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**Gale A. Brewer, Borough President**

## **Gale A. Brewer, Manhattan Borough President Testimony to the NYC Council Committee on Public Housing Oversight Hearing on the NextGeneration NYCHA Plan January 26, 2016**

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My name is Gale A. Brewer and I am the Manhattan Borough President. Thank you to Councilmember Torres and members of the Committee on Public Housing for the opportunity to testify this evening. I also want to express my appreciation for your co-sponsorship with NYCHA of the January 20, 2016 Legislative Breakfast with Chair Shola Olatoye. It was an informative briefing.

NextGeneration NYCHA Plan is intended to be a comprehensive blueprint to return NYCHA to fiscal health in light of repeated federal budget cuts. The initiatives outlined in the plan impact over 600,000 NYCHA residents and NYCHA-administered Section 8 tenants, including Manhattan's 551 NYCHA buildings and 53,113 units of public housing.

Since the plan was released in May 2015, NYCHA has moved forward on the proposed strategies. I will focus my testimony on several of NextGeneration NYCHA Plan's goals surrounding housing development and sustainability.

### **NextGeneration Neighborhoods – Infill Development**

In September 2015, NYCHA announced that it has selected two developments, Wyckoff Gardens in Brooklyn and Holmes Towers in Manhattan, for the first phase of "NextGeneration Neighborhoods," a plan similar to the infill development under the Bloomberg administration. Under this plan, Holmes Towers, located between East 92nd and 93rd Streets and overlooking the FDR Drive and East River, will see the addition of 400 units built on an existing playground, half of which will be market rate units.

The announcement came as a surprise to Holmes Towers residents. Sandra Perez, President of Holmes' Tenant Association, found out that her development was chosen from a friend who heard about it in the news. Even though NYCHA later held community meetings at Holmes Towers, I am disappointed at the lack of general communication—this isn't even resident engagement—to NYCHA residents who will be affected by new construction and loss of open space in their development.

I have repeatedly stressed the importance of borough equity when it comes to infill as proposed under NextGeneration. I remain concerned that NYCHA is allowing 50% market rate units in high-value markets such as Holmes Towers on the Upper East Side while maintaining 100% affordability in lower value sites, many of which will be outside of Manhattan. As a public housing agency, NYCHA must ensure all units produced on public land are affordable. In high-

value areas, units can be offered at a range of Area Median Income levels affordable to low- and moderate-income households.

A hundred percent affordability is financially achievable. At Washington Houses on East 103rd and 104th Streets between Second and Third Avenues, a partnership between the NYC Department of Education, NYC Department of Housing Preservation and Development (HPD), NYC Housing Development Corporation, NYCHA, and community organization Harlem RBI pooled together \$85 million to construct a 150,000-square-foot, 13-story building that houses a charter school at the lower levels. Residential units on top of the school are 100% affordable. The developer allocated to NYCHA \$1 million for the school and \$2 million for housing. This should be the model for NextGeneration Neighborhood, committing to full affordability and bringing in community facilities like a school to accommodate expected increases in neighborhood population.

In my conditional approval of the Mayor's Mandatory Inclusionary Housing plan, I secured commitment from HPD and NYC Department of City Planning (DCP) that funds raised through payments-in-lieu from developers will remain in the same Community Board district where they were raised for at least 10 years, and that the funds will never be used for affordable housing projects outside of the borough. Revenues generated from ground leases and rental income must first meet all onsite capital and repair needs at Holmes Towers. Any remaining funds should stay in Manhattan to support the capital and repair needs of NYCHA developments in the borough.

Outstanding questions about Holmes Towers—and by extension, about future infill developments—remain:

- When will the RFP go out? What safeguards will be in place to ensure the winning bid goes to a responsible developer committed to long-term affordable housing?
- How will the residents' recommendations from the community planning sessions be incorporated into RFP criteria and the development plan?
- Will new units be managed by NYCHA or via an external management company?
- How will NYCHA select a local organization to be the project's community partner?
- How much of projected revenues will go toward one-time and ongoing capital improvements at Holmes? What repairs will be done?
- Where space is available, will NYCHA encourage the inclusion of ground-floor commercial storefronts? How will NYCHA learn from residents regarding what types of business or community facility they want?

### **Employment Opportunities and Section 3**

Through the Resident Economic Empowerment & Sustainability (REES) program, NYCHA trains and places residents into jobs with NYCHA contractors. Under HUD's Section 3 regulation, these contractors must hire public housing residents or other low-income individuals "to the greatest extent feasible" for the contract work.

