
NEW YORK CITY HOUSING AUTHORITY

SECTION 18 RESIDENT CONSULTATION MEETING
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Held December 17, 2009 at 5:52 p.m.

at Manhattan Center Studios, Hammerstein
Ballroom, 311 West 34th Street, New York, New
York.

P R E S E N T :

John B. Rhea, Chairman of the Housing Authority
Earl Andrews, Jr., Vice Chairman Housing Authority
Margarita López, Board Member/Commissioner
Michael Kelly, General Manager
Felix Lam, Deputy General Manager of Finance
Deidra Gilliard, Assistant Deputy General Manager for
Community Operations
Ilene Popkin, Assistant Deputy General Manager
for Development
Sonya Kaloyanides, Esq., Acting General Counsel
Members of the Public

GILDA WEINSTEIN REPORTING, INC.
370 Ocean Parkway, Suite 11K
Brooklyn, New York 11218
(718)-287-1518

VERA MONACO, RPR
COURT REPORTER

1 **SECTION 18 RESIDENT CONSULTATION MEETING-12/17/2009**

2 **MS. GILLIARD:** Good evening and welcome to
3 our Resident Consultation Meeting on NYCHA's
4 proposal for a mixed finance modernization
5 program. I am Deidra Gilliard, assistant deputy
6 general manager for Community Operations at the
7 New York City Housing Authority. We have sign
8 language interpreters for the hearing impaired
9 on the stage, and Spanish, Russian and Chinese
10 translators for those that need it in the
11 audience.

12 Will the interpreters please report to the
13 microphone and identify yourselves.

14 (Interpreters introducing themselves.)

15 **MS. GILLIARD:** Thank you. The purpose of
16 this mixed finance modernization program is to
17 address long-term capital and operating needs at
18 the 21 city and state-built developments by
19 federalizing these units. As part of this
20 endeavor, the New York City Housing Authority
21 will submit a mixed finance modernization plan
22 to the United States Department of Housing and
23 Urban Development for review and approval.
24 Included in the review process, NYCHA must
25 provide certification that it has consulted with

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residents and elected officials about this plan.

A meeting was held with the Citywide Council of Presidents, the Resident Advisory Board, and resident association presidents from the 21 city and state developments on December 2, 2009. A series of meetings were held on December 3, 2009 with various advocacy groups, with city council members, state assembly members and the New York congressional delegation. The revised annual plan, which includes notification that a mixed finance modernization program is included in the plan, will be filed with HUD and was released on December 7, 2009 and was followed up by a teleconference with residents of the city and state developments on December 8, 2009.

The purpose of this meeting tonight is for you to hear this effort to federalize your development and preserve public housing for the future. We are here to obtain your views, comments and to answer your questions on this proposal. This meeting is intended to be a forum to hear your views and to answer questions you might have about the mixed finance

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modernization program.

New York City Housing Authority officials and other representatives will engage in discussions with the speakers and will respond to their questions. We are present to hear what you have to say about the revised draft plan, and it is our goal that as many persons as possible will have an opportunity to express their opinions and to ask questions.

On the dais are the New York City Housing Authority chairman, John B. Rhea. Vice chairman, Earl Andrews, Junior. Member, Margarita López. General manager, Michael P. Kelly. And in the second row are the assistant deputy general manager for development, Ilene Popkin. The deputy general manager for finance, Felix Lam. And acting general counsel, Sonya Kaloyanides.

We hope that as many people as possible will have an opportunity to express their opinions and to ask questions. So before we begin, let's go over the ground rules.

If you wish to speak, you must first fill out a speaker slip. They are available at the

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entrance area at the table marked speaker sign in. Please line up at each microphone in the center aisles and wait your turn to speak. Each speaker is allowed three minutes to speak.

On the stage you will see a timer with three lights. When you begin to speak, the green light will be on and the timer will begin to count down. When the yellow light is lit, it means that you should start to conclude your remarks. When the red light is turned on, your three minutes to provide comments are over. A table has been set up outside so that written comments may also be submitted.

Numbered speaker slips are nontransferable. And if you're not present or do not wish to speak when your name and number is called, you will forfeit the opportunity to speak.

The hearing is being recorded and transcribed by a stenographer, so please, speak only from the microphones in the aisles and identify yourself and your development or affiliation.

Remember, we are here to discuss mixed

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2 finance modernization plan. Any personal
3 comments on, criticisms of, or oral attacks on
4 NYCHA personnel, resident representatives, and
5 public attendees, or any demeaning,
6 discriminatory or ethnic slurs, or vulgar
7 language will not be tolerated. I, as the
8 moderator of this evening's meeting, reserve the
9 right to immediately move on to the next speaker
10 on line if any comments are deemed
11 inappropriate. The moderator on the stage is in
12 charge of the hearing, so please be considerate
13 of your neighbors and obey the moderator's
14 directions.

15 We are here to consider issues that are of
16 concern to everyone, not issues that concern
17 only a single resident or individual. If you
18 have an issue that concerns only you or your
19 apartment, we have tables set up outside
20 specifically for that purpose. You may fill out
21 a resident response form at the table outside
22 marked resident complaints.

23 The passing out of materials, photo taking
24 and video recordings are not allowed in the
25 auditorium; however, a general information

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2 station is available outside where leaflets and
3 flyers may be displayed.

4 Additional resource tables have been set
5 up outside with information on resident
6 employment services, fair housing, social
7 services, citywide programs, and the health
8 provider, Health First, also has a resource
9 table. And there are revised draft annual plan
10 books outside for you as well.

11 With that being said, let's begin with a
12 statement from the chairman of the New York City
13 Housing Authority, Mr. John B. Rhea.

14 **CHAIRMAN RHEA:** Thank you, Deidra. Good
15 evening, everyone. I'm John Rhea, chairman of
16 the New York City Housing Authority. I really
17 appreciate everyone taking the time from their
18 busy schedules, especially during the holiday
19 season, to be here tonight.

20 For those of you who participated in
21 viewing my videotape address and teleconference
22 of December 8th, I understand a lot of
23 information was presented during that evening
24 during the video, and you may certainly have
25 lots of questions and comments. So we're going

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2 to get to them shortly.

3 First, though, the NYCHA board would like
4 to assure you that tonight is another
5 opportunity to learn more about the process to
6 federalize NYCHA's 21 city and state
7 developments through a public housing
8 modernization program. You'll be hearing a lot
9 about this in the coming days, but first let me
10 give you some background.

11 Beginning in 1995, funding for the city
12 and state developments was gradually eliminated
13 to where as today the state and city provide no
14 funding for these public housing units. This
15 means that NYCHA has to maintain these 21 state
16 and city developments, there are approximately
17 21,000 apartments, by sharing the funds that we
18 receive from our other public housing units. In
19 other words, NYCHA has to maintain the city and
20 state developments as federal public housing,
21 even though they do not receive their own
22 federal funding.

23 Without federal or state or city funding,
24 the result has been that there is less money to
25 go around for everyone in NYCHA public housing.

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2 There's less money to repair, renovate and
3 maintain every development. NYCHA itself has
4 had a deficit, run short of approximately
5 \$150 million each year. In fact, almost two
6 thirds of that deficit, which is approximately
7 \$90 million, is because we do not receive the
8 money we need to maintain the state and city
9 developments.

10 There's now a one-time opportunity for
11 NYCHA to bring in additional money and bring
12 these 21 developments, like yours, formally into
13 the federal funding formula. This
14 federalization process involves putting together
15 a plan. But in the end, the result will be that
16 your developments will receive direct federal
17 housing subsidies for the first time.

18 Earlier this year President Obama put
19 together a plan, which Congress passed, called
20 the Stimulus Act. The Stimulus Act allows
21 authorities like NYCHA to add new public housing
22 to the federal formula, something the law hasn't
23 permitted us to do for the past 15 years.

24 NYCHA's plan is to make this provision work for
25 us.

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1 The Stimulus Act allows NYCHA to convert
2 developments into federal housing; however, it
3 allows us to do this only with both mixed
4 private and public money. We're not allowed to
5 use stimulus money alone to fund this process.
6

7 In order to do this, NYCHA will lease the
8 land of the 21 city and state developments to a
9 newly created limited partnership. NYCHA will
10 be the managing partner of this new entity.
11 NYCHA will also contribute the buildings to the
12 partnership.

13 As residents in this process, your
14 day-to-day lives will not change. All, I
15 repeat, all of your rights, services and
16 protection as public housing residents will
17 remain the same, and you will remain subject to
18 the same HUD guidelines with the same rent
19 schedules and income requirements. All house
20 rules and regulations and grievance procedures
21 will still apply. We'll also give numerous
22 assurances in the partnership agreement that the
23 developments must remain public housing and
24 cannot be converted to any other use.

