.

16 COMMISSIONER VISNAUSKAS: Yes, happy
17 to.

18 ASSEMBLYWOMAN SEAWRIGHT: And then
19 also with -- it's been reported that
20 landlords are asking for 50, 60, 70 percent
21 increases post-pandemic and that people are
22 moving out because they can't afford to rent.

23 How many New Yorkers are displaced
24 each year due to rent hikes, would you say?

1 COMMISSIONER VISNAUSKAS: I don't know
2 that there's a good data source for
3 displacement, but certainly I'm happy to sort
4 of talk more about that.

5 ASSEMBLYWOMAN SEAWRIGHT: Thank you.

6 COMMISSIONER VISNAUSKAS: And on
7 Westview, happy to follow up. As you know,
8 we spent many, many, many hours negotiating
9 that to try to get a good outcome, so we're
10 happy to follow up and make sure we get what
11 we all fought for.

12 ASSEMBLYWOMAN SEAWRIGHT: Great.
13 Appreciate your attention to it. Thank you.

14 COMMISSIONER VISNAUSKAS: Yeah,
15 mm-hmm.

16 CHAIRWOMAN WEINSTEIN: Back to the
17 Senate.

18 CHAIRWOMAN KRUEGER: Senator Hoylman.

19 SENATOR HOYLMAN: Hi. Thank you,
20 Madam Chair. Good to see you, Commissioner.

21 Commissioner, just wanted to thank you
22 for your -- thank you for the support of
23 transit-oriented development and accessory
24 dwelling units.

1 I note in the Governor's State of the
2 State that there's a pilot program to create
3 affordable homeownership projects that
4 prioritize resident control and permanent
5 affordability. She mentions it, you know,
6 comparing it to Mitchell-Lama and limited
7 equity co-ops, shared equity housing and
8 community land trusts. It's all very
9 exciting. Especially for my district, where
10 we have development possibilities around
11 Penn Station and the former Bayview Prison
12 for Women.

13 Could you shed some more light on what
14 that might look like in the final budget? I
15 see it under the \$5.2 billion proposal for
16 creation of a five-year Housing Plan. Is
17 that what the Governor referenced to -- in
18 terms of a new Mitchell-Lama program?

19 COMMISSIONER VISNAUSKAS: So the --
20 we, as I said before, sort of tried to make
21 some space and some -- both sort of in the
22 verbiage, but also attaching money would be
23 within our homeownership -- we have sort of a
24 new funding line this year, or a funding line

1 that's much bigger than it had been
2 previously, to provide for homeownership.

3 And so our thought is to keep it
4 fairly flexible and to be able to go out with
5 sort of a request for proposals that people
6 could bring us, whether it's, you know, a CLT
7 or a limited equity co-op or whatever the
8 version of that that the affordable housing
9 community brings sort of based on location.

10 So we're fairly flexible on that. I
11 think we're looking for, you know, creative
12 ideas and great projects that we can fund.

13 SENATOR HOYLMAN: And will that be
14 through an RFP? And when is that likely to
15 be issued?

16 COMMISSIONER VISNAUSKAS: Well, we
17 need the budget to pass. So as soon as we do
18 that, we would -- you know, as a series of --
19 I think as we roll out different programs
20 after the budget passes, we would, you know,
21 put this at the top of our list of things
22 that we would try to get out in an RFP and
23 give people a couple of months to pull some
24 responses together, and then we would review

1 you. I was on two Zooms simultaneously.
2 It's not a good strategy. Anyway, thank you.

3 Hello, Commissioner. How are you? I
4 have some questions. The first question has
5 to do with 421-a. What about if all the tax
6 credit funding we will -- tax credit revenue
7 we will lose over the years just be set
8 aside, just let us give tax credits on the
9 affordable. Or let us do the building, let
10 us do the construction, and it will save
11 billions of dollars that have been lost.

12 COMMISSIONER VISNAUSKAS: I would say
13 a couple of things. Obviously market
14 developers are going to build sites in the
15 city.

16 We saw, in the last version of the
17 program, that 60 to 70 percent of the
18 buildings that were built through 421-a were
19 less than 50 units and many of them were less
20 than 30 units. So there's a lot of outer
21 borough construction that happens by the
22 market.

23 We think it's important that
24 affordability get included in those

1 developments as they get built. In the
2 absence of the tax exemption, those, you
3 know, 8,000 or 10,000 units a year that get
4 built would be 100 percent market rate and we
5 wouldn't have any affordability. So the tax
6 exemption --

7 ASSEMBLYWOMAN ROSENTHAL: Okay, but
8 why -- why don't we directly finance
9 construction of new affordable housing or
10 HAVP or another Section 8-type voucher? And
11 I also don't want to lose time, so that's one
12 question.

13 My other important question is who
14 oversees 421-a? There seems to be no
15 enforcement. Landlords get away with not
16 renting out units, still getting their tax
17 credits. It's really -- HPD says HCR, HCR
18 says HPD. There's no coordination, it seems,
19 and we are losing out. Landlords harass
20 people out, they don't rent out the units
21 properly, and there's no supervision of 421-a
22 as far as a lot of us can see.

23 My other question is, what happened to
24 the TPU? Is that -- I haven't heard those

1 three letters in a long time. And are
2 they -- how are they operating?

3 And I know someone asked you about
4 Good Cause. It's been implemented in a
5 handful of counties, and it does seem to be
6 something that is protective of tenants while
7 allowing landlords to increase the rent.

8 And I would love to see more advocacy
9 coming out of your shop in terms of
10 protecting tenants, because the Safe Harbor
11 Act is not enough. And it won't be
12 long-term.

13 So those are my three basic areas.

14 COMMISSIONER VISNAUSKAS: I would say,
15 on Good Cause, we feel that we've put
16 together a series of programs and policy
17 tools in the budget to address evictions and
18 to address affordable housing production.

19 I think on the -- having mentioned
20 TPU, you probably were on your other Zoom.
21 Senator Comrie asked me about the Tenant
22 Protection Unit, which is fully staffed and
23 has -- recently the head of the TPU retired,
24 and we are just about to bring on a new

1 person. So they are alive and well.

2 ASSEMBLYWOMAN ROSENTHAL: Okay. Okay,
3 good.

4 COMMISSIONER VISNAUSKAS: And I would
5 say on 421-a, to your question about why
6 can't we just subsidize all those units, I
7 think the question is that -- or the issue
8 would be that those buildings would get
9 built, they would just get built as a
10 100 percent market-rate building and we would
11 lose the opportunity to get affordability
12 into neighborhoods around the city as it gets
13 built.

14 ASSEMBLYWOMAN ROSENTHAL: No, no, not
15 have them -- not have them build it.

16 CHAIRWOMAN WEINSTEIN: Thank you.
17 Thank you --

18 ASSEMBLYWOMAN ROSENTHAL: Well, we can
19 talk more offline. But also, who supervises
20 421-a?

21 CHAIRWOMAN WEINSTEIN: We're going to
22 turn it back to the Senate now.

23 Senator Krueger.

24 CHAIRWOMAN KRUEGER: Yes, I'm afraid

1 Linda asked way too many questions to be fit
2 into that.

3 Senator Boyle.

4 SENATOR BOYLE: Thank you, Madam
5 Chair. Thank you, Commissioner.

6 Just two quick questions, one
7 regarding the reduction in the registration
8 of rental units, regulated rental units
9 between 2020 and 2021. It basically went
10 down from about 950,000 to 886,000. Do you
11 know what accounted for that reduction?

12 COMMISSIONER VISNAUSKAS: I'm sorry,
13 it's a little bit hard to hear you. Oh,
14 there you go. Now I can see you too.

15 We -- no, I'm happy to sort of follow
16 up with you. We can go through some of the
17 data on the registrations. You know, we are
18 very active with our registration initiative
19 to make sure that we are looking at units
20 that aren't getting registered year over
21 year, and are pretty proactive there. So
22 happy to follow up with you on that.

23 SENATOR BOYLE: Okay, wonderful.

24 And the only other thing is more of a

1 comment than a question. But accessory
2 dwelling units, in my area, are going over
3 like a lead balloon. I associate myself with
4 Assemblyman Lawler's idea. If they're going
5 to be a carrot program, fine. You know, but
6 leave it up to the localities. My phone has
7 literally been ringing off the hook. The
8 localities are very concerned about losing
9 their constitutionally guaranteed
10 jurisdiction.

11 And not to say it's not a decent idea
12 down the road, but we need to do it very
13 carefully. And a one-size-fits-all statewide
14 mandate would not be a good thing. But
15 that's -- we can continue that discussion.

16 Thank you, Commissioner.

17 CHAIRWOMAN WEINSTEIN: Thank you.

18 We go to Assemblyman Burdick.

19 ASSEMBLYMAN BURDICK: Thank you.

20 And first, Commissioner, thank you for
21 the great work that you're doing and moving
22 ahead with the five-year capital plan.

23 I'll get all of my questions out at
24 once, and if you're unable to get to all of

1 the answers, perhaps if they could be
2 provided later.

3 I commend you on pressing for the new
4 five-year capital plan for 100,000 affordable
5 housing units. Wondering whether higher
6 goals and funding levels might be possible if
7 Build Back Better comes through, perhaps the
8 30-day amendment.

9 Also delighted to see the 60 million
10 for the small building program. Would like
11 to get a sense of how many units that might
12 create and how the funds would be
13 distributed.

14 I also wanted to heartily agree with
15 Senator Harckham regarding the need for
16 housing for those recovering from addiction.
17 And related to that, I'd like to ask about
18 transitional housing, which we discussed at
19 the committee's hearing last year on the
20 five-year capital plan. And would you
21 support a dedicated funding stream for
22 transitional housing for those released from
23 our correctional facilities, like the
24 dedicated funding stream for supportive

1 housing?

2 Legal representation for eviction
3 cases program, I'm cosponsor of the Assembly
4 bill and delighted to see that being created.
5 I understand from answers you gave before
6 that the funds will be distributed to legal
7 services providers. Wondering if we could
8 get a listing.

9 And finally, you mentioned people with
10 special needs. May I assume that this
11 includes people with disabilities?

12 COMMISSIONER VISNAUSKAS: That was a
13 lot.

14 (Laughter.)

15 COMMISSIONER VISNAUSKAS: Yes, we --
16 what I heard last, maybe going in reverse
17 order, yes, we do a lot of work with OPWDD,
18 who serves a highly special-needs population,
19 as well as some of the other state agencies,
20 and continue really great partnerships with
21 those agencies to integrate those populations
22 into the housing we do.

23 Yes, on legal representation, I
24 think -- happy to follow up with you on the

1 organizations.

2 On transitional housing, since this
3 had come up before I think I would say this
4 is probably really something for HCR and OTDA
5 and the Office of Criminal Justice Services
6 to work on together.

7 We, you know, primarily are creators
8 of permanent housing, not regulators of
9 permanent housing, and I think much of the
10 transitional housing may be a little bit more
11 in the purview of OTDA. But we can work on
12 breaking down some sort of silos and I think
13 work between HCR and OTDA and OC -- I forget
14 their acronym -- on that issue. It's an
15 important one, and we understand the -- we
16 have tried to incorporate a lot of policy
17 changes for people who have been involved in
18 the criminal justice system into our
19 programs, so we're certainly sensitive to
20 that issue.

21 Thank you on small buildings. Happy
22 to circle back with you on our production
23 there.

24 And I can't remember what your Housing

1 Plan question was, because --

2 ASSEMBLYMAN BURDICK: The last one was
3 if there's money from Build Back Better,
4 would you do a 30-day amendment?

5 COMMISSIONER VISNAUSKAS: Oh, yes,
6 sorry. Yes, certainly. We were really
7 hopeful for that for a while, and it didn't
8 happen. But the two changes, both the
9 expansion of the 9 percent credit and the --
10 what's called the reduction of the 50 percent
11 test, would be very big policy changes or
12 tools for us to expand our production.

13 ASSEMBLYMAN BURDICK: Thank you so
14 much.

15 CHAIRWOMAN WEINSTEIN: Thank you.
16 Back to the Senate.

17 CHAIRWOMAN KRUEGER: Thank you. I
18 think it's down to me in the Senate.

19 Hi, Commissioner. Thank you for all
20 your work and the work of your agency.

21 So many questions. Let's see. And I
22 actually get 10 minutes, but hopefully won't
23 use them all.

24 Going to supportive housing, which

1 many people brought up, I think there's been
2 a frustration during the Cuomo administration
3 that there were promises for more supportive
4 than we actually saw ever getting built. Are
5 we going to speed up the process by which
6 money can go out the door to help these
7 buildings get either retrofitted or built and
8 open?

9 COMMISSIONER VISNAUSKAS: So we
10 committed during the first five years to
11 6,000 units. We've fully financed 6,000
12 units and a little more. Those were both
13 ESSHI units as well as, you know, old, like,
14 New York/New York III contracts and things
15 rolling up.

16 So I think for us and OTDA, through
17 their HHAP program, I think we would be happy
18 to come back to you to say we feel like
19 we've -- that the -- as part of the 20, we
20 did the first six. We are now, in this
21 Housing Plan, committed to 7,000 over the
22 course of the five years and are adding to
23 that, at the request of advocates,
24 additionally 3,000 units of preservation,

1 because obviously we can't be losing existing
2 supportive housing and just be building new.
3 So we will be, at their request -- which we
4 agree with the goal, obviously -- having a
5 10,000 unit total goal for this five-year
6 Housing Plan of the combination of the new.

7 So we are, you know, sort of all-in on
8 supportive housing and understand the great
9 need there.

10 CHAIRWOMAN KRUEGER: Great. Because
11 every community, you know, needs a
12 special-needs -- mentally ill, substance
13 abusing, people coming out of prison,
14 everybody. So great.

15 I am not a fan of 421-a -- that's not
16 news to you -- so I'm not a fan of this
17 version either. But I just want to
18 double-check. One of my concerns has -- you
19 do address by bringing down the affordability
20 definition of AMI to something closer to what
21 people can actually pay.

22 My concern is that -- I think it was
23 Linda Rosenthal's earlier point -- no one's
24 really cross-checking, and everybody who's

1 like big in real estate is smart enough to
2 game the system. So what I see in my
3 district, and I think it's true on the West
4 Side of Manhattan, you buy up a block but you
5 don't buy it up as big developer ABC, you get
6 front people to buy up each little building.
7 Then suddenly one day it's a giant
8 development announced for 421-a. And so then
9 it's a 421-a building that has fewer,
10 less-affordable units than the number of
11 units that existed when you had half a dozen
12 small buildings on that block.

13 And I talk about that as gaming the
14 system because then they also claim that
15 they're using mandatory affordable
16 inclusionary zoning and they're double-gaming
17 it that way.

18 So why should we keep spending
19 taxpayer dollars and just keep getting gamed
20 by people in real estate who are apparently
21 smarter at this than we are? And can we
22 protect ourselves? I don't see anything in
23 the new program that would protect us from
24 those two storylines.

1 COMMISSIONER VISNAUSKAS: I mean, I
2 think in those cases you're getting overall
3 more housing than you may have started with
4 even if your affordability is going down,
5 although I don't know the specifics of
6 different -- of those different -- of sites.

7 I think we have tried here to -- and
8 developers are going to build in the city,
9 and we need more housing in the city, so we
10 need people to be building. We are, you
11 know, as I mentioned before, very behind on
12 our production relative to our population
13 growth and job growth.

14 So we think that the production of
15 rental housing is important. As I said, we
16 have reduced the AMIs, which we think is an
17 improvement. We have made the affordability
18 permanent so that it's not expiring at the
19 end of 35 years or at the end of a regulatory
20 agreement. We think that's important. We
21 are -- we have added some additional
22 reporting into the bill to get us some more
23 transparency around the program.

24 So we think it's an important

1 production tool so that we don't have a city
2 where only condos and market-rate rentals are
3 built.

4 CHAIRWOMAN KRUEGER: So I like very
5 much people using the term "Mitchell-Lama" as
6 if it's a new program to be started again,
7 because that would be nice.

8 But one of the things we learned about
9 Mitchell-Lama, we can't let you out of it
10 25 years later. And we can't let the
11 Mitchell-Lama cooperatives lose their
12 affordability because people see it as voting
13 themselves out and then getting a pile of
14 gold at the end of the time frame that
15 they've lived there.

16 So can you assure me that those two
17 protections will be built into this program?

18 COMMISSIONER VISNAUSKAS: Into our
19 pilot for -- yeah, I mean, we're -- for the
20 pilot specifically, we're looking for, you
21 know, innovative governance structure. So
22 like, as we sort of said, around whether
23 that's land trusts or around limited equity
24 co-ops or things which would be sort of

1 aligned with the Mitchell-Lama.

2 And they are going to be permanently
3 affordable, sort of is the way we've
4 constructed that pilot. So I think that will
5 solve some of those, you know, problems that
6 are in all housing that has an exit time for
7 its affordability.

8 CHAIRWOMAN KRUEGER: Okay. In the
9 Governor's proposal for the transit-oriented
10 building, how come she doesn't talk about any
11 affordability requirements for that kind of
12 housing?

13 COMMISSIONER VISNAUSKAS: So I think
14 there we are trying to break down, you know,
15 single-family zoning in areas that are
16 transit-rich and where there's a lot of
17 investment. So I don't think it precludes
18 localities from including that themselves.
19 It was really an effort to just get at the
20 supply side of housing as a first step.

21 CHAIRWOMAN KRUEGER: Although if I
22 listen to some of my suburban colleagues and
23 their concerns about accessory housing, I
24 think they would be better off supporting

1 transit-oriented development by their train
2 stations where you're starting from scratch,
3 so you're not violating anybody's believed
4 control, and affordable housing near rail
5 stations, so that you don't need cars to get
6 into New York City for jobs, is a wonderful
7 model.

8 So I would just encourage you to think
9 about factoring in affordability there.

10 FAR 12. FAR 10 has created a monster
11 in Manhattan -- East Side, West Side, bottom
12 of Manhattan, everything south of 96th
13 Street. We have super-talls that are
14 1100 feet competing with super-talls going up
15 to them that are 1300 feet. The density
16 situation is beyond comprehension. There is
17 no place to walk on the sidewalks. There is
18 no sun or light, there are no park spaces.
19 Why the hell would we want to give anybody
20 more FAR unless you say, You can't use it in
21 the densely-overdeveloped areas of Manhattan?

22 COMMISSIONER VISNAUSKAS: So the
23 proposal here is really to give the city
24 control over that. As you know, the

1 restriction lives in the state MDL and the
2 city can't change that. So -- and the -- you
3 know, my understanding is the new
4 administration is supportive of creative ways
5 to get more housing built in the city to deal
6 with the affordability crisis and the
7 overcrowding crisis that we have.

8 So this doesn't change the zoning as
9 much as it gives the city control over where
10 it chooses to increase residential density
11 across the city.

12 CHAIRWOMAN KRUEGER: So just for the
13 record, I didn't trust the last
14 administration on this issue, and I don't
15 trust the new administration on this issue
16 either. Everybody keeps seeming to say,
17 Fine, we don't care if Manhattan Island
18 becomes Dubai or Singapore. Those of us who
19 live there do care whether it becomes Dubai
20 or Singapore, and we don't want to be living
21 in those cities.

22 So I'm going to continue to argue
23 strenuously against just an open-ended FAR
24 expansion.

1 Last point. So you answered a
2 question before about the NYCHA Trust, about
3 you're still looking at it. I understand
4 that there are tenants who are worried. But
5 I am far more worried that we're never going
6 to see the money to rebuild NYCHA the way we
7 need to. Build It Back Better is like all of
8 our dream mantras -- but do we think there's
9 going to be 40 billion for public housing for
10 New York City? I'm too cynical and too old
11 for that.

12 Can you help me understand what we
13 have to make sure is in there for us to be
14 comfortable as a state that we're not selling
15 NYCHA down the river in some unexpected way
16 if we support the trust? Because I actually
17 think it is the right thing to do at this
18 point in history.

19 COMMISSIONER VISNAUSKAS: I mean, it's
20 complex to do in a minute and 21 seconds.
21 But for sure, I think NYCHA has spent an
22 enormous amount of time trying to build in
23 protections for the underlying land, for
24 control, for should anything go wrong and the

1 ability to cure. You know, in the case of
2 RAD where the buildings were in fact
3 transferred to a private entity, this gets
4 rid of that. Right? The NYCHA trust is a
5 public entity, and so it maintains public
6 control.

7 So I think that NYCHA has tried to
8 work very hard to get those assurances.
9 Obviously they are complex and as you had --
10 in the legislative text, you know, you can
11 see sort of the complexity there. But I do
12 think it's something that needs to be on the
13 table.

14 CHAIRWOMAN KRUEGER: Okay. Thank you
15 very much.

16 Assemblywoman, thank you. And the
17 Senate is done.

18 CHAIRWOMAN KRUEGER: We go to
19 Assemblywoman Walker. Assemblywoman Walker,
20 are you here?

21 ASSEMBLYWOMAN WALKER: Yup. Hi.
22 Sorry about that. Okay. A lot happening at
23 the same time, as we can all imagine.

24 So thank you so much for your

1 testimony. I just wanted to ask about --
2 with the supportive housing, we've been
3 talking about transitional housing for
4 reentry housing. I did see something in the
5 budget, it was \$2.5 million increase, but
6 only for housing for 90 days.

7 We do have a pilot project that we're
8 working on with -- in my district. Also in
9 Syracuse there was a project. So I was just
10 wondering what the budget's commitment was to
11 reentry housing there.

12 With the Affordable Housing
13 Corporation, we had an increase from \$40,000
14 to \$75,000, which was just signed into law by
15 Governor Hochul, a subsidy for -- 40,000 to
16 75,000 that was subsidy for each unit.

17 I was wondering, did we put the money
18 in the budget in order to support that
19 increase from 40,000 to 75,000?

20 I do want to submit comments for --
21 that many of my colleagues have made about
22 public housing. Of course I have 29 NYCHA
23 developments in my district, so I would
24 rather take the trust out of the budget,

1 because there are a lot of other issues that
2 we should be dealing with in there that maybe
3 we need to talk about on another level. So
4 if we can pull that out and deal with that
5 post-budget, I would appreciate it.

6 And -- I think that was it for me. So
7 reentry housing, affordable housing program
8 increase in the subsidy, public housing. And
9 then also I will submit my comments to those
10 who spoke about the problems with 421-a and
11 if we can deal with those outside of the
12 budget as well.

13 COMMISSIONER VISNAUSKAS: So on AHC,
14 we do not do a budget increase to accommodate
15 that, but can continue to work on that
16 through the budget process.

17 I think on the NYCHA Trust, you know,
18 I hear you, obviously it's a complicated
19 proposal and not -- it doesn't have
20 widespread support across the Legislature.
21 It does obviously provide resources to NYCHA
22 that they otherwise can't access, which we
23 all know is important. But happy to continue
24 talking about that.

1 On reentry, I'm not totally sure what
2 the funding there was, although we do have
3 funding -- we made two big policy changes
4 which actually no one has asked so much about
5 yet, so if I could take a second on that --
6 which was to require landlords that you can't
7 just reject people for their criminal justice
8 history or their credit history. Those are
9 two things that largely impact people of
10 color, they largely impact domestic violence
11 survivors, and we want landlords to not be
12 able to just bright-line reject people for
13 those.

14 So we've put some funding in the
15 budget to make sure that people are aware
16 that landlords have to sort of consider them
17 as a whole person and not just based on a
18 student or medical debt or a criminal history
19 that may have happened a very long time ago.

20 ASSEMBLYWOMAN WALKER: Awesome. I
21 just would like for the state to be their
22 landlord, and let's do some reentry housing.

23 And then of course we can discuss Ella
24 McQueen, which was a former juvenile

1 detention facility, in terms of it being in
2 your capital plan.

3 COMMISSIONER VISNAUSKAS: Okay. Yes,
4 happy to work with that.

5 CHAIRWOMAN WEINSTEIN: To the Senate.

6 CHAIRWOMAN KRUEGER: We have Senator
7 Kavanagh for his second round, three minutes.

8 SENATOR KAVANAGH: Okay. I would be
9 willing to go after the remaining
10 Assemblymembers.

11 CHAIRWOMAN KRUEGER: Oh, I did not see
12 Senator Brisport. Pardon me, Senator
13 Brisport. Excuse me.

14 SENATOR KAVANAGH: I'm happy to go
15 after him too.

16 CHAIRWOMAN KRUEGER: Oh, thank you.
17 And Senator O'Mara. Everybody is
18 jumping in. All right.

19 So let's call Senator Brisport, just
20 because I saw him first, and then we'll go to
21 Senator O'Mara next round. Thank you.

22 SENATOR BRISPORT: Thank you,
23 Senator Krueger. And thank you,
24 Commissioner, for taking part in this

1 marathon.

2 My first question is about NYCHA, just
3 because I'm just noticing -- and it's been
4 said before, there is a removal of
5 \$200 million in capital funding for NYCHA.
6 There is also, in this proposal, \$2.2 billion
7 in tax credits for homeowners. And to me,
8 this budget proposal reads as a shift in
9 priorities and funding from public tenants to
10 private homeowners.

11 So it's been said before, you know,
12 many of my colleagues agree, we don't think
13 Build Back Better is coming.

14 I'm curious, if the Senate Legislature
15 includes state funding for NYCHA in our
16 one-house budgets, will you or the Governor
17 oppose that in three-way negotiations? Would
18 you oppose state funding of NYCHA?

19 COMMISSIONER VISNAUSKAS: I can't
20 speak for what the Governor will do. But as
21 you all heard her say in her very first days
22 in office, she is very focused on NYCHA.

23 I would just clarify that we didn't
24 remove funding for NYCHA. That funding is

1 still there and available for them to use.
2 This is funding for, you know, capital
3 repairs that has been appropriated over
4 different periods of time and is subject to
5 NYCHA and DASNY sort of working out an MOU
6 for how that money is spent, and largely it's
7 on boilers and elevators and very much needed
8 capital repair.

9 So that money is still there and
10 available, it just wasn't -- wasn't -- there
11 is not additional new funding this year. But
12 certainly open to continuing that discussion.

13 SENATOR BRISPORT: Thank you.

14 And then my second question is about
15 the new -- you know, the 421-a remix.
16 Specifically, Option C, which is the
17 homeownership option for the buyers who make
18 up to 130 percent of AMI. I just want to
19 note that the majority of people in New York
20 City make less than 130 percent of AMI, and I
21 was curious if there was thought given to
22 what neighborhoods you think developers might
23 target for this Option C.

24 And is there any fear that this

1 Option C would subsidize the construction and
2 purchase of wealthy and expensive condos in
3 poorer neighborhoods?

4 COMMISSIONER VISNAUSKAS: So I think
5 the goal with this -- and it doesn't
6 necessarily come through in the statute --
7 was really to drive at the production of
8 affordable homeownership opportunities in the
9 City of New York. There had been a
10 homeownership program, but in the last
11 edition of the program it was not
12 means-tested. And this is really meant to
13 get at 100 percent affordable buildings,
14 regulated by regulatory agreements either
15 with the State of New York or the City of
16 New York, that are 100 percent affordable.

17 You know, a three-family household at
18 130 AMI makes maybe \$140,000. Households at
19 that income are largely, you know, shut out,
20 for the most part, of market-rate
21 homeownership. And I think the average sale
22 of a Brooklyn home is \$750,000; in Manhattan
23 I think it was a million or maybe even more.
24 And so housing opportunities at \$400,000 or

1 \$500,000 just really don't exist.

2 So this is really meant to be a
3 city/state-financed, 100 percent affordable
4 homeownership option, really to get at some
5 of the racial wealth gap issues that we have
6 in the city, and we have them in the state as
7 well, and is driving at sort of a truly
8 affordable housing option.

9 So it may not come across that way in
10 the statute, but that is the intent. And the
11 130 is really sort of an up-to, and obviously
12 it can provide housing for people less than
13 that as well.

14 SENATOR BRISPORT: Thank you.

15 CHAIRWOMAN WEINSTEIN: We go to
16 Assemblywoman Niou.

17 ASSEMBLYWOMAN NIOU: Hello,
18 Commissioner. Thank you for joining us
19 today. I just -- I had a couple of
20 questions. I want to echo also my
21 colleagues' sentiments on public housing.
22 And, you know, we should be funding public
23 housing more and not actually stopping the
24 funding. And we should be actually adding

1 more to the pot, not taking the pot away.
2 Right? So I think we have to make sure that
3 we are continuing to fund public housing.

4 And I also agree with my other
5 colleague, Latrice, who had talked about, you
6 know, taking the trust out of the budget
7 discussions, because I think it's really
8 important that we actually do not end public
9 housing as we know it.

10 So I also wanted to ask a question.
11 You know, how many affordable housing units
12 do you think we require to meet the needs of
13 the state? And how close does the Governor's
14 plan of creating only 100,000 units close
15 that gap, I guess?

16 COMMISSIONER VISNAUSKAS: So there
17 have been, you know, several studies that
18 have been done that say that New York City
19 and New York State need to -- have a housing
20 gap of upwards of 500,000 units over the next
21 five to 10 years. That is a doubling or
22 tripling of the production of what New York
23 State does in New York City, what New York
24 City does in New York City, and what the

1 private market does in New York City.

2 So I think the need for housing
3 generally is very great, and obviously the
4 need for affordable housing goes hand in
5 glove for that, and that's why we have a --
6 not only a \$4 billion capital ask for the
7 Housing Plan, but also a series of
8 supply-side tools to get at -- we just need
9 more housing in general.

10 ASSEMBLYWOMAN NIOU: Okay. So it's a
11 pretty large difference: 500,000 and 100,000
12 are a really big difference.

13 But we also didn't see -- I wanted to
14 ask about HONDA as a mechanism for that
15 investment. There was no increase in funding
16 about the initial \$100 million invested in
17 the last budget into the HONDA program, so I
18 wanted to ask you about that.

19 And then I also wanted to see if you
20 could answer whether -- so HSTPA actually
21 passed in 2019, and DHCR has yet produce an
22 audit report of 25 percent of MCI
23 applications. When can we actually expect
24 that report?

1 So those two questions.

2 COMMISSIONER VISNAUSKAS: I will check
3 on the audit report. Governor Hochul is very
4 committed to all of the agencies getting all
5 of our reports out in a timely fashion, so I
6 don't know about that one exactly, but I'm
7 happy to circle back with you.

8 On HONDA, we -- until about a week
9 ago, we hadn't gotten any applications for
10 the funding program that we put to match with
11 the HONDA legislation. Just about a week ago
12 we had a nonprofit send us a proposal, which
13 we're meeting with them on next week. But we
14 didn't put any additional money in the
15 program because we haven't gotten anyone
16 asking for any money for it.

17 ASSEMBLYWOMAN NIOU: Okay. I will
18 take that back to our {inaudible} -- people
19 are saying that they are -- there's a huge
20 need for it. And it's because there's no
21 funding, so it's the cycle.

