NEW YORK STATE
DIVISION OF HOUSING AND COMMUNITY RENEWAL

RESEARCH AND ANALYSIS PRESENTATION MEETING
WESTCHESTER COUNTY RENT GUIDLINES BOARD

DATE: June 13, 2022
TIME: 7:10 p.m. to 7 :38 p.m.
LOCATION: Division of Housing & Community Renewal
75 South Broadway
White Plains, New York 10601

Reported by Hannah Allen

APPEARANCES:

BOARD MEMBERS
ELIOT CHERSON
TAMARA STEWART
KENNETH FINGER
EDDIE MAE BARNES
VELENE ACQUAH
ELSA RUBIN
LAMONT BADRU

SALVATORE HAUGHIE
MICHAEL LANGIULLI
PETER STECKER, ESQ.
APRIL GRAY-HUERTAS, ESQ.

(On the record 7:08 p.m.)

MR. STECKER: Time is 7:08. We're in White Plains, Westchester District rent office for the Westchester County rent guidelines for public meeting to receive a research and analysis presentation. It's Monday, June 13th. Go ahead, Chair. Call the roll.

CHAIR RUBIN: Hello everybody. My name is Elsa Rubin, chair of the Westchester rent guidelines. And I welcome you to the second public meeting of 2022. Tonight we will receive the presentation of the D.H.C.R. Research and Analysis Unit which will help us to determine the rates of rate adjustments for leases commencing -- commencing or being renewed between October 1st, 2022 and September 30th, 2023.

In addition, D.H.C.R. has already previously provided us with reports and documents which we have copies in front of us related to this year's rent guidelines. I will now take call roll. Please respond if you're present. Velene Acquah?

MS. ACQUAH: Present.

CHAIR RUBIN: Lamont Badru?

MR. BADRU: Here.

CHAIR RUBIN: Eddie Mae Barnes?

MS. BARNES: Here.

CHAIR RUBIN: Eliot Cherson?

MR. CHERSON: Here.

CHAIR RUBIN: Kenneth Finger?

MR. FINGER: Here.

CHAIR RUBIN: Sylvia Hamer is not here and she is excused. Evelyn Santiago is also excused. Tamara Stewart?

MS. STEWART: Present.

CHAIR RUBIN: And I'm Elsa Rubin. Let the record show that we have quorum. I will now ask our counsel, Mr. Stecker if he has any announcements.

MR. STECKER: Good evening, Chair. No announcement other than a reminder that the second public hearing ... will be held tomorrow at seven p.m. at the White Plains City Hall City Council Chambers, 255 Main Street in White Plains.

CHAIR RUBIN: Okay. I want to thank and recognize the D.H.C.R. staff for all their work and effort especially Guy Alba and Jeff Horowitz who are not here with us today. And the rest of the team. And I would like to welcome Sal Haughie and Michael Langiulli.

MR. LANGIULLI: Langiulli.

CHAIR RUBIN: Langiulli -- Langiulli who will be the panelist ... for this presentation. And I don't know which one of you wants to become -- to go first.

MR. HAUGHIE: Yeah, I'll take the lead.

CHAIR RUBIN: Okay.

MR. HAUGHIE: How is everybody doing? So I guess we'll start with the -- what we call the tab. So the document that says annual income expenses that's the main gist of what you guys should be looking at. The first page, again, is going to be totals so you're looking at totals, total income, rental income, total expenses and the expenses broken down. And side by side you can see kind of a breakdown of the change over time for income and expenses. But, again, these are just totals so we can move to the second page which kind of gives you a little bit more -- a better picture of what's going on with expenses.

So on the second page it's a percent distribution of expenses. Again, we -- this year we had four hundred nineteen schedules which equates to buildings. There were fourteen thousand seven hundred and thirty-eight units of which twelve thousand nine hundred and twenty-three were subject to ETPA ...

So if we're looking at column 2021 you can see the breakdown based upon expenses, which expenses are the -- you know, which expenses basically are the majority of paid for -- paid for by owner. So real estate expense is going to be the highest category that owners incur. Then repairs and maintenance at sixteen point five. Then interest at thirteen point nine.

MR. FINGER: I have a question.

MR. HAUGHIE: Ken, sure.

MR. FINGER: Yeah, if -- if a owner has to take out a mortgage to buy the building or buildings, whatever, where is that reflected here if this adds up to a hundred percent? Or is it not?

MR. HAUGHIE: The interest expense is where the owner would show that the owner is taking out a mortgage. So the interest and expense is what's left.

MR. FINGER: But the amortization would -- would that be included then?

MR. HAUGHIE: No.

MR. FINGER: No.

MR. LANGIULLI: Amortization and closing costs are not listed on the schedules.

MR. FINGER: All right. So -- so there is a number actually, an out-of-pocket number that would be in addition to a hundred percent to be as a mortgage?

MR. LANGIULLI: Well, mortgage interest was eighteen point four -- I'm sorry.

MR. FINGER: Go ahead.

MR. LANGIULLI: Mortgage interest thirteen point nine percent --

MR. FINGER: Right.

MR. LANGIULLI: -- of all expenses.

MR. FINGER: Right.