25 We need to act quickly because the

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Stimulus Act also requires that a mixed financed modernization plan must be finalized by March, 2010. Immediately following the March deadline, improvements to each of the 21 developments will begin.

As a result of this plan, NYCHA will make an investment of more than \$200 million over the next two years in renovating your developments. More importantly, no one will have to move while improvements will be underway.

It is very important that all of you know that even though the federalization of the 21 city and state developments is far from assured, the NYCHA team here tonight has been working really hard with our advisers, with Housing and Urban Development, with the city and with the state to get over the many hurdles that in the past have made a federalization strategy impossible to overcome.

So there's a lot of work going in to make this a reality, and we look forward to your support as we continue to push forward on the plan.

The one thing that NYCHA would like for

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2 you to know, before we get into the questions
3 and discussions, is to rest assured that there's
4 nothing the NYCHA board and me are personally
5 working on that's more important than this
6 effort.

7 We welcome your input, and the NYCHA board
8 will continue to put all of our efforts into
9 making public housing safe, secure and
10 well-maintained housing that all of you so
11 rightfully deserve. Thank you.

12 **MS. GILLIARD:** Thank you. So now we have
13 a question. Speaker one, Ms. Huff, Compos
14 Plaza.

15 **MS. HUFF:** Hello. Good evening, my name
16 is DeReese Huff. I'm from Compos Plaza. I'm
17 the TA president. And first of all, I want to
18 stand here and say, thank you, Mr. Rhea, and
19 your constituents up there for all the good work
20 you guys have been doing for Compos Plaza and
21 NYCHA developments.

22 I also want to talk about the dog policy.
23 It's a good thing and it's a bad thing. Me,
24 personally, I want the dogs out. But I have a
25 lot of tenants in my building that rely for

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2 their dogs to be their companions and that are
3 their companions. They're like kids to these
4 tenants. So if you guys can just overlook that
5 policy about one dog or two dogs, I think that
6 will be a good thing, and that's it. Thank you.

7 **MS. GILLIARD:** Speaker No. 2, Phyllis
8 Gonzales.

9 **MS. GONZALES:** Phyllis Gonzalez from
10 Elliot Chelsea Houses. And my question is --
11 well, actually, it's a statement of a sort.
12 But, generally, like four years ago, we met at
13 our unit, and when it came down to represent us
14 from NYCHA, they said that they were going to
15 build on our parking lot in order for us to keep
16 our apartments because that we were in jeopardy.

17 We gave the okay in 2004, '05, as the
18 residents of that community. Now they're
19 getting ready to lease the building and the
20 land. Do they keep building that 21-story
21 building they are going to build that they said
22 they were going to build on the parking lot, or
23 are they not going to do it, or is this helping
24 the money? Is this with the package that you're
25 speaking on now?

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2 MS. GILLIARD: Thank you for your
3 comments.

4 Speaker No. 3, Ms. Toole, Elliot Chelsea.

5 MS. TOOLE: I don't know if we're going to
6 get an answer to our questions tonight, but I
7 was wondering about the people that had their
8 names down and were called for interviews for --
9 not for Section 8, but if they had wanted to
10 move into one of the 21-story buildings. As of
11 March 17th, from what I understand, they're
12 not going to be taking any more Section 8. Will
13 that open up the possibilities for those people
14 that have been called for interviews to get into
15 one of those 21 story -- I mean, 21 buildings
16 without being a Section 8 person?

17 And also, I understand there was supposed
18 to be bonds that people could buy, but not the
19 residents, but some were supposed to be. But we
20 don't have any information on them, at least I
21 don't. And I would like to have some
22 information in case we will be able to purchase
23 any of them, and what the price would be.

24 I don't know if you could just say when
25 will we get answers to these questions and how?

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2 MS. GILLIARD: We absolutely appreciate
3 all the comments that we receive tonight.
4 Please let me reiterate that we are here to
5 discuss the mixed finance modernization program.
6 But there are a number of New York City Housing
7 employees scattered throughout the audience who
8 will be more than happy to answer any questions
9 that they can answer tonight, and you can find
10 them right in the back.

11 CHAIRMAN RHEA: I will also make some
12 comments after the question and comment period
13 to address any issues that each of you bring up
14 tonight.

15 MS. TOOLE: Thank you.

16 MS. GILLIARD: Thank you. Speaker No. 4,
17 Mr. Garber.

18 MR. GARBER: Good evening, members of the
19 dais. My name is Joseph Garber from
20 Independence Towers. First, let me speak about
21 the format. I was present at Rutgers Houses on
22 December 8th, and unfortunately, out of the 21
23 developments, only 17 were asked questions.
24 Some of them repeated themselves as much as
25 three times, and sometimes with two or three

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2 questions each. So Rutgers Houses was not even
3 called. So I must speak about the format.

4 Now, it's interesting. I learned some new
5 terms. There's a Town Hall meeting, a public
6 hearing, which is usually at the annual plan,
7 and an informational community meeting, which
8 was the telecast on December 18th, and a
9 community meeting this evening. Now, this
10 evening it indicates that this is a meeting
11 where first the chairman would present issues
12 relative to the federalization, and then there
13 would be the public hearing starting from
14 7:00 -- from 7:30 to 9:00. So I don't know if
15 we are following the procedure or not.

16 Okay. So, No. 1, we have to see on the
17 format why three developments were not able to
18 ask any questions.

19 Now, I agree 100 percent that the state
20 and federal -- the state and city developments
21 must be federalized. There is no question about
22 it. But meanwhile, NYCHA can do something.
23 They can ensure that the staff at these
24 developments are working to the optimum. That
25 No. 1, we're not wasting money that lights are

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2 not burning in the daytime. And third of all,
3 we're collecting proper rents. I'm saying I'm
4 sick and tired that I know dead people are
5 paying rents, and this is true at NYCHA. We're
6 losing a lot of money. NYCHA is not making a
7 concerted effort to get rid of people who don't
8 live here, are paying rents under a pseudonym,
9 and who are deceased. This is a disgrace. So
10 we have to do this.

11 I'm very glad that general manager Kelly
12 spoke up at a new initiative relative to fatal
13 error in the diversity of computation of rents
14 between the city and state and federal, and
15 we're trying to synchronize on one thing. But
16 we still have to go after those that are paying
17 illegal rents. I surfaced that to many people
18 over the years, but maybe this should be a
19 combination of an investigation effort by the IG
20 of D of I and the IG of HUD.

21 Now, many people are concerned how we're
22 going to monitor when the banks give loans to
23 NYCHA that actually they do not engage in any
24 practices that might occur.

25 I'm very glad we're talking about

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2 standards, that the city and state developments
3 have to be brought up to code before they can be
4 federalized. But you stated, Mr. Chairman, that
5 you don't agree with the FAZ system. And I also
6 don't agree because I saw whenever HUD let's
7 people know there is a FAZ, everybody runs
8 around. The complaints that I made were not
9 being taken for six months, so we've got to look
10 at that.

11 Okay. My time is up. Thank you.

12 **MS. GILLIARD:** Thank you, Mr. Garber.

13 Speaker No. 5, Florence Scott.

14 **MS. SCOTT:** Good evening. Now, I watched
15 your video that you sent to Linden. Oh, I'm
16 Florence Scott and I'm from Linden housing. I
17 watched that video that you sent to us to
18 Linden. That video was no good, Mister, because
19 questions came up. Questions could not be
20 answered. You said to write it down on a piece
21 of paper. Everybody was writing. We passed it
22 in and they were supposed to be doing something
23 on the telephone, you know, so that you can get
24 your questions answered. Well, whatever it was,
25 they didn't ask their question that we had in

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2 that auditorium.

3 I didn't like that. I think you need to
4 do something a little different to get to the
5 people because the people at Linden are angry.
6 We don't like it. We felt that we was taken
7 advantage of, and we had a packed house there
8 for you. And all we see was a video, and no one
9 could answer the questions that came up that
10 night.

11 Those two people that you sent, they were
12 very nice and charming, very well, but they
13 couldn't help us. Why send someone like that
14 with a video and they can't help us? We still
15 need help in getting our questions answered.
16 How can we get someone to come to Linden to talk
17 to us so that we can get our questions answered?

18 That's my question, and I am a resident, a
19 tenant, and sergeant at arms at Linden, okay.

20 **CHAIRMAN RHEA:** Are there other questions
21 that you would like to put on the record?

22 **MS. SCOTT:** Not at this time.

23 **CHAIRMAN RHEA:** Okay.

24 **MS. GILLIARD:** Thank you, Ms. Scott.