22 COMMISSIONER VISNAUSKAS: Yeah. We
23 have a term sheet and a program that we put
24 up. And people, you know, definitely can go

1 through you to get to me or they can call me
2 directly. You know, we're happy to talk to
3 people about projects that could use that
4 funding.

5 ASSEMBLYWOMAN NIOU: Okay, thank you.

6 CHAIRWOMAN WEINSTEIN: Thank you.

7 To the Senate.

8 CHAIRWOMAN KRUEGER: Thank you.

9 Senator Tom O'Mara.

10 SENATOR O'MARA: Thank you, Senator
11 Krueger.

12 Thank you, Commissioner, for the
13 amount of time you're putting in with us here
14 this evening.

15 A couple of quick questions, I hope.
16 The Executive Budget has an appropriation for
17 \$77 million for the Office of Storm Recovery
18 for areas of the state impacted by Hurricanes
19 Irene, Lee and Sandy. Can you give a little
20 detail on what that is for? And if you can
21 then comment on why there isn't anything in
22 there for the impacts to those upstate from
23 Tropical Storm Fred this summer who FEMA has
24 denied individual assistance to.

1 COMMISSIONER VISNAUSKAS: So as you
2 may recall, the Governor's Office of Storm
3 Recovery got about \$4 billion for Irene,
4 Sandy and Lee that was both for housing --
5 which was for the majority of the funding in
6 the early part of the program; we don't see
7 very much past those storms -- and then for a
8 series of infrastructure and what are called
9 community reconstruction projects.

10 Early on in the program there was more
11 money shifted into housing that had been --
12 there had been commitments made around
13 infrastructure and community reconstruction
14 projects. So that \$77 million is meant to
15 fulfill the commitment from a couple of years
16 ago, a sort of a fixed set of community
17 reconstruction projects.

18 I would note also -- I'm sure your
19 district may not have been impacted by
20 Hurricane Ida, but we are expecting
21 additional federal funds to come for that to
22 the Governor's Office of Storm Recovery.

23 As it relates to Hurricane Fred, you
24 know, the money that we usually get is

1 long-term reconstruction and recovery money,
2 not sort of the FEMA dollars. So I'm not as
3 familiar with that. But happy to follow up
4 on it.

5 SENATOR O'MARA: Okay. Thanks.

6 In the time I have left, with
7 New York's Green New Deal -- and we're in a
8 year of review now on what actions the state
9 is going to take through the Climate Action
10 Council. What analysis has DHCR done in
11 regards to converting its housing to
12 electric? What's the feasibility of that,
13 the cost of that, and who's going to pay it?

14 COMMISSIONER VISNAUSKAS: So there was
15 a fair amount of work done in the CLCPA
16 process. I chaired the Energy Efficiency and
17 Housing Panel, and there was a series of
18 consultants that looked at the housing stock,
19 looked at costs for conversion, looked at
20 technology available for conversion.

21 There's not necessarily in -- sort of
22 the New York City-built environment for
23 electrification of all big buildings; we're
24 sort of not there yet. But what we have done

1 in the Housing Plan is include in our
2 baseline programs funding so that our new
3 construction can be electric so that our
4 preservation projects can be, if not electric
5 today, if they can be electric-ready so that
6 as we transition off the grid, they are ready
7 at that time, whether that's weatherization
8 or whatever type of work that they need to
9 do.

10 So we are very much trying to align
11 our work with that, based on a lot of work
12 that was done by a series of consultants that
13 underpinned the CLCPA recommendations.

14 SENATOR O'MARA: What do you mean by
15 "with regards to larger buildings, we're not
16 really there yet"?

17 COMMISSIONER VISNAUSKAS: My
18 understanding is that you can't electrify,
19 for example, like a domestic hot water for a
20 40-story building yet, that the technology
21 isn't there. So we are -- so I think the
22 city itself also has put in Local Law 97 to
23 get new construction to switch to electric, I
24 think by 2027. So I think that's giving some

1 time for the technology to sort of catch up
2 for some of the larger built environment.

3 But I think for the majority it's
4 certainly the things that we finance at HCR
5 that are commonly, you know, 15 stories or
6 less, we feel confident that we can switch
7 our new construction to electric in almost
8 all of our projects across the state.

9 SENATOR O'MARA: For new, but not
10 existing?

11 COMMISSIONER VISNAUSKAS: And for
12 preservation I think it's a little more
13 complicated, and not every building can sort
14 of immediately get off of fossil fuel and
15 electrify. Whether that means they have to
16 do -- you know, they have to be well-sealed,
17 so whether that's windows or weatherization,
18 that we can't just sort of electrify without
19 that work. So we're going to phase that in
20 over the next couple of years.

21 But, you know, we're very focused on
22 it.

23 CHAIRWOMAN KRUEGER: Thank you. I'm
24 sorry, I have to cut you off, Tom. Thank

1 you.

2 Assembly.

3 CHAIRWOMAN WEINSTEIN: Assemblyman
4 Schmitt.

5 ASSEMBLYMAN SCHMITT: Thank you.

6 Commissioner, thanks for your time.

7 I was wondering, I was -- I saw that
8 the Office of Rent Administration's overall
9 budget has increased to I believe over
10 18 million this year. Is there a specific
11 reason that's such a steep increase?

12 COMMISSIONER VISNAUSKAS: So the
13 majority of that, about 15 million of it, is
14 really a transfer from ITS into HCR's budget,
15 for technology -- for our technology project.

16 ASSEMBLYMAN SCHMITT: Could you just
17 explain that to me, what is the technology
18 project specifically?

19 COMMISSIONER VISNAUSKAS: Oh, sure.

20 So our operating system is very old
21 and we have been in a very protracted process
22 where we are transitioning off of our old
23 system into a new processing system, and so
24 ITS is -- and we have previously been working

1 with a vendor who we're not anymore, we're
2 now working directly with ITS.

3 So this is funding that would go
4 towards the scoping and the build of that
5 technology.

6 ASSEMBLYMAN SCHMITT: And so you
7 expect it to be a one-off expense?

8 COMMISSIONER VISNAUSKAS: Yes. Yes.
9 So this is meant to cover that expense. It's
10 not a recurring expense.

11 ASSEMBLYMAN SCHMITT: And I hear from
12 a lot of my small property owners, a lot of
13 the folks in my district that might own a
14 building, they might own a few units in the
15 Hudson Valley and upstate. And most of what
16 they're dealing with is, you know,
17 nonpayment, nonpayment proceedings if it's
18 reached that point.

19 And obviously we've seen some
20 suggestions or some efforts have been made
21 about how we can combat this additional
22 request for federal funding, et cetera, et
23 cetera. But what if that doesn't come
24 through, what if some of the proposals just

1 don't work out? What is the last fallback
2 for these taxpayers? Is there -- where can
3 they look if everything else fails? They're
4 very concerned. What is their final
5 fallback?

6 COMMISSIONER VISNAUSKAS: I mean, as
7 it relates to the rental assistance, you
8 know, as you know, that's being run out of
9 OTDA, so my information on that is a little
10 bit limited.

11 I do understand, as you may have seen
12 in the budget, that there is \$2 billion that
13 is being reserved to, you know, potentially
14 go towards that rental assistance. And I
15 think the Governor -- I've heard her say
16 this, and I'm sure you have too, she is very
17 sympathetic to small landlords and small
18 business owners who are suffering a lot from
19 this. I think there had been maybe some
20 initial programs at ESD for landlords, and we
21 had had some initially too, but I think at
22 this time there is that.

23 The \$2 billion is there sort of as a
24 placeholder to address -- should their money

1 not come from the federal government for
2 rental arrears.

3 ASSEMBLYMAN SCHMITT: Thank you.
4 Thank you, Chairs.

5 CHAIRWOMAN KRUEGER: Thank you. Let's
6 see.

7 CHAIRWOMAN WEINSTEIN: To the Senate.

8 CHAIRWOMAN KRUEGER: Okay, we have
9 Brian Kavanagh. But do you still want to
10 wait for the last Assemblymember before you
11 go, Brian?

12 SENATOR KAVANAGH: Yeah, I think
13 people should have their first round first,
14 so.

15 CHAIRWOMAN KRUEGER: Okay. Back to
16 you, Assemblymember.

17 CHAIRWOMAN WEINSTEIN: Assemblywoman
18 Bichotte Hermelyn, who will be followed by
19 Assemblywoman Kelles, to be followed by
20 Assemblyman Meeks.

21 ASSEMBLYWOMAN BICHOTTE HERMELYN:
22 Thank you so much. Thank you, Commissioner,
23 for being here and for your testimony.

24 I have a couple of -- well, three

1 questions. So I will state my questions
2 first. My office has been working with a lot
3 of constituents regarding the ERAP program,
4 and some of the questions that arise was for
5 the remaining funds, how are the remaining
6 applications being selected? Is it on a
7 first come, first served basis?

8 We have an issue with language access.
9 We have a high need for Haitian Creole, Urdu
10 and Spanish. And we also have a high need to
11 get someone on the phone, who can be live,
12 versus an automated customer service process.
13 That's an issue, as well as the elders who
14 are trying to apply, they don't have access
15 to the online process. And so very similar
16 to SCRIE, is there a way that there can be a
17 paper process that we can help them?

18 So that's question number one around
19 the ERAP, LRAP program.

20 Question number two is around the
21 Tenant Protection Unit. I did see, under the
22 state appropriations section, there was about
23 5.5 million allocated. Typically, over the
24 course of the years, I think it was like

1 \$10 million and up. I wanted to know why the
2 decrease in the Tenant Protection Unit. And
3 I agree with my colleagues, we're not talking
4 much about it.

5 And the last question is around the
6 421-a replacement, which I still need to get
7 my hands around. The Affordable
8 Neighborhoods for New York tax incentive
9 programs -- like my colleagues, I do have
10 some concerns about how this program is being
11 put together. But on top of everything that
12 was said about it, there was still no talks
13 about minority and women business
14 enterprise participation and goals --
15 nothing. And again, that's a concern.

16 Thank you.

17 COMMISSIONER VISNAUSKAS: So I'll go
18 in reverse order. Or, I'm sorry, I'll go in
19 your order.

20 On ERAP, I don't have too much to
21 offer on ERAP. The OTDA is taking the lead
22 on that, which I'm sure you know, and they
23 have a new commissioner who just started a
24 couple of weeks ago. And I know he is very,

1 very focused on getting a lot of the issues
2 and a lot of backlog addressed.

3 So, you know, I'm sure that's
4 something that he can speak to more than I
5 can.

6 On the Tenant Protection Unit, so we
7 have been at 5.5 million for a couple of
8 years. I think for maybe a while before that
9 it had been coupled in with the overall ORA
10 budget. But 5.5 for us is full funding for
11 the 25 staff for TPU. So it isn't a
12 reduction of where we've been since the unit
13 really started.

14 And on 421-a, I think that's a fair
15 question on MWBEs and something we'd be happy
16 to talk more about with you.

17 ASSEMBLYWOMAN BICHOTTE HERMELYN:
18 Thank you.

19 CHAIRWOMAN WEINSTEIN: We go to
20 Assemblywoman Kelles.

21 ASSEMBLYWOMAN KELLES: Hi, and good
22 afternoon, Commissioner.

23 I want to start by saying I deeply
24 appreciate the strategies outlines and

1 appreciate the focus on building more
2 affordable housing. That's so important.
3 But I did want to add that I'm concerned by
4 the lack of focus on keeping existing tenants
5 in place and creating short-term
6 stabilization so that as the programs you
7 mentioned in the budget roll out, they reach
8 the very people we're trying to reach. Sort
9 of that triage.

10 And I think Good Cause really does
11 create that. It still allows landlords to
12 raise rents significantly and evict tenants
13 if they break other stipulations of the
14 lease. And I would also add that states like
15 New Jersey have had this since 1974, and
16 they've had a really positive experience. So
17 it's not like there's not a precedent set.

18 I'd love to see it reconsidered for
19 the 30 days. So I just wanted to make that
20 note.

21 And I wanted to skip over and say
22 thank you so much for including the ADUs. I
23 think this is really important. And just to
24 address some of the concerns that have been

1 raised by some of the questioners here, the
2 language actually does include the precaution
3 for safety issues, health/safety issues, that
4 limitations can be created if septic capacity
5 shows that, is one. And the other is that
6 there are restrictions on requiring extra
7 parking, so the consideration of like hugely
8 increasing traffic.

9 So I wanted to thank you, and I really
10 do think the details address that.

11 So I have just one question. The
12 Governor mentioned 50 million for a Tenant
13 Opportunity to Purchase Act sort of
14 component. But from what I'm seeing, it
15 looks more like a community land bank program
16 that would still require financing through a
17 private banking system and not necessarily
18 enable existing tenants to purchase their
19 homes through a government assistance
20 program, which is more what we think of as
21 TOPA.

22 So could you talk a little bit more
23 about how you're hoping this will improve
24 tenants' ability to stay in place and protect

1 these two pieces, I want to just, you know,
2 really emphasize allowing for a more
3 TOPA-focused, which would -- a grant program,
4 a government program specifically, one. And
5 then Good Cause. It would be great to see
6 both of those. I really think it rounds out
7 the package that you have.

8 So thank you so much.

9 COMMISSIONER VISNAUSKAS: Thanks.

10 CHAIRWOMAN WEINSTEIN: And Assemblyman
11 Meeks. Desmond, you're on.

12 ASSEMBLYMAN MEEKS: You're going to
13 have to stop giving me that S. It's Demond.
14 Thank you, Chair. No S.

15 CHAIRWOMAN WEINSTEIN: I need new
16 glasses.

17 (Laughter.)

18 CHAIRWOMAN WEINSTEIN: Start the time
19 over again, please. I really do need new
20 glasses.

21 ASSEMBLYMAN MEEKS: So thank you all.
22 Thank you, Commissioner.

23 I have a question regarding HONDA. As
24 it relates to the funding, it's my

1 understanding that it applies -- there's
2 resources for New York City. Are there
3 additional resources for upstate cities?

4 COMMISSIONER VISNAUSKAS: So the
5 legislation that was -- the appropriation
6 that was passed last year came with a series
7 of sort of stipulations that was just for
8 New York City, so we created a term sheet to
9 be able to spend that money in New York City
10 in accordance with the language in the
11 appropriation, which was very specific about
12 what it could be used for.

13 In terms of upstate and people being
14 able to convert hotels or office buildings,
15 you know, folks can come -- no one has come
16 and asked us just generally for resources on
17 that. I think if there are folks maybe in
18 your district who have sites that they may be
19 thinking of doing that with, I would just
20 encourage them to come talk to us and let us
21 figure out if we can find a way to do that.

22 ASSEMBLYMAN MEEKS: Okay. And also as
23 it relates to some of the development that's
24 taking place throughout the state, I know

1 we've had our share in Rochester from DASNY.
2 Just wondering, are there things in place to
3 assure -- or can we put something in place to
4 assure that individuals from these zip codes
5 in these particular communities have an
6 opportunity to generate wealth from building
7 the project, as opposed to, Hey, here's more
8 low-income housing, you can live here, but
9 you don't have an opportunity to generate
10 wealth by building.

11 COMMISSIONER VISNAUSKAS: You mean by
12 being part of the development team that does
13 the projects?

14 ASSEMBLYMAN MEEKS: Absolutely, yes.
15 Or -- or the opportunity to be a laborer, you
16 know, for the development.

17 COMMISSIONER VISNAUSKAS: So we have a
18 30 percent requirement of our spend to go to
19 MWBEs, and we take that very seriously. And
20 we have year over year been very successful
21 on the development side of getting that met.

22 We also work fairly closely, and will
23 continue to, with our partners at ESD to make
24 sure people can get access to the

1 certification program and so that people are
2 aware of how to find MWBEs by trade.

3 So we're very focused on that and
4 would be happy to talk more about ways to do
5 it even more and be better about it.

6 ASSEMBLYMAN MEEKS: Thank you.

7 CHAIRWOMAN WEINSTEIN: Thank you.

8 So I think we're -- the Assembly is
9 finished, and we go back to the Senate for, I
10 guess, Senator Kavanagh.

11 CHAIRWOMAN KRUEGER: Thank you. Thank
12 you. For the closing round for Senator Brian
13 Kavanagh.

14 SENATOR KAVANAGH: Thank you.

15 Just a couple of quick questions --
16 hopefully quick. You had this exchange with
17 Assemblywoman Walker about the Affordable
18 Housing Corporation. I think, you know, the
19 Governor signed in December the bill that
20 increased the per unit allocation for that.
21 A lot of us expected that that would come
22 with a comparable increase in the overall
23 program.

24 Can you tell us -- you know, can you

1 get back to us about what it would take to
2 have that increase not result in a
3 diminishment of the units? How much money
4 would we have to put in to keep that program
5 at the same rate? That would be helpful.

6 COMMISSIONER VISNAUSKAS: Yup.

7 SENATOR KAVANAGH: Second, just --
8 you've had a couple of questions where you've
9 had to say, Well, that's OTDA -- recognizing
10 that a lot of the housing stock is across
11 different agencies, and we will have a Social
12 Services hearing on Wednesday.

13 But I think a lot of the concern stems
14 from the fact that there are different
15 agencies -- beyond ERAP there are different
16 agencies involved in providing housing, both
17 subsidies like the rental assistance subsidy,
18 and then also permanent housing. There are
19 actually some capital programs in OTDA's
20 budget.

21 I think that -- just a general
22 question. Is there any assessment that the
23 state overall can offer as -- to the extent
24 this budget overall is providing substantial

1 spending on housing, how big a dent does it
2 make in our critical needs, given the fact
3 that we have 90-some-odd-thousand homeless
4 people at any given moment, and the fact that
5 we have, you know, very serious underfunding
6 and undermaintenance of the housing we have?

7 COMMISSIONER VISNAUSKAS: I mean, I
8 think there's -- someone else said this, I
9 don't know who it was, that you can't really
10 like build your way out of, you know, a lot
11 of these issues.

12 But I think what we're trying to do
13 here is really create -- and I think that's
14 true for the state housing agency and for the
15 New York City housing agency, I think we feel
16 like we keep building -- you know, we've had
17 decades of Housing Plan investment and
18 there's still an affordability crisis and we
19 really need additional tools, which is sort
20 of what we've tried to put together here,
21 whether it's hotel and commercial conversions
22 or -- I know these are not all popular, but
23 either TOD or ADU or 12 FAR. And 421-a
24 really is trying to put together a really big

1 strategy to say we really need production of
2 housing at a really big scale, we need to be
3 bigger than we are now. Doing, you know,
4 20,000 units or so a year in New York City is
5 not going to cut it if we want to maintain
6 population growth and job growth.

7 And frankly it limits our economics
8 and our ability to grow regionally. It
9 creates, you know, a shortage, it creates
10 overcrowding, it creates racial segregation.
11 Like there's just a lot embedded in our lack
12 of sort of supply in housing. So --

13 SENATOR KAVANAGH: As our housing
14 commissioner -- I'm sorry to interrupt -- I
15 mean, the rental subsidies and eviction
16 prevention subsidies are -- should be a
17 significant tool, right, even though they're
18 not necessarily in your bailiwick.

19 COMMISSIONER VISNAUSKAS: We need
20 those things too. You know, we were hoping,
21 should Build Back better have been passed,
22 that we were going to get upwards of 20,000
23 more vouchers in the State of New York, which
24 would have been amazing.

1 So, you know, I think we feel like
2 there is no one single solution to this
3 problem.

4 SENATOR KAVANAGH: To be continued. I
5 am going to ask that we -- you know, as this
6 budget process unfolds, that we try to have a
7 conversation across agencies and across
8 silos. And, you know, we're also having a
9 separate hearing in two days, so it's not
10 just the Executive. But I think we all need
11 to get together and figure out what the
12 overall impact of these programs is.

13 But thank you so much for your
14 testimony today. And thank you, Chairs, for
15 indulging me.

16 CHAIRWOMAN KRUEGER: Thank you.

17 CHAIRWOMAN WEINSTEIN: So you're
18 finished, Senator Krueger?

19 CHAIRWOMAN KRUEGER: We're finished,
20 yes.

21 CHAIRWOMAN WEINSTEIN: So are we.

22 So RuthAnne, thank you for being here
23 with us and spending so much time.

24 We're now, colleagues, going to move

1 to the public portion of this hearing.
2 You'll notice that we have the witness list
3 grouped in panels with individuals who are
4 going to basically address similar issues in
5 each panel.

6 Just a reminder, the witnesses have
7 three minutes to present their testimony.
8 When all the witnesses in the panel have
9 finished, any members who wish to ask a
10 question of the panel would have three
11 minutes to ask one question.

12 And I would just encourage people to
13 be mindful of the fact that we do have a lot
14 of public witnesses. We've tried to have as
15 many as possible. We know it's going to be a
16 late night. We appreciate people staying
17 with us. But I will in advance thank all of
18 the people who are about to come before us to
19 speak for all of the good work they do in the
20 community. So there's -- and I'll say that
21 on behalf of all of the members, so there's
22 not a need for everybody individually to
23 thank the people for the work they do in the
24 neighborhood.

1 And that being said, we'll call
2 Panel A. If I skip a name off the witness
3 list, that means they've -- since the time
4 the witness list was prepared, they have
5 determined that they would just submit their
6 testimony and don't wish to testify in
7 person.

8 So we have the association for -- I
9 think we have to let them into the hearing.
10 Ashley has to let them into the hearing.

11 THE MODERATOR: I believe that all of
12 Panel A that we have is in.

13 CHAIRWOMAN WEINSTEIN: I see them,
14 they're on page 2 of the Zoom. Hi. Hi, all.

15 So we have, from the Association for
16 Neighborhood and Housing Development, Barika
17 Williams, executive director; from the
18 Community Preservation Corporation, Erin
19 Burns-Maine, chief of staff; from the
20 New York Housing Conference, Rachel Fee,
21 executive director; and from Habitat for
22 Humanity of New York State, Mary Robinson,
23 chief executive officer.

24 If you can go in that order, and be

1 mindful of the three-minute time clock. We
2 have distributed your testimony to all of the
3 members of the committees who are
4 participating today. So to the best you can,
5 summarize your testimony, and I think we can
6 have a meaningful dialogue going forward. So
7 if we --

8 THE MODERATOR: We also -- I'm sorry
9 to interrupt -- have Baaba Halm. I'm not
10 sure -- she can tell us her organization that
11 she's from. She was a last-minute addition
12 to the witness list.

13 CHAIRWOMAN WEINSTEIN: Is that
14 Enterprise?

15 MS. HALM: Yes.

16 CHAIRWOMAN WEINSTEIN: Okay, yes,
17 there was a retyping of the -- you were left
18 off initially when the witness list went out.

19 Okay. So if we can go in that order
20 and start with Association for Neighborhood
21 and Housing Development, please, three
22 minutes.

23 MS. WILLIAMS: Hello, everybody, good
24 evening. My name is Barika Williams. I'm

1 the executive director at the Association for
2 Neighborhood and Housing Development, or
3 ANHD.

4 I just want to do a quick thank you to
5 all the chairs for the opportunity to testify
6 and for everybody, all of you all, especially
7 for sticking with all of us through this long
8 evening to really testify on the
9 housing-related proposals in the Governor's
10 FY '22-'23 Executive Budget.

11 I'm not going to go through my full
12 and very long testimony that covers a number
13 of areas and different topics. I'm going to
14 try to -- I couldn't catch all of the
15 commissioner's testimony, but I'm going to
16 try to hit certain parts that I think were
17 either questioned or things that maybe you
18 all raised that would I think need to be
19 addressed.

20 So first off I want to thank the
21 Senate and Assembly for your ongoing support
22 of ANHD's Displacement Alert Project, DAP,
23 which during COVID really helped communities
24 and you all, elected officials and your

1 staff, monitor hotspots of where tenants were
2 at the highest risk of eviction and really do
3 outreach to New Yorkers to keep them in their
4 homes.

5 Many community members and some of
6 your staff really used this as walking sheets
7 to try to address the threats that we were
8 seeing on the ground. And because of your
9 support and investment, we had the tools
10 ready to go to do this analysis. And for the
11 first time, advocates and government partners
12 can now view eviction cases filed in their
13 districts at an individual building level
14 throughout New York City.

15 So this has become an incredibly
16 powerful tool, and we hope that you will
17 continue to support us with a budget
18 allocation of \$150,000 so that we can
19 continue operating this, as we know we are
20 going into a critical time when it comes to
21 the threats of eviction and displacement.

22 I'm going to touch on TOPA and CLT,
23 because that has come up a few times, and
24 just to ask for clarification, maybe for you

1 all to try to get a little bit more clarity
2 for us as well. ANHD supports the passage of
3 the TOPA bill and for the community land
4 trust acquisition fund legislation.

5 And it seems like from the
6 commissioner's response, the proposed budget
7 includes a \$50 million pilot program that
8 could be used across both of those,
9 potentially. I think that sounds incredibly
10 disappointing from our point of view. These
11 are two different programs, both of which
12 deserve funding and dedicated funding and
13 support in order for them to move forward and
14 actually have a real chance.

15 And then lastly I will quickly hit
16 421-a, which many folks highlighted. And we
17 obviously want to see the end of 421-a, are
18 not in support of the revised 421-a, the
19 remake to 485-w in the Governor's proposal.
20 There's a number of significant concerns and
21 questions here, one of which fundamentally
22 is, you know, how many affordable housing
23 units, homelessness vouchers, et cetera,
24 could we be using and creating with

1 \$1.5 billion a year, which is what 421-a
2 costs us.

3 We fundamentally feel like the current
4 proposal keeps in place many of the flaws of
5 the original 421-a program and that we should
6 be using this for affordable housing dollars,
7 not to subsidize market-rate rents.

8 CHAIRWOMAN WEINSTEIN: Thank you. We
9 move on to Community Preservation
10 Corporation.

11 MS. BURNS-MAINE: Hi, good evening.
12 Thank you, Senator Krueger, Assemblymember
13 Weinstein, Housing Chairs Cymbrowitz and
14 Kavanagh, and other distinguished members of
15 the New York State Legislature for the
16 opportunity to speak today.

17 My name is Erin Burns-Maine. I'm
18 chief of staff and vice president of policy
19 for the Community Preservation Corporation.

20 There is a housing crisis. Our
21 testimony submitted includes some of the
22 data, and we heard much of it already today.
23 The core of the solution to this housing
24 crisis is simple: Build and preserve as much

1 quality affordable housing as possible. The
2 Governor's budget takes important steps
3 towards this goal, and CPC looks forward to
4 continuing to work with the state to build
5 and preserve New York's housing stock.

6 Small buildings -- and I'm going to
7 talk a bit about small buildings today --
8 those with less than 50 units account for
9 70 percent of the affordable housing in New
10 York State. They are a critical source of
11 quality affordable housing stock and are a
12 great resource for our neighborhoods. To
13 date, CPC has invested \$47 million through
14 HCR's Small Buildings Participation Loan
15 Program, creating 172 new affordable units.
16 And we applaud the continued investment into
17 this important program in the Executive
18 Budget.

19 Small rental building owners have been
20 disproportionately impacted by the pandemic.
21 A recent survey of our building owners that
22 we compared against a larger data set of
23 larger buildings across the city showed that
24 small buildings had higher rates of tenants

1 in significant arrears. And those tenants
2 are actually less likely to have applied for
3 rent relief through the ERAP program than
4 those in large buildings.

5 The Landlord Rental Assistance
6 Program, which was created by the state and
7 funded for \$100 million in FY '22, was much
8 more accessible to small landlords and
9 affordable housing providers, effectively
10 preventing evictions and keeping landlords
11 and tenants out of court. That initial pot
12 of money was spent far too quickly. I think
13 it was out for about six weeks, which is
14 indicative of the need. We would really like
15 to see another allocation of funding into
16 this pool to again keep tenants and building
17 owners out of court. Those who are facing
18 pandemic-related hardships we would like to
19 see preventing evictions, prioritizing a
20 streamlined accessible program like LRAP.

21 With the Affordable Neighborhoods for
22 All New Yorkers legislation, the
23 administration does recognize the critical
24 role that small affordable rental buildings

1 play as a backbone in our communities, and
2 the unique challenges that are faced in
3 funding those developments. We're glad to
4 see affordability requirements for buildings
5 with 30 or fewer units that really balances
6 the financing needs of small buildings with
7 the goal of requiring deeper affordability to
8 our households.

9 More broadly, we cannot address the
10 affordable housing crisis without land use.
11 The new Transit-Oriented Development Act is a
12 step in the right direction.

13 And lastly, as we wrap up, any budget
14 passed by the state cannot overlook the
15 urgent needs of the New York City Housing
16 Authority residents. We would urge the state
17 both to consider a significant allocation of
18 capital, \$1.5 billion, as well as legislative
19 solutions and fixes like the public trust or
20 any other legislative solutions that NYCHA
21 can meet. We believe NYCHA needs all the
22 tools in the toolbox.

23 Thank you for your time.

24 CHAIRWOMAN WEINSTEIN: Thank you.

1 Now we move on to the New York Housing
2 Conference.

3 MS. FEE: Good evening. My name is
4 Rachel Fee. I'm executive director of the
5 New York Housing Conference, an affordable
6 housing policy and advocacy organization.
7 Thank you for the opportunity to comment
8 today.

9 We are encouraged by Governor Hochul's
10 \$4.5 billion Housing Plan, which aligns with
11 many of the recommendations we issued in a
12 December report in coalition with 16 partner
13 organizations. But it does fall short of the
14 6 billion in new funding we seek, plus an
15 additional 1.5 billion annually for NYCHA.

16 The Housing Plan represents only
17 7.5 percent of the total \$92 billion in the
18 state's capital budget for housing. That
19 means it's less than transportation, higher
20 education, economic development, parks and
21 environmental capital. We believe that
22 affordable housing must be a priority.

23 We are generally supportive of the
24 proposed programming, but the next five-year

1 Eliminating Barriers to Accessing Housing in
2 New York program, and we believe an
3 additional 1 million is needed to fund fair
4 housing programs.

5 Regarding senior housing, we recommend
6 the creation of an independent senior
7 affordable housing assistance program to
8 offer a service coordinator model in
9 congregate senior housing.

10 We recognize that with this funding
11 increase across programs, HCR must be
12 adequately staffed and funded.

13 We commend the Governor on her land
14 use proposals and enthusiastically support
15 the Transit-Oriented Development Act of 2022,
16 the Creating Housing Opportunities Through
17 Building Conversion Act, accessory dwelling
18 unit legislation, the repeal of the 12 FAR
19 cap in New York City.

20 And we also support recent legislation
21 by Senator May -- that's S7635 -- which would
22 enhance the state's ability to encourage
23 affordable housing production with the
24 creation of a housing appeals board.