MR. LANGIULLI: Thirteen point nine percent was for mortgage interest.

MR. FINGER: Right. But it does not include amortization?

MR. HAUGHIE: No. No, and that's based on the board decided this many years ago that certain categories should not be -- certain expenses should not be included in the -- in the operation ... of the building. One of those is amortization. Some of those are closing costs. Within the instructions there's a number of different categories or reasons not to include -- be included in the survey and this was decided by the board. This was not decided by us.

MR. FINGER: Can you send me that schedule?

MR. HAUGHIE: Sure. We can send you a copy of the instructions of which it's on the --

MR. FINGER: ...

MR. HAUGHIE: -- yeah, it's on the instructions.

MR. FINGER: Okay.

MR. HAUGHIE: P.D.F.

MR. FINGER: Yeah, that's right.

MR. CHERSON: Four nineteen schedules. How many went out?

MR. HAUGHIE: We send out -- so on -- on one of the leader --.

MR. LANGIULLI: That's only extras.

MR. HAUGHIE: Only extras is fifteen

hundred that go out. Fifteen hundred thirty six.

MR. FINGER: Last year we had about five fifty I think.

MR. HAUGHIE: No last year we had -- if you guys want to flip to another table real quick it's title --.

MR. LANGIULLI: It's this year's and last year's response rates.

MR. FINGER: Where is it?

MR. HAUGHIE: It's titled Westchester M and O schedules. It was titled extras in your e-mail. It's a landscape looking document.

MR. LANGIULLI: Last year we tabulated four hundred and three.

MR. HAUGHIE: Oh, really?

MS. ACQUAH: There were more this year.

MR. FINGER: Yeah, I thought -- I thought --.

MR. HAUGHIE: Got a few more this year, yeah.

MS. MAE BARNES: Which one is it?

MR. HAUGHIE: It's going to be actually right after the tabs. I see it.

MS. MAE BARNES: Oh, really?

MR. HAUGHIE: It might be copies of him.
MS. STEWART: I'm not seeing it in ...
MS. MAE BARNES: I don't see it.
UNIDENTIFIED SPEAKER: Well, I don't think we have it.
UNIDENTIFIED SPEAKER: ... photocopy front and back.
UNIDENTIFIED SPEAKER: It's not here.
MR. FINGER: No, we don't -- I don't have it either.
MR. BADRU: Should be the second to the last page if we're talking about this page here.
MR. HAUGHIE: It's right -- it's right here so it's just copied differently. That's all. If it's -- if it's -- it's a little smaller.
MR. HAUGHIE: So it's titled Westchester ETPA M and O schedules 2020.
MR. FINGER: Okay. Right. I got it.
MR. CHERSON: So fifteen thirty-six. This was fifteen thirty-seven. This -- the prior year.
MR. HAUGHIE: Yeah.
MR. CHERSON: 2020, 2021.
MR. HAUGHIE: Yes. Well, '21 and '22,

yes.

MR. LANGIULLI: And you got four o three back.

MR. HAUGHIE: That was last year, yeah. 2021. Oh, I see.

MR. FINGER: I could have sworn five hundred.

MR. CHERSON: No, we haven't had five hundred --

MR. HAUGHIE: Couples years ago.

MR. CHERSON: -- in a number -- in a number of years.

MR. FINGER: Okay. I'll take your word for it.

MR. CHERSON: All right. So I have another question though. Go back to where it was. Real estate taxes.

MR. HAUGHIE: Sure let's -- let's move to -- let's go back to that first table and we'll -- we'll go table three the first set and we'll go to table three. The first set and we'll go to table three. Yeah, so table three is kind of the gist of what you guys should be looking at so this is going to be in a percent changes over the three year period. So from '19 to '21. So table one is totals. Table two shows percent of expenses. Table three now shows the percent change over time. So from '19 to '21 you're going to see what the changes were on the time period that we -- that we ask the owners.

MR. CHERSON: How do you explain?

MR. FINGER: So the expenses went up over eight percent -- over nine percent actually. Over eight percent. You add the minus three to plus five.

MR. HAUGHIE: No, you wouldn't add -- you wouldn't add it. So it goes down three percent and then it went five point seven percent.

MR. FINGER: So is it just a difference between eight percent? It went up --.

MR. HAUGHIE: Yeah, yes. Technically Yes.

MR. LANGIULLI: So plus eight percent.

MR. FINGER: Okay. Because -- okay.

MR. CHERSON: I have a question about real estate taxes. You guys are statisticians. As far as I know, real estate taxes have not gone down in Westchester as long as I've lived here which is twenty something years. How do you explain this reduction in real estate taxes?

MR. HAUGHIE: Where do you see a reduction in real estate taxes?

MR. CHERSON: Here. Two point three to point o seven.

MR. HAUGHIE: No. So, no, no, no.

MR. FINGER: It's less of an increase.

MR. HAUGHIE: Less of an increase exactly. So let's say --.

MR. FINGER: Yes, it's less of an increase, Eliot. The increase is --.

CHAIR RUBIN: Is that table three?

UNIDENTIFIED SPEAKER: Table three, yeah.

MR. FINGER: The increase is only point o seven percent.

MR. HAUGHIE: Right.