25 Speaker No. 6, Leo Cukier.

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2 **MR. CUKIER:** Good evening, Mr. Chairman,
3 members of the dais. My name is Leo Cukier. My
4 development is Bayview Houses. I'm also a
5 member of the housing association. Something
6 that the chairman said today was some people are
7 going to be safe and secure under the federal
8 program, and as they should have been and even
9 as before they should have -- every tenant
10 should be safe and secure.

11 Problem, the questions keep coming up and
12 problems that keep coming up in housing is that
13 tenants are being brought in with under this
14 Section 8 or under other plans are coming in and
15 their tenants are being very destructive,
16 breaking of doors, breaking of elevators. The
17 development is doing the best they can. They're
18 bringing in good people, and they're working
19 very hard to keep fixing these incidents, but
20 there continues to be broken.

21 We understand that years ago when the
22 housing -- the developments themselves were
23 responsible for bringing in tenants, screening
24 them, it was taken away from them because of
25 discriminatory situations. But it seems that it

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2 doesn't seem to be any screening going on
3 because these people that are coming in, whether
4 it's they're residents or whether they're coming
5 from outside, are actually -- are people that
6 are either in criminalists, you know, they
7 are -- there's things that's going on that
8 really are not being -- are not being looked in,
9 and no one seems to know who's responsible for
10 looking into that situation.

11 I understand that, you know, that one of
12 the reasons that the housing is looking at
13 making the developments safe is that they're
14 hoping that someone is watching out for those
15 people that are being brought in as tenants, and
16 that's not saying the majority are criminals or
17 are doing destructive things, but in fact, it's
18 happening more and more often. And the police
19 are trying to -- whenever somebody reports it or
20 doesn't report it, but even the people that may
21 be reporting it may be at risk because they may
22 be targeted by either residents or people from
23 the outside are coming in, you know, people that
24 are either selling drugs.

25 So this is just something that I'd like to

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2 bring to whoever can look at this and see if
3 something could be done because it's a serious
4 situation. I mean, I don't know about other
5 developments, but it seems to be going on more
6 and more frequently. And the people in the
7 development are being blamed, but it's not
8 necessarily their fault. I mean, they are just
9 acting after the case, so they're fixing it, but
10 nothing -- thank you very much.

11 **MS. GILLIARD:** Thank you. Speaker No. 7,
12 Michael Steele.

13 **MR. STEELE:** I'm Michael Steele, TA
14 president, Rutgers Houses. Yes, I would like to
15 say, too, that my residents didn't get a chance
16 to ask any questions on the eighth. For some
17 reason, I don't know why, he kept trying to call
18 on the phone, but it just didn't happen. So my
19 residents are really confused about what's going
20 on.

21 They wanted me to ask that when this plan
22 comes in play that they want something in
23 writing that they will not lose their apartment.
24 I mean, not only for my residents, I feel that
25 every resident in all of the 21 city and state

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2 developments should have something in writing
3 that they will not lose their apartment. Thank
4 you.

5 MS. GILLIARD: Thank you, Mr. Steele.

6 Speaker No. 8, Mavis Quattlebaum.

7 MS. QUATTLEBAUM: Good evening, everyone.

8 How is everybody here tonight? All right. My
9 name is Mavis Quattlebaum. I live in Wise
10 Towers for 45 years. Sorry to say, Wise Towers
11 is going down the drain because we have no
12 program. Nothing is happening in Wise Towers.
13 We have a president there nine years and haven't
14 done anything. I run for the president, they
15 stole my vote, but it ain't over 'til it's over.

16 What I would like to say is we even -- I
17 was there the night when you had that thing at
18 Riverside. I went up to Riverside to the senior
19 citizen. It took three hours to go and three
20 hours to come back, but I still got there at
21 7:30, and I went over there and I had a
22 question. I give it to the manager, Ms. Brown,
23 and she give it to the people that was supposed
24 to be -- like the man said, some of the question
25 was being repeated three time.

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2 I was one of them that never got my
3 question answered. But before I went, I went up
4 and asked when are you going to answer this
5 because the residents wants to know. I'm
6 representing 398 residents at Wise Towers, and
7 they want somebody to speak to them because we
8 don't have nobody.

9 Let me just go back and say that I was
10 president before for 18 months. I did in 18
11 months what the president can't do in nine
12 years. So nobody comes to the meeting. What
13 for? He repeat the same thing. Nobody wants to
14 hear the same thing all the time. We want to
15 move up.

16 So I would like to know why my question
17 wasn't answered because we lose our tenants'
18 room. She told me, Ms. Quattlebaum, you're
19 going to be next. There's only two people from
20 Wise Tower, Ms. Morris and Ms. Quattlebaum that
21 asked question, and another lady. I went up and
22 she said -- and then my friend said, oh, my God,
23 your question is not going to be answered
24 because she is taking the screen down and
25 packing up. So I went back over again because

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2 that's the way I am. Whatever I do I do from my
3 heart. And I said, excuse me, but you told me
4 I'm going to be next. She said -- her answer
5 was, well, Ms. Quattlebaum, thanks for coming.

6 Now, this thing was supposed to stay from
7 six to nine, okay. I got there seven to eight
8 because I was upstairs with the seniors. That's
9 where I live. I get involved with my community.
10 So she said, well, thanks for coming. This was
11 her word, thanks for coming.

12 I was tired and was cold, but I was very
13 interested in what goes on in my building. And
14 then to find out that we losing our tenants'
15 room because the manager said we cannot hold
16 nothing there because no more things for the
17 tenants, the residents, only meeting from 250
18 Church Street, and I got very angry. I said,
19 Ms. Brown, I'm here 45 years living here, and
20 this was always Wise Tower tenants' room.

21 **MS. GILLIARD:** Ms. Quattlebaum, thank you.

22 **MS. QUATTLEBAUM:** Thank you.

23 **MS. GILLIARD:** Thank you.

24 Ms. Rose Bergin, speaker No. 9.

25 **MS. BERGIN:** Good evening, everyone.

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2 Thank you for having us here this evening.

3 Somehow I always feel I'm not on the same page
4 as everyone else. I hope you can understand
5 what I am saying because I have a really bad
6 cold.

7 So sometimes I always feel I am not always
8 on the same page. What you read this evening,
9 Chairman Rhea, was totally different than what
10 was presented to us as a CCOP. I did not hear
11 the word sell this evening as I did on -- what
12 was it, on December 2nd. The word sell, as I
13 say, S-E-L-L, was not used this evening, but it
14 was used that day when it was presented to CCOP.
15 Tonight it was about being a partnership with
16 whomever. So I'm wondering what happened to the
17 word sell. And I know it's not the '60s. I
18 know it's 2009.

19 So anyhow, partnership with big-time banks
20 and in 20 years they're just going to walk away,
21 that just doesn't sit right with me. I
22 represent five of the state buildings that are
23 in this. So as my colleague mentioned before,
24 Mr. Steele, we would like something in writing
25 that states that our residents are safe and

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2 secure, if, and I say if when this goes through,
3 not when, if.

4 And I would also request the terms of the
5 sale because you're selling the buildings, not
6 the properties, but the buildings are being
7 sold. So I did not misunderstand what I was
8 told that day, although it wasn't stated that
9 this evening.

10 So for anyone that did not hear the
11 televised video that evening, I was not
12 available. I had my own meeting, so I have no
13 idea what was said that night. All's I know is
14 what I was told the day I was at the ceremonial
15 room with my other eight CCOP chairs, and the
16 word sell was used. So I would like to know
17 what happened to the word sell this evening.

18 Again, we would request in writing that
19 every resident would be protected, and in
20 writing the terms of the agreement you would
21 make with any one of these large banks such as
22 Chase, JP Morgan, Citicorp and such. Thank you
23 very much.

24 **MS. GILLIARD:** Thank you, Ms. Bergin.

25 Speaker No. 11, Keith Ramsey.

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2 MR. RAMSEY: Thank you, Mr. Chairman, and
3 board members for hosting tonight's important
4 meeting. Hopefully, HUD will approve the plan,
5 if it will help the Authority with its budget
6 crisis. However, I do not, Mr. Chairman, like
7 some parts of the creation of your plan that
8 even you could not answer.

9 It brings me to the novel, Mary Shelley's
10 *Frankenstein*. Now, that novel is not what most
11 people think. It's not about some monster
12 rampaging through the village throwing children
13 in lakes. It's about a man who uses his power,
14 authority, intellect to manipulate and pervert
15 his own destiny, ultimately affecting others.
16 Hopefully, this plan will not be your
17 *Frankenstein*, Mr. Chairman.