1 Throughout the state, exclusionary zoning is
2 a common barrier to the supply shortage we
3 face.

4 We'd also like to see the state take
5 advantage of its own assets and utilize
6 state-owned land to create housing
7 opportunities, and we believe that should be
8 part of this conversation to add to
9 New York's housing stock.

10 I look forward to any questions.
11 Thank you.

12 CHAIRWOMAN WEINSTEIN: Thank you. We
13 move on to Habitat for Humanity of New York
14 State, three minutes.

15 MS. ROBINSON: Good evening. On
16 behalf of Habitat for Humanity's
17 40 affiliates throughout New York, thank you
18 for the opportunity to speak today and share
19 the need for greater investment in
20 homeownership opportunities for low-income
21 New Yorkers.

22 Habitat for Humanity affiliates work
23 in urban and rural areas, upstate and
24 downstate, building and rehabilitating homes

1 for low-income residents, ensuring homebuyers
2 pay no more than 30 percent of their income
3 for their homes. We build homes in part
4 using volunteer labor and public donations,
5 but with rising costs, these funds are not
6 enough to meet the need. Each home
7 represents long-term housing stability for a
8 hardworking family. Homeownership is often
9 left out in discussions of affordable
10 housing, and we are grateful that the
11 proposed budget includes such a significant
12 investment in it.

13 The primary state-financed source that
14 our affiliates in New York utilize is the
15 Affordable Housing Corporation. Since its
16 establishment in 1985, AHC's budget has only
17 increased from \$25 million to \$26 million per
18 year -- but construction costs have
19 skyrocketed.

20 Last month Governor Hochul signed a
21 bill that will increase AHC's maximum
22 per-unit allocation. We are thankful for all
23 your support in updating these funding
24 levels, but without a corresponding increase

1 in allocations to the program, this bill will
2 produce fewer subsidized homes for those in
3 need. We are requesting an overall budget
4 increase for the Affordable Housing
5 Corporation from 26 million to 50 million.

6 And while AHC is the primary
7 state-funding program we have used, we
8 support adding additional programs for
9 acquisition and construction to promote our
10 work in affordable housing throughout the
11 state.

12 Also we would like to see funding
13 devoted towards lead and asbestos abatement.
14 Our aging housing stock has presented an
15 opportunity for us to rehabilitate vacant,
16 abandoned homes. Unfortunately the
17 remediation costs make many of the projects
18 impossible for us to take on. Additional
19 funding will help put more New Yorkers into
20 safe, stable, affordable homes, and aid in
21 increasing the property tax revenue for
22 municipalities.

23 Finally, we support efforts to keep
24 homes affordable and promote sustainable,

1 permanent, affordable homeownership
2 opportunities. These include a community
3 land trust tax relief bill that will provide
4 fair and stable tax treatment for homes on
5 CLTs, and an accessory homes enabling act
6 that will provide the right for homeowners to
7 build accessory dwelling units on their
8 properties, including an exemption of new
9 ADUs from the Multiple Dwelling Law. And the
10 400 million in additional capital base
11 sources for ownership, but we'd love to see
12 more details on how that will be allocated.

13 Thank you again for the opportunity to
14 testify and for your consideration of Habitat
15 for Humanity's positions.

16 CHAIRWOMAN WEINSTEIN: Enterprise
17 Community Partners next.

18 MS. HALM: Thank you.

19 Good evening. My name is Baaba Halm,
20 and I am the vice president and market leader
21 for the New York office of Enterprise
22 Community Partners. Thank you for the
23 opportunity to testify today.

24 We also thank the Governor for

1 prioritizing housing in her capital budget.

2 Today we join our partners to ask that
3 the Governor and Legislature work together to
4 fully address New York's housing needs. New
5 York State is in the midst of the worst
6 homelessness crisis since the Great
7 Depression. When the state's eviction
8 moratorium expired on January 15th,
9 New Yorkers faced over 180,000 nonpayment
10 eviction cases across the state.

11 The Housing Access Voucher Program
12 would provide a long-term rental voucher to
13 families that are homeless or at risk of
14 homelessness, and would be available to
15 undocumented New Yorkers. It is critical
16 that the state direct 1 billion for this
17 program.

18 We also ask that short-term emergency
19 solutions, like ERAP and LRAP, be funded to
20 support households still recovering from the
21 economic effects of COVID.

22 We applaud the state for passing a
23 package of fair housing bills into law last
24 year. We are further encouraged by the fair

1 housing components of the Governor's
2 Executive Budget, including funding for fair
3 housing testing.

4 Enterprise administers the Eliminating
5 Barriers to Housing in New York program, in
6 partnership with the State Attorney General,
7 which enhances the work of fair housing
8 organizations across the state. This work is
9 critically important, but it will disappear
10 without more funding. We call for the state
11 to allocate 15 million, 3 million annually
12 for the next five years, to continue this
13 program.

14 We appreciate the Governor's proposal
15 to prohibit landlords from automatically
16 rejecting applicants with justice
17 involvement. We suggest strengthening this
18 language, including more strong, detailed
19 enforcement mechanisms.

20 We were excited to see the Governor's
21 proposed mechanisms to fight exclusionary
22 zoning in our Housing Plan, and to see the
23 legislation introduced by Senator May to
24 streamline the approval of affordable housing

1 in communities with a dearth of it. We look
2 forward to working with the state to further
3 refine these initiatives.

4 And on rural housing, our position is
5 that the state must also create funding
6 streams to meet the needs of small rental
7 housing in rural areas, vital sources of
8 affordable housing. We appreciate the
9 Governor's Housing Plan, which makes
10 reference to preserving rural rental
11 properties and making them more accessible.
12 We look forward to seeing details on how this
13 will be achieved.

14 And on NYCHA, we agree with the other
15 advocates that it's important to acknowledge
16 the significant omission of NYCHA in the
17 five-year Housing Plan. Recent developments
18 in Washington make it clear that we cannot
19 wait for the federal government to intervene
20 and support this critical affordable housing
21 stock. We call on the state and the city to
22 establish a long-term capital plan for public
23 housing, with each providing at least
24 1.5 billion annually.

1 And as a member of the Coalition for
2 Affordable Homes, we join the coalition in
3 calling for increased funding for the
4 Homeowner Protection Program, community land
5 trust acquisition funding, the Affordable
6 Housing Corporation, and a CLT taxation
7 exemption.

8 Thank you for the opportunity to
9 testify today. We look forward to our
10 continued work together.

11 CHAIRWOMAN WEINSTEIN: Thank you. And
12 if the panel can just wait to be able to
13 answer questions.

14 Senator Krueger, I believe you have a
15 Senator with a question.

16 CHAIRWOMAN KRUEGER: I do. I have
17 Senator Robert Jackson.

18 SENATOR JACKSON: Panel members --
19 panel members, let me thank you for coming in
20 and giving testimony. It's clearly
21 important.

22 I know, but I'm asking the question,
23 how many of you do not favor the Governor's
24 421-a changes that she laid out in her

1 budget? Can you just raise your hand, if you
2 don't mind? And if you have no position,
3 don't raise your hand. But -- okay, so --
4 mm-hmm.

5 And as far as NYCHA, I've heard you,
6 Baaba, I guess all of you agree the Governor
7 should have addressed NYCHA in the five-year
8 Housing Plan, is that correct? Please raise
9 your hand if you agree with what I just said.
10 Okay.

11 Well, I want to say to all of you that
12 when I look at the 31st Senatorial District
13 that I represent, from Marble Hill, Inwood,
14 West Harlem, going all the way down to
15 Chelsea at 26th Street, a very gerrymandered
16 district 13 miles long, I'm told that I have
17 the most rent-regulated units in the entire
18 state.

19 What about Good Cause Eviction? If
20 you favor that, please raise your hand --
21 when I say "you," you or your organization --
22 if you do. Okay. All right.

23 Well, let me thank all of you for
24 coming in. I appreciate your testimony. It

1 helps me to focus on the organizations that
2 you represent and what your issues and
3 concerns are. But I would think that all of
4 you -- and I'm going to ask you by raising
5 your hand -- want to make sure that the State
6 of New York increases the amount of building
7 affordable housing so everyone will have a
8 home. If you agree with that, please raise
9 your hand. Okay, I would assume that's what
10 we want.

11 So thank you, Madam Chair, that's
12 enough that I have. And I know that we're
13 trying to move along, so just trying to be
14 very straight to the point. Thank you.

15 CHAIRWOMAN WEINSTEIN: Thank you.
16 We're going to go to Assemblyman Cymbrowitz
17 for a question.

18 ASSEMBLYMAN CYMBROWITZ: Thank you,
19 Chair.

20 Good evening, everybody. I want to
21 throw out one question to everyone. Based on
22 working with not-for-profits for the last
23 five -- let's just say the last five years,
24 because of the capital plan that we had, how

1 easy or difficult was it to work with HCR?

2 And based on the next five-year plan,
3 what changes would you want to see so that
4 the money can get out easier to
5 not-for-profits?

6 MS. HALM: I can start first.

7 HCR has been a great partner among our
8 partner networks, and they have reported
9 that, you know, that HCR is a good partner to
10 work with. So that that -- it doesn't seem
11 to be the agency that is necessarily behind
12 issues and problems.

13 One of the issues that the nonprofits
14 have reported to us is about the increasing
15 insurance premiums and that it is difficult
16 to do business in this state and that there
17 are escalating costs, operating costs and
18 insurance costs, and that that is a challenge
19 that they certainly want HCR and other
20 agencies to help partner to solve around.

21 MS. BURNS-MAINE: I think I would echo
22 that from Baaba. As folks know, CBC is a
23 partner to HCR. We've made incredible
24 process both through the Legacy Cities

1 Program, the Participation Loan Program.
2 We've been able to deploy capital quite
3 quickly. We're always standing at the ready
4 if there are things that folks want to figure
5 out and troubleshoot in order to make them
6 more efficient. But we've been really happy
7 with the partnership of HCR and the
8 leadership there.

9 I would also echo what you heard from
10 Baaba, that I think some of the concerns that
11 we're hearing from not-for-profit developers
12 are the increased costs for capital
13 construction, supply chain issues, insurance
14 premiums. The costs go up, things are taking
15 longer. And those are things I think are
16 even more universal than just even in
17 New York that folks are dealing with.

18 MS. ROBINSON: I won't repeat what has
19 just been said, but I agree with everything
20 they said.

21 I want to share our primary
22 interaction with HCR is through the AHC
23 program, and HCR has been an incredible
24 partner to Habitat for Humanity.

1 We also utilize the SONYMA loan
2 program, and they have a Habitat product that
3 we utilize which has also been fantastic.

4 You know, our only hope is that we can
5 get our applications reviewed faster. And I
6 think -- I think that's an issue across state
7 agencies, not unique to HCR. So we're really
8 grateful for their partnership.

9 MS. WILLIAMS: I would likewise echo
10 what others have said.

11 I think the one clarification I would
12 make, Chair Cymbrowitz, which speaks to also
13 a question that I think Assemblymember
14 Bichotte asked earlier, is that not all of
15 the five-year Housing Plan utilizes
16 non-for-profit developers specifically. It's
17 not clear what percentage goes to for-profit
18 versus nonprofit developers, and that may
19 vary also in different parts of the state.

20 And likewise, you know, some questions
21 and concerns that I know many in downstate
22 but also in parts of upstate have raised is
23 what share of the projects are going to MWBE
24 developers. And we often see this

1 specifically because we often have nonprofits
2 being led by a person of color partnering
3 with an MWBE as a joint venture, but that's
4 not necessarily projects that always get
5 prioritized or moved through the pipeline.

6 CHAIRWOMAN WEINSTEIN: Thank you.

7 We move on to the Senate.

8 CHAIRWOMAN KRUEGER: Sorry, I lost my
9 mute button for a second.

10 Senator Brian Kavanagh, Housing chair.

11 SENATOR KAVANAGH: Thanks very much.

12 And I want to thank everyone on this
13 panel for your testimony today, but also each
14 of you have been very important resources as
15 we've tried to grapple with the housing
16 crisis in the last couple of years and, more
17 broadly, housing policy over many years --
18 you know, from the fair housing stuff we did
19 to all of our attempts to fund these programs
20 adequately. So I appreciate everybody here.

21 Just -- several of you testified that
22 we should do \$1.5 billion additional, and I
23 think that's an annual figure for public
24 housing in New York for NYCHA. So just is

1 NYCHA residents is that they have been
2 waiting already too long. We are all
3 familiar with the conditions that are
4 impacting NYCHA residents' health and safety
5 on a day-to-day basis. And the fear is we
6 cannot continue to wait. These programs take
7 a long time even just to deploy the money to
8 get things moving.

9 So it's our position that NYCHA should
10 be given all the tools possible from the city
11 and state. At this point it feels like as
12 New Yorkers we need to start talking about
13 how, not if, just given the way conditions
14 have deteriorated. And I don't think that it
15 is responsible for us to keep holding out
16 hope for the money at the federal level.

17 MS. FEE: And to build on Erin's
18 comments, so New York Housing Conference put
19 out recommendations for the next five-year
20 Housing Plan, and in coalition with 16
21 organizations we all agreed that absent
22 federal funding, the city and state should
23 work together, and we would like to see each
24 level of government allocate \$1.5 billion

1 annually.

2 And I would just say that that
3 long-term strategy and agreement between city
4 and state is equally as important as the
5 funding this year. NYCHA shouldn't just be
6 getting one-off funding, not knowing what to
7 expect year after year. There is urgency and
8 we know what their needs are and we really
9 call on the Governor and the Legislature to
10 work together with Mayor Adams to establish a
11 long-term funding plan.

12 SENATOR KAVANAGH: I think as you
13 know, I agree. We can talk about what the
14 number is, but it is very important.

15 One quick question. Mary Robinson,
16 you mentioned lead and asbestos abatement
17 funding. Do you have a number on that? I
18 think I didn't see one in the testimony. Is
19 there a proposed amount for --

20 MS. ROBINSON: So we've looked into
21 what costs we would have, and we have come up
22 with 12 to 15 million.

23 I know there's been previous funds
24 through the Attorney General's office and --

1 CHAIRWOMAN WEINSTEIN: We will have
2 some people later on testifying about the
3 lead issues who may have some more
4 information for the members.

5 SENATOR KAVANAGH: Okay, good. So
6 just, Mary, if you do have any follow-up, if
7 you could let us know. But thank you.

8 MS. ROBINSON: Yeah, absolutely.

9 CHAIRWOMAN KRUEGER: Thank you.
10 Assembly.

11 CHAIRWOMAN WEINSTEIN: We go to
12 Assemblyman Epstein.

13 ASSEMBLYMAN EPSTEIN: Thank you,
14 Chair. Thank you, panelists, for being here.

15 Just on -- since we were talking about
16 NYCHA, just to stay on that topic for a
17 second. So are you all supporting not just
18 capital money but operating money for NYCHA
19 from the state coffers? I know, Rachel, you
20 just mentioned capital, right?

21 MS. FEE: So I -- I mean, I would
22 really like to see what the city is asking
23 for in terms of -- you know, I know that
24 NYCHA is suffering a shortfall, and we'd like

1 to see some funds out of ERAP or whatever
2 funding is available to make up their
3 operating deficit due to tenant loss of
4 income this year.

5 But, you know, I think it would be
6 good for -- before, you know, we put together
7 a position around operating funds to fully
8 understand what they're looking for and also
9 how that fits in with a long-term strategy to
10 finance capital repairs. It should really go
11 hand in hand.

12 ASSEMBLYMAN EPSTEIN: Thank you.

13 And then, Barika, can you mention
14 Good Cause as a tool in the tool belt? You
15 know, I just want to underscore how important
16 it is. I think we're talking about, what,
17 4 million households across the state that
18 this Good Cause would impact, is that right?

19 MS. WILLIAMS: I believe that's right.
20 And I know a group of -- a panel will come
21 later. But I also think it's important and
22 somebody highlighted earlier this is
23 something that has been in place since the
24 '70s just across the river in New Jersey, is

1 in place in multiple other states and
2 counties, and is an opportunity for us to
3 stabilize and also to really address a key
4 piece in what is a complicated and complex
5 housing tool belt. But this piece is clearly
6 needed in order to secure some necessary
7 housing protections across the state.

8 ASSEMBLYMAN EPSTEIN: Finally, I only
9 have a minute left, but there's two more
10 topics I want to raise and people can answer
11 them, just really on ADUs. You know, we saw
12 a good plan from the Governor. You know, we
13 have legislation in the Assembly and the
14 Senate driven by the leadership of Senator
15 Harckham. I'm wondering where -- I know I've
16 seen most of you plan to support ADU. I'm
17 wondering how you respond to some of the
18 criticism we've heard tonight. And if people
19 can be quick, because I do want to talk about
20 421-a too, if possible.

21 MS. FEE: I understand that localities
22 want to maintain local control of zoning.
23 But local control of zoning has also led to
24 our current crisis in exclusionary zoning

1 across the state.

2 So, you know, I do think input from
3 localities across the state is really
4 important in crafting legislation, and their
5 concerns are really important. But I do
6 think we are falling behind other states in
7 really unlocking housing opportunities by
8 using state authority.

9 ASSEMBLYMAN EPSTEIN: I know I'm out
10 of time so I can't really talk about 421-a,
11 but I just really want to reemphasize the
12 need for ending the -- not going forward with
13 the Preservation Trust as well.

14 Thank you all, and thank you, Chairs.
15 I'm sorry I couldn't get all the responses
16 from everyone here.

17 CHAIRWOMAN WEINSTEIN: To the Senate.

18 Oh, you do not have anyone, right? So
19 I think we will go to Assemblyman Burdick.

20 ASSEMBLYMAN BURDICK: Thank you,
21 Chairs. And thank you, panelists, for your
22 advocacy and your testimony.

23 Barika Williams, I want to thank you
24 for pressing for passage of the Housing

1 Access Voucher Program, the codification of
2 the five-year capital plans, and other of
3 those proposals in there.

4 Erin Burns-Maine, we've worked
5 together before, and I want to commend you
6 for the work you do.

7 I'm wondering whether you have any
8 programs for housing for returning citizens
9 from our correctional facilities, and how can
10 we partner with HCR on that, given that the
11 commissioner has stated that permanent
12 housing is really their mission, rather than
13 transitional? However she did say, in
14 response to my questions, that she would and
15 was willing to circle back with me on that.
16 And perhaps CPC and others can be involved.

17 MS. BURNS-MAINE: So I'd be happy to
18 start. So thank you so much for that
19 question.

20 We agree that housing is kind of the
21 platform, the jumping-off place for
22 everything else, especially for folks
23 returning home from incarceration settings.
24 While we would need to look specifically at

1 the program of what we have financed in our
2 portfolio, which we would be happy to do, we
3 stand at the ready to partner with the state,
4 with others, on any sort of program that
5 would help create housing opportunities for
6 folks who need to get back on their feet.

7 ASSEMBLYMAN BURDICK: That's super.
8 Thank you. Perhaps offline we can have
9 further conversation.

10 A question for Rachel Fee. What did
11 you have in mind when you stated that the
12 state use of state-owned land should be
13 considered to create housing opportunities?
14 Do you have any specific agencies or
15 properties? And how might we pursue that?

16 MS. FEE: So I think it would be great
17 if we had a survey of state-owned land, you
18 know, and maybe a review process where the
19 state housing agency has some sort of role in
20 identifying state-owned land that is suitable
21 for housing, before any disposition happens.

22 And also an evaluation of those
23 opportunities across the state. I think we
24 saw with the Brooklyn initiative under the

1 last Housing Plan a really great use of
2 underutilized state-owned land on a hospital
3 site, and I think there are more
4 opportunities like that across the state.
5 And it would reduce costs for producing
6 affordable housing if we can use public land.

7 ASSEMBLYMAN BURDICK: This too I'd be
8 delighted to pursue this offline with you and
9 to see whether there's something that can be
10 developed with HCR.

11 MS. FEE: Great. Thank you.

12 ASSEMBLYMAN BURDICK: Thank you.

13 CHAIRWOMAN KRUEGER: Thank you.

14 CHAIRWOMAN WEINSTEIN: Thank you.

15 So this -- we thank all the panelists
16 for being with us today, and thank you for
17 your input and the work you do in the
18 communities.

19 So next we're going to have Panel B:
20 Neighbors Together, Fannie Lou Diane, leader;
21 Red Hook West Tenant Association, Karen
22 Blondel, president; VOCAL-NY, Kassi Keith,
23 VOCAL-NY homeless union leader;
24 CASA-Community Action for Safe Apartments,

1 Pablo Estupiñan, director.

2 You can go in that order.

3 MS. DIANE: Good evening. My name is
4 Fannie Lou Diane, and I'm a member leader
5 here at Neighbors Together in Brooklyn, and
6 also a member of Housing Justice for All.
7 I want to thank the Legislature for the
8 opportunity to testify today.

9 I am testifying today to highlight the
10 dire need for the New York State Assembly to
11 address the housing and homelessness crisis
12 by passing critical legislation that will
13 move us out of the cycle of short-term
14 responses and into long-term investments and
15 safe, stable affordable housing for all
16 New Yorkers.

17 It is interesting that many of the
18 members who have spoken today have
19 intersected my organization, have intersected
20 at some point. But I would be remiss if I
21 didn't mention the human aspect, which is why
22 I'm here today.

23 I myself understand all too well the
24 struggle that many low-income and homeless

1 New Yorkers are facing. In 2019, I was
2 illegally evicted by my landlord who refused
3 to remediate toxic black mold, several mice
4 infestations, and three bedbug infestations.
5 The constant exposure to toxins and rodents
6 made me severely ill, and after fighting and
7 beating cancer, my health remains severely
8 impacted to this day.

9 There is a human element to these
10 policies. People's lives hang in the
11 balance. As you look at the real checks and
12 balances, I urge you not to just think about
13 the budget cost but the human cost. How will
14 the policies that you vote on today impact
15 the lives of people that you are called to
16 serve? Will we end up as collateral damage
17 in a flawed system?

18 The eviction moratorium ended on
19 January 15 of this month, and now over
20 200,000 households face eviction. The
21 state's failure to act represents a total
22 abdication of responsibility to protect
23 tenants and address the homelessness crisis.
24 It is unacceptable, and COVID showed us how

1 many households were on the brink of
2 homelessness.

3 And even with ERAP funding, many
4 households will still be remaining in debt.
5 So without better policies in place, severely
6 rent-burdened households will continue to
7 struggle and can easily end up cycling in and
8 out of homelessness.

9 In this year's budget the state must
10 move from emergency responses to COVID to
11 investing in permanent, forward-looking
12 protection for low-income households and
13 homeless New Yorkers -- such as Good Cause
14 Eviction and the Housing Access Voucher
15 program.

16 If Good Cause Eviction were law when I
17 was living in my old apartment, I would be
18 able to fight against the dangerous living
19 conditions in my building and have them
20 remediated instead of being illegally evicted
21 and homeless for the past two and a half
22 years. I would have probably been on my path
23 to pursue a Ph.D., I would have probably been
24 on my path on my career, but here we are now.

1 I'm struggling to find a place to live and
2 spend all my energy fighting to keep my head
3 above water.

4 In order to rehouse people who are
5 already homeless, and to address the problem
6 from the other end, the state must pass the
7 Housing Access Voucher Program. If the
8 Housing Access Voucher Program were law when
9 I was illegally evicted, I would have been
10 given a voucher and I would have been able to
11 find an apartment with fair market rent.

12 In order to address current housing
13 disparities and create an equitable and just
14 housing system statewide, any budget put
15 forward in New York State must include the
16 Good Cause Eviction, the Housing Access
17 Voucher program, and additional money for the
18 Housing Our Neighbors with Dignity Act,
19 HONDA. That has to be statewide.

20 We are asking, for each program, for
21 at least a billion dollars in funding to make
22 sure that this runs smoothly and adequately
23 for all New Yorkers. Governor Hochul's
24 budget unfortunately rebrands an already

1 broken system. I and millions of other
2 low-income New Yorkers need New York State to
3 finally start investing in long-term
4 solutions that provide equitable and just
5 housing for all.

6 Housing should be a human right.
7 Good, clean, safe, and affordable housing
8 should just be the standard, and not the
9 option.

10 Thank you again. My name is Fannie
11 Lou Diane. And I've got more of these things
12 I've talked about referenced in my testimony
13 that was submitted. Thank you.

14 CHAIRWOMAN WEINSTEIN: Thank you for
15 being with us today.

16 Next, Karen Blondel, Red Hook West
17 Tenant Association.

18 MS. BLONDEL: Good evening, New York
19 State Senate and Assembly members. Greetings
20 to the chairs, Chair Cymbrowitz, my
21 Assemblymember, Marcela Mitaynes, and my
22 State Senator, Jabari Brisport. I also want
23 to thank Rachel Fee and others for supporting
24 public housing.

1 I am the only public housing resident
2 making a statement on this call. I live in
3 Red Hook Housing, but I'm also a Harvard LOEB
4 Fellow with the GSD. So I am doing this from
5 Massachusetts at this time.

6 I want to acknowledge that I speak for
7 myself as a resident but also for many other
8 residents, as well as the authentic community
9 organizers and organizations who are our
10 allies in Red Hook and beyond. As the newly
11 elected president of Red Hook West Resident
12 Association and the cofounder of the Public
13 Housing Civic Association, I'm here to speak
14 about the ERAP, the Emergency Rental
15 Assistance Program, that was not shared
16 equitably with NYCHA residents.

17 The federal government approved this
18 national pandemic relief fund and tasked
19 New York State with equitably disbursing it
20 to all in need. I even recall our current
21 Governor of New York State, Governor Hochul,
22 promising to fix nearly two decades of
23 ongoing crisis in New York City public
24 housing while being interviewed by the

1 Gothamist on August 27, 2021.

2 How could the legislation regarding
3 who gets ERAP leave residents from NYCHA
4 completely out? The way the resources and
5 information was trickled down in fragments to
6 my community is unacceptable. That's why we
7 have Resident Council, CCOP, and other
8 organizations.

9 And with that being said, the
10 additional cost on public housing residents
11 has been residual cost-burdened -- not just
12 the rate, but the things that you have to
13 also pay for like transportation. We had to
14 pivot to buying things online, service fees
15 for deliveries, all kinds of things like
16 that.

17 I'm keenly aware, as the only public
18 housing resident and newly elected president
19 of Red Hook West, that speaking today does
20 not cover all of the issues that me and some
21 of my allies have. And for that, I
22 apologize, because I would love to talk about
23 capital and operational costs and who this
24 DASNY organization is that I'm just hearing

1 about.

2 The difference between low-income
3 housing and affordable housing in New York
4 City is the dense concentration we have of
5 low-income public housing in New York City.
6 It may be different upstate, but in New York
7 we have over 600,000 people living in public
8 housing.

9 The actual cost burden has not been
10 just about rent, but about residual cost
11 burdens of living through a global pandemic.
12 And for New York State to make decisions that
13 leave the most vulnerable population out of
14 emergency rental resources, information, and
15 amenities in a time of crisis is shameful.
16 It's shameful. It is unacceptable for
17 New York State to once again leave NYCHA out
18 of a critical resource.

19 And I heard the commissioner, who is
20 not on here anymore -- because I have been on
21 this call since 2:00, before it even
22 started -- but I heard her try to give hope
23 about the Build It Back {sic} program, about
24 the infrastructure bill. We've been going

1 through this since the Compromise of 1877.

2 Enough is enough. We need NYCHA
3 funding, and at a minimum we need to make
4 sure that the State Senate and our Assembly
5 use zeal, zeal in trying to make sure that
6 public housing residents are not evicted
7 after this moratorium stops.

8 CHAIRWOMAN WEINSTEIN: Thank you.

9 MS. BLONDEL: I will close by saying
10 it is because of state legislation that
11 public housing residents are being excluded
12 from ERAP. We demand our state government to
13 be accountable and creative in regards to
14 making sure all residents of public housing
15 are served in any investments or prioritizing
16 in the state budget in public housing to fill
17 the ERAP gap and address operational and
18 capital needs.

19 The rest of this I have submitted --

20 CHAIRWOMAN WEINSTEIN: Thanks. Right.
21 I was about to say, Ms. Blondel, that all the
22 testimony -- both your testimony as well as
23 there have been a number of people who have
24 submitted testimony who did not wish --

1 MS. BLONDEL: But I shouldn't be
2 rushed when I'm the only public housing
3 resident.

4 CHAIRWOMAN WEINSTEIN: You're not
5 being rushed. Everybody has the same amount
6 of time. And a lot of us, myself included,
7 represent --

8 MS. BLONDEL: Why, when I'm the only
9 representative from my community on this
10 call --

11 CHAIRWOMAN WEINSTEIN: -- public
12 housing developments, and we work closely
13 with our residents associations.

14 So next we go to VOCAL-NY.

15 MS. KEITH: Thank you. My name is
16 Kassi Keith. I'm the leader with VOCAL-NY.
17 Thank you for taking my testimony today.

18 I have been living in the DHS shelter
19 system since February of 2019. I have been
20 placed in the Kings Hotel since September of
21 2021. In those 35 months the city and state
22 of New York have paid nearly \$140,000 to keep
23 me in a shelter that offers no service, no
24 real service.

1 As of right now, there is no program
2 in place that can help me get out of the
3 shelter system because, despite being a
4 resident of this city for over 36 years and
5 having over 30 years of work experience, I'm
6 still not able to become a citizen of this
7 country.

8 It is baffling to me that shelters
9 cost almost \$4,000 a month, even though basic
10 services are not being provided to clients.
11 We have been served frozen dinners and canned
12 food every day. We end up getting sicker
13 because of the food. Myself and others are
14 constantly going to the emergency room due to
15 chest pains, elevated blood pressure, low or
16 high blood sugar, because the food is not
17 healthy and we cannot cook healthy meals for
18 ourselves.

19 My current hotel room gets flooded
20 every time we have a heavy rain -- four times
21 since I have moved in. They won't fix the
22 window, which allows the rain to come into my
23 room. They won't change the carpet or
24 deep-clean either. Therefore I'm forced to

1 live in a room filled with mold.

2 When donations come in, residents are
3 the last to see them. Staff take whatever
4 they want and leave us the rest.

5 I joined VOCAL-NY to fight for the
6 Housing Access Voucher Program, which would
7 be the only rental subsidy program available
8 to folks in my situation. If funded at
9 \$1 billion, it would allow everyone in the
10 shelter system to access a market-rate
11 voucher and ultimately save the state money
12 as people left the shelter.

13 With the Housing Voucher Program, I
14 could get an apartment of my own where I
15 could cook my own food, come and go as I
16 please, and have guests whenever I wanted to.
17 This means I could focus on getting my mental
18 and physical health in order and get back to
19 work.