MR. FINGER: Last year the increase was two percent or whatever.

MR. HAUGHIE: Right.

MR. FINGER: So it's less of an increase.

MR. HAUGHIE: That's what I'm saying.

But I mean that -- I don't know -- I'm asking.

MR. FINGER: Because a couple of communities didn't go up. I'm telling you.

UNIDENTIFIED SPEAKER: I'm not asking you.

MR. FINGER: I'm telling you.

MR. HAUGHIE: I can explain. I can explain. Let's -- let's say your realty taxes were a hundred dollars last year. We'll, say your real estate taxes were a hundred dollars last year in 2019 --

MR. FINGER: Yeah.

MR. HAUGHIE: -- to 2020 it went up to a hundred and two dollars. Now in 2021 it went up to a hundred and three. Almost one percent. So over the three year period it went up three percent. It didn't go down. It just went up on a less of an increase.

MR. LANGIULLI: The rate of increase from one -- one year to another.

MR. CHERSON: Okay. All right. Thank you.

MR. HAUGHIE: Any other questions regarding this table? So as you can see income from '19 to '20 you know that was COVID year. Income went down point five percent. From '20 to '21 it went up one point four percent. Expenses excluding depreciation in '19 to '20 went down three percent, and then from '20 to '21 went up five point seven percent.

MR. LANGIULLI: With the highest increase in the fuel category from '20 to '21 because we -- our analysis shows that most Westchester buildings are indeed heated by oil as opposed to Nassau County which are heated by gas.

MR. FINGER: Really?

MR. CHERSON: And this is through what? This is for the year 2021. So this doesn't --.

MR. LANGIULLI: So in 2020 we know oil took a dive because of the pandemic.

MR. CHERSON: So but -- so this doesn't include the huge increases in 2020?

MR. FINGER: Doesn't include 2022.

MR. CHERSON: Does not include what we know is going on out there. Okay.

MR. BADRU: I don't know if I'm looking in the wrong place but for some reason when I'm looking at my table under fuel I see zero for the last three years.

MR. FINGER: I don't think you're looking at the right --.

MR. HAUGHIE: You may looking at -- no heat or hot water. So there's another set of tables that look similar.

UNIDENTIFIED SPEAKER: You're looking at the increases. This is the change. This is the one that we were just looking at.

MR. BADRU: Yeah, but even so it still says zero percent increase.

MR. LANGIULLI: You're looking at the no heat no hot water I have a feeling.

MR. HAUGHIE: So look for the other set of tables that look similar.

MR. LANGIULLI: How many -- how many buildings are at the top? That's the no heat, no hot water. That's where -- where tenants pay their own heat. ... And you see repairs and maintenance. Table three you'll see what --.

UNIDENTIFIED SPEAKER: And that's why it's eight percent ...

MR. FINGER: That would be even more if you look at it now.

UNIDENTIFIED SPEAKER: Now it's even more.

MR. LANGIULLI: ... repairs and maintenance. '19 to '20 as the pandemic was in 2020 so there wasn't much work going on in buildings. Repairs went down from '19 to '20 ten point four percent. Then from '20 to '21 rebounded back and had an increase of eleven point one percent. More repairs were being done.

MR. FINGER: It's interesting that interest went up too.

UNIDENTIFIED SPEAKER: Last year, yeah.

MR. LANGIULLI: A lot of times owners refinance. They take money out and --.

MR. FINGER: Yeah, last year would have been a good year to do it. Now is not.

UNIDENTIFIED SPEAKER: It's going back up.

MR. FINGER: Well, they're talking about three quarters of a point.

UNIDENTIFIED SPEAKER: The world is changing.

MR. FINGER: Go up and made it two point seven five. I got another one that says four five now. But for two months.

MR. HAUGHIE: Okay. We -- we can move to the next table then, table four.

MR. FINGER: That's on the other side of table three.

MR. HAUGHIE: That's right. So this table is called annual income versus expenses. So this is basically showing basically all the information you -- you've been provided already but kind of a -- a breakdown of what like we like to call net operating income. Again your cash flow, and operating income ... whatever kind of terminology you want to use, but as you can see over the three year period the net operating income has decreased from '19 to '21.

MR. CHERSON: Decreased you said?

MR. HAUGHIE: Yes, decreased. So from '19 it was at that -- that second from bottom row, it was a twenty-seven point eighteen percent. And then by 2021 it was at twenty-five point ninety-four percent. And after depreciation nineteen point zero eight. And by 2021 it was seventeen point six seven.

MR. FINGER: So it's approximately ten

percent less.

MR. CHERSON: So the cash flow is going down.

MR. HAUGHIE: Exactly. Cash flow is going down for this three year time --.

MR. FINGER: For this period of time.

MR. HAUGHIE: Yes.

MR. FINGER: So that's almost twenty percent less from last year but from 2019 about ten percent.

MR. HAUGHIE: But since we're -- since we're looking at this we could -- we could go to -- there's a single page called cost to income ratio and that -- they kind of go hand in hand. So it looks like this, everybody.

MR. FINGER: That's the last -- that single page.