18 See, we residents are used to *Frankenstein*
19 plans. One was called the Section 8 program.
20 This program was designed to generate revenue
21 for the Authority. The plan was a flop. The
22 standards are different. The majority of
23 residents did say it would fail. Saying NYCHA
24 family would switch from public housing to
25 Section 8 was dumb from the start.

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2 Another example is NYCHA's pet policy,
3 which claims to try to exclude dangerous animals
4 from NYCHA property, which it doesn't. And one
5 more is called the call center, which I will not
6 even get into because it's just too
7 disfunctional. Now, in 2009, we have the public
8 housing modernization program. Now NYCHA will
9 turn to a private funding source, the bank.
10 What NYCHA wants to happen contradicts what
11 probably will happen.

12 A bank is a financial institution licensed
13 by the government. Its primary activities are
14 to provide financial services to customers while
15 making investors rich. So I ask, who is going
16 to be rich off the backs of New York City
17 Housing Authority residents this time? We don't
18 have no heat, no hot water, elevators broke, bad
19 tenants living amongst good, you're raising the
20 rents constantly, call center, it's ridiculous,
21 lights out, Pitbulls and Rottweilers running
22 rampant. We suffer, but yet, public housing
23 modernization program will allow banks to use
24 us.

25 Our tough but fair Mayor Bloomberg,

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2 Mr. Chairman, billionaire man. He picked you
3 out of all the candidates. He saw something in
4 you that outshined all the other applicants.
5 You have no Housing Authority experience, just
6 20 years experience in creating fiscal planning
7 in the private sector. You know, that's who you
8 are, a financial planner who is now a chairman.

9 But, you know, as I think, maybe it is
10 time for a change. Maybe you will get and make
11 our homes safer and more economically viable.
12 Maybe, hopefully, this public housing
13 modernization plan won't be the residents'
14 Frankenstein. Because like I said, we are used
15 to things like that.

16 I, the miserable, the abandoned and the
17 abortion to be spurned at, kicked, trampled on.
18 That's a quote from Mary Shelley's *Frankenstein*.
19 What it is is that happened when the monster was
20 speaking over the victim's dead body. He
21 started angering and indulging in self-pity.

22 **MS. GILLIARD:** Mr. Ramsey, please wrap up
23 your comments.

24 **MR. RAMSEY:** We, as public housing
25 authority residents, are tired of being trampled

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2 on, lied to, inadequate funding, bad physical
3 conditions of our buildings, and a history of
4 mismanagement and incompetence. Hopefully, your
5 plan will work, but it must be more transparent
6 and have more resident involvement. Be the
7 savior of public housing, Mr. Chairman, not the
8 man who destroyed it. Keep the promise.

9 (Applause.)

10 **MS. GILLIARD:** Thank you, Mr. Ramsey.

11 Mr. John Johnson, speaker 12.

12 **MR. JOHNSON:** Good evening, everyone. My
13 concern is like Ms. Bergin said, my colleague
14 before me. When this was presented to the nine
15 CCOP chairs, the word sell came up, that these
16 developments was going to be sold to the banks
17 for a 20-year period for the banks to get the
18 tax breaks, tax credits, things of that nature.
19 Then, after the 20-year period was up, that the
20 developments was going to go back over to the
21 hands of NYCHA.

22 I just want to make sure, like Ms. Bergin,
23 that these residents will be protected. Once
24 the selling of these residents' homes are done
25 that there is no way that the banks could take

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2 them and do what they want with them.

3 So I, again, reiterate, like she said,
4 that we get something in writing to protect our
5 residents, to make sure that these residents are
6 not left out in the cold, that these
7 developments are not sold eventually right from
8 under these residents, and to make sure that
9 they have a home for the future.

10 Like she said, the word sell wasn't
11 presented tonight, or at no other time other
12 than the time that we met in the ceremonial room
13 at 90 Church Street. I would just like to hear
14 more about the selling of these developments to
15 the banks for these tax credits. Thank you.

16 **MS. GILLIARD:** Thank you, Mr. Johnson.

17 Speaker No. 13, Ms. Herma Williams.

18 **MS. WILLIAMS:** Good evening, Mr. Chairman,
19 ladies and gentlemen of the dais. As the
20 district chair for Bronx north, I have with me
21 the TA president from Baychester Houses, one of
22 the 21 city and state developments involved in
23 this process. And it has been brought to my
24 attention that on behalf of the four NYCHA
25 developments located in Bronx north, namely,

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2 Baychester, Marble Hill, Castle Hill, from whom
3 you've already heard from their resident leader,
4 and Murphy Consolidated, there was not enough
5 time given to the residents notifying them of
6 the teleconference. As district chair, I
7 received no notification at all.

8 Secondly, they're asking if a speaker
9 could be provided individually to come out and
10 go over with them exactly what NYCHA's plan is
11 with regards to the selling and/or leasing of
12 their properties.

13 Ms. Gross, the TA president from
14 Baychester Houses, has also asked that written
15 information be provided to her and her
16 residents, and I believe that the other resident
17 leaders would concur with that request that has
18 been made prior to this request now.

19 On behalf of Ms. Gross, because she is
20 relatively new, we would like to thank you for
21 this opportunity.

22 **MS. GILLIARD:** Thank you, Ms. Williams.

23 Speaker No. 14, Roxanne Reid.

24 **MS. REID:** Good evening, everybody. How
25 are you? My name is Roxanne Reid. I'm from

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2 Castle Hill Houses in the Bronx. And Castle
3 Hill went great, and that's a nice thing. They
4 fixed it up in the development, and it's looking
5 good.

6 But my issue is there's problems in Castle
7 Hill that needs a lot of addressing. I mean,
8 they fixing up, they put new lights in the area,
9 new bulbs and all that, but a lot of tenants is
10 having problems in their apartments. What you
11 have is the manager. They had went through the
12 building and looked at some of the apartments
13 where the water is leaking through the walls of
14 people's apartments and their second bedroom in
15 the A and D apartments. And then another
16 problem that they having, too, is that the sinks
17 are backing up in their apartment, you know, and
18 people's houses are getting flooded.

19 Just last Thursday where I had one of the
20 tenants where he wasn't home and his sinks
21 backed up in his apartment, in his kitchen, and
22 it went all the way down to the center, the
23 water. So I would like to know when y'all going
24 to get a plumber out there to check the things
25 to make sure that the buildings are safe, okay,

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2 the way this is all happening. I would
3 appreciate that very much, you know.

4 But Castle Hill is coming along. And I
5 hope it ain't going to be so because I have been
6 seeing the architect around there with, you
7 know, with pictures and stuff, showing me that
8 this is the designs they are going to have for
9 the buildings because I asked them. So I hope
10 that's not happening for us. Thank you.

11 **MS. GILLIARD:** Thank you, Ms. Reid.

12 Speaker No. 15, Carmen Whichard.

13 **MS. WHICHARD:** Good evening, Mr. Chair.

14 My name is Carmen Whichard. I'm the lady in
15 red. Right here. I'm the TA president from
16 Linden housing.

17 My first question is where or is there an
18 agreement syllabus pertaining to the new
19 transitions? And if so, why haven't we received
20 a copy?

21 And also, I would like to reiterate what
22 was stated here tonight concerning having
23 something in writing concerning the new changes
24 and the agreements that the tenants will be
25 protected. Thank you very much.

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2 MS. GILLIARD: Thank you.

3 Ms. Hardy, speaker No. 16.

4 MS. HARDY: My name is Sabra Hardy from
5 Wise Towers. Thank you, Mr. Chairman. I had
6 procured your phone number and faxed a letter to
7 you with regard to my refrigerator and you
8 helped a great deal. Thank you. So I wanted to
9 add that positive note.

10 I came to Wise Towers from Randolph,
11 A. Phillip Randolph Houses. According to what
12 was told to me, A. Phillip Randolph Houses,
13 along with a few other developments, received
14 about \$60 million in funding to do a renovation.
15 We were called to several meetings where
16 blueprints were shown to us for first a
17 development that would have duplex apartments.
18 Then they asked us to relocate. We relocated
19 voluntarily.

20 Then about a year into that they asked us
21 to come to another meeting at a school across
22 the street where they showed us another
23 blueprint where they changed the development
24 from being made into duplex apartments to a one
25 conglomerate kind of building with only

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2 30 percent of the people would be allowed to
3 live there as low income. So I was relocated
4 twice. I was relocated twice and then wound up
5 in Wise Towers. This is why I'm here.

6 When you say in the newspaper -- this is
7 how I find out about the meeting. I have an
8 article right here from the Daily News that
9 you're going to do something for us to save
10 public housing. I give you kudos, if that's
11 your intention. God help us all if, you know,
12 these are a bunch of banks and people that want
13 to put us in the street because that's not
14 right, okay. No one is going to get a blessing.
15 They're all going to get judged for it, if
16 that's the case.