20 Not only would the state save money on
21 the monthly cost of shelter, but I could also
22 participate fully in my community without
23 being forced to transfer from one shelter or
24 hotel to another. I could put down real

1 roots and contribute to the economy and civic
2 life of this state in even greater ways, all
3 for less than the cost of keeping me in
4 temporary shelters.

5 If the state cannot get the Housing
6 Access Voucher Program passed this year, it
7 will force me to spend another year in a
8 costly shelter that provides food that is
9 harmful to my health and offers me no way
10 out. I can't get into permanent shelter,
11 into permanent housing. Shelter residents
12 have suffered greatly over this pandemic, and
13 we are out of patience. We must prioritize
14 passing and funding HAVP. We must prioritize
15 and dignify -- the dignity and the safety of
16 people like me.

17 It's inhumane to keep people in the
18 shelter system indefinitely with no way out.
19 Passing the housing budget program is a moral
20 issue. Lawmakers have the power to give us
21 back our dignity, our lives, and restore our
22 American dream to contribute to the growth of
23 this unique and great country.

24 Thank you.

1 CHAIRWOMAN WEINSTEIN: Thank you,
2 Ms. Keith.

3 So now we go to CASA.

4 MR. ESTUPIÑAN: Good evening,
5 Assemblymembers and Senators, as well as the
6 chairs. Thank you for the opportunity to
7 testify tonight.

8 My name is Pablo Estupiñan. I'm the
9 director of CASA in the Southwest Bronx.
10 We're a grassroots, member-led tenant
11 organization representing over 2,000 members.
12 Our work is really organizing buildings, and
13 we also work with local, city, and state
14 campaigns, with members of the Right to
15 Counsel NYC Coalition as well as Housing
16 Justice for All.

17 So while we're here in support of and
18 in solidarity with what folks have mentioned
19 around the Housing Access Voucher Program and
20 Good Cause, there's two things I wanted to
21 testify in favor of today.

22 The first is the passing of statewide
23 Right to Counsel legislation. Thank you to
24 all our sponsors who are here tonight. We

1 already know that in New York City that Right
2 to Counsel has been a game changer. In the
3 last three years, over 80 percent of tenants
4 represented don't get evicted, which proves
5 our point around evictions aren't always
6 about money -- they're about power.

7 At CASA we do believe that no one
8 should ever be evicted. So some of you will
9 see us launch an Eviction-Free Bronx campaign
10 tomorrow morning, along with an Eviction
11 Defense Network. We knew the day would come
12 where there would be no moratorium and that
13 we needed to support our neighbors to stop
14 evictions and, as it's been well documented,
15 the cycle of displacement and what happens
16 when people are evicted.

17 I know this is a budget hearing, so
18 what I wanted to testify in favor of is that
19 we are, at Right to Counsel, working on a
20 cost-estimate analysis. It should be out
21 soon, in a couple of weeks in the coming
22 months, and so our initial research shows
23 that it would cost at least 500 million to
24 implement Right to Counsel in the state. So

1 that's already including New York City, which
2 is almost 200 million a year already, and
3 that's already funded through HRA. So it
4 would be an additional support for upstate
5 tenants.

6 And while we applaud -- we acknowledge
7 the increased \$35 million in funding for
8 legal service providers -- but we know that
9 that doesn't go far enough. And we estimate
10 that 45,000 to 50,000 people would be served
11 annually through Right to Counsel.

12 The second thing I wanted to really
13 make sure I testify about is ERAP. We need
14 additional funding, so we are advocating for
15 2 billion. So a lot of our CASA members --
16 we are in the poorest urban congressional
17 district. If our members can't afford to
18 live where we organize, there's nowhere for
19 them to go in the city, right?

20 And so I wanted to share with you all,
21 we did outreach to over 75 buildings over the
22 summer. We have helped hundreds of people
23 apply. And still the reality of our members
24 is we're not in a different place from what

1 we started in. Even those that got help
2 didn't get the full amount. Those that did
3 get some amount, that got it covered, are now
4 in months of arrears. And there are many
5 people who didn't know about it, which is why
6 we spent our resources to go out there and
7 and get the word out.

8 So I just wanted to highlight those
9 two really in particular, that as y'all might
10 know, one in four eviction cases filed in the
11 pandemic are in the Bronx. So we really hope
12 that folks in power really think about the
13 Bronx. We're often ignored and not talked
14 about, or ever get the resources we need.

15 Thank you. And that concludes my
16 testimony.

17 CHAIRWOMAN WEINSTEIN: Thank you for
18 being with us tonight.

19 We will go first to Assemblyman
20 Epstein and then to the Senate.

21 ASSEMBLYMAN EPSTEIN: Thank you,
22 Chair.

23 And I really want to thank the
24 panelists, Fannie Lou Diane, Karen Blondel,

1 and Kassi Keith. Thank you for all your
2 really -- your stories that are really
3 impactful. I'm glad we're here to listen to
4 them and to stand with you, because we have a
5 housing crisis that we need to manage. So
6 thank you.

7 I just want -- a couple things. One
8 is just there's a couple of pieces we're
9 trying to push forward here, as you know:
10 Not extending the 421-a program, because it's
11 giving away billions of dollars; getting
12 accessory dwelling unit legislation to allow
13 more affordable housing; really talking about
14 HONDA and turning -- converting old hotels
15 into real housing, to the additional
16 protections for unstabilized tenants and
17 Good Cause. The last one is really having a
18 real commitment to funding public housing.

19 I wanted to make sure that we're all
20 on the same page. These are priorities for
21 all your organizations and things that you're
22 talking about. Oh also, I forgot Chair
23 Kavanagh-Cymbrowitz's bill, about a real
24 rental assistance program in our state.

1 I want to know if people who are
2 feeling -- if this is what this panel is
3 really pushing for. I want to know if
4 there's anything we're missing.

5 MS. BLONDEL: I'm pushing for funding
6 for public housing. I've been tracking the
7 infrastructure bill, the Build It Back bill.
8 I worked with my congresswoman and
9 (inaudible) from Red Hook, when it went from
10 one bill to the other.

11 I am a Black woman living in public
12 housing, and I'm also in Harvard, and I'm
13 here to really figure out why do we keep
14 being treated like second-class citizens
15 here? Especially because New York City is a
16 sanctuary city, I would think that at least
17 they would think about the bare minimum of
18 stabilizing public housing.

19 And I just want to say for the record,
20 I know the difference between the blueprint
21 and privatization. I actually teach it. And
22 I'm in favor of the blueprint. Since
23 everybody else came with their comment, as a
24 public housing resident, I am in favor of the

1 blueprint.

2 ASSEMBLYMAN EPSTEIN: And thank you.
3 And so would you be in favor of the blueprint
4 versus federal and state funding? Would
5 you -- I just -- there's concern around, you
6 know, moving away from Section 9 to
7 Section 8, and the protections that Section 9
8 provides.

9 MS. BLONDEL: Right. So with the
10 blueprint, we stay Section 9? I would be
11 okay -- yeah. The blueprint keeps things
12 Section 9. Privatization turns things into
13 Section 8.

14 I even have students who have done
15 eviction maps that show that the increase in
16 evictions in public housing is in the RAD
17 conversions. Okay?

18 Now, I want to say just one more thing
19 about Red Hook. We received half a billion
20 dollars in Sandy recovery on the outside. We
21 are like a Hudson Yard with all kinds of
22 things going on right outside my front door
23 throughout the whole campus, including the
24 cutting down of 500 trees. We can't go from

1 that to privatization that will next wrap the
2 building and the actual tenant up in the
3 building to get the job done.

4 With the blueprint we are guaranteed,
5 going line by line, where we have a lot of
6 residents who are over 65, and they would be
7 still housed on that campus. It just makes
8 better sense that we can control whether or
9 not the work is being done properly.

10 And we also need to maintain a bigger
11 workforce. Meaning the City Council just
12 testified less than six months ago that
13 New York City Housing Authority is only
14 spending 6 percent of its budget, while the
15 average other agencies in New York City spend
16 60 percent. That calls for an increase --
17 all hands on deck, almost like a World War II
18 movement where we get everybody up and
19 working.

20 CHAIRWOMAN WEINSTEIN: Thank you.

21 MS. DIANE: And just to echo what
22 Sister Karen said, she mentioned about RAD
23 and how evictions are happening. We have to
24 think about also those folks who are already

1 homeless, who were already dealing with this
2 way before COVID.

3 And so we're not talking -- we need to
4 be talking solutions since yesterday, okay?
5 Because it's an important -- I mean, since
6 the state failed to enact more protection for
7 folks for the eviction moratorium, we now
8 leave open at least a space for 1.6 million
9 people to be evicted. That's horrible.

10 You know, so I totally agree with what
11 Sister Karen said, I totally agree with what
12 Brother Pablo said. You know, we are
13 reacting and trying to respond to a need that
14 should have been addressed a long time ago,
15 years ago, that is really deeply racist,
16 systematically gendered as well, and all
17 these other different issues that we all know
18 about. We could sit here and talk about this
19 stuff for hours. We all know what we need to
20 do.

21 We need to have right to counsel,
22 which I didn't have when I was being evicted,
23 which would have definitely helped me. Good
24 Cause Eviction, it's going to be a good thing

1 for everyone, even including folks in
2 NYCHA -- as someone who grew up in NYCHA.
3 So, you know -- and banning winter evictions.
4 People are being evicted now. It's
5 egregious. It is traumatic. I can't express
6 how horrible an eviction is and how long it
7 takes to recuperate. Mine was in 2019. I'm
8 still dealing with the ramifications of that.

9 CHAIRWOMAN WEINSTEIN: Thank you for
10 your responses.

11 We now move on to the Senate. I
12 believe Senator Kavanagh was first.

13 SENATOR KAVANAGH: Okay. Thanks. I
14 will be quick.

15 Just to say, first of all, thank you
16 to this panel. I'm really glad that you're
17 prioritizing these things. We have been
18 pushing hard for several of them for several
19 years now. We originally introduced the
20 Housing Access Voucher bill in February of
21 2020, about three weeks before we ever heard
22 of COVID -- or at least I didn't think it was
23 something here -- and the Senate last year in
24 our one-house budget put \$200 million into

1 getting that program started. So we are very
2 committed to it, and many of us -- and I'm
3 glad there's such active support.

4 I do want to acknowledge something
5 that Karen Blondel said, which is that there
6 are about half a million public housing
7 residents in the state. It is very difficult
8 to get all the perspectives and all the
9 representatives into these hearings, and I --
10 you know, the chairs and the staff do work
11 hard at that, but I think it is an
12 unfortunate thing today that we have just one
13 public housing resident testifying in all of
14 these panels.

15 And we will, and certainly in my
16 district -- you know, Senator Krueger has had
17 a community-oriented town hall on the budget
18 that we all do in Manhattan every year, and I
19 think that we will make sure that we have
20 other opportunities for public housing
21 residents and others to express their point
22 of view. But it's -- you know, it is
23 something that -- and thank you for carrying
24 the perspective of half a million people

1 today, because that's not something anybody
2 should expect of you.

3 CHAIRWOMAN WEINSTEIN: Excuse me,
4 Senator. It's just -- I don't know if we
5 want to stop the clock, we'll just give him
6 some extra time.

7 I just wanted to point out that we did
8 not have other public housing residents or
9 officers of public housing request to testify
10 at this hearing, so we're actually very
11 grateful that Ms. Blondel is here with us
12 today. We wanted to make sure she had an
13 opportunity to be here, and I would agree
14 with you that we will be having other
15 meetings, it's not just -- the budget is not
16 the only place where we get to interact with
17 housing advocates.

18 Can we add a couple minutes back to
19 Senator Kavanagh's time, please? You can go
20 on, and we'll --

21 SENATOR KAVANAGH: Thank you for that
22 clarification. And I was not suggesting that
23 there was any active effort to exclude. I
24 think there were some tenant leaders who kind

1 of found out -- maybe missed deadlines to
2 submit requests to testify and then found out
3 at the last minute.

4 But I know there are many people out
5 there that are watching and are concerned
6 that the perspective of public housing
7 residents are fully addressed in our budget
8 negotiations.

9 But again, as I said, I wasn't
10 suggesting that anybody -- in either house,
11 the Legislature or anybody on the staff, was
12 trying to prevent that perspective from being
13 presented here. So I think I actually
14 will -- I think I will actually stop there.
15 The clock is out, and I know it's late. But
16 thank you.

17 And just one to Pablo: No one forgets
18 the Bronx as long as CASA is in the house. So
19 we appreciate all of your advocacy and effort
20 to us as chairs and certainly to my Bronx
21 colleagues as well. Thank you.

22 CHAIRWOMAN WEINSTEIN: We now go to
23 Assemblywoman Niou.

24 ASSEMBLYWOMAN NIOU: Hello. Thank you

1 so much for being patient tonight. It's
2 already 7:00, but I just wanted to say thank
3 you for waiting and testifying. It's been a
4 long night.

5 President Blondel, have officials
6 running the ERAP program been able to give
7 you any estimates of when they will process
8 NYCHA applications?

9 MS. BLONDEL: So no, they haven't. I'm
10 also talking from a leadership and a person
11 who lives in public housing who, during the
12 pandemic, I had to pivot -- yes, I still had
13 work and worked through the pandemic. I
14 actually worked harder, because I gave out a
15 million pounds of produce -- not only in
16 Red Hook, but beyond, into Sunset, into
17 Gowanus, and at times even into the Bronx.

18 ASSEMBLYWOMAN NIOU: Thank you for
19 doing that.

20 MS. BLONDEL: But I also found out
21 about ERAP two days before the deadline for
22 my own -- personal. And at that point,
23 public housing still wasn't aware, in
24 numbers, of it. So I put my own application

1 in because I said I don't know how long this
2 pandemic is going to last, I don't know how
3 long I'm going to have a job, and I need to
4 safeguard myself.

5 I got a letter about a week ago --
6 well, about a month ago, that said, hey,
7 we're running out of funds, so you might not
8 get this money. But it leaves public housing
9 in limbo. And at the same time while I'm
10 able to recover, my residents and other
11 people in public housing have already been
12 turned down by HRA because the ERAP doesn't
13 really say you're not going to get it. It's
14 almost like --

15 ASSEMBLYWOMAN NIOU: Have you had any
16 success in getting in contact with them, or
17 have they been unresponsive?

18 MS. BLONDEL: I would have to get back
19 to you on that when I speak to our residents
20 this week.

21 ASSEMBLYWOMAN NIOU: Okay. And right
22 now, I've heard from a lot of my own
23 residents and my own -- residents in NYCHA
24 and, you know, right now a lot of folks are

1 very worried about evictions when it comes to
2 folks in NYCHA. And do you think that a
3 large number of folks would end up homeless
4 if they're not able to get into this program?

5 MS. BLONDEL: I sure hope not. First
6 of all, let's not forget that 6 million
7 people migrated to New York City, and that
8 was before urban renewal. A lot of those
9 families, including myself, have been
10 veal-penned in public housing for 30,
11 40 years. It's not that we don't want to go
12 anyplace else, but we've been veal-penned
13 there.

14 And let me explain to you. I'm quite
15 happy to stay in that little place,
16 especially because I'm going to be a senior
17 soon, but not if it can't be stabilized. It
18 needs to be stabilized.

19 I see the same pipes from 1939, rises,
20 chase walls, all kind of plumbing and
21 electrical wires. I paid a 30-year mortgage
22 in my apartment in regards to my rent, yet I
23 have no equity, and nobody took care of the
24 building. That's not right. I should be

1 able to age in place in Red Hook, even if
2 it's in public housing. So something has to
3 be done.

4 ASSEMBLYWOMAN NIOU: Thank you.

5 MS. BLONDEL: You're welcome. Thank
6 you.

7 CHAIRWOMAN KRUEGER: Yes, we have
8 Senator Brisport. Is that all right, Helene?

9 CHAIRWOMAN WEINSTEIN: Yes. Sure.

10 CHAIRWOMAN KRUEGER: Thank you.

11 SENATOR BRISPORT: Thank you,
12 Madam Chair.

13 Ms. Blondel, I really loved your
14 testimony, and it is truly an honor and a
15 pleasure to represent you in the State
16 Senate. So I have a simple question for you,
17 and also Ms. Fannie Lou, because I think I
18 heard you say you grew up in public housing.

19 So I'm going to run some numbers real
20 quick and then ask you just simple questions.
21 So my office got a response from OTDA a few
22 days ago saying that they had -- as of
23 November 14th, when the portal was closed,
24 they had received about 27,000 applications

1 from NYCHA, with estimated payments totalling
2 about \$102 million.

3 And I want to remind everyone
4 watching, listening, that in the original
5 ERAP program when we first made it, the State
6 Legislature allocated around \$100 million for
7 private landlords who might be excluded from
8 the program. And when we extended it, we
9 added an additional \$150 million, for a total
10 of \$250 million for private landlords.

11 So my question for Ms. Karen and
12 Ms. Fannie Lou: How does it make you feel
13 knowing that we were able to find money at
14 first, and then again, for private landlords
15 to the tune of \$250 million and are still not
16 allocating anything for NYCHA, which is
17 pushed to the end of line, and now the
18 program is out of money? Do you think that's
19 fair?

20 MS. BLONDEL: That is absolutely not
21 fair. Even when you had quoted that number
22 versus how much money was given out,
23 102 million to stabilize 27,000 units or
24 families in public housing -- when we know we

1 have over 600,000 to a million people living
2 in public housing -- it's a small drop in the
3 bucket.

4 I'm sure, because it's agency to
5 agency, you guys can negotiate some type of
6 payment in lieu of taxes that covers the rent
7 of those 27,000 people. You know, that's
8 number one.

9 How does it makes me feel? It makes
10 me feel like I'm being treated like a
11 second-class or third-class citizen in my own
12 country, in the country that I love. In a
13 country -- in a city, one of the very few
14 cities that I would feel comfortable
15 migrating to in 2022 as a Black American
16 woman. Do you understand that?

17 So this is where my fight comes from.
18 From living in Red Hook, from holding that
19 small space -- I don't care if we only have
20 500 square feet of space, but we want to
21 maintain that area because of all of the
22 things that are going on, from global
23 pandemics to all kinds of antiquated rules
24 around zoning. Like we have to have a safe

1 place for our people, too.

2 So I will stop right there. Thank
3 you.

4 MS. DIANE: I will get back on what
5 Karen said. It makes me really angry, but it
6 also makes me angry that there are 200,000
7 people who are experiencing homelessness
8 right now. The fact that 90,000 single
9 people are experiencing homelessness right
10 now, right, and we're not even talking about
11 that.

12 Yes, NYCHA needs to be funded. They
13 need to fund NYCHA. But we also need to fund
14 those people who are currently living in
15 shelters right now or are too afraid to go to
16 shelters because the shelter system is
17 horrible. We haven't even talked about that.

18 And the fact that why can't people
19 move into their homes in a timely manner?
20 Like for myself, I've been waiting for
21 months -- thank you to Assemblywoman
22 Rosenthal for helping. But I'm still waiting
23 to get into an apartment that I was accepted
24 into since last November, which makes no

1 sense.

2 So this is an issue -- you know, we
3 need to fund NYCHA, we need to fund programs
4 to help those who are homeless -- houseless,
5 I'd rather called them houseless -- and not
6 look at it as a handout but a hand up. That's
7 what we need.

8 CHAIRWOMAN WEINSTEIN: Thank you.
9 Senator Krueger?

10 CHAIRWOMAN KRUEGER: No, I think we're
11 done in the Senate, thank you.

12 CHAIRWOMAN WEINSTEIN: So I want to
13 thank this panel for being here and sharing
14 your experiences with us and staying with us.
15 We still have a number of people. Feel free
16 to continue to send comments and further
17 remarks on issues that may have come up
18 during some of this discussion that you would
19 like us to consider.

20 Now we're going to move on to Panel C:
21 Center for New York City Neighborhoods,
22 Christie Peale, CEO/executive director; the
23 Legal Aid Society of Mid-New York, Jay
24 Flemma; CAMBA Legal Services, Jeremy

1 Bunyaner, staff attorney; Right to Counsel
2 Coalition, Malika Conner, director of
3 organizing.

4 They can go in that order, starting
5 with Center for New York City Neighborhoods.

6 MS. PEALE: Good evening. My name is
7 Christie Peale, and I would like to thank
8 Chair Krueger, Chair Weinstein, and the
9 members and committee staff for holding
10 today's hearing on the fiscal year '23
11 Executive Budget proposals regarding housing.

12 And I just want to start by
13 acknowledging that the Governor's proposed
14 budget really does commit a historic --

15 (Noises in background.)

16 MS. PEALE: I'm sorry for the honking.
17 -- amount of state funding to support
18 home ownership opportunities for low- and
19 moderate-income families statewide.

20 The center's mission is to promote and
21 protect affordable home ownership in New York
22 so that all families are able to live in
23 strong and thriving communities. We meet the
24 diverse needs of homeowners across the state

1 by offering free, high-quality housing
2 services and direct financial assistance to
3 families in need.

4 As I mentioned, this budget proposal
5 is notable in its increased and dedicated
6 support for home ownership. I'm really
7 excited that there are initiatives in here
8 that are going to help families stay in their
9 homes, and also there are opportunities to
10 create new home ownership units across the
11 state. We need both, and in particular to
12 address the racial home ownership and the
13 racial wealth gap that exists in New York and
14 across the country between Black and Latinx
15 New Yorkers and the state's white residents.

16 Obviously this results from decades
17 of, you know, racist and discriminatory
18 practices in home lending, zoning, urban
19 renewal, as mentioned by Ms. Blondel, home
20 selling -- and we really need to both help
21 folks keep their homes and also make sure
22 they're actively creating more units. We're
23 not just helping people compete for those
24 units, but we need a much greater supply of

1 home ownership opportunities that are
2 specifically targeted at low- and
3 moderate-income families.

4 So I'm real excited to explore how the
5 400 million in capital can do that. There
6 is -- as we've heard tonight, the demand for
7 affordable homes exists in every city and
8 town and municipality across the state. So
9 we need both tailored solutions that meet the
10 individual needs of each community and
11 scalable solutions that allow us to really
12 achieve solutions at scale.

13 So in addition to supporting the
14 capital request in the budget, we think --
15 oh, my gosh, I'm almost out of time -- AHC
16 money should be in there. I really also need
17 to talk about the Homeowner Protection
18 Program. We are hoping that the Senate and
19 the Assembly will accept the Governor's
20 20 million allocation as well as increase it
21 to 35 million for this year.

22 With the foreclosure moratorium
23 expiring, we expect to see a huge number of
24 families at risk of foreclosure this year and

1 next. So we're also planning a \$40 million
2 ask for next year. So there's just a huge
3 demand for that.

4 And then the other issue I wanted to
5 mention was the state's 50 million CLT
6 allocation, which we're a strong supporter
7 of, and the Tenant Opportunity to Purchase
8 Act, Senate 3157. We're hoping that some of
9 the funding in the 400 million capital pot
10 would be available for this pilot.

11 CHAIRWOMAN WEINSTEIN: Thank you.

12 Legal Aid Society?

13 MR. FLEMMMA: Good evening, everyone.
14 I'm Jay Flemma. I'm the senior foreclosure
15 defense attorney for Legal Aid Society in
16 Mid-New York. I cover 13 of our 15 counties.

17 This is actually my third time getting
18 to give testimony to all you good folks. In
19 2017, I rang the original alarm for the need
20 for the money for funding foreclosure
21 attorneys, and you responded admirably.
22 Thank you.

23 Last year, I not only asked for the
24 contribution again, but I also brought you up

1 to speed on what I was seeing on the ground
2 and in particular how the pandemic both
3 accelerated and aggravated the factors for a
4 crisis and a potential collapse of the real
5 estate system. Senator Kavanagh was kind
6 enough to call attention to my testimony and
7 to ask others to look more deeply into it.

8 I'm now reporting back to you on what
9 I have seen over the course of the last year.
10 I will stand on my written testimony with
11 regards to the financial ask. But I would
12 like you all to know that despite the
13 moratorium and the pause in cases handled in
14 court, my caseload did not change. I had as
15 many cases come in as I closed.

16 On top of that, from September of last
17 year until today, my caseload has doubled,
18 and we are only two weeks into the end of
19 moratorium.

20 The causes I see for this are the
21 confusion with regards to homeowners on what
22 rules apply to them and what waterfalls apply
23 for them when they're going to be able to try
24 to modify their loans coming out of COVID.

1 Tax foreclosures also -- while they stopped
2 them, there were still many questions, there
3 were a lot of issues to ascertain.

4 But there are three other forces that
5 are gravely pressuring the system. One is
6 scammers. Every day I do battle with We Buy
7 Ugly Houses, and in particular people who
8 abuse it by using predatory tactics on
9 vulnerable people like the sick, the elderly,
10 and those in financial crisis.

11 I have to deal with rogue foreclosure
12 mills, first deliberately overcharging costs
13 that they know they can't defend, while at
14 the same time bringing a cottage industry of
15 cases that bring back formerly dead cases
16 that were dismissed by statutes of
17 limitations.

18 You'll be receiving some bills on that
19 that would be very important to pass, and in
20 particular, I want to thank the Empire
21 Justice Center and Attorney Jay Inwald. They
22 are polestars by which I set my sails. I
23 encourage you also to be very careful in
24 analyzing what they have to say, because it's

1 important.

2 Finally, Senator (sic) Lawler had
3 brought up the important point that private
4 ownership of residential property is the
5 lifeblood of the American dream. Be aware
6 that the globalist forces are trying to take
7 that away from us. Pay very careful
8 attention to what's coming out of Davos and
9 the World Economic Forum. They want to see a
10 massive transfer of residential personal
11 property in America to corporations and the
12 government.

13 Thank you for your time.

14 CHAIRWOMAN WEINSTEIN: Thank you.

15 Now for CAMBA.

16 MR. BUNYANER: Thank you, Chairs.

17 My name is Jeremy Bunyaner. I'm a
18 staff attorney at CAMBA Legal Services. At
19 CAMBA we serve tenants in Brooklyn and
20 Staten Island who are behind on their rent or
21 otherwise facing eviction.

22 As a member of the Right to Counsel
23 Coalition, we are here to testify to the fact
24 that Right to Counsel -- RTC -- works. Prior

1 to the adoption of the RTC program by
2 New York City in 2017, our housing unit met
3 with many more tenants than we had funding to
4 serve. And even after triaging and using our
5 limited financial resources efficiently, we
6 would regularly have to turn people away.

7 With Right to Counsel, our housing
8 unit has expanded dramatically. Our capacity
9 to serve our communities is much closer to
10 being commensurate with need.

11 Based on our experience with New York
12 City's RTC program, it is our view that the
13 proposed \$35 million in increased funding for
14 legal services providers throughout upstate
15 New York does not go far enough to address
16 the housing and eviction crisis facing
17 tenants across New York State. Further, we
18 strongly recommend that the statewide Right
19 to Council bill, sponsored by Rachel May and
20 Latoya Joyner, be passed so that these
21 essential tenant rights are enshrined in law
22 rather than implemented piecemeal through the
23 graces of the Governor.

24 Our communities deserve more than just

1 funding, and that funding needs to be
2 adequate. The Legislature has passed many
3 laws over the years to help tenants, but
4 without a true right to counsel, tenants
5 often are not able to use those laws as they
6 were intended. Every tenant facing eviction
7 across New York State needs a lawyer -- and,
8 in many cases, the support of a community
9 organizer to fight their case. The current
10 proposal will not come close to doing that.

11 Something that is little understood is
12 that in nonpayment proceedings in New York,
13 the primary remedy a landlord seeks is not
14 evicting the tenant but rather being made
15 financially whole. Eviction defense
16 attorneys help ensure this happens when
17 possible. That means that landlords benefit
18 from Right to Counsel programs. An RTC
19 program ensures that the legal process moves
20 more smoothly to address the actual issues
21 and provide remedies that are fair to all.

22 This is part of why the seven cities
23 that now have a right to counsel have seen up
24 to a 77 percent reduction in evictions.

1 Everyone has benefited. Even tenants with
2 the most hopeless cases benefit from the
3 assistance of counsel. Last summer I met
4 with Ms. Walker. That's not her real name.
5 She was facing a no-grounds holdover action
6 seeking to evict her from an illegal unit.
7 Her legal rights are limited. Prior to
8 New York City's RTC program, we would have
9 never taken her case. But I'm really glad we
10 did.

11 What having the program meant to
12 Ms. Walker was having someone able to explain
13 the legal system to her, someone to help her
14 understand which issues mattered in terms of
15 her housing stability and which issues did
16 not, and, most importantly, having someone
17 knowledgeable who could negotiate with her
18 landlord's attorney so that we could come to
19 a settlement.

20 Having the program spared judicial
21 resources. It gave Ms. Walker some control
22 over her fate despite her terrible situation.
23 This is the least that people deserve.
24 Currently New York is failing to meet that

1 standard. Thirty-five million dollars is not
2 enough to meet the needs of New Yorkers
3 facing eviction. New York needs a Right to
4 Counsel statewide law and funding of at least
5 \$500 million.

6 Thank you for the opportunity to
7 testify.

8 CHAIRWOMAN WEINSTEIN: Thank you.

9 And following now, the Right to
10 Counsel Coalition, Malika Conner, director of
11 organizing.

12 MS. CONNER: Yes, thank you, and good
13 evening. And thank you to the chairs for the
14 opportunity to testify today.

15 My name is Malika Conner. I'm the
16 director of organizing for the Right to
17 Counsel Coalition, which won the campaign to
18 establish a right to counsel for tenants
19 facing eviction in New York City. And we're
20 currently working in coalition to build a
21 statewide movement for the right to counsel
22 and transform the courts from the eviction
23 machine that they have come to be to a place
24 that holds landlords accountable, upholds

1 tenants' rights, and enables tenants to
2 remain in their homes.

3 We and members of the Our Housing
4 Courts Must Change campaign collectively
5 represent tens of thousands of tenants across
6 New York State. And we're honored to be
7 working on permanent and transformative
8 solutions to New York's eviction crisis. Our
9 statewide Right to Counsel legislation, as my
10 colleague Jeremy mentioned, that was
11 introduced by Senator Rachel May and
12 Assemblymember Latoya Joyner last year, would
13 really ensure that every tenant in New York
14 State has the right to a lawyer when facing
15 eviction.

16 It would cover every tenant across the
17 state regardless of income. It would cover
18 any legal proceeding that could result in a
19 tenant losing their home. It requires that
20 tenants be represented throughout their
21 entire case, not just when they show up in
22 court, so they would get quality legal
23 counsel, legal advice, and assistance.

24 And then it also requires the state to

1 work with nonprofit legal services
2 organizations to provide the right to counsel
3 and with community-based groups to provide
4 tenants' rights education and tenant
5 organizing.

6 While we are encouraged by Governor
7 Hochul's recognition of the success of
8 New York City's right to counsel law in the
9 2022 State of the State, and her proposed
10 Eviction Prevention Legal Assistance Program
11 to provide funding for free legal assistance
12 to upstate renters facing eviction with
13 incomes at or below 200 percent of the
14 federal poverty line, it does not go far
15 enough to protect tenants.

