

**BRONX COMMUNITY BOARD NO. 8
MINUTES OF THE HOUSING COMMITTEE MEETING
HELD ON JUNE 22, 2015**

5676 RIVERDALE AVENUE, SUITE 100, BRONX NY 10471

Board / Committee Members:

Paul Ellis
Georgia Santiago
Lucy Mercado
Ruby Palma
David Kornbluh
Julie Reyes
Lenora Croft
Omar Murray
Anthony Creaney
Amy Joy Robateau

Affiliation:

CB8 Housing Committee, Chair
CB8 Housing Committee
CB8 Housing Committee

Guests:

Brian Honan	NYCHA, Director of State and City Legislative Affairs
Alverista Hall	NYCHA, Deputy Director
Devell Cave	NYCHA
Miguel Cruz	NYCHA- Fort Independence Houses, Superintendent
Elizabeth Thompson	KHNIA

The meeting was called to order at 7:55 P.M.

Mr. Paul Ellis, Chair of the Committee, introduced himself and welcomed and thanked the attendees, including new board/housing committee members and guests from New York City Housing Authority (NYCHA) Brian Honan, Alverista Hall, Devell Cave and Miguel Cruz. Mr. Ellis reviewed the agenda for the evening.

1. Approval of Minutes

The April minutes were approved by a vote of 10 in favor and 0 opposed.

In Favor –

P. Ellis, D. Kornbluh, A. Creaney, G. Santiago, L. Mercado J. Reyes, L. Croft, O. Murray
A. Robateau and R. Palma

2. Impact of New York City Housing Authority's (NYCHA) NextGeneration plan on NYCHA facilities in Community Board 8

At Mr. Ellis' request, CB8 new board and committee members and representatives of NYCHA proceeded to introduce themselves. Brian Honan, NYCHA Director of State and City Legislative Affairs was guest speaker for the evening to discuss issues related to NYCHA's "Next Generation Plan". Mr. Ellis specified the committee's interest in what the Next Generation Plan will look like for the NYCHA developments

within CB8 – Marble Hill, Fort Independence and Bailey Houses – and whether longstanding issues in those developments will finally be addressed.

Mr. Honan proceeded to do a presentation on the NYCHA Next Generation Plan. He explained that NYCHA is the oldest and single largest provider for affordable housing nationwide and that it also administers the country's largest Section 8 program. He explained that NYCHA is significantly underfunded, noting that with insufficient or no materials, it is difficult to provide decent housing.

He provided some data points on the NYCHA system as follows:

- NYCHA residents include 77,000 seniors (62 or older) and 110,000 children
- Forty percent of heads of households are 62 years or older
- 25% of NYCHA employees are residents of public housing
- \$23,000 is the average household income (family of 3)
- 61% of the residents are employed (non-disabled, working age adults)
- 41% of the residents are on fixed income (Soc. Sec. SSI, Pension, other)
- 12% of the residents receive Public Assistance
- NYCHA buildings are an average of 60 years old
- 6,371 units are scattered site/non-traditional NYCHA properties, many of which were inherited in the city's 1990 crisis, most of which do not have a manager on site; these units make up 20 percent of the capital needs
- 5,000 units with no subsidies, which were built by the city and state, no longer receive operating or capital support, contributing greatly to NYCHA's operating deficit

He explained the view that NYCHA must fundamentally change its model to preserve the valuable resource of public housing. Between the aging buildings that are in need of repair, significantly reduced funding from the federal government for repairs, supplies and renovations and a large senior population that is aging in place and low-income families in need of affordable housing, if the status quo continues, the operating deficit will grow to \$425m by the year 2025. This means less money for staff, heat, hot water and basic services.

Currently NYCHA has less than one month of operating reserves. Billions in underfunding by all levels of government, inefficient management models and rapidly deteriorating buildings have left NYCHA in the worst financial position in history, with nearly \$17 billion in unmet capital needs and an operating deficit of tens of millions dollars each year.

Without intervention, residents already contending with major quality of life issues including mold, vermin, unreliable building systems and long delays for even basic repairs will worsen. Failure to address financial challenges could ultimately lead to federal receivership and threaten the loss of NYCHA's public housing developments forever.

With respect to the specifics of the plan, Mr. Honan explained that NextGeneration NYCHA is a 10 year strategic plan that is intended to guide NYCHA in changing the

way it does business. The plan is intended to address how NYCHA is funded, operates and engages with residents.