17 Second of all, I have been through the
18 mill of being told by the Housing Authority that
19 I'm going to be relocated and put back in an
20 apartment that was renovated and given back my
21 residence, and this happened to me twice, okay.
22 So excuse me for being skeptical, but I've been
23 run over already. I have to make my comments
24 brief.

25 A lot of people that are here are

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2 bureaucrats and reporters and all that kind of
3 thing, and they don't see a lot of tenants. And
4 believe me, sometimes we want to come out here,
5 but we're tired. You know what I mean? There
6 are some of us that are elderly, some of us that
7 have health issues and cannot make it.
8 Sometimes I don't go to the meetings like I
9 should, but my heart is into it and I did come
10 tonight.

11 But I'm just saying that there needs to be
12 some accountability within the Housing Authority
13 that whatever you people say you're going to do,
14 you're going to do it for real because being
15 relocated twice and winding up in a whole
16 different development is not right.

17 **MS. GILLIARD:** Thank you for your
18 comments.

19 Mr. Valentine, speaker No. 17.

20 **MR. VALENTINE:** Yes, Albert Valentine,
21 Linden Houses. What I would like to know is
22 concerning the Brooke laws in the rent
23 calculations because we just get a sum. They
24 tell us what it is and it's not very clear as to
25 what it should be. I would like to know where

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2 could I get the information where I could
3 calculate -- based on my income I could
4 calculate my rents. The federal government give
5 you instructions so you can do your taxes. It
6 shouldn't be a secret to find out if they made a
7 mistake, which I would never know if it was too
8 low. If I wasn't paying enough, I would find
9 out right away with a retroactive rent charge.
10 If I was paying too much, I would never know
11 that.

12 Now, they sent us a sheet that said that
13 the city developments are going federal. Now, I
14 know I lived in a federal development once, and
15 the rent guidelines was much, much different.
16 We paid a much higher rate in the city. So when
17 the city goes federal, will our rents go down?

18 And my second question is, I need
19 information about the Office of Contract
20 Compliance because the contractors, a lot of
21 money is going out of the housing developments,
22 but the contractors are not complying with
23 Section 3. Thank you. Where would I get that
24 information?

25 **MS. GILLIARD:** Before the end of the

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2 evening, someone will answer your questions.

3 Thank you, Mr. Valentine.

4 MR. VALENTINE: Thank you.

5 MS. GILLIARD: Ethel Velez, speaker

6 No. 18.

7 MS. VELEZ: Good evening. I will not take
8 a lot of time. I do not want to repeat
9 everything everyone has said. But clearly, the
10 people in my district, Manhattan north, are very
11 concerned about safeguarding their homes now and
12 for the future.

13 So as this information was not clearly
14 given to everyone, and everyone has not been
15 really informed, we're very scared about the
16 selling of public housing. That's what I'm
17 hearing. So if you can assure people that
18 public housing will not be sold now and it will
19 not be sold later, after the 20 years, people
20 will feel more comfortable.

21 We've been wanting years that the
22 federal -- that these buildings will be
23 federalized, but now it's with a twist to it.
24 So people are very, very concerned that we do
25 not lose public housing.

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2 MS. GILLIARD: Thank you, Ms. Velez.

3 Speaker No. 19, Mr. Perez, Castle Hill
4 Houses.

5 MR. PEREZ: Thank you. Good evening,
6 ladies and gentlemen. My name is German Perez
7 who resides at 635 Castle Hill Avenue. We have
8 a little problem there in that housing
9 development. The problem that we have there is
10 the service that we supposed to get in those
11 buildings. I mean, I'm one of the person who
12 lives there, who have been living there for 26
13 years, and my complaint is concern about the
14 service. I mean, the service so far this year
15 we have hot water and we have heat. The reason
16 why because from what I understand, they did
17 change -- they did couple of changes and the
18 boiler system.

19 The problem that we have here is that we
20 don't have the service that we supposed to have
21 like, you know, in terms of graffiti. People,
22 they get graffiti all over the stairs, and these
23 graffiti, they stay there for about a year, two
24 or three years, and it seems like nobody cared
25 that much about it. That's one.

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2 The second is in terms about paint jobs.
3 Sometimes they take a lot of time. The housing
4 takes a lot of time to have paint work in the
5 apartment. For instance, my apartment, the 26
6 years that I have been living there, that
7 apartment has been painted one time. The rest
8 of the time it's been painted by myself. And I
9 think that's one of the reasons that they --
10 that we don't need this kind of problem.

11 Everyone here who lives in the projects
12 and have this kind of problem, these problems
13 has to be resolved by the City of New York or
14 the housing development. And even the doors,
15 the front door, they destroy. They don't fix it
16 in time. And the elevator, lot of times they
17 are dirty, you know. They don't clean them on
18 time. And these are the problem that we have
19 to -- we all have to get together and try to
20 resolve this kind of problem in order to
21 maintain these housing projects the way they
22 supposed to. Thank you.

23 **MS. GILLIARD:** Thank you, Mr. Perez.

24 Arnaldo Arzu, speaker No. 20.

25 **MR. ARZU:** Hello, everybody. How are you

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2 doing? Yes, I'm just here just to comment about
3 the selling of public housing.

4 I understand public housing is starting to
5 go privatized. Where do they plan on putting
6 the tenants who can't afford the AMI, the area
7 medium income? Now that they surrounding
8 New York City public housing with all these nice
9 corporate businesses, where is the people going
10 to live? That's the biggest question.

11 And can the people be part of the
12 development of NYCHA because I know people who
13 lived in public housing for over 30, 40 years
14 who would like to eventually own, you know, part
15 of the community instead of paying rent.

16 There's a couple of more things. The
17 selling of community, community management.
18 They are selling the community, and we would
19 like to know, you know, how about the community
20 centers. Where are our kids going to go for
21 after school? I know the Department of Youth
22 and Community Development is about -- you know,
23 the RFP is supposed to be coming out for some of
24 the community centers. I know in the South
25 Bronx Betances is one of them. I would like to

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1 know if you're going to give the tenants a list
2 of community centers that are available for the
3 tenants to operate and create jobs because
4 that's the biggest thing is to create jobs. And
5 even the jobs that's being created by housing is
6 affecting the living conditions of the people
7 who are employed. They rent go up higher, you
8 know. Under the Section 3 your rent go up
9 higher if you are employed by public housing.
10

11 So you know, we need to find a way to
12 where we could make it affordable for the
13 tenants that been there, and affordable for
14 tenants, future tenants as well, you know. We
15 understand housing is facing a financial crisis,
16 but we need help also. The people in the
17 development is facing a financial crisis. We
18 want to know what can we do to get help from
19 NYCHA that's not going to penalize us because
20 that's the biggest problem. Every time we do
21 get help, there's help, but, okay, we're going
22 to help you, but, uh, it's going to hurt you
23 later. Like, you know, we need help that's
24 going to be lasting help, not just fly-by-night.

25 And, you know, even with the -- with going

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2 around with trying to get communities to be part
3 of it and trying to get monies from NYCHA to do
4 these programs, it's like going through a fire,
5 you know. The monies don't come on time, if it
6 comes, you know. We need to know that the money
7 is going to be there for these developments who
8 do come within the community and want to
9 development their community to be bigger and
10 better and brighter and be part of the
11 development process because that's the biggest
12 thing.

13 We want to be part of the development
14 process. And not just working, we're talking
15 about ownership, you know. It's a right to own,
16 to sell, as long as that the people that have
17 been living there for a long time can afford to
18 buy into what you selling, and that's not
19 happening so far, you know.

20 It's like when these corporate businesses
21 come in pricing our people out, and now that the
22 rent is going according to area medium income,
23 it's like we not going to be able to afford at
24 all in the next couple of years. Thank you.

25 **MS. GILLIARD:** Thank you. We will have

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2 responses for your questions before the evening
3 is over. Thank you.

4 Ms. Saunders, speaker No. 21.

5 **MS. SAUNDERS:** Good evening, everyone, the
6 panel, and all audience. My name is Chenet
7 Saunders. I'm the resident leader of Betances
8 Houses in the Bronx, under Bronx south. I just
9 got this letter today in the mail that Mr. Rhea
10 sent out, and I read it and I came tonight. So
11 excuse me if when I address you with this
12 question it doesn't sound like I understand what
13 I'm saying because I really don't, according to
14 what I read. I'm trying to rationalize what
15 I've been sent and what I've heard thus far and
16 what I see is going on in New York City Housing
17 Authority.