16 As Jeremy mentioned, it does not
17 establish the right to counsel that tenants
18 across the state need. Nor does it help
19 downstate tenants in New York City and the
20 surrounding areas of Long Island and
21 Westchester that need it.

22 And the \$35 million included in the
23 Governor's Executive Budget simply doesn't
24 meet the needs of tenants throughout upstate

1 New York as well, or the rest of the state
2 that is still reeling from the economic and
3 public health crises caused by the pandemic,
4 let alone does it address the housing and
5 eviction crisis that has devastated New York
6 communities for decades.

7 So to be clear, right, every tenant
8 facing eviction across New York State needs a
9 lawyer and the support of a community
10 organizer to fight their case. And the
11 current proposal unfortunately does not come
12 close to doing that.

13 So what we really need is a true right
14 to counsel for tenants facing eviction. And
15 what that means is the right to a lawyer and
16 the amount of money to realistically pay for
17 it. Right? So we're proposing that it would
18 cost at least \$500 million -- that's a
19 conservative estimate. We're working on more
20 official cost study. And, you know, it would
21 also not necessarily need to be put toward
22 the program right away, it could potentially
23 be phased in over a series of years.

24 I think it's also important to note,

1 too, that between 70,000 and 85,000 tenants
2 outside of New York City are expected to face
3 eviction each year. And we estimate that
4 between 45,000 and 50,000 will be served
5 annually through an eviction right to
6 counsel. So there is a tremendous
7 opportunity to support and help tenants and
8 fight evictions through a true right to
9 counsel that is funded appropriately.

10 I know I'm out of time, so thank you
11 for the opportunity to speak, and --

12 CHAIRWOMAN WEINSTEIN: Thank you.

13 We're going to go to questions.

14 Before we go to the Senate, I know that
15 the -- those in the legal service community
16 know that beyond a specific right to counsel
17 funding, that we do -- we do fund over --
18 through the court system, over \$100 million
19 from the Legislature to the court system for
20 legal services. Many of those organizations
21 serve -- do help with eviction services, as
22 well as through the IOLA program. There's
23 many legal service providers throughout the
24 state that provide eviction services.

1 So the number may even be -- what's
2 needed may even be lower than, you know, that
3 sort of big number that may scare some
4 people. So, you know, I appreciate your work
5 to try and get a true number that will also
6 take into account services that are already
7 being provided so we can see what we would
8 need to really expand and fully cover
9 everybody.

10 Because we all agree, who have been
11 fighting for civil legal service funding,
12 that a lawyer makes a difference when you're
13 in court. You get a much better result, and
14 you get to stay in your house and your home.

15 So now we will go to Senator Krueger
16 for the Senate.

17 CHAIRWOMAN KRUEGER: Thank you very
18 much, Helene.

19 And thank you for raising that point.
20 I was also going to raise that point and also
21 highlight one of the things we learned from
22 New York City: Right to Counsel is --
23 sometimes you actually don't have enough
24 counsel. And so you have to go out and make

1 sure that you actually do have counsel who
2 actually know about housing law. Because
3 being a terrific lawyer does not mean you are
4 terrific lawyer in every field of law, and
5 housing law is particularly quirky, if that's
6 the word to use, in New York.

7 But with that, I want to hand it to
8 Senator Jackson, who did have his hand up.

9 SENATOR JACKSON: Thank you,
10 Madam Chair.

11 And good afternoon, Panel C members.
12 Thank you for staying in. Obviously, people
13 that are representing tenants and homeowners
14 in court will appreciate that.

15 I have a question put forward by one
16 of our colleagues, Cordelle Cleare, who was
17 just recently elected as a Senator to replace
18 Brian Benjamin, the Lieutenant Governor. And
19 she's not on the Housing Committee, so she
20 can't ask the question. But she wanted to
21 know, have you experienced during the
22 pandemic where tenants who were living with,
23 let's say, their parents and their parents
24 died, as a result of COVID or whatever, and

1 landlords are fighting them for succession
2 rights and they may not have all of the
3 appropriate documentation, things like that?

4 So have you experienced an increase in
5 trying to evict people that may be the sons
6 or relatives of someone that passed away
7 within the past two years? Somebody help me
8 out and answer.

9 MR. BUNYANER: Well, I have not
10 personally received any cases dealing with
11 that exact situation. That is something that
12 I have heard about, and it is something that
13 I think we are going to see more and more
14 because of the moratorium and the ways
15 specifically to work cases through the legal
16 system quicker.

17 Some cases that might plainly be a
18 succession matter, really, where instead it's
19 framed as nuisance holdovers or such other
20 cases -- and I think in the months to come we
21 are going to see a lot more of just more
22 cases being brought of, you know, that are a
23 little more truthful than what's actually the
24 facts at hand.

1 SENATOR JACKSON: Anybody else can
2 respond to that? If you don't mind. If you
3 can.

4 MR. FLEMMMA: In the foreclosure
5 setting, Senator, I do see a lot of pushback
6 from servicers where there is a question of
7 Surrogate's Court involvement or
8 administrators for executors. It gets very
9 complicated, and there is lot more hoops to
10 jump through.

11 And I am just as concerned also with
12 the trend that I am seeing of foreclosure
13 mills resurrecting long-dead, dismissed,
14 statute of limitations cases frivolously. It
15 is a cottage industry, and it is a serious
16 pandemic right now. They are trying to
17 confuse judges, and they are trying to steal
18 back houses they lost long ago and oppose
19 these homeowners three, four, five years
20 along, suddenly. They thought they were
21 done, they thought it was over, they thought
22 they had a house free and clear, and now they
23 have got to fend off this litigation.

24 SENATOR JACKSON: Okay. But for

1 renters in New York City, if you had two
2 years you lived with your parents and you
3 have the documentation, your driver's license
4 and everything like that, and your name, and
5 you can prove that you lived here --
6 neighbors know that you lived there, so forth
7 and so on, that would seem like a
8 cut-and-dried case. Why would they even try
9 to do that? But you're right, they will try
10 everything they can to knock you out of the
11 box.

12 So I want to thank you. My time is
13 up, and this is long hearing. I appreciate
14 you being here, let me say that. Thank you.

15 CHAIRWOMAN WEINSTEIN: Thank you.

16 We will go to Assemblyman Epstein.

17 ASSEMBLYMAN EPSTEIN: Thank you,
18 Chair. And I want to thank the panelists.

19 As a former civil legal services
20 lawyer who practiced housing law for way
21 longer than I want to say publically, I
22 really appreciate you all being here. And I
23 just wanted to kind of just for a moment just
24 talk about the right to counsel for a second.

1 And what do you think that the
2 investment would do to the housing stock and
3 the eviction numbers? How would the right to
4 counsel change the existing structure that we
5 have? And that's really to any panelist.
6 But you know, we only have three minutes, so
7 we don't get a lot of responses.

8 MS. CONNER: Sure. I think first and
9 foremost, you know, right to counsel -- at
10 least in New York City and other places
11 across the country -- has been proven to be
12 one of the most effective ways to stop
13 displacement. Right?

14 So in New York City in particular,
15 84 percent of tenants who have a Right to
16 Counsel lawyer win their case and are able to
17 stay in their homes. So I think that in and
18 of itself, preventing displacement,
19 preventing unreasonable or illegal rent
20 hikes, things of that nature, would
21 definitely contribute to, you know, helping
22 to keep folks in their homes and preserve the
23 existing stock.

24 ASSEMBLYMAN EPSTEIN: So, I mean, I

1 just want to build on that. It is not just
2 that, right, because the cost of shelters
3 are -- you know, we heard from the last
4 panel -- \$4,000 a month. And you know,
5 \$100,000 for her to live in a shelter and the
6 right to counsel, like you are saying -- if
7 we were successful eight out of 10 cases, we
8 are just saving the government money on --
9 well, do we have good data that shows that
10 investment in this will save us money in the
11 long term?

12 MS. CONNER: Yes. So I have to say
13 two things. One, we are working on a cost
14 study to -- you know, as I mentioned, we have
15 a preliminary number that I mentioned today.
16 We will have a cost study that we can share
17 publicly with folks in coming weeks. And,
18 you know, we do know from the New York City
19 study and from studies of Right to Counsel
20 across the country that Right to Counsel does
21 save significant public dollars in terms of
22 emergency shelter costs, transitional
23 housing, and rehousing.

24 ASSEMBLYMAN EPSTEIN: Malika, I know I

1 counseling and legal services is really -- it
2 is pretty unique across the country.
3 Actually, New York State's a model. And it
4 has been really effective at not just helping
5 with issues like scams but, as Jay mentioned,
6 working on a lot of these really complex and
7 persistent issues.

8 Especially, you know, we are really,
9 as I mentioned, incredibly concerned about
10 the number of homeowners who are going to
11 start to get 90-day notices starting on
12 April 15th. Right on Tax Day, the first
13 90-day notices will start to come out
14 indicating that the foreclosure moratorium is
15 over. So, you know, we are really worried
16 about the stress and the trauma that's going
17 to create for a huge number of families
18 across the state. And the HOPP program is
19 the first line of defense for homeowners
20 across the income spectrum, right?

21 So a lot of our resources in New York
22 City and across the state are
23 income-restricted. HOPP will serve anybody
24 who comes in the door. And we know that

1 COVID has rendered a lot of, you know,
2 previously more moderate- or middle-income
3 families in a much more precarious financial
4 state.

5 So thanks for the question,
6 Assemblymember. We really appreciate your
7 support. We are very, very grateful for
8 everything that the Assembly and the Senate
9 have done in the past, and it is just
10 incredible to be in the Executive Budget for
11 the first time ever.

12 (Laughter.)

13 MS. PEALE: Thank you for all of the
14 excitement.

15 CHAIRWOMAN WEINSTEIN: Thank you.

16 MS. PEALE: But I really am anxious to
17 find ways to increase that support, because
18 we think next year is going to be a bear of a
19 year.

20 MR. FLEMMMA: If I may quickly add,
21 Assemblywoman Weinstein, we are grateful for
22 the money. The other things that we need
23 are please keep your eyes open for the
24 consumer protection bills that are coming

1 down the line, the bills that are coming down
2 regarding the statute of limitations, and
3 especially keep your eyes peeled on what the
4 World Economic Forum and Davos have planned
5 for American residential private home
6 ownership. It is chilling.

7 CHAIRWOMAN WEINSTEIN: Thank you, and
8 I know post-budget we'll be -- we will
9 continue to be in touch with many of the
10 people in this panel to make sure that we
11 properly fund legal services and protect
12 homeowners and tenants alike.

13 I want to say thank you to this panel.
14 We are going to move on to Panel D.

15 Senator Krueger, did you want to --

16 CHAIRWOMAN KRUEGER: I was thanking
17 everyone. Thank you.

18 MS. PEALE: Thank you.

19 CHAIRWOMAN WEINSTEIN: So we are going
20 to move on to Panel D: Rural Housing
21 Coalition of New York, Michael Borges,
22 executive director; New York State Rural
23 Advocates, Blair Sebastian, director; East
24 Harlem/El Barrio Community Land Trust, Athena

1 Bernkopf, project director; New Economy
2 Project/New York City Community Land
3 Initiative, Elise Goldin, campaign organizer;
4 Neighborhood Preservation Coalition, Mark
5 Streb, executive director; and Community
6 Housing Improvement Program, Joseph Condon,
7 general counsel.

8 Hopefully all of those people are
9 here, and if we could just start going in the
10 order that I introduced you.

11 Rural Housing Coalition of New York.

12 MR. BORGES: Thank you, Chairwoman
13 Weinstein, and thank you for allowing me to
14 speak to you tonight. I appreciate all of
15 the committee members for sticking around
16 this late.

17 Again, I am Mike Borges, executive
18 director of the Rural Housing Coalition of
19 New York. The coalition represents
20 affordable housing and community development
21 organizations that serve rural communities
22 throughout the state.

23 The Rural Housing Coalition was
24 pleased that the Executive Budget included

1 funding for a new five-year capital housing
2 plan. The plan lacks certain details on how
3 these funds could be utilized in rural
4 communities, and we are disappointed that the
5 current housing programs, particularly those
6 that serve rural communities, were either
7 flat-funded or omitted from the
8 Executive Budget.

9 Many of the housing programs heavily
10 utilized by the rural preservation companies,
11 the local nonprofit entities that are the
12 boots on the ground in rural communities
13 which enable the state to deliver and
14 implement its housing initiatives, are
15 flat-funded again in the Executive Budget,
16 programs like New York Main Street, Housing
17 Trust Fund, HOPE/RESTORE, et cetera,
18 et cetera. Without the rural preservation
19 companies, there would be no one helping
20 seniors with fixing leaking roofs, or
21 installing a ramp for disabled veterans, or
22 rehabbing and constructing new affordable
23 housing in rural communities.

24 In addition, funding for the Rural

1 Housing and Neighborhood Coalitions were left
2 out of the Executive Budget. I was
3 encouraged by Senator Kavanagh's earlier
4 questions to the commissioner and her
5 response that this funding would be under
6 review, and we are hopeful that the
7 Legislature will increase funding for the
8 preservation programs, since we are only
9 asking for a modest \$840,000 increase in the
10 Rural Preservation Program in a year with the
11 state anticipating at least a \$6 billion
12 surplus.

13 Funding for preservation programs has
14 not increased in over a decade. Meanwhile,
15 our labor and material costs have increased
16 by 24 percent since 2011. We are also asking
17 for a modest increase in the RESTORE/Access
18 to Home program, which provides emergency
19 home repairs to low-income seniors and
20 accessibility modifications to the homes of
21 disabled individuals. This program is
22 currently funded at \$1 million, and we are
23 seeking again a very small \$2 million
24 increase to offset rising costs and materials

1 and labor, which I have just outlined.

2 To put this in perspective, according
3 to the latest U.S. Census, there are
4 approximately 1.2 million New Yorkers with an
5 ambulatory disability, which is meaning they
6 have a problem walking. In addition, current
7 law limits administrative set-aside to
8 7.5 percent of the grant. We are seeking a
9 modest increase to 10 percent to administer
10 this very labor-intensive and time-consuming
11 service.

12 The coalition also requests that small
13 rental development initiatives, SRDIs,
14 originally established and funded in 2017
15 with excess federal funds, be restarted again
16 with state support to fill the need for
17 affordable rental housing in rural
18 communities. We are seeking \$20 million for
19 this program in order to encourage
20 private-sector investment in the development
21 of rural affordable rental housing that is
22 sorely needed by the residents as well by
23 economic development agencies seeking to
24 attract new employers and their workers to

1 these communities.

2 Thank you very much for your time.

3 CHAIR WEINSTEIN: Next, New York State
4 Rural Advocates.

5 MR. SEBASTIAN: Good evening,
6 everyone, and thank you for the opportunity
7 to present a brief overview of our housing
8 budget here today.

9 New York State Rural Advocates has
10 submitted detailed written testimony, so I
11 would like to take the occasion just to touch
12 on a couple of issues.

13 Recent U.S. Census data makes it clear
14 that rural New York had a pretty tough decade
15 between 2010 and 2020. The region lost
16 population, we lost employers, and we lost
17 housing stock. Our analysis of census data
18 finds that 20 of our state's most rural
19 communities -- counties -- lost a net total
20 of 15,600 housing units during the period.

21 We think this all suggests a couple of
22 fairly straightforward housing policy
23 responses. First, we need to protect and
24 preserve rural New York's most viable

1 remaining housing stock. Remembering that
2 three-quarters of the housing units in rural
3 New York are in the hands of owner-occupants,
4 our preservation strategies must respond to
5 the homeowner sector.

6 Our full testimony discusses two
7 underfunded programs that address exactly
8 this problem. The Affordable Housing
9 Corporation, AHC, is one of New York's big
10 three housing programs, along with the
11 Housing Trust Fund and the Homeless Housing
12 Assistance Program.

13 Rural preservation companies and other
14 rural not-for-profits use AHC to undertake
15 owner-occupied programs that provide both
16 financial and technical assistance to remedy
17 structural problems, to correct health and
18 safety issues, and to enhance energy
19 efficiency, thereby extending the useful life
20 of these homes.

21 The emergency repair program for
22 seniors known as HOPE/RESTORE also preserves
23 the existing housing stock while protecting
24 the health and well-being of low-income

1 seniors. A second policy response would have
2 us undertake a new construction program to
3 replace deteriorated housing units and to
4 begin expanding the inventory of modest
5 single homes available in rural markets.

6 Again, AHC program is the tool. Rural
7 preservation companies, Habitat for Humanity
8 chapters, and a host of other not-for-profits
9 can use AHC to write down the costs of newly
10 constructed single-family homes and to fund
11 the acquisition and rehabilitation of
12 existing homes to make them affordable to
13 first-time homebuyers.

14 With the changes to AHC recently
15 signed into law by the Governor, we expect
16 the new construction side of the AHC program
17 will have great potential for growth, but
18 that won't happen without additional
19 resources.

20 Governor Hochul has proposed a flat
21 fund at near 1985 levels, AHC at near
22 1985 levels, and she has not included the
23 program or anything similar in the proposed
24 five-year capital plan. We urge you to

1 provide the AHC program with \$50 million in
2 the 2023 budget.

3 HOPE/RESTORE is also flat-funded at
4 1.4 million, and in order so that emergency
5 senior repairs service can be made available
6 statewide, we suggest that HOPE/RESTORE be
7 funded at \$3 million.

8 Affordable rural housing is
9 complicated stuff. We urge you to read
10 balance of our testimony, and thank you for
11 the time tonight.

12 CHAIRWOMAN WEINSTEIN: We can go on
13 next to East Harlem, Athena Bernkopf.

14 MS. BERNKOPF: Yes. Good evening,
15 Senators and Assemblymembers and committee
16 chairs. Thank you for opportunity to speak
17 today.

18 I am Athena Bernkopf. I'm the project
19 director of the East Harlem/El Barrio
20 Community Land Trust. And I also represent
21 East Harlem/El Barrio CLT on the coordinating
22 committee of the New York City Community Land
23 Initiative, which my colleague Elise will be
24 speaking on more later today, or this

1 evening.

2 I am here to urge you all to
3 prioritize Community Land Trust and other
4 shared-equity models in the state's capital
5 budget. The East Harlem/El Barrio CLT works
6 to develop and preserve community-controlled,
7 truly and permanently affordable housing and
8 commercial green and cultural spaces in
9 Harlem and El Barrio that provide -- that
10 prioritize households with extremely low to
11 low incomes.

12 And as a strategy to ensure permanent
13 affordability, East Harlem/El Barrio CLT will
14 own land and lease it to buildings on that
15 land as well as develop a resident-controlled
16 mutual housing association.

17 I went into this a little bit in the
18 testimony, the written testimony that I
19 provided, but I do want to reiterate that in
20 November of 2020, East Harlem/El Barrio CLT
21 closed on our first parcels of land. And
22 with that came four formerly city-owned
23 residential properties that -- many of which
24 were in terrible condition, which we are

1 currently rehabilitating and, after rehab
2 will be done, will create 38 residential
3 units, all of which will be set at rents that
4 are below market rate and protected for the
5 long term through a 99-year ground lease
6 between the mutual housing association and
7 the community land trust.

8 We also have three community and
9 commercial facilities that will be rented
10 also at below market rate, and we are also
11 supporting the all Black and brown
12 working-class community members that are
13 residents of the buildings now with training
14 to prepare them to step into the boards of
15 the mutual housing association and the
16 community land trust.

17 So I say all that to say that
18 community land trusts and mutual housing
19 associations have incredible potential for
20 creating and sustaining the affordable
21 housing that we all know is desperately
22 needed, as everyone has been saying tonight.
23 And so it is with this impact in mind that we
24 urge you all to pass, first, Tenant

1 Opportunity to Purchase legislation, knowing
2 that it would give residents across the state
3 an opportunity for resident control of their
4 housing.

5 We also find it really hopeful that
6 our state officials are looking seriously at
7 resident-controlled housing structures with a
8 five-year capital plan and a proposed pilot
9 program. But we must be clear that the
10 \$50 million that is set aside or proposed are
11 nowhere near enough. The expenses related to
12 East Harlem/El Barrios projects just this
13 past year alone account for at least a third
14 of that amount, with just a single project
15 which only creates 38 units -- which are
16 essential to housing and community, but
17 doesn't address the crisis that everybody has
18 been talking about.

19 So we are also -- we're echoing calls
20 that the amounts that have been set aside for
21 acquisition and development costs be
22 increased significantly to actually cover the
23 real costs of developing and acquiring
24 housing that can be resident-controlled.

1 And we also want to reiterate that it
2 can't just focus on homeownership. The
3 majority of New York City residents are
4 renters, and so are significant proportions
5 of New Yorkers across the state. And so we
6 need to uplift rental properties and rental
7 structures that are community-controlled and
8 to support specifically the low-income
9 community members that are most vulnerable to
10 the housing crisis across the state and
11 beyond.

12 So that's my testimony for tonight.
13 Thank you all, and I am looking forward to
14 working with you all over the coming year.

15 CHAIRWOMAN WEINSTEIN: Thank you.

16 Next we go to New Economy Project.

17 MS. GOLDIN: Hi. Good evening.

18 Thanks for the opportunity to testify. My
19 testimony is going to be very parallel to
20 Athena Bernkopf's testimony, so I'm excited
21 to stress all of the points that they just
22 made.

23 So yes, my name is Elise Goldin. I'm
24 the Community Land Trust campaign organizer

1 at New Economy Project. And just to give you
2 some background, New Economy Project works to
3 build an economy that works for all, rooted
4 in racial and social justice, cooperation,
5 neighborhood equity and ecological
6 sustainability.

7 And the New Economy Project is one of
8 the cofounders of the New York City Community
9 Land Initiative, which is a coalition
10 advocating for community land trusts, or
11 CLTs, to preserve and create deeply
12 affordable housing, combat displacement, and
13 stabilize neighborhoods.

14 And as Athena said, again, what CLTs
15 are, for those of you who are not as
16 familiar, CLTs are nonprofits that own and
17 steward land in the community's interest, and
18 they often -- it separates the land and
19 what's on top of the land. And the CLTs are
20 able to lease that land for affordable
21 housing development or other community needs
22 through 99-year ground leases. And that
23 could include creating HDFC co-ops, it could
24 include homeownership opportunities or

1 whatever the community puts forth.

2 So in terms of our budget requests,
3 New Economy Project and NYCCLI were really
4 excited about the \$50 million pilot program
5 that is supporting community-controlled,
6 permanently affordable housing. And we want
7 to stress that this pilot program should be
8 used not only to support homeownership
9 opportunities, but also rental opportunities
10 and other community-controlled housing
11 structures.

12 We also want to request the creation
13 of a CLT acquisition fund, starting with
14 \$50 million to support CLTs being able to
15 acquire land and take it off the speculative
16 market.

17 And finally, we want to really urge
18 the passage of TOPA, Tenant Opportunity to
19 Purchase Act, which would again allow tenants
20 the first right of refusal, when their
21 building goes up for sale, to either become
22 the owners or to have some sort of control in
23 the ownership structure of their building or
24 appoint that to a third-party entity like a

1 CLT to preserve it as permanently affordable
2 and for the residents.

3 And finally -- and I am running out of
4 time -- I wanted to just say that we also
5 support Good Cause Eviction and a state Right
6 to Counsel as well.

7 CHAIRWOMAN WEINSTEIN: Thank you. And
8 now we will move on to Neighborhood
9 Preservation Coalition.

10 MR. STREB: Good evening. My name is
11 Mark Streb, executive director of the
12 Neighborhood Preservation Coalition. Thank
13 you for the opportunity to speak.

14 The Neighborhood Preservation
15 Coalition consists of more than 130 local,
16 boots-on-the-ground not-for-profits who work
17 every day to help make consistent, safe, and
18 affordable housing a reality for
19 low-to-moderate-income residents across the
20 state. These groups are called Neighborhood
21 Preservation Companies, or NPCs.

22 The Neighborhood Preservation Program
23 was created by the forward-thinking
24 Legislature to provide resources to these

1 NPCs. NPCs around the state provide a
2 variety of services, including eviction
3 protection, homelessness prevention,
4 workforce training, youth and senior citizen
5 programs, and much, much more.

6 The COVID pandemic has only
7 exacerbated the incredible need for these
8 services. These groups have stepped up to
9 the plate and have done more than ever
10 before. The Neighborhood Preservation
11 Coalition was formed to provide technical
12 assistance, training in relevant subjects,
13 and to give NPCs a unified voice.

14 They actually named my budget
15 testimony this year "Disappointment and
16 Optimism." We feel disappointment because
17 the Executive Budget proposal maintains a
18 flat funding amount of 12.8 million for the
19 Neighborhood Preservation Program. Funding
20 for this program has remained flat for many
21 years with, inflation and everyday costs of
22 doing business increasing at an annual basis.
23 Flat funding equates to a cut in funding. We
24 request funding of 14.5 million for the

1 Neighborhood Preservation Program.

2 We feel disappointments because the
3 Executive Budget proposal failed to include
4 funding for the Neighborhood Preservation
5 Coalition. Again, thanks to the support of
6 the forward-thinking Legislature, we have
7 traditionally been funded in the final
8 budget. Unfortunately, our level of funding
9 has been stagnant at 150,000 for two
10 decades -- 20 years -- even though the
11 services provided seem to grow.

12 We therefore respectfully request an
13 increase of 250,000. This desperately needed
14 funding will allow us to maintain and
15 increase the resources we provide our
16 130 members across New York State.

17 We feel optimism because
18 Governor Hochul's housing plan will create
19 and preserve 100,000 affordable homes,
20 including 10,000 homes with support services
21 for vulnerable populations. We feel optimism
22 because the Executive Budget also funds
23 crucial preservation efforts with 450 million
24 for multifamily preservation; 20 million for

1 the Homeowner Protection Program; 26 million
2 for the Affordable Housing Corporation; and
3 400 million for affordable home capital.

4 In closing, we request that the
5 Neighborhood Preservation Program be funded
6 at 14.5 million and the Neighborhood
7 Preservation Coalition at 250,000.

8 Thank you very much.

9 CHAIRWOMAN WEINSTEIN: Thank you.

10 And now, Community Housing Improvement
11 Program.

12 MR. CONDON: Thank you, and thank you
13 for the opportunity to testify tonight.

14 My name is Joseph Condon. I'm
15 providing this testimony on behalf of the
16 Community Housing Improvement Program. CHIP
17 is an advocacy organization. Our members are
18 mostly owners and operators of small and
19 mid-sized rental buildings throughout the
20 five boroughs.

21 Despite being owners and operators of
22 rental housing, we consider ourselves to be
23 true housing advocates, because we want a
24 housing policy that works for everyone. We

1 advocate for policies that lead to a better
2 marketplace of housing options for all. And
3 we want real solutions for the tenants who
4 can't afford to pay their rent, and that's
5 the most pressing issue facing renters and
6 housing providers today: The large amount of
7 rental debt that has been accrued over the
8 last few years, and the significant need for
9 rent assistance to cover that debt.

10 Although ERAP has helped many, there
11 are still about 135,000 applications that
12 cannot be paid out because of the lack of
13 funding. And based on the current average
14 payout, an additional \$1.7 billion would be
15 necessary just to handle the current
16 application load.

17 But what is not well known is that
18 there are many renters out there with arrears
19 who did not apply for ERAP. Based upon a
20 survey of our membership, it seems that about
21 half of all tenants in arrears have not
22 applied for ERAP. Statewide, that would
23 translate to about 200,000 renter households,
24 and in New York City alone that equates to

1 about 132,000 renter households. To cover
2 them, an additional 2.5 billion would be
3 required, and that would resolve rental debt
4 for this category of renters.

5 In total, about \$4.2 billion is
6 necessary to address all pre-2022
7 pandemic-related arrears. We believe this
8 renouncing of tenant debt should be a
9 priority for this body and for the state
10 budget negotiations.

11 But that number is really just a
12 current snapshot, because there is no time
13 limit on when arrears can be accrued for the
14 ERAP program. A tenant could lose their job,
15 stop paying rent next month, and still be
16 covered by ERAP. Even further, a tenant who
17 received ERAP may still be facing job loss or
18 income loss and be unable to pay rent moving
19 forward.

20 Based on our surveys, repeat tenants
21 like that make up a significant portion of
22 all rental arrears in housing. So a separate
23 program is really needed to assist renters
24 facing financial hardship or limited income

1 to pay future rents. And while the price tag
2 of pandemic-related assistance appears
3 significant, the long-term benefits of
4 providing that relief are even greater.

5 The reason we are so focused on
6 addressing rental arrears and future rent
7 burdens is because research shows that rent
8 subsidies and cash assistance are the most
9 effective policy responses to ameliorate high
10 housing costs, low incomes, and income
11 inequality.

12 There is a compelling body of evidence
13 that increasingly shows that structural
14 interventions, like access to long-term
15 housing subsidies, improve future housing
16 stability. And income support policies
17 designed to reduce poverty also reduce the
18 risk of homelessness.

19 And for those renters who are
20 experiencing significant rent increases in
21 rents due to neighborhood changes, rent
22 assistance can prevent displacement there as
23 well. Research also shows that vouchers help
24 low-income households remain in neighborhoods

1 as they gentrify.

2 Thank you for the opportunity to
3 testify and to all of the Assemblymembers and
4 Senators who stayed on this late.

5 CHAIRWOMAN WEINSTEIN: Thank you.

6 And we are going to go first to
7 Assemblywoman Hyndman.

8 ASSEMBLYWOMAN HYNDMAN: Thank you.

9 Thank you for all of your testimony.

10 My questions are going to be just
11 directed at Joseph Condon.

12 So your owners, the small owners,
13 would you say the majority of them are people
14 that own less than four units?

15 MR. CONDON: No. They would be people
16 who own typically list than 30 units, I would
17 say. Less than 50 units, somewhere in that
18 range.

19 ASSEMBLYWOMAN HYNDMAN: Oh, okay. So
20 one of the things that I have gotten a lot of
21 reports on is that for some of these
22 properties where there is a large amount of
23 arrears in rent, that investors are buying
24 some these properties. Have any your smaller

1 owners experienced this?

2 MR. CONDON: We have -- we have owners
3 who experienced this, yes, almost on a daily
4 basis. There are investment companies,
5 brokers reaching out to them asking them if
6 they are ready to sell. And I think you will
7 see it a lot in the smaller buildings.

8 ASSEMBLYWOMAN HYNDMAN: The smaller
9 buildings. What kind of outreach -- how does
10 one find your organization? Because up until
11 recently I had never heard about it. Because
12 we have some -- quite a few buildings that
13 are owned or have been in the family, like
14 your testimony says, and now that they
15 haven't been able to receive any rent -- and
16 not because their tenants haven't applied.
17 They have applied, like you said, and they
18 have not been processed for ERAP. And a lot
19 of them are still waiting, or what they
20 received is far less than what they had hoped
21 to receive.