NYCHA's FY16 Annual Plan outlines the goal to "double the number of residents connected to jobs in [the] next ten years to 4,000 annually through... REES and community partners." In the first nine months of 2015, NYCHA reported placing 1,995 residents into jobs via one of its three REES programs. Yet only 229 "projected hires on contracts awarded from

reporting period 1/1/15 to 9/11/15” were placed under Section 3 and its “Section 3 alternative,” the Resident Employment Program (REP), or 11% of total placements.<sup>1</sup>

What is going on with Section 3 in relation to what will be a flurry of development activities on NYCHA sites in the coming years? With 50-60 potential infill projects in the pipeline, NYCHA must expand all three REES programs—REP; NYCHA Resident Training Academy for construction, pest control, and janitorial jobs; and Jobs-Plus—to increase its pool of REES participants. Focus should be given to increasing Section 3 and REP job placements, training workers for anticipated construction and other positions that will become available during and after the infill development phases.

I recently met with a NYCHA resident who completed a 4-week apprentice program under REES. Through a partnership with West Harlem Development Corporation, participants were promised employment upon graduation. Graduates were also promised membership in Local 79, the construction and general building laborers’ union, securing a status that will broaden their job prospects for future employment. I hope this program is successful, and I urge NYCHA to make more apprenticeship programs available to residents.

Employment must be extended to all eligible individuals, including applicants who possess the knowledge and skills for a job but who may be screened out of the hiring process due to prior criminal records. As of October 27, 2015 when the city’s Fair Chance Act, which I co-sponsored with Council Member Jumaane Williams, went into effect, it is no longer lawful for *any* employer hiring in New York City to ask about an applicant’s criminal history until extending a conditional job offer to that applicant. NYCHA must ensure that its contractors abide by the Fair Chance Act.

### **Community Planning – NextGeneration NYCHA Community Visioning**

In 2014, NYCHA conducted community visioning sessions at Mill Brook Houses in the Bronx and Ingersoll Houses and Van Dyke Houses in Brooklyn. This is a step in the right direction. However, I am disappointed by the lack of community planning for infill sites prior to their selection. Sandra Perez of Holmes Towers attended each of NYCHA’s planning sessions that took place *after* Holmes’ playground was designated for development. While NYCHA staff seemed willing to consider recommendations that came out of the meetings, Ms. Perez said what Holmes Towers residents most wanted—no infill in their development—was never an option.

East Harlem has the second-highest concentration of public housing in the nation. When my office partnered with the Speaker’s Office and East Harlem-based community organizations to develop an East Harlem Neighborhood Plan intended to *precede* future rezoning decisions in the district, we included NYCHA residents in the process. NYCHA residents participated in each of the six community visioning sessions, and resident leaders such as Ethel Velez, President of Johnson Houses Tenant Association, sat on the NYCHA subcommittee. Residents developed recommendations for challenges such as safety concerns and lack of economic empowerment; they expressed the need for true resident engagement with current tenants who will be impacted by NYCHA’s decision to build on public land.

NYCHA cannot conduct community visionings piecemeal, engaging residents in some neighborhoods while passing over the two sites selected for infill. Whether partnering with other

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<sup>1</sup> NYCHA FY16 Annual Plan, pp. 76-77.

community efforts such as the one in East Harlem or expanding its community visioning initiative to cover all neighborhoods, NYCHA must determine developable space *alongside* residents before committing any site for development. NYCHA needs to learn from residents what types of amenities, community space, or commercial storefronts are needed. Selecting sites for infill development must be a decision made with resident representatives at the table—and with their votes. If a site is identified in a community with a neighborhood plan in place, NYCHA should consult the plan to align proposed developments with community goals.

### **Service Delivery and Resident Support**

NYCHA has made great strides toward improving residents' quality of life: CCTV installations are complete, community centers are open late, recreational and academic support programs have been expanded under the Saturday Night Lights initiative, and 15 students were awarded \$1,000 scholarships in 2015 through the CUNY-NYCHA scholarship fund.

However, OPMOM, NextGeneration's pilot program designed to improve the speed and quality of repairs through decentralizing decision-making authority to individual development's management staff, is not yet functioning as intended. Quick turnover of work orders depends on having sufficient repair staff who can deliver quality services. NYCHA must increase the number of onsite staff, provide training to these staff, and allocate sufficient resources to each development to ensure OPMOM staff can address repair needs quickly.

A NextGeneration NYCHA goal is to “change how NYCHA engages with residents.” To achieve this, NYCHA must first support Tenant Associations and their leaders. Resident leaders are the backbone of NYCHA communities. TA Presidents and CCOP members in the South and North Manhattan Districts work tirelessly to ensure their developments—some of them the size of a small city—are safe and remain desirable places for families to live. When NYCHA does not provide resources to support resident leaders' work, entire communities suffer.