18 In the letter it says different
19 statements. One of the statements was
20 contribute buildings to the partnership, the new
21 modernization plan that you're talking about.
22 The wording, contribute buildings, means you
23 contribute, give something to them. So that
24 means New York City Housing Authority buildings
25 will be given, okay.

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2 Then it says, banks will not gain unduly
3 influence or control. Why would that be stated?
4 When you go to a bank for money, banks have a
5 right to now say what you're going to do with
6 that money. Or you either tell them what you're
7 going to do with that money and now you're held
8 accountable to do that with the money. So if
9 the banks are involved, that means there's going
10 to be regulations for tenants. So if there's
11 now new regulations, that means tenants have to
12 do different things in order to live in these
13 buildings if the banks are going to be funding
14 this new modernization plan, okay. That's a
15 concern I have.

16 And in says, ensures that no resident will
17 be displaced as a result of the mixed finance
18 transaction. Why would that even be stated in a
19 letter that no resident would be displaced
20 unless there is a question, there is some type
21 of question that was raised as if tenants don't
22 meet these qualifications, then the bank or
23 these partners have a right to say they can't
24 stay here, they got to go.

25 So it's like a lot of questions that

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2 really are not being answered at this point.

3 And then y'all have a deadline of 2010. My time
4 is running out. And then between 2010 and 2012,
5 if they meet these qualifications, then these
6 apartments will be modernized. So what kind of
7 standards are we living in now that they not
8 going to take it over and modernize them until
9 2010 and 2012 in order to bring them up to a
10 standard that tenants can be qualified for?

11 I don't have time for my question, but
12 those are some of the concerns that I have
13 according to this letter of what you sent out.
14 Thank you for your time.

15 **MS. GILLIARD:** Thank you, Ms. Saunders.

16 Council member Melissa Mark Viverito,
17 speaker No. 22.

18 **COUNCIL MEMBER VIVERITO:** Good evening,
19 everyone. I wanted to just take a moment to
20 address some issues. I'm actually not -- I came
21 a little late, and I'm not sure in terms of
22 the -- I guess the presentation on the
23 federalization is going to be done after this
24 part of the hearing; correct?

25 **CHAIRMAN RHEA:** We are principally here

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2 for Section 18 disposition now. We are moving
3 to discussion of the broader federalization.
4 But questions actually have been broader than
5 just the Section 18 disposition, so we were
6 taking them for the record.

7 **COUNCIL MEMBER VIVERITO:** Yes, because
8 that's what I'm hearing. I'm here to listen
9 also and I've been hearing a lot of different
10 areas, so that's why I was a little concerned
11 about that.

12 But there are two issues that were raised
13 and that I have been hearing is with regards to
14 the information of the public -- the information
15 on this hearing and in terms of getting that
16 information out, and particularly about the
17 federalization plan. And that notification, I
18 think, needed to be a little bit clearer for
19 people. I think there are some concerns that
20 that information was not provided in a timely
21 manner, and we've gotten some of those concerns,
22 too, and that's why I just wanted to raise it.

23 But with regards to the plan that's
24 presented, I think it's logical that we're
25 looking at real creative and alternative

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2 solutions. And I know that there's very strict
3 and fast-paced deadlines with regards to ways
4 information has to be shared with HUD and
5 approvals that have to be given to HUD, and
6 considering that stimulus money is going to be
7 used, that there is deadlines in terms of
8 getting information and getting contracts signed
9 before we move forward.

10 But I think part of the discussion, and I
11 have been hearing it from a lot of residents, is
12 the issue of assurances that there is absolutely
13 assurances of no privatization with regards to
14 this process that their assurances that there is
15 going to be no loopholes that people can take
16 advantage of, changes in administration, changes
17 in HUD leadership, changes in NYCHA leadership,
18 that that has to be really laid out very
19 thoughtfully and carefully, and I'm not sure
20 that that's been presented yet. Maybe it will
21 be presented a little later tonight.

22 So that's the main issue about the
23 federalization. I think there's some good ideas
24 there, but those assurances for the residents in
25 particular is something that has to be provided.

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1 I just wanted to touch on a couple of
2 things regarding the annual plan as well, and I
3 know it's things we've raised in recent
4 hearings, so I just want to reiterate it.

5
6 With regards to we had a hearing recently
7 on the five-year plan, which I think is really
8 important that we look at alterative policies
9 regarding that. We talked extensively at the
10 hearing about it. I know Commissioner López was
11 there, and we are thankful for her being there
12 to answer questions, and people that are in
13 licensing proceedings and how they may be
14 impacted. That's important.

15 We had a hearing. I think it happened
16 today. I was not able to go. I don't know if
17 it was deferred, with regards to extending the
18 pet policy, that NYCHA is looking at that, and I
19 think that's great. But I think the other
20 concern that we have, and I'm also here talking
21 on behalf of Rosie Mendez, who is not able to
22 join us tonight, but that we thought that that
23 should have been part of the annual plan, that
24 it was something that probably should have been
25 included. And it's a significant amendment that

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2 probably should have been included. And I know
3 that I personally have gotten a lot of residents
4 that have told me that have concerns about the
5 pet policy. So it's an issue that resonates
6 with a lot of people. So those were the kind
7 of, you know, issues that I wanted to raise.

8 I think there was one more item, but give
9 me a second. And those were just the main items
10 I wanted to talk about. So I wanted to just get
11 it on the record and come by and say that I'm
12 interested in hearing more details and
13 information shared more fully on the
14 federalization. We have tight deadlines, and I
15 understand that that's why things are moving so
16 fast, but we can't leave out information and
17 people feeling fully informed and taking
18 ownership for this before we proceed in a
19 responsible manner.

20 Thank you very much for the ideas, and we
21 look forward to continue working in partnership
22 with you.

23 **MS. GILLIARD:** Thank you, council member.

24 Speaker No. 23, Luis Sosa.

25 **MR. SOSA:** Good evening, everybody, ladies

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2 and gentlemen, and God bless you I want to say.
3 My name is Luis Sosa. I live in 575 Castle Hill
4 Avenue, Bronx, New York. I want to report that
5 somebody die and in 575. But the people, they
6 not in the project. They try to make disorder
7 over there, you know, in the building. I don't
8 think it's right because you have to show
9 respect for people.

10 If somebody were to die, that's just in
11 the building. I don't consider this right
12 somebody making disorder in the building because
13 New York Housing Authority, they give you the
14 opportunity to give you apartment for people to
15 need -- to live in the housing apartment. But I
16 don't consider people make disorder in the
17 housing apartment because it's not right.

18 But the thing is the people have to have
19 certain respect to follow the rule in the
20 New York Housing apartment. The tenant have to
21 have certain respect to New York City apartment,
22 to the buildings in New York City apartments.
23 So the thing is, I don't think it's right
24 because I see them in the building. The tenant
25 is living in the building, 575. He make a fire.

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2 The bell, the bell to the apartment. I don't
3 consider he doing the right thing because I
4 don't think it's right.

5 But that's what I want to report, you
6 know. The tenant, they can't do these things,
7 you know, to doing bad things, you know, in the
8 building, disorder in the building. I don't
9 consider this right because New York City
10 apartment -- New York City Housing Authority
11 give you the opportunity for give you the
12 apartment for the people, the tenant, to live in
13 the building, so I don't consider this right to
14 make disorder in the building. So this is what
15 I have to say.

16 **MS. GILLIARD:** Thank you. Someone will
17 reach out to you. Thank you.

18 Speaker No. 24, Mr. McLean. Al McLean.

19 **MR. MCLEAN:** Hello, everybody. I came
20 down today to represent pretty much my
21 grandmother who has been living in the same area
22 for 50 years now. My mother lived there. I've
23 lived there. My sisters lived there. We have
24 all grown up and left. But the projects is what
25 she knows and where she's comfortable. And with

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2 this stimulus it kind of rattled her which
3 rattled us.

4 So we don't know what to do with this
5 88-year old woman now because she doesn't know
6 where she's going to go because she feels, one,
7 that she may not be able to afford what you're
8 doing. And I think that's a concern for us and
9 her. So I think -- I don't know what y'all
10 planning to do. I'm down here trying to listen.
11 She couldn't even make it, and I want to be able
12 to tell her something to give her some type of
13 comfort, or is it something now where us, as
14 family, has to relocate her now or begin that
15 process? And what type of deadline do we have?

16 **MS. GILLIARD:** Thank you, Mr. McLean, and
17 we will respond to your questions this evening
18 and our expectation. We have no plans for
19 anyone to have to relocate because of this
20 program. So we'll answer your questions and,
21 hopefully, satisfy your concerns.