22 So what kind of outreach do you do to
23 get people involved in your organization?

24 MR. CONDON: We sort of just do

1 educational events, mostly, teaching people
2 how to manage property and run properties
3 efficiently.

4 I would be happy to have a follow-up
5 conversation with you, Assemblymember, and
6 reach out -- find out who those property
7 owners are and reach out and, you know,
8 provide some assistance.

9 ASSEMBLYWOMAN HYNDMAN: Do you see a
10 lot more women buying properties now?

11 MR. CONDON: I can't say that I see a
12 lot more women buying properties. I can say
13 that just as far as our organization is
14 concerned, we do have a lot of females who
15 are involved in the management or the
16 principal ownership of the properties. But I
17 can't speak to who is coming into the market.

18 ASSEMBLYWOMAN HYNDMAN: And my last
19 question is, for those tenants who could have
20 applied but did not apply for ERAP, why do
21 you think that is?

22 MR. CONDON: Either a lack of
23 knowledge of the program or a lack of -- I
24 think that's probably it. Lack of knowledge.

1 And, you know, there probably were
2 some tenants who couldn't apply because of
3 technological issues as well. You know,
4 that's probably a small portion of the people
5 who didn't apply. I would say that most of
6 the larger portion is people who just didn't
7 know about the program.

8 ASSEMBLYWOMAN HYNDMAN: Okay. Thank
9 you very much. That's my time.

10 Thank you, Chair Weinstein.

11 CHAIRWOMAN WEINSTEIN: Senator
12 Krueger?

13 CHAIRWOMAN KRUEGER: Thank you. I see
14 Brian Kavanagh, our Housing chair.

15 SENATOR KAVANAGH: Thank you very
16 much.

17 I will be brief, other than just to
18 note, in response to the Neighborhood
19 Preservation Coalition testimony for, you
20 know, a lot going on today, but just to note
21 that I asked specifically about one of the
22 issues that he raised. I asked the
23 commissioner why was there no money for the
24 coalitions themselves, and the commissioner

1 said she believed there was. So we -- our
2 analysis suggested that that was excluded
3 too.

4 But we will be following up. And, you
5 know, we'll also be talking about the
6 increase that you're proposing here today.

7 And just -- I'm just going to make an
8 observation. Which is CHIP, as was noted, is
9 an organization of landlords, property
10 owners. But just to say it is -- first of
11 all, I appreciate your coming here and
12 testifying today.

13 And it is also refreshing that we are
14 hearing, you know, strong support for rental
15 subsidy programs. That's actually been true
16 throughout our negotiations around the
17 Emergency Rental Assistance Program. And
18 just to say the advocacy that needs to happen
19 now going forward, around making sure that we
20 get adequate funding from the federal and the
21 state budget to cover those arrears -- you
22 know, we heard very strong testimony from
23 tenant organizations earlier to that effect.
24 And we have the Housing Access Voucher

1 Program, which is meant to be a permanent
2 program for that purpose. And again, that is
3 a top priority of many of the tenant
4 organizations.

5 So although I don't want to gloss over
6 often major policy differences -- and I know
7 they exist -- but just to say it is a good
8 moment that we have landlords and tenants
9 pushing for solutions that really will help.

10 I'm sorry, I'm just going to make that
11 observation, but let me yield the rest of my
12 time at this late hour back to my colleagues.

13 MR. CONDON: Thank you, Senator.

14 CHAIRWOMAN WEINSTEIN: Thank you.

15 So we go to Assemblyman Epstein.

16 ASSEMBLYMAN EPSTEIN: Thank you,
17 Chair. And I want thank all the panelists.

18 I really -- I think the conversations
19 around community land trust are something
20 that is really -- we are far behind the eight
21 ball, so I really would appreciate you all
22 advancing these conversations.

23 I am wondering, besides money, are
24 there structural changes that we and the

1 state need to do to allow CLTs to function on
2 a higher level? Or what are things we need
3 to do, you know, to do some things better? I
4 know it is a big bill we are trying to push,
5 but are there other things that you're
6 seeing, financial or not, that we're missing
7 out on?

8 MS. BERNKOPF: I can start us off with
9 that.

10 I think one of the reasons why we need
11 so much funding is specifically the
12 acquisition process. Right? A lot of
13 folks -- East Harlem/El Barrio actually
14 looked at publicly owned land with the
15 expectation that that might be easier to
16 access and easier to transfer into collective
17 community ownership. That being said, what
18 it did leave us with was incredible
19 development and rehabilitation expenses.
20 Right?

21 And so I wonder what would be possible
22 if we -- if community groups were given
23 access to properties that weren't
24 deteriorated or neglected or in terrible

1 condition, and were in solid condition and
2 given a smoother pathway to transition from
3 private, speculative ownership to community
4 control.

5 And so I think TOPA is one, like,
6 really clear pathway for that to be possible,
7 but I don't think it's the only one. And at
8 the city level we've also been working on a
9 Public Land for Public Good campaign that's
10 looking at prioritizing community land trusts
11 in disbursement of city-owned land. And it
12 creates another pathway for the transfer of
13 land into community stewardship and
14 ownership.

15 And I think that's a really concrete
16 way to make things easier for a community
17 land trust to expand and reach the scale that
18 we're going for, right? Because individual
19 properties here and there are not going to
20 radically change the housing landscape and
21 address the housing crisis that we're all
22 trying to really work at the root causes of.
23 We need something that will bring us to
24 scale.

1 ASSEMBLYMAN EPSTEIN: Thank you.

2 And so, Joseph, if I could just --
3 sorry, Elise, I was going to -- if I can, to
4 Joseph, just -- I heard you about, great,
5 that we're all on the same page about rent
6 arrears for residential tenants. And I just
7 wanted to make sure where you are on the rent
8 arrears for commercial tenants as well.

9 What are we hearing from small
10 property owners? Are they seeing some of
11 their commercial tenants really in crisis as
12 well, and do we need to be doing something
13 specifically to support that?

14 MR. CONDON: There is still a
15 significant lack of commercial properties
16 being able to either reoccupy those
17 storefronts or make good on those arrears.

18 So, you know, for those properties
19 where they do have those storefronts or
20 restaurants or whatever the ground floor
21 commercial space is, those typically make up
22 a significant portion of the -- of the budget
23 for that building. And yeah, I'd say there
24 still is probably a significant concern

1 there.

2 ASSEMBLYMAN EPSTEIN: Yeah, happy to
3 talk offline more about that as well, to both
4 the CLT folks and to the CHIP about kind of
5 how we can help the small property owners and
6 the commercial tenants.

7 And thank you, Chair.

8 CHAIRWOMAN WEINSTEIN: I don't believe
9 there's other Senators, so we're going to --

10 CHAIRWOMAN KRUEGER: No. We want to
11 thank this panel very much.

12 CHAIRWOMAN WEINSTEIN: Oh, no, we do
13 have some other Assemblymembers.

14 CHAIRWOMAN KRUEGER: Oh, excuse me.

15 CHAIRWOMAN WEINSTEIN: So we're going
16 to have to go first to Assemblyman Burdick
17 and then Assemblywoman Niou.

18 ASSEMBLYMAN BURDICK: Thank you.

19 And I appreciate all of the testimony
20 provided and certainly support the advocacy
21 for increasing funding for Neighborhood
22 Preservation Programs and other
23 community-based efforts.

24 There was some mention, if I heard it

1 correctly, that there could be more access to
2 state-owned land. And this came up earlier
3 in the hearing, and I'm wondering if anyone
4 can expand on that. When I asked that
5 question earlier, the reply was that whenever
6 there is a disposition of any state land,
7 before that's done, there should first be an
8 evaluation of whether or not there may be
9 opportunities for affordable housing.

10 And I'm just wondering if you could
11 comment on that and how you think the
12 Legislature could go forward in this budget
13 to try to promote that.

14 I invite any of you who may be
15 familiar with it. Elise, you're unmuting, so
16 I assume that you --

17 MS. GOLDIN: Yeah. You know, I'm not
18 familiar with the state process of getting --
19 kind of disposing of state land. You know,
20 like Athena said, we are working in the city,
21 in New York City, to try to adjust the city
22 charter to say that when the city gets rid of
23 publicly owned land that there should be a
24 first -- like a prioritization process of

1 CLTs and then --

2 ASSEMBLYMAN BURDICK: Right. And
3 could I ask any of the non-city people
4 whether they might have any thoughts on this
5 as well?

6 MR. STREB: In general, any
7 opportunity to have land that the state owns
8 that we could use for housing just drives
9 down the costs of the housing structure.

10 ASSEMBLYMAN BURDICK: Right.

11 MR. STREB: So from that aspect, yes.

12 ASSEMBLYMAN BURDICK: Well, that's
13 good. I think that offline I would like to
14 work with the advocates for this.

15 Thanks very much.

16 MS. GOLDIN: Yes. I also will just
17 say I know that there is a fight right now at
18 5 World Trade Center, that I believe is a
19 state-controlled site, where there is a
20 proposal for housing to be built. You know,
21 a very small portion might be, you know,
22 affordable in some sense. But there is a
23 fight to put that in a community trust and
24 have it be in the hands of people who are

1 going to make sure that it is 100 percent
2 affordable for community members.

3 ASSEMBLYMAN BURDICK: Great.
4 Thank you.

5 CHAIRWOMAN WEINSTEIN: Thank you.
6 Assemblywoman Niou.

7 ASSEMBLYWOMAN NIOU: I am just really
8 glad that Elise brought that up, because I am
9 a huge supporter of trying to make the
10 5 World Trade Center affordable housing.

11 And I also wanted to mention -- you
12 were talking about community land trusts
13 being established citywide. Are there any
14 land trusts currently serving tenants, or are
15 they all still under development?

16 MS. BERNKOPF: I just want to clarify
17 the question. Do you mean if there any
18 community land trusts that currently have
19 established housing that are renting and
20 operating with residents in them?

21 ASSEMBLYWOMAN NIOU: Yes.

22 MS. BERNKOPF: Yes, there are.
23 Definitely at the city level there is
24 Cooper Square, that has been in operation

1 since at least the '90s and has achieved
2 truly deep, affordable levels of the -- of
3 course, when it started out, it was --

4 ASSEMBLYWOMAN NIOU: I love
5 Cooper Square.

6 MS. BERNKOPF: Right.

7 ASSEMBLYWOMAN NIOU: Give them props,
8 of course.

9 MS. BERNKOPF: At the state level
10 there are community land trusts, but I'm less
11 familiar with where they're at in terms of
12 residents. I don't know if Elise or others
13 here have information on that.

14 ASSEMBLYWOMAN NIOU: On the state end.

15 MS. BERNKOPF: Right.

16 ASSEMBLYWOMAN NIOU: She's having a
17 hard think.

18 MS. GOLDIN: I am having a hard think,
19 yeah.

20 ASSEMBLYWOMAN NIOU: Yeah. So I just
21 like kind of want to ask like what are some
22 of the biggest obstacles for folks trying to
23 establish these land trusts? And is it just
24 a question of capital, or do we have other

1 difficulties like acquiring properties and
2 getting them developed?

3 I know that like, for example, in
4 Chinatown we're very interested in
5 establishing a community land trust, but
6 there is -- there is, you know, a property
7 issue as in like certain, you know, things
8 that are going on that are a little bit more
9 difficult like for certain places. So would
10 love to kind of just see if I could pick your
11 brains on that.

12 MS. BERNKOPF: Unless, Elise, you're
13 ready to go. I know we're running out of
14 time.

15 I know there's always the "what do we
16 do besides money" question, but honestly it
17 usually comes back to the money.

18 ASSEMBLYWOMAN NIOU: So it is capital.

19 MS. BERNKOPF: Yeah, it's either are
20 we able to access any property at all, right,
21 either at low cost or -- and in our
22 situation, the city did transfer us their
23 properties for \$1 apiece. But again, they
24 were in really bad condition to the point

1 that we're investing at least, you know,
2 \$13 million just in the rehab of four
3 buildings alone. And that's 38 residential
4 units. The scale is not comparative to the
5 need that we have across the city, much less
6 the state.

7 Even beyond just the general capital
8 needs, there's the training that really is
9 crucial to be able to prepare residents
10 themselves to do the meaningful management
11 and collective ownership part of it. You
12 don't just give someone a property and say,
13 Here, now you've got your home, it's yours
14 now, and flourish. It doesn't really work
15 that way.

16 We need resources, we need training
17 and ongoing support for the maintenance of
18 the property so they don't just become
19 another deteriorated property in another
20 decade or so that needs the support that we
21 invested in the first place.

22 ASSEMBLYWOMAN NIOU: Thank you for
23 that.

24 MS. GOLDIN: Yeah, and I think -- I

1 think creating policies like TOPA, that
2 creates really a right for tenants to be able
3 to take over their property and have that be
4 an established right, is really important.

5 And I just wanted to also add that the
6 City Roots CLT is an upstate group that has
7 tenants on their community land trust.

8 ASSEMBLYWOMAN NIOU: Great. Thank
9 you.

10 CHAIRWOMAN WEINSTEIN: Thank you.

11 This ends the questions for this
12 panel.

13 CHAIRWOMAN KRUEGER: I think it does,
14 yes.

15 CHAIRWOMAN WEINSTEIN: I want to thank
16 you all for being here with us today.

17 And we're going to move on to Panel E:
18 Children's Defense Fund-New York, Ben
19 Anderson, director of economic mobility and
20 health policy; Lead Free Kids New York, Sonal
21 Jessel, director of policy; Clean and Healthy
22 New York, Paul Webster, director of programs.

23 And if we can go in that order,
24 starting with Children's Defense Fund.

1 MR. ANDERSON: Good evening. Thank
2 you. My name is Ben Anderson. Again, I'm
3 the director of economic mobility and health
4 policy at the Children's Defense
5 Fund-New York. I want to thank the chairs
6 for the opportunity to speak this evening.

7 As most folks know, Children's Defense
8 Fund grew out of the civil rights movement,
9 and our work is at the intersection of racial
10 justice and child advocacy. And I'm here
11 today to talk to you about childhood lead
12 exposure and the need for more funding in the
13 state budget.

14 New York has more children with
15 elevated blood lead levels than any other
16 state in the U.S. There are some communities
17 in New York where the rate of exposure is
18 five to six times higher than Flint,
19 Michigan, at the peak of its lead crisis.
20 Some of these communities are in pockets of
21 the Bronx, Brooklyn, and others are
22 concentrated in Buffalo, Rochester, Syracuse,
23 Utica, and Albany. The impacted communities
24 and impacted children are disproportionately

1 Black and Latinx. And to give you a sense of
2 the scale of the problem we're facing
3 statewide, roughly 28,000 children are born
4 every year who will suffer from childhood
5 lead exposure. That's about 12 percent of
6 all births in New York each year.

7 Now, I won't go into detail this
8 evening about the health impacts but will
9 briefly say that we're talking about
10 completely preventable but irreversible harm
11 to the brain. Year after year, children
12 continue to suffer because the system we have
13 now is primarily one that waits until
14 children show up at the doctor with high lead
15 levels before anyone will do anything to
16 eliminate the hazard in the child's housing.

17 So in effect, we are treating these
18 children like canaries in a coal mine instead
19 of going out and proactively finding and
20 fixing lead hazards.

21 In New York the total lifetime
22 economic burden of this system is roughly
23 \$6.4 billion for children born in 2019 alone.
24 For these reasons, Lead Free Kids New York

1 and the Children's Defense Fund are
2 advocating for a \$1 billion funding package
3 that will set New York on a path to eliminate
4 childhood lead exposure.

5 The funding package includes support
6 for many different state agencies, and I will
7 focus just a little bit on the funding for
8 HCR. Specifically, the package includes
9 \$500 million for HCR to work with communities
10 to find and fix lead hazards. This means
11 providing grants to the lowest-income
12 homeowners and landlords to do the work.

13 I'll go ahead and stop there and pass
14 it on to my other panelists.

15 CHAIRWOMAN WEINSTEIN: Thank you.

16 We'll move on to Lead Free Kids
17 New York.

18 MS. JESSEL: Thank you. Good evening.
19 Thank you to the chairs for the opportunity
20 to testify regarding the New York State
21 budget on housing.

22 My name is Sonal Jessel. I'm the
23 director of policy at WE ACT for
24 Environmental Justice. I have my master's in

1 public health from Columbia University.

2 WE ACT was established in 1988 and has
3 been involved in the fight against lead
4 poisoning since then. Today I'm here as a
5 leader of the Lead Free Kids New York
6 Coalition, which is a coalition of experts
7 and advocates committed to preventing and
8 eradicating lead poisoning in New York State.

9 We are asking New York State to commit
10 \$1 billion to fund sweeping lead poison
11 prevention efforts. Particularly, we're
12 asking for a budget allocation of \$500
13 million through HCR.

14 Lead poisoning leads to severe
15 behavioral and developmental issues. There
16 is no safe level of lead. The American
17 Academy of Pediatrics even says that lead
18 below the allowed concentrations we currently
19 have in New York State is a causal risk
20 factor for diminished intellectual and
21 academic abilities and neurobehavioral
22 disorders like ADHD, for example.

23 There are no truly effective
24 treatments to reverse the damage of lead

1 poisoning. Lead-based paint in buildings is
2 our most significant source of lead in the
3 state. According to Columbia University,
4 there are about 5.3 million housing units in
5 New York State that contain possible
6 lead-based paint hazards.

7 New York State has thousands of
8 children with elevated blood lead levels, and
9 this is because New York State has the oldest
10 housing stock in the country. That's the
11 primary driver. For decades, our state's
12 decisionmakers have been sitting on a lead
13 poisoning crisis without any major sweeping
14 statewide action.

15 Childhood lead poisoning
16 disproportionately impacts children of color
17 across the state: Black/African-American,
18 number one; Latinx and Asian children also
19 have very high rates of lead poisoning. And
20 this is due to the lack of adequate resources
21 and support given to communities to upgrade
22 or remediate old buildings and a lack of good
23 enforcement for landlords to remediate lead
24 hazards in their buildings.

1 do not believe that we have questions. I
2 think the three of you have really presented
3 the situation that we're facing in our
4 housing regarding lead and the impact on
5 children very well. And --

6 THE MODERATOR: Assemblywoman, there
7 is one more panelist, Paul Webster.

8 CHAIRWOMAN KRUEGER: Yes. Paul
9 Webster is here with us.

10 CHAIRWOMAN WEINSTEIN: Oh, I'm sorry.
11 They did such a good job.

12 (Laughter.)

13 CHAIRWOMAN WEINSTEIN: I don't know
14 what they left for you to talk about, Paul.

15 SENATOR KAVANAGH: For the record,
16 that's also why I hadn't raised my hand yet.

17 (Laughter.)

18 CHAIRWOMAN WEINSTEIN: Go ahead.
19 Give us some more information. Give us
20 something new.

21 MR. WEBSTER: Yes, thank you so much
22 to the chairs, Senator, Assemblywoman, and
23 the Housing chairs as well.

24 I'm Paul Webster, policy director for

1 Clean and Healthy New York. And Clean and
2 Healthy is one of the core organizations
3 that's in the Lead Free Kids New York
4 Coalition and the Just Green Partnership.
5 You know, we have dozens of environmental
6 health, environmental justice organizations
7 that are part of our group and about 80
8 organizations representing more than a
9 million New Yorkers.

10 And as you've heard from my other
11 colleagues, the doctors and scientists tell
12 us that there's no safe level of lead in our
13 bodies, yet New York State has the
14 unfortunate distinction of having the highest
15 percentage of children in the nation with
16 elevated blood lead levels driven by
17 something we're a leader in, and that's our
18 aging housing stock.

19 As Sonal mentioned earlier, there are
20 more than 5.3 million homes in New York State
21 that were built prior to lead being
22 prohibited in 1978. And of these homes,
23 roughly 630,000 of them have children
24 present. As a result, New York faces

1 increased impairment to these children in
2 their ability to think, learn, and
3 concentrate. Lead poisoning can affect
4 nearly every organ in our bodies, and recent
5 research shows that adult exposure also can
6 lead to heart disease.

7 Renovating and repairing poorly
8 maintained housing is the best way to protect
9 New York's children from the irreversible
10 damage that is caused by the ingestion of
11 lead. A half century after New York State
12 banned the sale of lead paint in 1971,
13 New York State still, again, leads the nation
14 in the number of children with lead poisoning
15 and, again, lead-impacted housing.

16 And that's why our coalition proposed
17 a \$1 billion investment in New York State's
18 lead poisoning elimination project, and of
19 which we noted \$500 million for lead
20 renovation and repair within the budget of
21 DHCR and several other agencies. I mean,
22 we're very happy that the Governor proposed
23 record funding in the housing and the
24 environmental and other budgets, but really

1 not enough was done to combat the scourge of
2 primary lead poisoning, which is from poorly
3 maintained housing.

4 If you live in 20 zip codes in
5 New York State -- six in Erie County, five in
6 Monroe County, three in Onondaga County and
7 Syracuse, two in Utica and then in Albany,
8 Middletown, Newburgh and White Plains --
9 those 20 zip codes account for 40 percent of
10 New York State's childhood lead poisoning.
11 And that comes from, again, housing that has
12 not been maintained.

13 And this bold development of
14 \$500 million will really go a short way in
15 addressing the problem. As Sonal noted,
16 there are more than 15,000 houses that would
17 be impacted by this \$500 million investment,
18 but we have 5.3 million houses with lead
19 present. So this will be a start, but we
20 still have a long way to go and there needs
21 to be continued and consistent investment in
22 eliminating lead-based hazards in New York
23 State.

24 And with our surplus this year and

1 close to \$28 billion in surpluses identified
2 by Governor Kathy Hochul over the next five
3 years, this is the time to start making that
4 investment in eliminating the problem of lead
5 poisoning.

6 And I'll stop there. Thank you.

7 CHAIRWOMAN WEINSTEIN: Thank you.

8 Thank you, Mr. Webster.

9 We'll go to the Assembly.

10 Assemblywoman Niou.

11 ASSEMBLYWOMAN NIOU: First and
12 foremost, thank you for staying so late.
13 It's already almost 9:00, so I appreciate all
14 of your time.

15 I especially appreciate your panel's
16 testimony on this issue with lead blood
17 levels in our children. As we know, economic
18 and ecological segregation is very real, and
19 I think that children of color are more
20 impacted more often. And it only takes like
21 less than a small fingernail of lead
22 ingestion to be able to cause permanent, you
23 know, brain damage and other kinds of growth
24 issues in children.

1 You noted that average blood levels
2 are higher in children of color, Director
3 Anderson. And how much of that is
4 attributable to our current public housing
5 stock? And what can we -- you know, I guess,
6 what can you tell us specifically about the
7 lead situation in our public housing right
8 now? And how far would funding go -- this
9 funding go toward tackling lead in our homes?
10 And how much more would be necessary in order
11 to make sure that our public housing units
12 are actually safe for our kids?

13 MR. ANDERSON: Yeah, really great
14 questions.

15 You know, I think the issue of lead in
16 public housing is really one of equity
17 because of the disproportionate harms and
18 hazards that exist there and how many of
19 those tenants have been treated over time.

20 Just in terms of what we know about
21 the children that we've been able to identify
22 with elevated blood levels, of the children
23 identified we see many more of them and a
24 much higher percentage of them outside of the

1 public housing system.

2 But again, I think just speaking as to
3 equity issues, I think it's important to
4 focus in that space. And we know in New York
5 City, for example, I think work that Sonal
6 has been a part of -- that there's been
7 efforts to improve conditions with respect to
8 lead hazards there.

9 ASSEMBLYWOMAN NIOU: So what has the
10 percentage been? If you're saying it's
11 mostly outside of public housing.

12 MR. ANDERSON: Yeah, I --

13 ASSEMBLYWOMAN NIOU: What have the
14 largest numbers been?

15 MR. ANDERSON: Yeah, I don't want to
16 guess. But I can get that information for
17 you after the hearing.

18 ASSEMBLYWOMAN NIOU: Okay. That would
19 be very much appreciated. Thank you so much.

20 MR. ANDERSON: Yes. You're welcome.

21 CHAIRWOMAN WEINSTEIN: Thank you.

22 We go to the Senate.

23 CHAIRWOMAN KRUEGER: Thank you.

24 I believe we have Senator Brian

1 Kavanagh.

2 SENATOR KAVANAGH: Yeah. I'll try to
3 be -- first of all, thank you for being here
4 and testifying. We actually had a bit of a
5 beginning of a conversation about lead and
6 asbestos earlier, and Chair Weinstein
7 suggested we await this panel. So I
8 appreciate -- this is great testimony we have
9 tonight.

10 And I've had the opportunity to speak
11 with each of you about these issues recently.
12 And, you know, we're working on lead
13 solutions as well as, you know, the funding
14 needs tonight.

15 But just for clarity, you know, my
16 Assembly colleague was talking about the
17 distinction between public housing versus
18 private housing. And, you know, because
19 there was so much justified attention to what
20 went on in New York City public housing, I
21 think there is a perception out there that
22 this is a public housing issue and that it's
23 a New York City issue.

24 You know, you mentioned a moment ago

1 that there are zip codes where this is
2 particularly concentrated. Can you just talk
3 about the geographic distribution of this
4 problem around the state? Like what -- which
5 parts of the state are most affected and, you
6 know, where are the highest levels?

7 MR. WEBSTER: Sure. Thank you,
8 Senator.

9 We have to recall that 85 percent of
10 New York State's total housing was built
11 before 1978, so the sensitivity to lead
12 poisoning and the lead threat that's present
13 in our houses is every district. But when we
14 talk about the zip codes where childhood lead
15 poisoning is highest, it's in Erie County,
16 Monroe County, Onondaga, Oneida, Albany,
17 Orange, Westchester -- those are the counties
18 where the top 20 zip codes that account for
19 about 40 percent of the state's childhood
20 lead poisoning come from, those 20 zip codes.

21 SENATOR KAVANAGH: And just for
22 clarity, these are -- this is based on data
23 where children, very young children's blood
24 levels are tested at hospitals, and that data

1 is aggregated by the Department of Health.
2 So these are cases -- and you're saying on a
3 per capita basis, those places are
4 experiencing very high levels of lead
5 poisoning.

6 MR. WEBSTER: Yes.

7 SENATOR KAVANAGH: Okay. I think it's
8 just important to note that we have a big
9 problem in New York City as well, but I think
10 it's important for people to recognize this
11 is not just a New York City issue but, in
12 fact, very much a New York State -- it's a
13 statewide issue that affects all of us.

14 Because I think that it's going to be
15 important that we get, you know, as broad a
16 consensus as possible to put the kind of
17 resources we're talking about. And, as you
18 know, we had a hearing of the Housing and
19 Health Committees in the Senate on this issue
20 as well. So, you know, we had a lot of great
21 testimony from your organizations and others,
22 and we'll continue to do so. But again, just
23 to say I join you in, you know, fighting to
24 get some real funding in this budget.

1 housing stock across the state.

2 ASSEMBLYMAN BURDICK: Thank you so
3 much.

4 CHAIRWOMAN WEINSTEIN: Thank you.

5 Now I'm going to thank the panel, all
6 three of you, for being here with us. I'm
7 sure there will be some follow-up
8 communications with you as we move forward.

9 So next I'm going to call Panel F:
10 ERASE Racism, Elaine Gross, president;
11 Citizens Housing and Planning Council,
12 Katherine Leitch, senior policy analyst;
13 Community Service Society, Samuel Stein,
14 housing policy analyst.

15 And we can go in that order. Thank
16 you so much.

17 MS. GROSS: Good evening,
18 Assemblymembers and Senators. My name is
19 Elaine Gross, and I'm the president of ERASE
20 Racism, a Long Island-based civil rights
21 organization. And part of our work includes
22 working for housing and education.

23 So my testimony is related to the
24 creation of accessory dwelling units. Our

1 organization supports the creation of ADUs
2 because we see it as having the potential for
3 some public good because of their potential
4 to increase affordable housing stock.

5 However, there are some issues with
6 the legislation as it appears in the
7 Governor's budget. There are three concerns
8 which I will speak about, and basically I
9 fear that these concerns mean that the ADUs
10 are not going to be accessible to all
11 New Yorkers.

12 So first, the bill must clearly state
13 that ADUs shall abide by fair housing and
14 tenant protection laws. There's abundant
15 evidence, including from the ERASE Racism
16 housing discrimination lawsuits, that
17 individuals are still denied rental housing
18 because they are Black, with our lawsuits,
19 but also because of protected
20 characteristics, other protected
21 characteristics -- race, source of income,
22 et cetera.

23 In addition, the ADU bill must require
24 that the ADUs are held to standards related

1 to habitability and all tenant protections.

2 The second issue I raise is that the
3 ADU units shall not be exempt from the --
4 what's called the Mrs. Murphy exemption, and
5 members of the public should be made aware of
6 these units.

7 Units that are not being used by
8 family members shall be made known to the
9 general public. This can be accomplished via
10 a state-maintained online registry that is
11 free to the listing owner or at low cost,
12 and/or the owners could be required to
13 publicly advertise vacancies on, again,
14 regional online rental sites. Unless
15 availability is made publicly known
16 immediately to the region, access will be
17 severely limited and it will fall along the
18 same lines as housing discrimination.

19 The third and final area that I'll
20 mention tonight is that the ADU units that
21 are built with monetary help from the state,
22 whether it's a loan or a grant, shall be
23 required to maintain below-market rates to
24 preserve affordability. There is a Senate

1 bill which states that, states this. In
2 fact, it talks about keeping the rents below
3 market rate for at least 15 to 30 years.

4 The Governor's version does not have
5 the same provision, and it should.

6 So with these additional protections,
7 ERASE Racism can support this bill. Thank
8 you for allowing me to provide this
9 testimony.

10 CHAIRWOMAN WEINSTEIN: Thank you for
11 being here with us today.

12 Citizens Housing and Planning Council.

13 MS. LEITCH: Thank you for the
14 opportunity to testify. My name is Kate
15 Leitch, and I am a senior policy analyst at
16 the Citizens Housing and Planning Council.
17 CHPC is a nonprofit think tank that has been
18 dedicated to addressing the city's housing
19 and planning needs for over 80 years.

20 CHPC has spent well over a decade
21 researching ADUs and basement conversions,
22 which play an essential but overlooked role
23 in New York City's housing stock. In all
24 facets of our ADU work, we have seen time and

1 again that ceiling height, parking minimums,
2 and other unnecessarily stringent and
3 outdated municipal and state regulations
4 often make it impossible for homeowners to
5 create a legal accessory unit.