Each year, resident leaders work hard to host Family Days in their development. This annual event brings together entire NYCHA communities and is the ideal setting for resident engagement. Yet Family Days do not receive real support from NYCHA. They remain underfunded, and resident leaders do not receive the help they need to plan the event. NYCHA must recognize Family Days as the foundation to achieving any type of resident engagement and provide the necessary support to every Tenant Association.

I am pleased, however, that TA leaders will be given the necessary technical training to utilize online information; the Tenant Participation Activity (TPA) funds for each development will soon be online, in real time and transparent. I hope to supplement these efforts and find funding that will enable each TA Leader and Board to publish their own newsletter, online and on paper.

### **Sustainability – Recycling Rollout in NYCHA**

NYCHA has committed to roll out recycling in all of its developments by the end of 2016. The initiative consists of placing one multi-bin station outdoor to collect paper/cardboard and plastics/metal/glass from every three buildings. According to NYCHA data provided to my office, as of October 2015, 16 NYCHA developments in Manhattan have had the recycling bins installed. They range in size from the 102-resident Morris Park Senior Home to the 5,074-resident Wagner Houses. Collection began at these sites over fall and winter of 2015.

My office reached out to Gregory Floyd, President of Teamsters Local 237, whose members include NYCHA staff who handle trash and recycling. He stressed that Local 237 is very supportive of initiatives that help to create healthier waste collection and have a positive impact on the environment, benefitting both NYCHA employees and residents. Unfortunately, Local 237 members have reported to him that the recycling pilot program is not working as planned:

- The recycling rollout has not created a healthier environment. The placement of more recycling bins has resulted in an increase of garbage that residents are leaving alongside the bins without the necessary division of recyclables and other garbage.
- Local 237 workers now have more and dirtier work as they must go through the trash to place the refuse in the appropriate receptacles.
- Local 237 workers do not see the kinds of outreach and education efforts specified in the NextGeneration NYCHA Plan for “a community engagement strategy with educational activities, workshops, and events to promote recycling.”

I understand that the initiative is new and that NYCHA is working with GrowNYC to provide recycling education to residents. But the recycling stations are attracting garbage, and more garbage will attract more rats.

Rats are a problem at many NYCHA developments. Rat populations flourish when there are food sources nearby. According to Caroline Bragdon of the Department of Health and Mental Hygiene, New York City’s rat expert, rats only need 1 ounce of food a day to survive. With 31% of our solid waste consisting of organics such as food scraps, and the limited space within NYCHA buildings to collect and store garbage, NYCHA must manage its trash better to cut down on rat infestations.

Resident engagement is essential to a successful rat abatement program. Sarah Martin, a 57-year resident of Grant Houses and former Tenant Association President, led a pilot project from 2006 to 2013 that introduced recycling into the development and saw the reduction of trash and rat activities. The pilot was launched in Grant’s nine buildings. Before the pilot, Ms. Martin asked NYCHA management to count the number of garbage bags that one Grant building generated in a week: it was 24 to 25 bags. After about a month of recycling, the management counted the bags at that building and found about 10 fewer bags each week. So that means about 90 fewer bags of trash were being generated at Grant Houses with recycling. Rat activities decreased and the cluttering of garbage cleared up.

Ms. Martin attributed the pilot’s success to ongoing, door-to-door outreach and education as she and other resident leaders visited every apartment at Grant Houses year after year. “NYCHA has to let residents take the lead on how recycling will be implemented at the residence,” she shared. She also said that recycling should be accessible indoors, as more people would be willing to recycle when it is convenient for them. NYCHA should adopt Grant Houses’ best practice on recycling outreach and find a way to bring recycling inside buildings despite many buildings’ infrastructure limitations.

NYCHA has the opportunity to reduce trash and increase recycling in new infill buildings. All new construction should have designated areas on each floor for recycling, and garbage chutes should be able to accept standard-size garbage bags, though I know that

retrofitting current NYCHA buildings is difficult. Buildings must also have adequate space to store trash and recyclables.

## **Summary**

As NextGeneration NYCHA implementation continues, I urge NYCHA to:

- Improve communication and transparency of infill projects, including how funds will be used for capital improvement needs of the onsite NYCHA development;
- Commit to 100% affordability at tiered AMI levels for all units built on NYCHA land;
- Expand REES training, including apprenticeships, to increase Section 3 and other job placements for residents;
- Engage residents in community visioning processes prior to making decisions to develop on NYCHA land;
- Invest resources, including increasing staffing and training, into OPMOM to achieve the intended reduction in turnaround time for repair service requests;
- Prioritize support for resident leaders, including increased resources for Family Days, to improve resident engagement;
- Incorporate residents' best practices to improve the recycling initiative; and
- Ensure new construction will be built with adequate trash and recycling areas.