It builds upon prior strategic planning work and initiatives. Previous NYCHA reform efforts include The Plan to Preserve Public Housing (2006) and Plan NYCHA (2010). The Plan to Preserve Public Housing gave rise to much-needed rent reform, an increase in the shelter allowance for public assistance families in NYCHA, and the conversion of more than 3,300 formerly city and state-funded public housing units to Section 8 to permanently subsidize their operations.

Plan NYCHA helped to guide a reduction in work orders and service times, the hiring of additional staff, and an increase in safety and security through closed circuit television (CCTV), and converting Section 8 annual income recertification from manual to online.

He noted that the plan is driven by a vision of safe, clean, and connected communities and is organized by its four goals:

1. Achieve short-term financial stability and diversify funding for the long term
2. Operate as an efficient and effective landlord
3. Rebuild, expand, and preserve housing and affordable housing stock
4. Engage residents and connect to best-in-class services

Mr. Honan explained that the NextGeneration NYCHA plan was created through meetings over 14 months with 3,000 staff, over 2,000 residents at 85 development visits, the NYCHA Board, the Citywide Council of Presidents and Resident Advisory Board, Resident Association presidents, government agencies, elected officials, advocates, industry groups, lenders and investors, affordable housing experts, philanthropic organizations, service providers, other public housing authorities, and third-party management groups.

At the beginning of summer 2014, in collaboration with community organizing partners, NYCHA worked with 900 participants in three developments: Mill Brook Houses in Mott Haven, South Bronx; Van Dyke Houses in Brownsville, Brooklyn; and Ingersoll Houses in Fort Greene/Downtown Brooklyn.

Residents led the creation of community vision plans to guide each community into the next generation. The common clear themes of the residents' visions informed the NextGeneration NYCHA vision of safe, clean and connected communities. The community vision plans were published November 2014, and NYCHA has been working directly with residents since then to facilitate implementation of the vision plans. The residents meet monthly to tackle the priorities they identified. Topics include affordable housing, safety and security, maintenance and repairs, jobs, neighborhood services, issues concerning children and older adults, and needs of the physical environment.

According to Mr. Honan, the NextGeneration NYCHA plan has already begun to transform NYCHA operations in the following ways:

- The City has waived – in perpetuity – NYCHA’s annual payment to the NYPD
- The City Council provided the funds to install 29 additional CCTV projects in 2015
- Upon receipt, NYCHA will deploy \$100 million in asset forfeiture funds to install exterior lighting, cameras, new doors and layered access and to develop programming at 15 high-crime developments designated through the Mayor’s Action Plan for Neighborhood Safety
- In January 2015, NYCHA launched a new operating model at 18 developments to improve customer service and response time by shifting decision-making on purchasing to development property managers
- A new recycling initiative is intended to make NYCHA developments more sustainable while improving quality of life for residents. Through this collaborative effort with the Dept. of Sanitation, NYCHA will be in compliance with the City’s recycling law by the end of 2016.
- NYCHA will execute a series of competitive Energy Performance Contracts to lower NYCHA’s energy consumption and lower energy cost by tens of millions of dollars and reduce emissions caused by energy consumption by millions of metric tons.
- Citicorp and NYCHA have created a public/private partnership to launch Doorways to Opportunity, a \$1.4 million suite of programs that will provide NYCHA residents with access to employment training, jobs, financial counseling, tax preparation services and business development.

Mr. Honan explained that achieving financial stability is critical, as it would enable NYCHA to address outstanding work orders and perform capital improvements such as roof repairs and boiler replacements which can solve many recurring issues that impact quality of life for residents.

Some specifics of the plan are as follows:

- With respect to the push for more timely rent payment, Mr. Honan noted that currently 74% of NYCHA tenants pay rent on time. Finding ways to pay rent on time helps with financial stability. Examples of proposed payment plans are for resident to pay in two installments and/or direct deposit. NYCHA will improve the current 74% rent and fee collection rate to achieve operating revenue of up to \$30 million per year.
- NYCHA will use 311 instead of another emergency repair line in order to reduce central office cost and to expedite basic repairs. Basic repairs will be done same day.
- NYCHA is implementing a new MyNYCHA app to help facilitate tracking of service requests, view alerts and outages, schedule inspections and, improve customer service. There will be a call in number for residents.
- Work orders will stay open until receipt of a signature of tenant that a job is completed.
- \$300 million will go to repair roofs within the next 3 years. Fort Independence Houses will see such improvements.
- NYCHA will reduce commercial vacancies to maximize revenue by ensuring tenants pay market rents and working with non-profit tenants to ensure basic

operating costs are covered to achieve operating revenue of up \$1 million per year.