6 This is a problem for both occupant
7 safety and housing supply. The proposed ADU
8 act makes important strides towards reducing
9 these barriers. Creating a practical path
10 for homeowners to add a legal second unit
11 will make certain that apartments have
12 appropriate egress, bedrooms have emergency
13 escape and rescue windows, and occupants have
14 adequate lights and ventilation.

15 As an issue of supply, ADUs allow
16 localities to increase housing without
17 significant changes to neighborhood height
18 and bulk. ADUs expand housing choice,
19 they're inherently more affordable, and they
20 improve access to neighborhoods for
21 communities who have historically been
22 excluded.

23 For two-family homeowners, the state's
24 Multiple Dwelling Law can impose almost

1 impossible hurdles. As written, the ADU act
2 grants New York City the authority to relieve
3 parts of the MDL, but only in circumstances
4 where an owner is trying to legalize an
5 existing unit. This is an extremely
6 important tool to protect the tens of
7 thousands of New Yorkers currently living
8 without leasehold rights. But we strongly
9 encourage the Legislature to expand that
10 authority to cover the creation of all
11 accessory units.

12 As for the concerns about the impact
13 of ADU legislation on density, there are some
14 people who believe that there isn't enough
15 interest. There are some people who worry
16 about a population explosion. And yet others
17 somehow believe it could be both.

18 Thoughtful and considerate
19 implementation will ensure that it's none of
20 these. The state has established a very
21 thoughtful framework and asks localities to
22 incorporate the ADU program in ways that are
23 appropriate to the locality. ADUs present
24 the Legislature with a rare opportunity where

1 it can help both homeowners and renters,
2 seniors aging in place, and first-time
3 homebuyers, recent immigrants, and
4 multigenerational families.

5 ADU policy promotes private property
6 rights and fights segregation. It solves
7 barriers in the MDL and local zoning. We
8 emphatically urge the Legislature to adopt
9 this bill. Thank you.

10 CHAIRWOMAN WEINSTEIN: Thank you. And
11 now, Community Service Society, please.

12 MR. STEIN: Thanks so much for the
13 opportunity to testify, and thanks for
14 sticking it out the entire session. I know
15 it's been a long day.

16 My name is Sam Stein, and I'm senior
17 policy analyst at the Community Service
18 Society, a leading nonprofit organization
19 that promotes economic opportunity for
20 New Yorkers. In our written testimony we
21 elaborate on the following key priorities for
22 the upcoming budget, which I will summarize
23 here.

24 First, end and prevent homelessness

1 through the following means: Prevent
2 eviction and displacement by creating a
3 statewide Right to Counsel to guard against
4 illegal evictions; pass Good Cause Eviction
5 protections to stop no-fault evictions, and
6 ban winter evictions, as cities like Seattle
7 have done already; pass the Housing Access
8 Voucher Program, a state-funded voucher that
9 would operate much like Section 8.

10 The commitment of \$1 billion towards
11 this program would aid almost 85,000 families
12 or individuals in either exiting or
13 preventing homelessness. The Housing Our
14 Neighbors With Dignity Act passed last year,
15 and it should be expanded to make sure it's
16 available across the state. And we should
17 revisit language included in earlier versions
18 of the bill regarding land use and
19 certificates of occupancy that would make it
20 more useful.

21 The Governor's Executive Budget
22 included a bill that would bar housing
23 discrimination based on conviction history,
24 which is extremely important, but it included

1 two large carveouts that would decisively
2 undermine the bill's intent and impact.

3 Second, we call on the state to fund
4 social housing conversions and development.
5 Governor Hochul's Executive Budget proposes a
6 \$50 million social housing pilot program as
7 part of her larger home ownership initiative,
8 as well as \$120 million to reinvest in
9 Mitchell-Lama housing. These are important
10 steps.

11 Another would be the Tenant
12 Opportunity to Purchase Act. Under TOPA,
13 when rental buildings go up for sale, tenants
14 would have a right of first refusal to either
15 buy the building and turn it into a limited
16 equity cooperative, or designate a preferred
17 buyer to steward the building.

18 Third, preserve and protect NYCHA. We
19 are deeply disappointed that no commitment
20 was made to the New York City Housing
21 Authority in the Governor's budget. The
22 authority faces a \$40 billion capital backlog
23 as well as operating shortfalls that force it
24 to use a portion of its inadequate federal

1 capital funds to fill the gap. The state
2 should make a long-term capital commitment of
3 \$1.5 billion annually to restore NYCHA'S
4 infrastructure, a commitment that we will
5 also press the city to match.

6 Finally, recouping lost tax revenue by
7 ending the 421-a tax exemption by either
8 allowing it to expire in June or abolishing
9 it sooner.

10 Thank you again for the opportunity to
11 offer comments and for doing this all day
12 long.

13 CHAIRWOMAN WEINSTEIN: Thank you for
14 being here with us today.

15 So we had some questions for this
16 panel. We'll start first with Assemblyman
17 Epstein.

18 ASSEMBLYMAN EPSTEIN: Thank you,
19 Chair.

20 To Ms. Gross, I really appreciate your
21 comments on accessory dwelling units. Can
22 you comment about how not having an ADU law
23 impacts communities on Long Island that you
24 work in?

1 MS. GROSS: Of not having the law?

2 ASSEMBLYMAN EPSTEIN: Yeah, how not
3 having the law in place.

4 MS. GROSS: Yeah. Right.

5 So, you know, we -- first of all, we
6 have a lot of ADUs. They're just illegal.
7 And, you know, there's -- you know, people
8 kind of close their eyes and whatever. So
9 that's one thing.

10 The other thing is there are some
11 300,000 Long Islanders who are
12 housing-cost-burdened. That means they pay
13 over 30 percent of their income on housing.
14 And the highest percentage of those
15 households fall in the lowest income
16 category.

17 So I didn't speak to this point, but I
18 think it's important that there is a low
19 income and a -- what do they call it -- a low
20 income and moderate income program that would
21 help homeowners because it could help them to
22 make units legal, or build new units,
23 et cetera. I think that would be very
24 important because there are certainly

1 homeowners of color kind of holding on,
2 trying to hold on, and this would be very
3 helpful.

4 So I think that we have such an
5 affordable housing problem here, and it is
6 a -- it's a statewide problem. That's why
7 we're having this discussion at the state
8 level. But sometimes people on Long Island,
9 again, with blinders, think that we don't
10 have a problem out here. But we do.

11 Thank you for your time.

12 ASSEMBLYMAN EPSTEIN: Thank you.

13 And to Ms. Leitch and Mr. Stein, I
14 just wanted to hear your sense -- I know you
15 mentioned ADUs. I just want to make sure
16 that -- where you both are. And if we have
17 time, Mr. Stein, can you tell me what the
18 state should be doing for public housing?

19 MR. STEIN: I can start, or you can?
20 Okay.

21 Well, we support the ADU legislation.
22 It's an extremely important element of
23 housing policy. We want to, you know, fight
24 to ensure that it has the strongest possible

1 protections for tenants and low-income folks,
2 whether they're the homeowner or the tenant.
3 But we absolutely support it.

4 In terms of public housing, we're
5 calling for a \$1.5 billion annual commitment,
6 and we'll be doing the same from the --

7 ASSEMBLYMAN EPSTEIN: Capital or
8 operating or both?

9 MR. STEIN: Certainly capital is a
10 priority, but the operating is essential
11 because we're just pulling out of the capital
12 budget to fund the operating deficit.

13 Kate, do you want a chance?

14 MS. LEITCH: Sure. CHPC is an ardent
15 supporter of the ADU legislation for both
16 housing supply and for occupant safety. It
17 is an essential source of income for modest-,
18 low-, and moderate-income homeowners. It
19 allows people aging in place to remain there
20 with a home health aide, with the help of
21 extended family, with the extra income.

22 So from a housing supply side, it is
23 essential. But with the housing crisis,
24 unless we can provide a safe and affordable

1 alternative, we're going to have people
2 turning to these informal units unless we can
3 make them accessible and legal. And if we
4 can provide a streamlined pathway to
5 legalization that prioritizes essential
6 safety requirements, we will go far in
7 improving the safety of thousands, tens of
8 thousands of New Yorkers living in these
9 units right now.

10 ASSEMBLYMAN EPSTEIN: Thank you very
11 much.

12 I think my time expired. So Chair
13 Krueger, I turn it back to you.

14 CHAIRWOMAN KRUEGER: Thank you. Thank
15 you very much.

16 And I'm going to turn it over to Pete
17 Harckham.

18 SENATOR HARCKHAM: Thank you very
19 much, Madam Chair.

20 Good evening, everybody. Thank you to
21 our panelists for sticking it out. I greatly
22 appreciate it.

23 And I really want to thank you for
24 your unvarnished testimony on ADUs. There's

1 so much disinformation, and the other side is
2 just, you know, a lot of dog whistles. I've
3 been around affordable housing for 20 years,
4 and everyone becomes a traffic expert and
5 everyone becomes a wetlands and a steep slope
6 expert. And so I want to thank you for that.

7 And Elaine, I want to thank you about
8 talking about this as an equity issue,
9 because we know the greatest barrier to
10 equality is zip code. It determines
11 everything. And the fact that we have an
12 opportunity to allow folks to have housing
13 options in zip codes of opportunity is not
14 being discussed enough about this bill or
15 about the opposition to this bill.

16 So I want to thank you for bringing
17 that up. I think it's central to the
18 conversation, and it hasn't been to this
19 point. So I want to thank you all.

20 MS. GROSS: Absolutely. Thank you.

21 CHAIRWOMAN KRUEGER: Thank you,
22 Senator Harckham.

23 I think it's back to you,
24 Assemblywoman.

1 CHAIRWOMAN WEINSTEIN: And we have no
2 further questions, so I want to thank all the
3 members of this panel for your participation.

4 And we are going to move on to
5 Panel G: ADU New York, Casey Berkovitz,
6 coalition coordinator; CNY Fair Housing,
7 Inc., Sally Santangelo, executive director;
8 Westchester Residential Opportunities, Inc.,
9 Marlene Zarfes, executive director;
10 Cypress Hills Local Development Corporation,
11 Ryan Chavez, program director; Building and
12 Realty Institute of Westchester, Timothy
13 Foley, CEO.

14 So if we can go in that order,
15 starting with Casey Berkovitz.

16 MR. BERKOVITZ: Hi, there. Good
17 evening. Thank you for the opportunity to
18 testify and for your patience today. I know
19 it's been a long day, and it's still going.

20 I'd like to focus on the opportunity
21 that this year's budget presents to legalize
22 ADUs across New York. For the past
23 year-plus, I've been working with a coalition
24 of advocates from across the state, some of

1 whom you've already heard from, some of whom
2 you're about to hear from, as well as
3 Senator Harckham and Assemblymember Epstein
4 and a number of other cosponsors in the
5 Legislature on Assembly Bill 4854 and Senate
6 Bill 4547 that would also legalize ADUs.

7 I especially want to thank Senator
8 Harckham and Assemblymember Epstein and
9 others for their engagement with
10 stakeholders, both to help craft the bill and
11 then to make amendments that resulted in the
12 A print that's in the Legislature and that
13 some of the language of the Governor's
14 Executive Budget matches as well. They've
15 been very responsive to feedback, both
16 friendly and unfriendly, on the proposal, and
17 I really appreciate it.

18 So by legalizing ADUs like backyard
19 cottages, garage conversions, in-law units,
20 basement apartments, we can create extra
21 income for homeowners, we can create safe and
22 affordable housing for tenants, we can give
23 seniors the ability to age in place, and we
24 can foster healthy and more diverse

1 communities. It's such a win/win policy that
2 our coalition of folks who are supporting
3 this legislation is really everybody you can
4 think of from tenants' rights activists to
5 community development organizations to
6 homebuilders, industry groups, fair housing
7 groups, other folks you've heard from, senior
8 advocates, all sorts of folks -- and I'm sure
9 I'm forgetting some.

10 ADUs are an important resource for
11 both homeowners and tenants. On the
12 homeowner side, over one in four homeowners
13 in the State of New York are cost-burdened,
14 and an ADU can be an important source of
15 income for these folks. On the tenant side,
16 ADUs are an affordable rental unit, but it's
17 also key to ensuring that rental housing is
18 safe. Legalization is truly the only path to
19 ensure that the possibly hundreds of
20 thousands of folks in informal ADUs have a
21 path to legalization and safety.

22 I want to clarify that even with
23 legalized ADUs there's still plenty of local
24 control. Local governments write their own

1 zoning codes, they can maintain their local
2 character. What legalization would do is it
3 would set a quote, unquote, floor to ensure
4 that people have housing choices in their
5 communities.

6 All of that said, there are a couple
7 of improvements that I believe you are in a
8 position to make to the Governor's Executive
9 Budget proposal.

10 First and foremost, there will need to
11 be a more wide-ranging exemption from the
12 Multiple Dwelling Law. This was mentioned
13 previously, and I think will be elaborated
14 on. But as written, it essentially makes it
15 impossible for duplexes to add an ADU, and
16 that's a critical exclusion that we hope
17 you'll fix.

18 Secondly, as Elaine said, ADU
19 legalization is a critical step forward for
20 affirmatively further fair housing, but we
21 need to be sure that ADUs are covered under
22 the Human Rights Law. And I've included
23 language to that end in my written testimony,
24 and I'm happy to work with all of you to

1 address those changes.

2 Thank you very much.

3 CHAIRWOMAN WEINSTEIN: Thank you. CNY
4 Fair Housing.

5 MS. SANTANGELO: Good evening,
6 everyone, and thank you for the opportunity
7 to testify today.

8 My name is Sally Santangelo, and I'm
9 the executive director of CNY Fair Housing.
10 We are a nonprofit fair housing organization
11 located in Syracuse and serving 17 counties
12 of central and upstate New York.

13 And we work to eliminate housing
14 discrimination by investigating complaints of
15 discrimination, conducting undercover
16 testing, providing counseling, advocacy and
17 legal representation to victims of
18 discrimination, educating the community on
19 fair housing rights, and lastly by providing
20 technical assistance to municipalities to
21 improve housing access.

22 And I want to focus my comments on a
23 couple of issues. First, you know, we want
24 to express our support for the legalization

1 of ADUs. And to address the affordable
2 housing crisis that is facing New Yorkers, we
3 need to increase the supply of housing. And
4 this is a great first step in expanding the
5 types of housing that can be built in
6 communities that have historically limited
7 housing opportunity.

8 I think this will help in particular
9 in providing housing across the state,
10 including in smaller upstate communities
11 where we have slower housing markets and
12 don't often have the demand for larger-scale
13 housing developments, yet still face
14 affordable housing needs.

15 Also upstate has a high proportion of
16 retired homeowners on fixed incomes, and ADUs
17 can be an important lifeline that will allow
18 them to stay in their homes.

19 However, we do think that it is
20 essential that all housing in New York is
21 open to all New Yorkers, and currently under
22 the Governor's budget proposal ADUs would be
23 exempt, as has been mentioned, from state
24 anti-discrimination protections through the

1 owner-occupied Mrs. Murphy exemption.
2 Meaning people could still be denied due to
3 disability, religion and other protected
4 bases.

5 We ask that ADU legalization include
6 fair housing protections so that New Yorkers
7 who are already facing limited opportunity
8 and housing options are not shut out of these
9 new opportunities.

10 And then second I'd like to comment on
11 the proposed expansion of the state's fair
12 housing testing program. We were thrilled to
13 see dedicated funding in the budget for a
14 fair housing testing program. Over the past
15 two years the six private fair housing
16 organizations in New York, of which we are
17 one of, have been working on a pilot program,
18 the EBHNY program, that's been funded through
19 the Attorney General's office. And it's
20 allowed us to expand our service area and
21 increase staff, and gave us the capacity to
22 investigate state-protected classes like
23 source of income that our HUD funding hadn't
24 previously allowed.

1 throughout New York State. We were founded
2 over 50 years ago, and our mission is to
3 promote equal, affordable and accessible
4 housing for all residents of our region. Our
5 region includes Westchester, but has now
6 expanded to the Lower Hudson Valley.

7 Given our mission, we're strong
8 supporters of legalizing accessory dwelling
9 units, or ADUs, throughout the state. We've
10 been working as part of a coalition in
11 support of the Harckham-Epstein bill
12 legalizing ADUs with some of the people who
13 you've already heard from this evening.

14 We appreciate the Governor's proposed
15 Accessory Dwelling Unit Act to promote the
16 creation of ADUs. In fact, the Governor's
17 proposal is quite similar to the bill that
18 we've been supporting.

19 However, there's a defect in the act
20 as proposed that would allow perpetuation of
21 discrimination. This defect can be easily
22 remedied. As written, the owner of an ADU
23 created under this legislation would be
24 allowed to refuse to rent or sell or offer

1 different terms and conditions in renting the
2 ADU based on any New York State protected
3 class.

4 So if I own an ADU, I can refuse to
5 sell, rent or lease or I can offer different
6 terms or conditions to someone because maybe
7 they have children or because they're
8 disabled, or based on their national origin
9 or their race. This is known as the
10 Mrs. Murphy exemption to the Human Rights
11 Law, and essentially this is legalized
12 discrimination.

13 It's WRO's position that ADUs must be
14 explicitly excluded from such legalized
15 discrimination. The defect can be remedied
16 simply by amending the act to provide that
17 ADUs created under the act will not be
18 subject to the Mrs. Murphy exemption.

19 So we strongly urge the change in the
20 legislative text so the benefit to be
21 realized by promoting ADUs and the
22 anticipated increase in affordable housing
23 will not be limited by discrimination.

24 Thank you all for your attention and

1 the opportunity to show our support for the
2 Governor's proposal to promote ADUs with the
3 slight change in text that will prevent
4 discrimination under the act.

5 CHAIRWOMAN WEINSTEIN: Thank you.

6 And now we go to Cypress Hills Local
7 Development Corporation, Ryan Chavez.

8 MR. CHAVEZ: Well, good evening,
9 committee chairs and members. Thank you so
10 much for the opportunity to speak today.

11 My name is Ryan Chavez, director of
12 the basement apartment conversion pilot
13 program at Cypress Hills Local Development
14 Corporation. Founded in 1983, CHLDC is a
15 nonprofit community development organization
16 and settlement house based in East New York,
17 Brooklyn.

18 I am here to speak in support of the
19 2022 Executive Budget as it relates to
20 accessory dwelling units. Three years ago
21 New York City, in partnership with CHLDC,
22 launched the East New York Basement
23 Conversion Pilot Program, which aimed to
24 provide small homeowners in East New York

1 with financial and technical assistance to
2 convert their basements into safe and
3 affordable rental units.

4 We'd like to take a moment just to
5 thank Assemblymember Epstein in his former
6 role at the Urban Justice Center, for his
7 efforts in supporting and convincing the city
8 that a pilot program was in fact feasible.

9 Basement legalization has been
10 embraced overwhelmingly by the East New York
11 community as a strategy to both preserve
12 homeownership and create much-needed
13 affordable housing. And the hope was that
14 this pilot could help identify challenges and
15 workarounds when it came to accessory
16 dwelling unit creations, and lay the
17 foundation for a citywide basement conversion
18 program.

19 Through our ongoing work in East New
20 York we've identified three key challenges in
21 implementation that this state policy would
22 directly alleviate. First, parking
23 requirements. Roughly a quarter of
24 properties assessed in the pilot were deemed

1 ineligible, due to their inability to
2 accommodate additional off-street parking.
3 As such, we fully support this policy's
4 prohibition of parking requirements for
5 certain ADUs.

6 Second, ceiling height. Most
7 properties assessed in East New York did not
8 meet the 7-foot-6 ceiling height requirement.
9 To achieve this minimum height would require
10 excavation, which is both expensive and
11 risky. For that reason, we fully support the
12 establishment of a 7-foot ceiling height
13 minimum.

14 Third, the Multiple Dwelling Law. The
15 MDL is a state-level law imposing rigorous
16 housing standards on New York City
17 residential properties with three or more
18 units. So for a two-family home looking to
19 add a basement unit, for instance, this would
20 reclassify them as a multiple dwelling,
21 forcing them to comply with the new
22 regulations, often so onerous as to render
23 the conversion impossible.

24 As such, we support the requirement

1 the chairs and to the hearty souls within the
2 Legislature for continuing to remain engaged
3 at this late hour on these important issues.

4 We submitted much longer written
5 testimony on the provisions in the Executive
6 Budget dealing with transit-oriented
7 development and accessory dwelling units, so
8 I'll just quickly summarize.

9 Some members of the Legislature may
10 mistakenly assume that these proposals would
11 be deeply unpopular and rejected by the
12 suburban communities that would be most
13 affected, but I'm here to tell you it's not
14 true. Many of us in fact want them within
15 our hometowns. Why? Well, study after study
16 shows that allowing for walkable, mixed-use
17 and multifamily housing close to public
18 transit greatly assists us in reducing our
19 carbon footprint and revitalizing our local
20 downtown areas. It boosts our local economy
21 and is a potential game-changer for young
22 people and families who now work in
23 Westchester but have trouble finding housing
24 in their price range.

1 It leads to less dependence on cars,
2 more use of public transit, more walkable and
3 revitalized downtown centers, more
4 educational opportunities for children, and
5 provides a reliable source of funding and
6 ridership to the Metro-North Railroad that so
7 many Westchester residents rely on.

8 Let me take a moment to say what these
9 policies would not do. They would not end
10 single-family zoning. The house next to
11 Grandma's won't be replaced by a 10-story
12 apartment building. They would neither
13 dramatically alter the demand nor the supply
14 of single detached homes, bulky McMansions,
15 or mid-to-high-rise multistory apartment
16 buildings.

17 These proposals to allow for ADUs and
18 the building of 25 units per acre within a
19 10-minute walk of transit stations would be
20 most likely to yield a mixture of duplexes,
21 triplexes, townhouses, bungalow courtyards
22 and other in-context homes of all shapes and
23 sizes that would be the same approximate
24 height and scale as existing housing within

1 these neighborhoods.

2 These are also not foreign to suburban
3 New York communities today. I personally
4 live within half a mile of the Scarsdale
5 Metro-North Station. When my wife or I used
6 to commute to New York City, on our 10-minute
7 walk home we would pass by a small downtown
8 area with shops, some of which have small
9 apartments above them, we would pass by
10 senior-restricted housing, we'd pass by some
11 townhouse-style condominiums and a four-story
12 apartment building. And about two blocks
13 away from us is a single detached house with
14 an in-law suite -- in other words, an
15 accessory dwelling unit.

16 So let me say this again: I live in
17 Scarsdale. My property values have not at
18 all declined by the close proximity of these
19 homes with different shapes and sizes to
20 mine. Nor is the school district any less
21 desirable. And communities within
22 Westchester that have passed ADU ordinances
23 have not seen their populations explode
24 overnight.

1 In conclusion, we believe that not
2 only is state action warranted on these
3 proposals, it's long past overdue.

4 Thank you.

5 CHAIRWOMAN WEINSTEIN: Thank you.

6 We do have a number of questions for
7 this panel, and we'll start with
8 Assemblyman Ra, ranker on Ways and Means.

9 ASSEMBLYMAN RA: Thank you, Chair.

10 Just with regard to the accessory
11 dwelling units, we've heard a lot about this
12 today and, look, I -- you know, I get the
13 advocacy behind it. But, you know, I do take
14 exception to some of what was said with
15 regard to -- that it does preserve plenty of
16 local zoning. I mean, basically what it says
17 is you can make certain requirements, and
18 then goes through all the restrictions that
19 are on the local government with regard to
20 all of those different requirements.

21 You know, and particularly when you
22 get into lot coverage, you know, where I am
23 in Western Nassau County, these are very
24 small lots.

1 So I do have a lot of concerns with
2 this proposal, and frankly I've heard a lot
3 from my local governments, already very
4 concerned with these proposals. So I'm just
5 wondering, you know, if somebody wants to
6 enlighten me as to what you really think that
7 we're still allowing local governments to do
8 with regard to this. I mean, we've seen a
9 lot with the transit development --
10 transit-oriented development on Long Island,
11 our villages have put up, you know, a lot of
12 little zones around train stations, it's
13 worked out well.

14 But, you know, I have a problem with
15 the state coming in and completely, you know,
16 putting handcuffs on the local government
17 when it comes to local zoning.

18 I guess that wasn't really a question
19 but, you know, I think --

20 (Laughter.)

21 ASSEMBLYMAN RA: I have great, great
22 concerns with this proposal. And I think if
23 we think it's going to be so popular with the
24 local governments, then, you know, put some

1 type of opt-out or something. And if it's so
2 popular with the local governments, their
3 residents will be clamoring for them to opt
4 in to the proposal.

5 So I guess I don't really have a
6 question, but I do appreciate everybody's,
7 you know, insights from their experiences in
8 different parts of the state.

9 CHAIRWOMAN WEINSTEIN: Thank you,
10 Assemblyman. We'll send it to the Senate.

11 CHAIRWOMAN KRUEGER: Thank you.
12 Senator Pete Harckham.

13 SENATOR HARCKHAM: Thank you,
14 Madam Chair. And thank you to everybody who
15 testified, and thank you all for your
16 collaboration on the bill.

17 I just want to comment on the prior
18 speaker. The build-out that someone is
19 allowed in this bill is only to the allowable
20 building envelope. So it's no additional
21 build-out. So if you're allowed to build out
22 3,000 feet and you're at 3,000 feet, you
23 can't build out anymore. It has to be within
24 that footprint.

1 So the notion that this is going to
2 expand footprints is from the prior version.
3 And that's what I was referring to on the
4 last panel; there's a lot of misinformation
5 about this bill from the last bill.

6 So I turn to Casey. And Casey, I
7 thank you for, you know, keeping all the
8 balls in the air on this. Maybe you could
9 take us through what some of those changes we
10 made at the request of local governments from
11 suburban and rural areas.

12 MR. BERKOVITZ: Sure, I would be happy
13 to. And thank you again for all of your work
14 with us as advocates and stakeholders to make
15 these changes. And I know you've certainly
16 heard from plenty of local governments in
17 your district along the way.

18 The biggest change you mentioned,
19 which is that localities are allowed to limit
20 accessory homes to the allowable envelope, in
21 addition to some of the kind of more
22 number-based dimensional stuff.

23 There's also homeowner occupancy, that
24 there was a change made so that local

1 governments can craft their own homeowner
2 occupancy rules, whether that's requiring
3 that a homeowner lives in the primary or the
4 accessory unit, whether they choose not to
5 require that, whether they put a length of
6 time requirement on it, that sort of thing.

7 And then, similarly, this is not quite
8 flexibility on the local side, but some of
9 the changes regarding kind of how this all is
10 enforced, changed both between the
11 Legislature's versions and then the Executive
12 Budget as well, that the kind of enforcement
13 and legal mechanism for noncompliance
14 changed, and I think is probably slightly
15 more amenable to local governments.

16 I would be happy to share a full
17 rundown of all of these changes with any of
18 your offices if you're interested. I don't
19 want to take up too much time here.

20 SENATOR HARCKHAM: Thank you, Casey.

21 In my last 40 seconds I would also
22 point out one of the other limitations, the
23 natural limitation, has to do with county
24 health departments and septic, which many of

1 the suburban and rural are. It's based on
2 bedroom count. So if you're already at your
3 maximum bedroom count, this bill will not
4 overrule the county health department as far
5 as what you can do with that septic system.

6 So we've added a lot of protections
7 for local governments based on what they
8 requested. And again, I would just urge
9 colleagues from both sides of the aisle to
10 please read the A print that was submitted by
11 Assemblyman Epstein and myself in December.
12 It's much, much different than the version
13 from a year ago.

14 Thank you.

15 CHAIRWOMAN WEINSTEIN: Thank you,
16 Senator.

17 We go to Assemblyman Epstein.

18 ASSEMBLYMAN EPSTEIN: Thank you,
19 Chair. And I want to thank the panelists for
20 all your work to get us here.

21 And Tim, it's good to see you back.
22 I'm sure you missed being on this side of the
23 Assembly.

24 So tell me why a suburban builders

1 association would be supporting this. What's
2 the logic to it, and how did you get there?

3 MR. FOLEY: Well, so in 2019
4 Westchester County released a housing needs
5 assessment which was very much, in our minds,
6 a call to arms, because it really painted in
7 stark relief exactly how bad the housing
8 shortage is here in Westchester County. It's
9 similar in many other counties within the
10 greater New York City area.

11 But it found that we needed at least
12 11,703 new units of housing just to meet
13 present-day demand in 2019. And one of the
14 areas that the housing needs assessment
15 specifically pointed to as being an easy step
16 to start to fill some of the gap was
17 accessory dwelling units.

18 We represent homebuilders, we
19 represent remodelers. There was a natural
20 link-up and a natural interest because many
21 of them have expressed some frustration with
22 where a homeowner, for the sake of their
23 property and their own financial situation,
24 would like to see an ADU built within their

1 property -- maybe it's a retired couple,
2 maybe it's someone who's looking for some
3 extra income -- but found that the process of
4 dealing with their local municipality was
5 very, very cumbersome for something that
6 would not dramatically affect their
7 neighbors.

8 And so it was a natural fit for us to
9 engage in advocacy on this issue.

10 ASSEMBLYMAN EPSTEIN: And so -- and
11 Marlene, just to talk more about where the
12 Westchester Residential Opportunities
13 association comes from, so why Westchester?
14 Why is this something you're putting your
15 time and energy on at 9:30 on a Monday night,
16 and why does it matter?

17 MS. ZARFES: Basically what Tim just
18 said. I mean, that housing needs assessment
19 really woke everybody up. To need more than
20 11,000 units back in '19 -- we needed to do
21 something. And that was one of the
22 recommendations in that report.

23 So, I mean, we see all the time that
24 there's not enough inventory, and we just

1 strongly believe that ADUs are going to help
2 a great deal. And as long as we have that
3 Mrs. Murphy exemption in there, we think it
4 will be really helpful to Westchester and the
5 rest of our community.

6 ASSEMBLYMAN EPSTEIN: Thanks. I know
7 I'm almost out of time.

8 Casey, what can you do to help just
9 give information to people who have questions
10 or a way for them to outreach to you, to
11 follow up? Just because, you know, obviously
12 as Senator Harckham just said, there's an
13 A version, there's a lot of changes. And I
14 know we don't have a lot of time to talk
15 through this.

16 MR. BERKOVITZ: Absolutely. Well, the
17 easiest is email, casey.berkowitz@gmail.com.
18 Happy to -- I have a written document that
19 has a comparison of all these versions I'd be
20 happy to share. Same, feel free to reach out
21 to Senator Harckham or Assemblymember
22 Epstein's offices, and they're happy to put
23 me in touch as well. And similarly happy to
24 answer any questions about any of the kind of

1 minutiae of the details of the bill.