22 **MR. MCLEAN:** Thank you.

23 **MS. GILLIARD:** Lisa Burriss, speaker
24 No. 25.

25 **MS. BURRISS:** Good evening, everyone. I'm

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1 Lisa Burriss. I'm from Good Old Lower East
2 Side. I'm also a life-long -- I was raised in
3 public housing. Good Old Lower East Side is a
4 housing advocacy organization. We do direct
5 service, and we also do grassroots organizing.
6

7 This is the question and answer period, so
8 I have questions that I would hope to get
9 answered in NYCHA's final plan. The questions
10 involve the demolition of Prospect Plaza, of the
11 last remaining three buildings. My question is,
12 why wasn't it introduced in the draft annual
13 plan, but it was introduced in the final draft
14 of the plan? So therefore, when we organize
15 residents to engage in the draft annual plan
16 process, this was compromised because not only
17 the demolition of those three buildings, the
18 remaining buildings of Prospect Plaza wasn't
19 included, but other information that we would
20 have liked residents to have due process in
21 participating in.

22 Another question regards -- is around the
23 dog policy, the pet policy, the changes made to
24 it. Why did the Housing Authority evade annual
25 processes like the draft annual plan process,

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1 like the income affidavit process where they ask
2 residents to update information about their
3 pets?
4

5 Since this change we had a lot of -- we
6 had evictions. And so I was excited when the
7 Housing Authority met with our organization,
8 heard our concerns and responded. That was very
9 refreshing. So we would like to see more
10 opportunities like that.

11 So I request for another public hearing
12 specifically around Prospect Plaza and all of
13 the other changes that weren't included in the
14 draft annual plan so residents could have
15 participated in those hearings that you had in
16 May and in June.

17 Lastly, it's around the succession rights
18 for residents. The Housing Authority responded
19 in their final annual plan that it only affected
20 less than 20 applicants per year. That's a huge
21 problem for me. Through our direct service we
22 have over 30 residents that are facing -- that
23 would be affected by the new change, which would
24 bar residents from applying for public housing
25 for five years. Criminals, sex offenders,

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2 robbers, drug dealers, those people are also
3 banned to apply for public housing for a number
4 of years. So it's a concern that, you know,
5 social service providers, the public and
6 residents weren't able to provide information on
7 that. I mean, their input on that change. So I
8 would just have questions around those issues.

9 Also, the Housing Authority not adhering
10 to the notice of tenants when they use standard
11 deviation or significant amendment to make
12 changes outside of the draft annual plan
13 process, I hope those questions get answered,
14 and I look forward to working with the New York
15 City Housing Authority in the future. Thank
16 you.

17 **MS. GILLIARD:** Thank you. At this time
18 there are no additional speaker slips, so the
19 chairman of the New York City Housing Authority
20 will now address your questions and your
21 concerns.

22 **CHAIRMAN RHEA:** Thank you. I just first
23 will start by saying I am very appreciative of
24 all the questions, statements, comments, and
25 recognize that the mixed financing modernization

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plan is something that creates anxiety in people when you don't have all the details. We are endeavored to be as quick with the information as we move forward.

So I am going to respond first in summary to a number of comments that were made tonight because a lot of them are on a similar thing. Then I will try to go back through the specific questions that people asked to address some of those questions.

But I will start at the top and give you a response regarding the 88-year old grandmother at St. Mary's. I want to be specifically clear. She will not have to leave her apartment. She's still entitled to occupy her apartment as she has been, and her rent will not be affected by this plan. I don't know how to be any clearer than that. I want you to please communicate that to her tonight.

In terms of what we were trying to accomplish here in this first part of tonight's session is addressing what's called a Section 18 disposition, which is the application that we have to file with HUD to give us the approval to

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1 sell the 21 city and state developments to the
2 partnership as part of a mixed-finance
3 transaction and modernization plan.
4

5 I know Ms. Bergin asked about -- she
6 didn't hear sell tonight. You heard it in the
7 CCOP meeting. You're hearing it again tonight.
8 We are, as part of this process, selling 21 city
9 and state developments into a partnership in
10 which NYCHA will be the controlling management
11 partner. So I don't want that to be confusing
12 to anyone.

13 I'll go through some of the specific
14 questions. Regarding the Chelsea Elliot
15 question, for example. The mixed financing
16 transaction is independent of any of our other
17 existing development plans. We are selling the
18 buildings and the 21 developments into this
19 partnership. We are not selling land. We're
20 not selling development rights. We're not
21 selling community centers.

22 So the project that was referenced
23 earlier, Elliot Chelsea development parking lot,
24 that project is moving forward. It is
25 absolutely live and will continue to move

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forward. The agreements have been signed, financing is in place, and that project will move forward. It is independent of the mixed financing modernization plan that you will hear discussed here tonight. And all other development projects, or future development projects, will be separate from what we are here to discuss tonight because we will maintain all rights to develop on NYCHA property that it has for the 21 city and state developments.

Again, no resident will be displaced. No resident will be displaced or have to move because of what we are proposing tonight.

The buildings that we are selling into the partnership will continue to be operated by NYCHA, as they have in the past. So putting the buildings into the partnership does not change NYCHA's going forward, responsibility rights to operate those buildings.

We're not giving the properties away. The word contribute that was used was not intended to suggest that NYCHA is giving the properties away. I repeat again, we will be selling the properties into the partnership at fair market

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value. So NYCHA will be selling the buildings to the partnership. We will be receiving fair pricing upon full appraisals of each of the buildings.

The money that we receive for selling it to the partnership will be immediately reinvested back into the buildings. The money that NYCHA receives, we're not taking the money and using it for something else. The money we receive will be immediately used to complete modernization and construction investment work that we are doing at those 21 city and state developments. So we're not giving anything away. We're selling it to the partnership at fair market value. The money we receive, NYCHA will immediately turn around and spend it on construction at these 21 city and state developments.

The financial investors, the banks, they have a financial interest in ensuring that NYCHA continues to operate these buildings in accordance with all HUD guidelines and regulations. These buildings are part of the partnership agreement. It will be stated

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upfront, written in plain English that the buildings will be maintained as public housing and for no other use. So the banks are entering into the partnership knowing that these units will continue to be operated as public housing, and all the safeguards that are in place, they will remain.

We are not privatizing public housing through this mixed finance transaction. They will remain subject to all federal public housing guidelines, income eligibility requirements, and tenant protection. I repeat, we're not privatizing public housing through the mixed finance transaction. They will remain subject to all federal public housing guidelines, income eligibility requirements, and tenant protections.

I've already said that the community centers are not part of this transaction. We will talk about this some more because there was a question about community centers. They will remain wholly owned by NYCHA as they are today.

The question about Castle Hill is a broader question, but it dealt with poor

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1 maintenance. This transaction will provide
2 capital and operating subsidies that will enable
3 NYCHA to maintain the 21 city and state
4 developments and better prepare going forward
5 than we can today.

6
7 Specifically, money that we receive for
8 selling Castle Hill to the partnership will
9 immediately be spent to do work at Castle Hill.
10 Specifically, we are spend -- the plan will be
11 to spend 19-and-a-half million dollars in rehab
12 modernization work at Castle Hill alone as part
13 of this transaction. We're already spending
14 \$7 million at Castle Hill on energy
15 modernization projects. This will be another
16 almost \$20 million that will go into Castle Hill
17 over the next two years to improve that
18 development. And we will be entitled to
19 operating subsidies going forward as part of the
20 federal funding formula to maintain Castle Hill
21 on a day-to-day basis that we don't receive
22 today.

23 I want to go back to methods. We have to
24 safeguard your tenancy and to ensure that you
25 will not be displaced from your home today or

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two years into the transaction or the new ownership structure or 15 years into it. There are safeguards in public housing. Those safeguards will remain in place, and we will have to comply with them through the partnership.

Specifically, there is HUD regulatory requirements that accepting the operating and capital support every year, we basically -- when we take that money, we contractually are obligated to maintain it as public housing for another 20 years. So every year we take money going forward from the federal government to maintain, operate these units, it creates another 20-year requirement. So there is a HUD requirement by us taking the money that safeguards your residency rights.

There are regulatory operating agreements that we will have as part of the partnership. The partnership will operate with certain regulatory requirements that will spell out in very plain English the rights of the tenants, how these units must be maintained as public housing, and that all of the other regulatory

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requirements will remain in place.

There is also state legislation that will -- we have to continue to adhere to. And there is a declaration of trust, which means there is an actual contract that will exist between the partnership and HUD and NYCHA that basically declares what the buildings can be used for, whether they're owned by the partnership or not. So those are some of the specific safeguards that will be put in place to make sure that you're protected.