MR. HAUGHIE: Yeah, yeah, the single page, cost to income ratio. And so we -- those -- that table and this table kind of go hand in hand. They're the inverse of each other. So cost to income ratio is the inverse of net operating income. So here's a twenty, twenty-five almost year breakdown of cost to income ratio in

Westchester County.

We have including interest and depreciation and excluding interest and depreciation. So as you could see the cost to income ratio has increased over the -- this year as compared to previous years which, again, shows that the net operating income has increased all the amount of money that the owners ... taken in has decreased.

MR. FINGER: And this is -- I'm sorry, go ahead.

MR. CHERSON: The difference is, this one takes out interest and depreciation.

MR. FINGER: Right.

MR. LANGIULLI: This one, table five, just takes out depreciation. This is actually a true snapshot of what D.N.O.I. would be. The inverse of sixty two point six three. Thirty-seven point two seven.

MS. ACQUAH: I have a question. How many units are -- were registered for 2021?

MR. HAUGHIE: So, again, at -- at this time, you know, like we say every year, the -- the registration is ongoing --

MS. ACQUAH: Yes.

MR. HAUGHIE: -- so there could be more units registered. But at this time there was twenty-five thousand and twenty-nine registered. And we captured twelve thousand nine hundred and twenty-three.

MR. FINGER: Wait, twenty-five --.

MR. HAUGHIE: Twenty-five zero two nine.

MR. FINGER: And twelve thousand twenty-three?

MR. HAUGHIE: Twelve thousand nine hundred and twenty-three.

MR. FINGER: So you have fifty percent.

MR. HAUGHIE: We capture over fifty percent. So we'll go to the -- after this we'll go to the last table, the -- one of the other tables. But basically we may -- we may only capture four hundred some odd buildings which is only thirty percent of the universe. But population wise we're capturing almost fifty percent because not all building sizes are the same, right. We have a lot of -- you have a lot of six unit buildings. You know, a lot of smaller -- small unit buildings as well.

MR. CHERSON: How -- how do these
figures compare to Nassau and New York City?
MR. LANGIULLI: We haven't completed
Nassau yet.
MR. HAUGHIE: Yeah, but very -- very
comparable to Nassau. We're always in the same
... New York City I couldn't tell you offhand to
be honest.
MR. FINGER: So this doesn't include the
things you told us ...?
MR. HAUGHIE: Well, one -- one column
does, one column doesn't, right.
MR. FINGER: I know.
MR. HAUGHIE: So, yeah. So but it
doesn't include amortization.
MR. FINGER: Not amortization.
MR. HAUGHIE: Amortization no.
MR. FINGER: Okay. Or closing cost or
whatever.
MR. HAUGHIE: Yeah.
MR. FINGER: Okay.
MR. HAUGHIE: So we'll -- we'll go to
this table, the one that's actually unfortunately
kind of set in a -- a portrait mode instead of

landscape. So this is basically our survey breakdown of how many buildings we sent out, how many received.

MS. ACQUAH: Is that the one showing the municipalities on top?

MR. HAUGHIE: Yeah, we'll -- we'll get to that --.

MR. FINGER: We'll get there. We'll get there.

MR. HAUGHIE: ... pages before.

MR. FINGER: What -- what are we looking at now?

MR. HAUGHIE: It's just that ours is landscaped. Yours is portrait.

UNIDENTIFIED SPEAKER: Take a look at how it is. If the shading at the bottom and that's the easiest way to find it.

UNIDENTIFIED SPEAKER: Is this it?

MR. HAUGHIE: That's it. It's pretty much right after the tables I believe. So flip a couple pages.

UNIDENTIFIED SPEAKER: Everybody on it?

UNIDENTIFIED SPEAKER: Yeah.

MR. HAUGHIE: Okay. So left side is

going to be 2022, right side is going to be 2021. As you can see the breakdown of how many surveys or buildings that are in our population. Fifteen hundred and thirty-six were mailed out as you see in the highlighted spot. That's four hundred and nineteen were tabulated. That's twenty-seven percent of the total fifteen thirty-six.

But if you look all the way down to the bottom, those two other highlighted numbers. Twelve thousand nine hundred and twenty-three units out of twenty-five thousand twenty-nine units that were registered. So that's actually fifty-two percent of the total units that were registered we -- we were able to capture. And the other categories you see return by office, non-comparable, new owners, problematic. There's other categories within, you know, in there.

MR. FINGER: How many of these are less than three year -- oh here it is.

MR. HAUGHIE: New owners. Yeah.

MR. FINGER: Only three -- two percent.

MR. HAUGHIE: Two percent. Twenty-five schedules are new owners.

MR. FINGER: I always thought those

should be included.

MR. LANGIULLI: We have to have three full years in order for it to be tabulated. You can't have -- just two years of data and one year blank, one year zeros. It would totally skew the tables.

MR. CHERSON: Is that a statistical requirement I think for the statistics?

MR. LANGIULLI: Yes.

MR. CHERSON: Yeah, that's why I didn't take it.

MR. LANGIULLI: Have to have three full years.

MR. CHERSON: That's why I didn't take that question.

MR. HAUGHIE: Can't have a year missing. It will skew the tables. Have to have three full years of data.

MR. FINGER: By only -- only adapting it for two thirds of the home.