2 ASSEMBLYMAN EPSTEIN: Thank you,
3 Chair. I see my time has elapsed.

4 CHAIRWOMAN WEINSTEIN: Thank you.

5 CHAIRWOMAN KRUEGER: Can I pass it to
6 the Senate?

7 CHAIRWOMAN WEINSTEIN: The Senate,
8 yes.

9 CHAIRWOMAN KRUEGER: Great. Julia
10 Salazar has been waiting patiently.

11 SENATOR SALAZAR: Thank you, Chair.

12 I actually just have a question for
13 Ryan. So I am not a property owner, but I am
14 currently sitting above an ADU in East
15 New York. So your testimony and your work
16 hit close to home for me.

17 I wanted to ask you, are there
18 specific lessons that -- maybe observations
19 about barriers that you have seen in the
20 success of -- or limited success of the pilot
21 program in East New York that you've taken
22 away from the work that you've done that you
23 should share with us that hopefully could
24 inform a state ADU proposal?

1 MR. CHAVEZ: Absolutely. Thank you,
2 Senator, for the question.

3 I mean, I'll first begin by saying
4 that the interest in this program was
5 absolutely overwhelming in East New York. We
6 had people lining up around the block when
7 this program was first launched.

8 I will say that the most -- you know,
9 the most significant barriers that we came up
10 against are really these technical sort of
11 physical barriers that are sort of built into
12 the minutiae of codes and regulations. Just
13 things that make it much tougher for
14 homeowners to actually get the approvals or
15 to get a plan for conversion that is
16 cost-feasible. Right?

17 So I mean on one hand we certainly
18 need financial assistance to help low- and
19 moderate-income homeowners to cover the cost
20 of conversion, but we also need the
21 flexibility in the codes and regulations to
22 keep costs down. So things like parking
23 requirements, things like the Multiple
24 Dwelling Law, things like ceiling heights --

1 these are things that either get in the way
2 of homeowners actually participating or just
3 drive the cost beyond anything that an
4 everyday homeowner in a place like
5 East New York can afford.

6 So the demand is there, the interest
7 is there beyond any doubt. It's really the
8 devil is in the details in terms of designing
9 a program in such a way that it makes it
10 accessible to homeowners, both in terms of
11 the financial resources but also
12 cost-effective in terms of driving down that
13 cost of conversion.

14 SENATOR SALAZAR: Thank you, Ryan.

15 CHAIRWOMAN KRUEGER: Thank you.

16 Assembly?

17 CHAIRWOMAN WEINSTEIN: Yes, we still
18 have two Assemblymembers. So we'll start
19 first with Anna Kelles and then Chris
20 Burdick.

21 ASSEMBLYWOMAN KELLES: Thank you all
22 so much for these testimonials. Some really
23 important things have been brought up. I
24 just wanted to add a couple of things and

1 thoughts I have, and then some questions.

2 I wanted to elevate one thing that has
3 been brought up consistently about it being
4 extremely important for people on a fixed
5 income. In fact, the AARP has some amazing
6 reports out on the benefit of ADUs, and there
7 have been some really interesting reports
8 also about the reduction in sprawl because of
9 allowing for ADUs.

10 But I think, you know, the most
11 important thing that I've seen in the
12 research is that the ADUs allow for the
13 small-scale infill so that affordable housing
14 isn't happening exclusively by the
15 large-scale developers with high amounts of
16 cement and steel, which have huge GHG
17 emissions. And these are built more out of
18 wood products, for example, which is actually
19 a carbon sink. So the environmental impact
20 is significantly different.

21 So I just wanted to add those pieces
22 to what I'm hearing here today.

23 And the one question that I did have
24 actually was for Sally. I think you also

1 represent my district area. And what has
2 been -- what have been the main barriers that
3 you've seen in our area, which is Central
4 New York, to allowing for and supporting and
5 promoting ADUs.

6 MS. SANTANGELO: I think it's
7 important to note first that opposition by
8 local governments does not mean opposition by
9 residents. I think, you know, most people --
10 this isn't really something that they've
11 really thought through that much, but I think
12 there's -- I think a lot of fear, unfounded
13 fear that it's -- you know, that it's going
14 to mean a complete loss of local control.

15 And, you know, we do see -- you know,
16 we still see a lot of housing opposed for a
17 lot of the same kind of historic reasons that
18 we have, the idea of a threat to neighborhood
19 character. And I think ADUs are no different
20 than that same idea. But most of the housing
21 opposition, the opposition we see to the
22 construction of affordable housing in
23 neighborhoods or the loosening of zoning
24 still often is about the type of people that

1 will move into the area. That's the reality.
2 That's what most of the comments end up
3 coming down to being about.

4 ASSEMBLYWOMAN KELLES: I find it
5 really interesting because the opposition,
6 the people who oppose this bill are often
7 talking about a decline in the New York State
8 population, and yet the people who are
9 leaving are, you know, younger professionals
10 who cannot afford the property taxes. And
11 this allows for infill and it allows for a
12 form of income that would allow them to be
13 homeowners, really countering the very issue.

14 So it's kind of counterintuitive to
15 oppose -- both want, you know, to counter the
16 decline in population and then oppose this
17 legislation at the same time.

18 So thank you so much. That was very
19 helpful.

20 CHAIRWOMAN WEINSTEIN: Thank you.
21 Assemblyman Burdick.

22 ASSEMBLYMAN BURDICK: Thank you.

23 And thank you, panelists, for your
24 perseverance. And I have a question that I

1 think would be posed to both Casey Berkowitz
2 as well as Timothy Foley.

3 And -- well, first to Casey Berkowitz,
4 I would be very interested in seeing the
5 comparison that you've done on the various
6 versions. I am in a district -- actually,
7 part of Westchester County -- in which quite
8 a few of the municipalities in Westchester
9 County in fact have adopted quite some time
10 ago, including my hometown of Bedford,
11 accessory use laws that have been successful
12 and been in place. And I think that one of
13 the concerns is that this would preempt those
14 and could invalidate them.

15 And I would like to see whether you
16 and other advocates may be amenable to
17 grandfathering those existing ADU laws, which
18 at least in Westchester County have passed
19 muster with a federal monitor to a housing
20 settlement agreement which I'm sure that you
21 are familiar with.

22 And I have heard from many of my
23 municipal governments that said, you know, we
24 have these laws and, you know, we don't see

1 the purpose in upending them. And I'd like
2 you to speak to that, if you would.

3 And I don't know, Timothy, whether
4 you're familiar with that too, but I think
5 that it could go a long way, at least in
6 Westchester County, if those were to be
7 grandfathered. Because they work.

8 MR. BERKOVITZ: Sure. Well, first of
9 all, thank you for your patience as well.
10 You've been here quite a long time as well,
11 I'm sure.

12 I will say if they are working -- and
13 I'm not intimately familiar with the details
14 of all of them -- they wouldn't be turned
15 over, you know, if they fit the broad
16 parameters laid out in --

17 ASSEMBLYMAN BURDICK: Yeah, I'm sorry
18 to interrupt you. I don't have much time.

19 The problem is that you have no way of
20 vetting that. There's no mechanism by which
21 it states that this passes muster. Instead,
22 there could be litigation, there could be --
23 having come out of local government, that
24 they have to turn this over to their

1 attorneys: Does this work, does this not?
2 You know, resulting in public hearings and
3 expense.

4 I just think that you really ought to
5 give some consideration on how it could be
6 streamlined and how there could be a way in
7 which they could say: Yours works, and
8 that's set. Rather than having them go
9 through that expense and what could be, you
10 know, difficult mechanics of it in their
11 municipalities.

12 MR. BERKOVITZ: So the bill in the
13 Legislature includes a process like that
14 through DHCR for approval of local
15 ordinances. I can't speak for the
16 Executive Chamber, but that language is
17 available if that's what you'd like to use.

18 MR. FOLEY: And if I could chime in as
19 well, the Epstein-Harckham bill -- I mean,
20 that's exactly why that provision is there,
21 so that existing ordinances can be reviewed
22 and told whether they pass muster or not.

23 Casey is right, that provision is not
24 currently in the Executive Budget. But

1 obviously, you know, most of the folks who
2 have spoken in support of ADUs have spoken in
3 support of that bill within the Legislature,
4 and we would certainly be in favor of it
5 being added back in.

6 CHAIRWOMAN WEINSTEIN: Thank you. I
7 want to thank -- we have no more --

8 CHAIRWOMAN KRUEGER: Actually, I'm
9 sorry, I do have two questions, Helene.

10 CHAIRWOMAN WEINSTEIN: Oh, I'm sorry,
11 go ahead, Senator.

12 CHAIRWOMAN KRUEGER: That's okay. Hi.
13 I've been trying to just quietly listen to
14 everyone. And my friends Harvey and Pete
15 will tell me later: Just ask us, don't
16 interrupt the flow.

17 But for I think both Casey and Ryan,
18 my concern is around the language or what it
19 needs to be to protect people in multifamily
20 dwellings. Because the stories I hear are
21 the concerns about basement units with one
22 egress, carbon monoxide from the boilers,
23 concerns about in some of the, again, wood --
24 what we call non-fire-proof houses that are

1 designed to be two-family but sometimes can
2 already be six-family, with faulty wiring
3 because it was never wired for six units.

4 Just assure me that we're going to
5 make sure we've got the correct health and
6 safety standards in place that, even in
7 amnesty, you don't get a walk from those
8 issues.

9 MR. CHAVEZ: Well, thank you, Senator.
10 I can address maybe one or two of those
11 points.

12 I think from our point of view, you
13 know, we sort of see ourselves as at the
14 vanguard of safety advocacy. I mean, we're
15 as much concerned around the safety of
16 basement apartments as anybody else. I think
17 what such a policy, a statewide program like
18 this would do would be to allow us to
19 actually be able to sort of identify -- to
20 those basement apartments that may not be
21 habitable, right, and to identify those that
22 are maybe just shy of habitable that just
23 need a little bit of upgrade and retrofits to
24 meet basic health and safety codes.

1 So, you know, we are pro-safety. We
2 want to identify those that are safe and
3 those that are not.

4 And to the question around, you know,
5 wood-frame properties, my understanding is
6 that a wood-frame property could never be a
7 legal multiple dwelling. And I don't think
8 there's anything in the legislation either
9 put forward by the Legislature or the
10 Governor's office that would change that.

11 CHAIRWOMAN KRUEGER: So you were
12 saying anything that's over two units is
13 defined as multi-dwelling, and you want to
14 allow them to at least go to three. But
15 there certainly are homes, one- and
16 two-family homes in the five boroughs that
17 are wood, not brick, that are already more
18 units than that.

19 So I'm just a little confused how
20 those would be defined.

21 MR. CHAVEZ: Yeah. My understanding
22 is that wood-frame properties just by statute
23 are -- you know, they're as of right not
24 allowed to be multiple dwellings.

1 Now, if there are existing properties,
2 right, that were built before the Multiple
3 Dwelling Law was established, you know,
4 that's one story. But I don't think anything
5 that's being proposed in this policy under
6 discussion now would facilitate the creation
7 of wood-framed multiple dwellings.

8 CHAIRWOMAN KRUEGER: So thank you for
9 that.

10 So does that mean they would
11 potentially be ADU-eligible but not a
12 multifamily dwelling under the law? Just
13 clarify for me.

14 MR. CHAVEZ: Sure.

15 So, I mean, when I advocate for
16 exemptions from the Multiple Dwelling Law for
17 two-family properties, that is separate and
18 aside from the question of wood frame.

19 I mean, under existing law wood
20 frames, you know, would not be -- would not
21 be exempt under that law. That same
22 regulation would still apply.

23 But there are plenty of, you know,
24 brick -- you know, masonry two-family homes

1 that as of now cannot add a third unit
2 without having to comply with the rest of the
3 Multiple Dwelling Law, which is very, very
4 onerous.

5 CHAIRWOMAN KRUEGER: Got it. Thank
6 you very much.

7 Thank you, Helene Weinstein.

8 CHAIRWOMAN WEINSTEIN: Okay. So we
9 are going to move on to our last panel for
10 today. This is Panel H, if you're keeping
11 score. New York State Public Housing
12 Authorities Directors Association, Bill
13 Simmons, president; Cooper Square Committee,
14 Elda Luisi, tenant; Housing Conservation
15 Coordinators, Elise Levy, tenant organizer
16 and advocate; Affordable Housing Leaders
17 Group/Housing Conservation Coordinators,
18 Christine Hughes, tenant leader.

19 So if we can have those panelists here
20 and go on and speak in that order, starting
21 with Bill Simmons.

22 MR. SIMMONS: Good evening, everyone,
23 and thank you for the opportunity to present.
24 My name is Bill Simmons, president of the

1 New York State Public Housing Authorities
2 Executive Directors Association, and the
3 executive director for the Syracuse Housing
4 Authority.

5 It's a pleasure for NYSPHADA to be
6 back before you, before the committee, and
7 thank you, the Legislature, for all of your
8 support.

9 As you know, for the past several
10 years NYSPHADA has been advocating for more
11 funding for New York State public housing
12 authorities throughout the Division of
13 Housing and Community Renewal. And we are
14 very grateful to the state for all the
15 assistance that the state has provided over
16 the last two years.

17 Last year the Legislature set aside
18 \$125 million for public housing authorities
19 in upstate New York, and this afforded many
20 housing authorities the opportunity to
21 modernize their facilities.

22 Over the last two years NYSPHADA
23 members have accessed roughly \$200 million to
24 help close deals for our members, including

1 several rental assistance demonstration
2 programs and others.

3 Governor Kathy Hochul has set aside
4 approximately \$150 million for public housing
5 authorities outside of New York City, and we
6 respectfully ask the Legislature and the
7 Executive for \$200,000 {sic}.

8 We are also here today to ask for help
9 for our state public housing authorities.
10 Mr. Chairman, as you know, we requested in
11 last year's budget that the state set aside
12 \$554,000 for state-run public housing
13 authorities that never received COVID relief
14 funding. Mr. Chairman, we appreciate your
15 and Senator Kavanagh's support for this
16 effort, and we again ask that you include
17 this in the upcoming budget.

18 Finally, we ask the Legislature to
19 prioritize public housing authorities in the
20 Emergency Rental Assistance funding. As you
21 know, state law -- Senate Bill 2506 and
22 Assembly Bill 3006 currently single out
23 public housing authorities as last in line
24 for eligible funding. We ask that the

1 Legislature amend this bill to remove such
2 language and provide public housing
3 authorities with the ability to apply for
4 this much needed funding in a timely and
5 efficient manner.

6 I am honored to represent NYSPHADA
7 today and look forward to answering any
8 questions that the committees may have.

9 Thank you.

10 CHAIRWOMAN WEINSTEIN: Thank you.

11 Next, Cooper Square Committee.

12 THE MODERATOR: They will be
13 submitting written testimony.

14 CHAIRWOMAN WEINSTEIN: Okay. Thank
15 you.

16 So now we go to -- actually, I believe
17 we probably have -- the Cooper Square
18 Committee's testimony was circulated earlier
19 to members.

20 Housing Conservation Coordinators,
21 Elise Levy.

22 MS. LEVY: Hi, good evening, and thank
23 you for having me. My name is Elise Levy,
24 and I'm a tenant organizer and advocate with

1 Housing Conservation Coordinators.

2 In our catchment area, which is
3 Manhattan's West Side, we have a really high
4 concentration of 421-a units, so our
5 neighborhood is essentially a case study in
6 the remarkable failure of this program.

7 In our work with residents of the
8 affordable housing units in these buildings,
9 we see the same issues repeated over and
10 over. Tenants are experiencing unequal
11 treatment, receiving misinformation, and
12 being harassed.

13 An extremely common issue that we see
14 is tenants receiving misleading lease riders
15 that lead them to believe that their
16 protections are expiring, which causes people
17 to self-evict. So we're urging the
18 Legislature to pass legislation that will
19 fine landlords for providing such
20 misinformation.

21 And we also ask that all existing
22 affordable 421-a units remain rent-stabilized
23 in perpetuity. If the Legislature does not
24 take action, we expect to see thousands of

1 tenants self-evicting or being forced to move
2 out just over the next few years as these
3 programs continue to expire, particularly in
4 our neighborhood. So we need real,
5 permanent, affordable housing where people do
6 not have to worry if their affordability of
7 their unit is going to expire.

8 Further, we ask for an end to this
9 program as a whole. There's no reason to
10 renew 421-a or to replace it with a program
11 that is 421-a by another name. It's simply a
12 handout to developers. So we really need to
13 be investing in real, permanent, affordable
14 housing instead of wasting billions of
15 dollars on a program that primarily benefits
16 landlords.

17 So we demand that this legislative
18 reform to the program -- we demand
19 legislative reforms to the program to protect
20 existing tenants and to not renew the program
21 moving forward. And further, we ask that the
22 Legislature pass Good Cause Eviction to keep
23 the housing we have affordable and allow
24 people to remain in their homes.

1 Thank you.

2 (Pause.)

3 SENATOR JACKSON: Chair Weinstein?

4 CHAIRWOMAN WEINSTEIN: Is she not
5 here? Is Christine here? Oh, okay, yes.

6 MS. HUGHES: I think you were muted.
7 Okay. Hi, thank you so much. Last but not
8 least.

9 Hi, I'm Christine Hughes, and I'm a
10 tenant. I'm a 421-a tenant at West 54th
11 Street and 8th Avenue. I also have a
12 progressive illness. I'm disabled and
13 housebound, and I'm in my hospital bed at
14 home right now.

15 And certainly a home is everything to
16 me, and I feel for every person I've heard
17 testify all day here. I'm so grateful for
18 your time and to be heard.

19 Let's see. I just want to talk about
20 a few experiences I've had as a 421-a tenant,
21 such as eviction threats for years. And then
22 I decided I'll pay six-month rent chunks at a
23 time. It still takes me 30 to 40 days to get
24 my landlord to even deposit my rent check. I

1 often have to get legal help to do that.

2 There's a constant turnover of staff,
3 so no one is accountable. When the 421-a
4 tenants first moved into this building, we
5 were treated wonderfully. And as time goes
6 on, not so.

7 Also -- I have notes here -- losing
8 our private documents. At one point the
9 landlord lost all of our 421-a private
10 documents and then suddenly hired an outside
11 agency to do the annual recertification and
12 actually had the nerve to ask us to resubmit
13 all the documents he had lost.

14 So finally receiving -- as Elise just
15 said from HCC, receiving misleading, false
16 renewal leases stating that at my expiration
17 date I would be charged full market value.
18 The panic you can imagine, my being seriously
19 ill.

20 And I guess what I'm here for is I'm
21 hoping to get your support for a bill that we
22 tried to pass like a year or two ago,
23 Bill A641/S76, and it's to make passing off
24 illegal, misleading -- well, misleading lease

1 riders illegal.

2 And there's another bill that I'm just
3 as interested in, that's A8899, and what that
4 does is it protects all 421-a tenants.
5 Because this is the time for 421-a and 421-a
6 tenants. And if we must renew this program
7 that feels grossly unfair as far as housing
8 justice for all, could we at least protect
9 its tenants?

10 And I am humbly grateful to be heard
11 today and to hear all of the stories. I've
12 been listening all day. I feel really
13 grateful to have such wonderful New York
14 reps. And thank you for your time.

15 CHAIRWOMAN WEINSTEIN: Thank you for
16 being our last witness.

17 We do have some questions of the
18 panel, so we'll start with Assemblyman Harvey
19 Epstein.

20 ASSEMBLYMAN EPSTEIN: Thank you,
21 Chair.

22 And to you, Elise Levy, I just wanted
23 to hear the volume of expiring leases for
24 421-a you're seeing. And, you know, what's

1 happening for those tenants who are in those
2 expiring buildings?

3 And then, you know, thinking through
4 what the solutions might be, I do think what
5 Ms. Hughes was talking about, we need to
6 figure out a way to protect those tenants who
7 are in their home.

8 MS. LEVY: Yeah. I don't know an
9 exact number off the top of my head, and I
10 don't want to say one that's not accurate,
11 but I do believe it to be in the thousands.

12 And what we are seeing is, you know,
13 folks leaving when they get notices saying
14 that their affordability is going to expire.
15 Which, you know, for some folks they may be
16 losing stabilization. For others, they
17 actually may not. And there's just a real --
18 real lack of clarity. You know, if you go
19 for a different agency, you might hear a
20 different thing than another agency.

21 So it's very confusing for tenants.
22 It's very confusing for everyone, frankly.
23 And so we see, you know, a lot of folks who
24 say they were going to self-evict before they

1 came to us. If they're not coming to us or
2 another neighborhood organization, I assume
3 that they are self-evicting.

4 And, you know, unless we have some
5 sweeping legislation -- or not even sweeping,
6 just legislation that would stop
7 misinformation, it's hard to reach everyone.
8 Unless we kind of make sure that that
9 information is being disseminated in some
10 kind of mass way.

11 I think the other thing that would be
12 really crucial is to actually ensure that all
13 units that are affordable, that are in the
14 affordable allotment, are stabilized in
15 perpetuity. That just kind of clarifies the
16 issue. If none of them are losing
17 stabilization, then there's no question.

18 And frankly, you know, we've put
19 billions of dollars into this program, so we
20 should be able to have permanent affordable
21 housing from it.

22 ASSEMBLYMAN EPSTEIN: Thank you very
23 much.

24 And Mr. Simmons, how much money,

1 capital, operating money do you need from the
2 state for the public housing authorities
3 across the state?

4 MR. SIMMONS: Yeah, Assemblyman
5 Epstein, I'm glad you asked that question
6 because I needed to clarify. I think I said
7 200,000, and it's 200 million. We pretty
8 much used that much last time.

9 ASSEMBLYMAN EPSTEIN: And that's
10 capital or that's operating?

11 MR. SIMMONS: For capital.

12 ASSEMBLYMAN EPSTEIN: And how about
13 operating funds? Do you guys run an
14 operating deficit? I know in the city NYCHA
15 has operating deficits, and I just wanted to
16 make sure where we are statewide as well.

17 MR. SIMMONS: Well, yeah, we're
18 running operating deficits especially since
19 the eviction moratorium. And that's why we
20 often talk about making sure that public
21 housing authorities are not at the bottom of
22 the trough.

23 Many of us have run up a number of
24 arrears. And so if there's going to be

1 another allotment of ERAP dollars, we want to
2 make sure that we will be able to access
3 those dollars in a fair and equitable way.

4 ASSEMBLYMAN EPSTEIN: Thank you.
5 Thank you, Chair.

6 CHAIRWOMAN WEINSTEIN: Thank you.
7 We're going to send it to the Senate.

8 It actually looks like there's several
9 Senators, so why don't you --

10 CHAIRWOMAN KRUEGER: Yes. I see
11 Senator Julia Salazar.

12 SENATOR SALAZAR: Thank you. I
13 actually -- I just have a question for
14 Mr. Simmons, but I did want to say, you know,
15 and I really appreciate your testimony, Elise
16 and Christine as well. Thank you for sharing
17 your experiences with the failures and the
18 abuses of the 421-a program. It's really
19 harrowing.

20 But my question for Mr. Simmons. My
21 understanding is that HUD currently doesn't
22 require and certainly the state doesn't
23 require that housing authorities submit a
24 physical needs assessment, even though, you

1 know, I personally think a physical needs
2 assessment at least periodically would really
3 help us in evaluating the scope of capital
4 repairs and the needs of public housing
5 across the state.

6 I just wanted to ask you, you know,
7 what do you think about the idea of having
8 housing authorities submit a physical needs
9 assessment in a reasonable -- you know, let's
10 say every five years to the state, so that we
11 could really understand and there would be
12 some transparency in understanding what the
13 financial needs are?

14 MR. SIMMONS: So just one information
15 correction, Senator. And that is HUD does
16 require housing authorities to go through a
17 physical inspection every year or every two
18 years depending upon what your score was the
19 previous year.

20 So if you scored 80 or above, you may
21 not be inspected for another two years. But
22 if anywhere in the 70s and 60s were your
23 standard, it would be every year. And if you
24 were below that, in failure, they would be on

1 your door with a corrective action plan.

2 So the federal government does
3 require -- does conduct independent physical
4 inspections on all the properties. We
5 haven't had any in the last two years because
6 there were a number of COVID waivers. But
7 the federal government does inspect.

8 As we move towards the rental
9 assistance demonstration program, which uses
10 quite a bit of the state and tax credit
11 dollars, then HCR and the tax credit equity
12 providers come in every year and do their
13 physical audit to protect their interest.

14 But the -- just for correction, HUD
15 does require a physical inspection of every
16 property at least once a year by independent
17 inspectors.

18 SENATOR SALAZAR: I certainly
19 understand that. My question is actually
20 more about a physical needs assessment. So
21 really just understanding the scope of
22 capital repairs and improvements that the
23 housing authorities feel that you need.
24 Basically to -- so that we can understand

1 exactly what the needs are for the respective
2 housing authorities across the state.

3 MR. SIMMONS: Yeah, so I think that
4 that's something that we could undertake for
5 all of our housing authorities.

6 What tends to happen is that when a
7 housing authority -- one of the requirements,
8 when we started to approach the state for
9 dollars to preserve public housing, aides to
10 the Department of Housing and Urban
11 Renewal -- Urban Development -- HCR decided
12 that -- they said, "Look, Bill, the housing
13 authorities have to approach their properties
14 in a holistic way, and you have to really get
15 into this RAD program where you're maximizing
16 your leverage to state dollars to address all
17 your physical needs."

18 So what tends to happen, once -- based
19 on that leveraging and that approach taken by
20 HCR, when a housing authority decides that
21 they're going to go into RAD and leverage the
22 federal, state and private dollars, a
23 physical inspection -- a physical needs is
24 required at that time.

1 And so you have that physical needs as
2 a requirement before you can apply for the
3 dollars. And ideally, once you bring all
4 of -- once you address all of your physical
5 needs on your property in a holistic way,
6 theoretically those improvements, like your
7 roof, your furnace, your windows, should last
8 you the life of the warranty, which is 20,
9 30 years out before the housing authority
10 should be coming back to the state or the
11 federal governmental for additional dollars.

12 CHAIRWOMAN KRUEGER: Thank you. I'm
13 sorry, I have to cut you off, Senator
14 Salazar. Thank you.

15 Assemblywoman.

16 CHAIRWOMAN WEINSTEIN: We do not have
17 any other Assemblymembers.

18 CHAIRWOMAN KRUEGER: Okay. Then I'm
19 going to turn it over to Senator Jackson.

20 SENATOR JACKSON: Hi. Last but not
21 least. Let me just say I thank you, Bill,
22 for -- Christine, you were a breath of fresh
23 air coming down the home stretch. So I thank
24 you for listening to you.

1 And I looked at the address,
2 Christine, where you live at, and I said,
3 whose district is that? Because my district
4 is 13 miles of Manhattan on the west side,
5 basically from up in Inwood all the way down
6 to Chelsea. And I said no, that's my
7 colleague's district. But basically it's all
8 of our district to try to make sure that we
9 protect the people.

10 And so I'm just happy that I stayed to
11 the end to hear this. I'm looking at the
12 bill right now that Linda Rosenthal had
13 introduced, and I will be talking to her
14 tomorrow morning about this and being
15 supportive.

16 I do want to hear a little bit more
17 about, you know, if in fact 421-a is totally
18 out, and I do not believe that the developers
19 will build affordable housing, that means the
20 government is going to have to build
21 affordable housing. But as someone said to
22 me, the billions of dollars in tax
23 incentives, we should use that in building
24 affordable -- good affordable housing for the

1 people of our city that need it.

2 So I just called in to say thank you
3 and continue advocating for the people that
4 rightfully deserve the services that were
5 provided.

6 Thank you, Madam Chair.

7 CHAIRWOMAN KRUEGER: Thank you, Robert
8 Jackson.

9 And I also, I just want to say for the
10 three New York City people on this panel, and
11 for everyone listening, never self-evict in
12 New York City. We have right to counsel.
13 You have no idea whether you have legal
14 protections under something that you've never
15 even heard of before.

16 So please, please, please don't let
17 anyone you know self-evict. First go find
18 yourself a legal services attorney or another
19 community group who's doing housing law, and
20 really, really, really have them check for
21 you.

22 And now I think Senator Brian Kavanaugh
23 also has his hand up, Madam Chair.

24 CHAIRWOMAN WEINSTEIN: Yes. Brian, we

1 need you to unmute.

2 SENATOR KAVANAGH: I thought I was
3 silent eloquence there.

4 (Laughter.)

5 CHAIRWOMAN WEINSTEIN: It was, but we
6 still like to hear from you.

7 (Laughter.)

8 SENATOR KAVANAGH: So I'm going to
9 keep this brief because it's after 10 p.m.

10 But Elise Levy, I would like to follow
11 up on this issue of misinformation being
12 provided to 421-a tenants. But rather than
13 kind of do a series of questions with my
14 three minutes now, I'll just -- I think, if I
15 may, just may have our Housing Committee
16 director reach out to you.

17 But -- and otherwise, just thank you
18 to the panel for all of your testimony and
19 for your stamina to be with us still at
20 10 p.m. Thanks.

21 CHAIRWOMAN WEINSTEIN: Thank you.

22 CHAIRWOMAN KRUEGER: I think the
23 Senate is closed. Thank you.

24 CHAIRWOMAN WEINSTEIN: Okay. So I too

1 want to, on behalf of Senator Krueger and
2 myself, thank all of our colleagues who have
3 been with us, many from early today.

4 I want to thank all of the witnesses,
5 those from this last panel as well as
6 everybody who's testified before us, and the
7 many people who submitted testimony and
8 chose -- submitted written testimony and
9 chose not to testify virtually. But that
10 testimony will be available to everybody.

11 Right before I close this hearing, I
12 want to remind people listening and our
13 colleagues, tomorrow at 9:30 a.m., we will
14 see you -- just under 12 hours -- we will be
15 seeing you for the Environmental Conservation
16 & Energy Hearing. We'll be starting with the
17 energy portion first tomorrow.

18 And all the members and Senators
19 should be getting -- or should have gotten
20 already the texts -- those who are eligible
21 and come from the relevant committees should
22 have already gotten and been sent the witness
23 list as well as all the testimony, so you can
24 read up to help form your questions for

1 tomorrow. And with that --

2 CHAIRWOMAN KRUEGER: Spend the night
3 reading up for tomorrow. Good idea, Helene.

4 CHAIRWOMAN WEINSTEIN: Definitely.
5 Definitely.

6 CHAIRWOMAN KRUEGER: Or try a little
7 sleep and then come back at 9:30 in the
8 morning.

9 CHAIRWOMAN WEINSTEIN: It will help
10 you. It may help you sleep.

11 So with that, I want to officially
12 close today's meeting. Again, thank you all
13 for participating.

14 (Overtalk.)

15 ASSEMBLYMAN EPSTEIN: Thank you.
16 Thank you, Chairs Krueger and Weinstein.

17 CHAIRWOMAN KRUEGER: Thank you.

18 (Whereupon, at 10:08 p.m., the budget
19 hearing concluded.)
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