There was a discussion about what happens at the end of the tax period. When we initially spoke with the Citywide Council of Presidents, and when we original presented this proposed transaction to the residents on December 8th, we had mentioned a 20-year period. As we worked on this, it's now going to be a 15-year period.

At the end of the 15-year tax period, NYCHA maintains the right to reacquire these buildings. We have the exclusive right. It's irrevocable. We will not give away that right to reacquire those buildings back from the partnership and be owned outright by NYCHA the

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way they're owned outright by NYCHA today at the end of the 15-year period. That is a right that NYCHA will retain as part of this transaction.

Again, Wise Towers brought up concerns about having been relocated on numerous occasions. Again, I want to repeat, as part of this proposed mixed financing transaction, no residents will be asked to move or be displaced.

Questions about the Brooke Amendment and information about rent calculations, those schedules are on NYCHA's website. You can get to the exact calculations on rent. If you don't have access to a website or to a computer to get to download the information, we can make that information available to you from a handout. We want you to have that information. We encourage you to check your rent calculations and to be comfortable with how NYCHA performs that calculation per requirements.

In terms of wanting things in writing, first of all, we have already distributed things in writing that have made it clear that tenants' rights will be protected as part of this transaction. We will continue to provide things

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1 to you in writing to give you that comfort. And
2 obviously, as details of this transaction become
3 more negotiated, we will be providing you with
4 additional information as we continue to move
5 forward to get this closed by March 17th.

6 But we have put it in writing already, and
7 we will put it in writing again that your
8 tenancy will be protected and will not be
9 threatened as a result of this proposed mixed
10 finance transaction.
11

12 I want to try to go through some of the
13 other questions that came up. Ms. Scott from
14 Linden Houses made a statement that the video
15 wasn't good and that people weren't able to ask
16 questions. When will their questions be
17 answered. We wanted to provide you with as much
18 information as we could on December 8th.

19 I personally thought it was very important
20 for you to hear from me directly. I couldn't
21 get to all 21 developments in advance of this
22 public hearing, and I wanted everyone to say in
23 the 21 developments that they had heard from the
24 chairman who tried to lay out very clearly what
25 we are proposing here. In addition to that, you

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could begin to ask questions tonight or to form additional questions that you have and be able to come here and ask them tonight.

So I'm sorry if the video was less effective than me being able to be with you at the 21 different developments. But in all sincerity, there was no way for me to get to all 21 developments.

We also tried to be considerate of people's schedules and times and try not to drag you to a central location or from your homes, and for that to be the reason why you weren't able to get information. So we used the video as, one, communication means, and we also -- I personally answered questions for over an hour. We took something close to 15 questions. So if your question wasn't answered, my apologies. I hope that you will have a chance to ask that question tonight.

We also, obviously, have a public hearing as a way to answer additional questions. And we will continue to answer questions, if you submit questions to NYCHA in writing, as we move forward after tonight.

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2 There wasn't enough time in advance of the
3 December 8th meeting. We shared the
4 information with you as soon as we had it, and
5 we wanted to get you the information as far in
6 advance of this meeting as we could. The
7 schedule needed to have a public notice period
8 over 10 days. And to have this meeting in
9 advance, we needed to give that to you
10 immediately. On December 8th I believe we
11 endeavored to do so.

12 We also met with elected officials in
13 advance of that from each of the -- elected
14 officials that represent the 21 city and state
15 developments. I shared the plan with them in
16 advance and asked them to communicate with their
17 constituents. We told them there was going to
18 be the hearing -- the videotape of the address
19 in each of the 21 developments.

20 We slipped notices under every residents'
21 door about that December 8th meeting. And we
22 continued to work with the Council of Presidents
23 and the RAB, the Resident Advisory Board, in
24 advance of the December 8th meeting so they
25 could also encourage tenants to attend those

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2 meetings and to attend tonight's public
3 hearings.

4 So again, we are working in earnest to
5 provide you with information as quickly as
6 possible, to give you as much information, and
7 to be helpful to you, and to remain open to your
8 questions as we move forward with this proposal.

9 Again, I think I answered it, but
10 Ms. Bergin and others who said they didn't hear
11 the word sell. Mr. Johnson who said he didn't
12 hear sell. I want to repeat, we want to be
13 consistent in our message and our language and
14 be clear about what we're doing. We mentioned
15 on the night of the meeting with the CCOP and
16 the RAB, we mentioned at the December 8th, we
17 mentioned it again tonight, my remarks, and in
18 my response to questions, we will be selling 21
19 city and state developments into the
20 partnership. I have always said into a
21 partnership. I said that NYCHA would be a
22 member of that partnership. I said the banks
23 would be a member of that partnership. That is
24 still the plan.

25 I think Mr. Ramsey mentioned about the

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Section 8 program being a flop. We disagree with you. Although all 8,400 units that we did the voluntary conversion transfer to Section 8 has not been completed, we have transferred 2,000 units to Section 8. There are 2,000 families that have access to subsidized housing today in NYCHA developments that didn't have access to low income subsidized housing before.

In addition to those 2,000 families having access to subsidized housing, \$20 million a year is flowing into NYCHA to maintain those units as a result of the 2,000 Section 8 units being as part of the city and state developments. That's \$20 million that NYCHA would not have to operate the developments and to maintain them.

So we feel very strongly that the conversion of Section 8 was not a flop. It's not the \$75 million that we completely would have gotten if we had an entire voluntary conversion, but \$20 million is \$20 million, and it goes a long way to be able to serve your needs.

The concerns about loopholes. We are working to ensure that the partnership

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1 agreement, operating agreements, the declaration
2 of trust, all the things that will govern this
3 transaction will protect your rights and that
4 there won't be loopholes that put you at risk
5 today or in the future.

6
7 Why will the banks do this deal? I heard
8 that question in one of your comments. The
9 banks are interested in being a part of the
10 partnership because they receive two specific
11 benefits. The first benefit they receive is the
12 Community Reinvestment Act credit for investing
13 in low-income units.

14 They have a requirement to do that per
15 banking charter. They must spend or invest a
16 certain amount of money and do business with
17 residents and customers who live in low-income
18 communities. They receive credits against their
19 Community Reinvestment Act requirements by
20 investing per this plan close to \$200 million
21 right into NYCHA's 21 city and state
22 developments. So first, part of their interest
23 is to fulfill their Community Reinvestment Act
24 requirements.

25 The second one is they will receive tax

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credits. They will receive credits they could use against taxes they would normally have to pay on the profits. And therefore, it is in their economic interest for them to provide capital in this transaction to receive the value of the tax credits.

Those are the two economic reasons that they're participating in this, not to control public housing, not to receive actual revenues from the rents that you pay. They will not receive that. The rents that you pay will continue to go to operate and maintain developments, not to the banks. The banks' economic interests are through the tax credits that will last for 15 years and expire in a 15-year period.

There was a question about Prospect Plaza. I want you to know that there will be a meeting in January on the proposal to demolish the Prospect Plaza towers. The day is January 25th at 6:30 p.m. at the Reverend Brown Houses.

I personally had conversations with the elected officials, both at the city and state and federal level, where Prospect Plaza falls in

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their districts. We've agreed to continue to inform them as we move forward with the development plan for Prospect Plaza.

Why wasn't it part of the original annual plan? Because the annual plan was put together prior to my arriving as chairman, and the decision to demolish Prospect Plaza and build a new Prospect Plaza will be what we believe will be an exciting proposal for public housing residents and for the broader community in Brooklyn. It was developed after I arrived, and so that decision was not part of the original annual plan.

We will, obviously, look forward to a discussion on the 25th about our plans. And as they develop, we will have multiple meetings around the redevelopment plan for Prospect Plaza.

I'm sure I missed some things. So this portion of tonight is to deal with, as I mentioned, the Section 18 disposition, which is to share with you the plan to sell these 21 city and state developments into the partnership. We discussed that and a wider range of things. We

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2 will now move this into the amendment to the
3 annual plan, which will allow us to discuss the
4 federalization strategy and the mixed financing
5 proposal and additional details.

6 I thank everyone for your questions and
7 comments. I look forward to continuing to
8 communicate the plan as we move forward. Thank
9 you.

10 **MS. GILLIARD:** Thank you. This ends the
11 Section 18 Resident Consultation Meeting, and we
12 will begin the annual plan public hearing
13 shortly. Thank you.

14 (Time noted 7:27 p.m.)
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25

C E R T I F I C A T E

I, Vera Monaco, a Registered
Professional Reporter, do hereby certify that
the foregoing transcript is a true and accurate
transcript taken by me on this 17th day of
December, 2009.

VERA MONACO, RPR
Court Reporter