MR. LANGIULLI: I can't adapt two thirds of the whole. I have to have three full years of data.

MR. HAUGHIE: But that's also to say

that the number is going to be equal every year, right? The numbers are not equal --.

MR. FINGER: If Einstein could do equal M.C. squared you could do two thirds.

MR. HAUGHIE: We can't have one year of zero income and zero --.

CHAIR RUBIN: Yeah, because that would disturb everything.

MR. HAUGHIE: That would, yeah, yeah. Exactly.

MR. BADRU: Do we have any information on the percentage of surveys returned based on building size?

MR. HAUGHIE: On what size?

MR. BADRU: Based on building size?

MR. HAUGHIE: We -- we do and we'll flip through it --

MR. BADRU: Okay.

MR. HAUGHIE: -- yeah, we'll get to that. It's within here as well.

MR. BADRU: Got it.

MR. HAUGHIE: So we'll move to the next page if you guys want. So this is going to be registration data so this has nothing to do with the survey. These are strictly registration data.

MR. CHERSON: This is as reported. Which one are you --?

MR. HAUGHIE: The next page.

MR. CHERSON: Back of the page.

MR. FINGER: Back of the page.

MR. HAUGHIE: Okay. This is an as -- as reported by owners who registered their buildings with H.C.R. They log into the system. They register their buildings. These numbers reflect what they're telling us.

MR. FINGER: So we lost twenty-five hundred units.

UNIDENTIFIED SPEAKER: Well, go ahead.

MR. HAUGHIE: Yeah, again, as we say like it's ongoing registration. So if we would -- if -- so I'm looking back at last year. For 2020 you're looking at twenty-seven thousand three hundred and twenty-one. You see -- does everybody see that number?

UNIDENTIFIED SPEAKER: Rent stabilized homes.

MR. HAUGHIE: You actually gained sixteen hundred units since last year. So unfortunately the way H.C.R. works it's ongoing registrations so owners could back register for a number of years. So last year when we were here that number was -- was out about twenty-five or some -- somewhat of that sorts.

MR. FINGER: Oh, okay.

MR. HAUGHIE: So we've gained an extra sixteen hundred --.

MR. FINGER: So there's a change --

MR. HAUGHIE: Yes.

MR. FINGER: -- but between now and the time --.

MR. HAUGHIE: Yeah, anywhere from twelve to eighteen hundred it's hard to -- to kind of gauge. But that -- that's been the range ...

MR. CHERSON: So the number of stabilized units went up?

MR. HAUGHIE: No, it went up from -- in 2020 from what we reported to you guys last year. The number -- it's going to go down but now down as -- as large as it is because it's ongoing registration.

MR. LANGIULLI: Owners can back register buildings, you know. I mean, they're supposed to register by 7/30 -- by July 31st but it's an ongoing process so for the 2021 number you have twenty-five o two nine. That number is going to keep going up.

MR. CHERSON: But the trend is down.

MR. HAUGHIE: The trend is down.

MR. LANGIULLI: Yeah, the trend --.

MR. FINGER: It's interesting though because --.

MR. LANGIULLI: But that's going to start slowing down because of the new -- the housing laws of '18.

UNIDENTIFIED SPEAKER: '19

MR. LANGIULLI: '19.

MR. FINGER: June 14, 2019 burned into my memory. If you look at the reduction in total numbers units it's about seventeen hundred. And yet only eighty-two are permanently exempt. Where -- where do the other -- what happened to the other sixteen hundred?

MR. HAUGHIE: Like I said, they haven't registered yet.

MR. FINGER: No, but if -- if you follow down the trend from 2017 first it's about, oh I

don't know five hundred --
MR. HAUGHIE: Okay.
MR. FINGER: -- then it goes down about nine hundred. Then down about seventeen hundred. Then down again about seventeen hundred.
MR. HAUGHIE: Sure.
MR. FINGER: And when you look as to what's permanently exempt it's only eighty-two. Where did the other sixteen hundred units go? In -- in other words, look at your numbers.
MR. HAUGHIE: No, I understand.
MR. FINGER: You're going to show a -- a reduction.
MR. HAUGHIE: Understood.
MR. FINGER: Of about seventeen hundred --
MR. HAUGHIE: Yeah.
MR. FINGER: -- looking at these numbers.
MR. HAUGHIE: I understand that. The problem is once an -- an apartment becomes deregulated, a lot of owners do not register the apartment deregulated. It just becomes deregulated. So unfortunately the way the system

is set up owners are not registered in the apartment as deregulated. It's just -- they're not registered in any ...

MR. FINGER: They just don't do anything.

MR. HAUGHIE: They're just not registered, yes.

MR. LANGIULLI: We will still have a -- we have -- we have buildings that have never been registered.

MR. HAUGHIE: Yeah.

MR. LANGIULLI: Or respond to the survey.

MR. FINGER: They come to us every once in a while.

MR. LANGIULLI: They have never been registered. I'll -- I'll find a building that hasn't been registered since 1996.

MS. ACQUAH: Is that allowed?

MR. FINGER: I've seen them --.

MR. LANGIULLI: Well, the thing is if an owner -- if a tenant files an overcharge then the owner will be penalized.