- NYCHA intends to increase parking revenue from underutilized parking lots by increasing occupancy from the current 59% and raising rates to more closely reflect market value. Residents will continue to have first priority and rate increases will be phased in over 18 months. Rates to residents will not exceed \$150 per month for the lots in highest demand (where market rates would exceed \$500/ month otherwise), and most will pay significantly less, collectively achieving operating revenue of \$5 million per year.

Starting in 2016, NYCHA will set aside an additional 750 public housing units for homeless families each year for the next five years – in addition to the 750 units and 500 vouchers already set aside for the homeless families, resulting in 2,000 homeless placements each year. NYCHA will receive the same subsidy private landlords receive to house homeless families, achieving operating revenue up to \$37 million per year. This will be only for families living in shelters for one year and working families.

Mr. Honan concluded by noting that over the next 10 years NextGeneration NYCHA is intended to:

- Generate a cumulative net operating surplus of over \$300 million
- Reduce capital needs by \$4.6 billion
- Provide resources for at least 10,000 new affordable housing units

Following Mr. Honan's presentation, there was a wide-ranging discussion during which the committee raised several issues with Mr. Honan and the other NYCHA staff in attendance.

In response to a query regarding use of NYCHA land for development, Mr. Honan said that it was not anticipated that this would occur in Community Board 8.

In response to a query on the increase in parking fees, Mr. Honan noted that although rates would increase, rates would still be far less than market.

In response to a query on commercial space, Mr. Honan noted that there was currently no unoccupied NYCHA commercial space in CB8.

Regarding maintenance response time, NYCHA staff said that it had been improving, and directed committee members to the NYCHA website, which details response time across all NYCHA developments.

NYCHA staff explained that caretaker staffing at Marble Hill is down by several personnel, but that NYCHA is currently in the process of filling those positions.

In response to a request from Mr. Ellis, Mr. Honan noted that he would be happy to check the schedule of Ms. Olatoye as far as speaking to residents of Marble Hill and Fort Independence/Bailey and members of the committee later in the year.

Mr. Ellis thanked Mr. Honan and the other NYCHA personnel for making the time to attend and present at the meeting.

3. Consideration and approval of budget requests

Mr. Ellis presented proposed capital and expense requests for FY 2017. After discussion and subsequent revisions, the committee's budget priorities were approved in the form appearing in Annex A hereto by a vote of 10 in favor and 0 opposed.

In Favor –

P. Ellis, D. Kornbluh, A. Creaney, G. Santiago, L. Mercado J. Reyes, L. Croft, O. Murray A. Robateau and R. Palma

4. Old Business

There was a discussion of various pending items before the committee and necessary attention thereto, including various items at Marble Hill Houses. It was agreed that the NYCHA Working Group would continue to monitor issues at Marble Hill.

Mr. Ellis also noted that the committee should plan to hold its Housing Court Forum during in the early part of the 2015/2016 year.

5. New Business

Mr. Ellis noted that affordable housing would be an important issue before the committee over the coming year and requested that any committee members interested in that issue to speak with him.

There was a general discussion on the current status of the renewal of the rent control laws.

Mr. Ellis thanked the committee members for their work over the last year and wished everyone a good summer.

Upon motion, duly made and seconded, the meeting was adjourned.

Respectfully submitted by,

Lucy Mercado,
Housing Committee Member, CB8 Bronx

Annex A

**Bronx Community Board 8
Housing Committee**

FY 2017 Budget Priorities

New York City Department of Housing Preservation and Development

EXPENSE:

Increase in expense budget of Bronx office by 25% (to 2009 levels) in order to hire two additional employees and otherwise provide resources necessary to implement current projects and initiatives.

EXPENSE:

Increase in expense budget of Enforcement Division in order to hire additional inspectors and attorneys as necessary to reduce backlog and allow for increased follow-up of complaints against landlords.

New York City Department of Buildings

EXPENSE:

Increase in expense budget of Bronx office of DOB in order to hire two additional inspectors and provide for two additional vehicles as necessary to reduce backlog and allow for more timely attention to open complaints.

New York City Housing Authority

EXPENSE:

Maintaining sufficient personnel for full staffing of all caretaker positions at Marble Hill Houses, Bailey Avenue Houses and Fort Independence Houses.

EXPENSE:

Hiring of additional skilled trade workers to service Marble Hill Houses, Bailey Avenue Houses and Fort Independence Houses.

CAPITAL:

Funding for necessary maintenance and replacement of roof at Fort Independence Houses.