MS. ACQUAH: Oh, I see.

MR. HAUGHIE: You know, owner is not allowed to collect the rental increases after --

MR. FINGER: If they don't file ...

MR. HAUGHIE: -- if it's not registered.

MS. ACQUAH: Right. Oh, okay.

MR. HAUGHIE: So if it's not registered but the tenant needs to be proactive and ...

MR. FINGER: We have the --.

MR. HAUGHIE: They file an overcharge complaint.

UNIDENTIFIED SPEAKER: It's unbelievable.

MR. FINGER: We register them.

MS. ACQUAH: Okay.

MR. HAUGHIE: Is everyone okay with this table. If you ... the bottom --

MR. FINGER: Yeah, it is what it is.

MR. HAUGHIE: -- the bottom row, that's going to show you the average monthly legal regulated rent. So they could see the increase of the average rent in Westchester County over the five year period. So starting 2017 fourteen eleven, 2018 fourteen fifty-six and then finally in 2021 it's fifteen sixty-one. And if you look to the right of that you could see the percentage change. So anywhere from three percent and over the last year is only about one percent -- one point three percent.

MR. FINGER: Hundred and fifty dollars total over five years.

CHAIR RUBIN: Sorry. This percentage for 2021 is not finalized, correct?

MR. HAUGHIE: It's not finalized but we don't know what -- what the apartments registered are going to equate to, right. They could be lower rented apartments, they could be higher rented apartments. We really couldn't gauge what that percentage is going to be but it's not final, yes.

MR. CHERSON: Do you know how much the C.P.I. Went up from '17 to '21?

MR. FINGER: That should be in the chart, in one of the chart's --.

MR. LANGIULLI: Well, we have the C.P.I. for the last twelve months.

MR. HAUGHIE: Yeah, and they have something from --.

MR. FINGER: No, I think you gave us one

for more than that number of years.

MR. LANGIULLI: Did we?

MR. FINGER: Yeah, I don't have it with me.

MR. HAUGHIE: Well, you had some -- a C.P.I. over -- from '18 to '22 and from April to April looks like six point three percent from '21. Well, if I'm -- -- I'm going backwards. '21 to '22 with six point three percent. '20 to '21 was three point two percent.

MR. CHERSON: Wait a minute. Slow down. Two -- 2021.

MR. HAUGHIE: Six point three.

MR. CHERSON: 2022 is six point three. That's --.

MR. HAUGHIE: '20 to '21. You guys should have this. Maybe not here with you right now but you definitely were e-mailed.

MR. FINGER: Yeah, we -- we got an e-mail.

MR. HAUGHIE: 2020.

MR. FINGER: Certainly more than ten percent over five years.

MR. CHERSON: And what's the next one.

So six -- 2020 is --.

MR. HAUGHIE: Three point two percent.

MR. CHERSON: Three point two all right.

MR. HAUGHIE: And then '19 to '20 is one point one. Now this is April to April. So this is the figure we -- we kind of always give you guys --.

MR. CHERSON: Is it one point nine?

MR. HAUGHIE: One point one. So you would look at April on the second page of this New York New Jersey --.

MR. LANGIULLI: So you have the C.P.I. in those years is like ten percent. And the increase for the rents is over that period is what?

MR. FINGER: It's less.

MR. LANGIULLI: Much less.

MR. FINGER: Yeah, but you got to look at only the three years.

MR. HAUGHIE: Yeah, it's three years.

MR. FINGER: We'll look at that before --.

MR. HAUGHIE: Okay. We can flip to the next -- the next page. Want to flip over to the other side? Next table states 2022 ETPA M and O survey, units tabulated by a municipality. So it shows that each ... municipalities make up the majority of what units were used for tabulation. Twenty-three percent Mount Vernon, seventeen percent New Rochelle. Six percent in White Plains and forty-one percent of Yonkers.

MR. LANGIULLI: So those four municipalities make up eighty-seven percent of the tabulated ...

MR. FINGER: Yeah, eighty percent goes ...

CHAIR RUBIN: This -- does it include Ossining? The new --.

MR. FINGER: No, there's -- there's fifteen others.

MR. HAUGHIE: Yeah, well, Ossining is included in our survey but not in this -- so this is just basically showing you what the largest municipalities are that are included in this survey.

MR. LANGIULLI: Ossining would be part of the thirteen percent.

CHAIR RUBIN: Yeah. More or less do

you have an idea?

MR. HAUGHIE: I know we had a hand full of Ossining buildings that were tabulated. We -- we actually this year we've had every municipality I believe represented in the survey. I don't know how many of -- of each but there's definitely some from each municipality.

UNIDENTIFIED SPEAKER: The buildings in Ossining are pretty -- pretty large, right?

CHAIR RUBIN: Yeah, because they -- there was -- they -- they said the --

MS. STEWART: They only counted buildings over twenty units.

CHAIR RUBIN: -- they only counted -- Right.

MS. STEWART: They didn't count any of the buildings under twenty units.

CHAIR RUBIN: Right.

MR. HAUGHIE: ...

MS. STEWART: Right. And they -- they've exempted the smaller buildings.

CHAIR RUBIN: Right.

MR. LANGIULLI: The ones that participated in our survey are large buildings.

CHAIR RUBIN: Right. Yes. And last year I think if I remember well, you had reported that fourteen, thirteen buildings.

MR. LANGIULLI: That was -- we only had a couple that responded.

MR. HAUGHIE: Yeah, believe that either -- anywhere from thirteen to I want to say seventeen max buildings that are included that we mail to.

CHAIR RUBIN: Yeah.

MR. HAUGHIE: And, you know, offhand there may be two to three that actually are tabulated or responded to the survey.

MR. LANGIULLI: I guess they're still new to the system. --.

CHAIR RUBIN: Right, yeah.

MR. FINGER: You know, well, there's a lawsuit still pending in --.

CHAIR RUBIN: Yeah that's another thing we had to speak about.

MR. FINGER: That's the -- and the one that is -- that does report is a ... And she reports it.

MR. HAUGHIE: Okay. That's good. So

the next table right below is going to be the -- the apartment rents based upon the registration. So you can kind of see the breakdown of the rents for -- for the apartments in Westchester County. So you can see the -- the majority are in between a thousand to nineteen ninety-nine. Those make up over, you know, if you had thirty-six percent and twenty-eight percent, fifty-four percent, oh, I'm sorry sixty-four percent.

So sixty-four percent are going to be in that thousand to nineteen ninety-nine, those two categories. But -- but there is a wide range and this is, yeah, registered ...

MR. LANGIULLI: Yeah, this is that who participated in the survey. This is as per owner registration.

MR. FINGER: Oh, okay.

MR. HAUGHIE: We can flip to the last -- the last -- last page in that. Number of rental buildings by unit count. So this is a breakdown of the total population and the tabulated buildings so you get an idea of the size of the buildings that we use in the survey. And the size of the buildings that are incumbent of the total population in Westchester County.

MR. LANGIULLI: And this is response to the survey?

MR. HAUGHIE: Yeah, four nineteen is response to the survey, and the fifteen thirty-six are the total numbers that we mail out to and we send e-mails out to. Anybody have any questions regarding that?

MR. FINGER: You could do this by registration too couldn't you?

MR. HAUGHIE: Yeah. Yeah.

So I believe we went over all the tables besides the vacancy table. This one's called changes in rent for apartments subject to the emergency tenant protection act.

UNIDENTIFIED SPEAKER: It's this one right?

MR. HAUGHIE: Yes, yes, that's it.

MR. LANGIULLI: Apartments that were re-rented or went vacant?

MR. FINGER: I'm sure there were not many changes to the H.S.T.B.A.

MR. HAUGHIE: Yes, so this table is read basically left to right. There's four pages. The first page is a -- for one year lease. The second year -- second page is for two year leases and then again there's percentage changes for one year and two leases on page three and four. But so reading from left to right we'll just look at the thousands of fourteen hundred and ninety-nine category.

So there were -- if you -- if you slide over to the right and look at the number fourteen, there were fourteen apartments that were previously rented at a thousand to fourteen hundred and ninety-nine dollars. And they were re-rented at fifteen hundred to nineteen ninety-nine. So that's how the table is read.

MR. FINGER: Fourteen and one twenty-one.

MR. HAUGHIE: And there -- yeah. And then there were a hundred and twenty-one units that stayed in that same range.

MR. FINGER: Oh, okay.

MR. LANGIULLI: Previous rent by current rent.

MR. HAUGHIE: Yes. So basically, yeah, previous rent by current rent. So there was a tenant in there, the apartment went vacant. It was re-rented at the rate that would be on the -- if you're looking over to your right or from the top.

MR. CHERSON: So that's a very small increase.

MR. FINGER: It has to be.

MR. CHERSON: And I know that.

MR. HAUGHIE: Yeah, well on page -- page three we'll -- we'll show percentage changes. But this is, again, just totals. So page one is showing totals. So there was five hundred and thirty-two apartments that went vacant were re-rented for one year leases. If you flip to page two, if you look at the bottom right corner that's a hundred and forty-three. So now these are apartments that were -- went vacant were re-rented and rented for two years. So there's a hundred and forty-three total. And, again, it varies in category of where -- when it was previously rented and re-rented. And if you're looking at page three it's going to --.

MR. LANGIULLI: Going into that that's right.

MR. HAUGHIE: ...
MR. CHERSON: Very small increase.
MR. LANGIULLI: Yeah, because these are vacancies, so.
MR. CHERSON: But vacancies don't mean anything.
MR. LANGIULLI: The new rent laws have knocked down --.
MR. CHERSON: They mean nothing. They mean nothing.
MR. FINGER: The only way they could get an increase would be if they did an I.O. -- I.A.
MR. CHERSON: And good luck with that.
MR. FINGER: For fifteen thousand dollars.
MR. LANGIULLI: You guys understand how that table works?
MR. FINGER: Yeah, we know.
MR. LANGIULLI: Okay.
MR. HAUGHIE: Yeah, anybody have any questions regarding this table? No. So page -- page three shows the actual percentage change.
MS. ACQUAH: The last page of it, right?
MR. HAUGHIE: For the apartments. Three

and four.

UNIDENTIFIED SPEAKER: Page three, yeah.

MR. HAUGHIE: So page three is for one year leases and page four for two year leases. So you can see the percentage change. So in the past we've had some changes that were very high but as you can see as -- as we mentioned there were quite a bit that are under five percent. But there is still a handful that are outside of that range and, you know, do include some -- some increases.

MR. CHERSON: So how do you interpret that? What does that mean?

MR. HAUGHIE: Like -- like was previously stated, some I.A.I.s, some M.C.I.s, stuff like that that were able to increase the rent. You know, so apartment -- apartment renovations, you know.

MR. CHERSON: But overall it's a very small number.

MR. LANGIULLI: Well, look at the bottom. Look at the --

MR. HAUGHIE: Overall, yeah.

MR. LANGIULLI: -- the median increase and the mean increase. Look at those numbers.

Zero one point nine. That's -- that's the new laws right then and there.

MR. HAUGHIE: Yeah, so you can see there's -- if you look all the way to the right there's five hundred and thirty-two apartments that were rented for one year. Of those four hundred and forty-three were rented under five percent. So there wasn't a large increase. So if you go to the under five percent there's four hundred and forty-three in the total, and the total apartments is five thirty-two.

And as you can see, the median percent increase was zero for one year leases and the mean percentage increase for one year leases is one point nine. If you flip the page to two year leases median percent increase was again zero and the mean percent increase is one point two percent.

MR. CHERSON: All this means substantially less income to the owners. Is that accurate?

MR. HAUGHIE: That means a less of an increase on the apartments that were rented and re-rented. That's what it means.

MR. LANGIULLI: Vacancy ...

MR. HAUGHIE: Yeah, I think we went through all the tables besides the -- the no heat, no hot water table which is very small. There's only nine buildings that were tabulated that had no heat no hot water. So we don't really -- it narrows the first set of tables so there's not really much to discuss with that. If anybody else has any other questions.

MR. LANGIULLI: Tenants that pay their own heat and hot water?

UNIDENTIFIED SPEAKER: Yeah.

CHAIR RUBIN: Anybody has any questions? No. Okay. Well, on behalf of the board members I want to thank you, both of you gentlemen for this very comprehensive presentation. And I'm sure that if anybody has a question after tonight we can contact you. We can send you an e-mail.

MR. LANGIULLI: Yeah, send to Jeff Horowitz.

CHAIR RUBIN: Yes. So --.

MR. LANGIULLI: To Jeff or Guy. They'll just flip it to us.

CHAIR RUBIN: So we -- we sent an e-mail to Jeff with copy to all the members of the board. And we copy to our counsel, Mr. Stecker.

MR. HAUGHIE: Yeah. And I know some requested a copy of the -- all the buildings in Westchester County. We'll get that to you guys within the next day or so.

MS. STEWART: Thank you.

MR. HAUGHIE: Sure.

CHAIR RUBIN: Okay. Any other comments?

MR. FINGER: All of the buildings you'll get us the names of the owners?

MR. HAUGHIE: No. Only the building addresses. We're not allowed to give out that ...

MR. LANGIULLI: E-mail too, right?

MR. HAUGHIE: Yes. We'll give out the -- all the buildings that we mail to --.

MR. LANGIULLI: When we say mail we -- we mail a notice telling the owners, putting them on notice that hey starting March 1st you can -- you may now log into O.R.R.A. and enter your income and expenses. That's what the notice is for. Then we send out an e-mail which we do numerous e-mail blasts also. Just we're trying to get as large as a response as we could possibly can. So, you know, first is the -- first is U.S. Mail to all the owners that are in our -- that participate. And then we send out e-mails as well. Numerous e-mail blasts.

MR. FINGER: We would be happy to cooperate if you give us the names.

MS. GRAY-HUENTAS: That's not how that works.

CHAIR RUBIN: Nice try.

MR. FINGER: What?

MS. GRAY-HUENTAS: I said it doesn't work that way. All we -- because that's part of the registration information. So we'll -- we're not -- the agency is not sharing registration information. That's not allowed. They are going to share all of the buildings that are register -- that should be registered with E.T.P.A. that are, as you know, pre '74 buildings with more than six units in Westchester County in the municipalities that participate.

CHAIR RUBIN: Any other comments? Well, if -- what about the visitors? Do you have any -- any comments? Anything? Okay. So if no one has any -- anything else to comment, I will ask to -- for a motion to adjourn the meeting.

UNIDENTIFIED SPEAKER: Motion to adjourn.

MR. FINGER: Okay.

CHAIR RUBIN: Second?

MS. ACQUAH: Second.

CHAIR RUBIN: Meeting is adjourned. Thank you for your presence. I'll see you tomorrow in White Plains.

(Off the record)

(The proceeding concluded at 7:48 p.m.)

STATE OF NEW YORK

I, HANNAH ALLEN, do hereby certify that the foregoing was reported by me, in the cause, at the time and place, as stated in the caption hereto, at Page 1 hereof; that the foregoing typewritten transcription consisting of pages 1 through 44, is a true record of all proceedings had at the hearing.

IN WITNESS WHEREOF, I have hereunto subscribed my name, this the 20th day of June, 2022.

HANNAH ALLEN, Reporter