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NEW YORK CITY HOUSING AUTHORITY

PUBLIC HEARING

Public Hearing Meeting
held in connection with the
Revised FY-2010 AGENCY PLAN.
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Held December 17, 2009 at 7:59 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

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VERA MONACO, RPR
COURT REPORTER

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2 **MS. GILLIARD:** Good evening. Good evening
3 and welcome to our annual public hearing for
4 NYCHA's revised fiscal year 2010 annual plan. I
5 am Deidra Gilliard, assistant deputy general
6 manager for Community Operations at the New York
7 City Housing Authority. We have sign language
8 interpreters for the hearing impaired on the
9 stage, and Spanish, Russian and Chinese
10 translators for those who need it in the
11 audience.

12 Will the interpreters please come to the
13 microphone and identify themselves.

14 (Interpreters introducing themselves.)

15 **MS. GILLIARD:** Thank you. In accordance
16 with Section 5A of the United States Housing Act
17 of 1937, as amended, housing authorities are
18 required to develop, with review and input from
19 residents and the general public, an annual plan
20 that outlines its priorities for the upcoming
21 year.

22 As mandated, the New York City Housing
23 Authority developed an annual fiscal year 2010
24 plan and submitted it to HUD on October 16,
25 2009. Since the submission of the fiscal year

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2 2010 plan, NYCHA has been discussing an effort
3 to address long-term capital and operating needs
4 of the 21 city and state built developments.
5 This endeavor involves a mixed finance
6 modernization program that will include
7 submission of a Section 8 application, which
8 will be included for approval as part of the
9 NYCHA revised draft fiscal year 2010 annual plan
10 submission to the United States Department of
11 Housing and Urban Development, HUD. In
12 consultation with HUD officials relative to this
13 effort to modify or amend the annual plan, HUD
14 requested that NYCHA resubmit the fiscal year
15 2010 annual plan to include the federal proposal
16 for the city and state developments.

17 A meeting was held with the Citywide
18 Council of Presidents, the Resident Advisory
19 Board, and the resident association presidents
20 from the 21 city and state developments on
21 December 2, 2009. A series of meetings were
22 held on December 3, 2009 with various advocacy
23 groups, with city council members, state
24 assembly members, and the New York congressional
25 delegation. The revised draft plan was released

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2 on December 7, 2009 and was followed up by a
3 teleconference with residents of the city and
4 state developments on December 8, 2009.

5 We would like the record to reflect that
6 we have received letters of support for the
7 proposed mixed finance modernization plan from
8 the following:

9 Charles E Schumer, United States Senator.
10 Joseph Crowley, Member of Congress. Nydia
11 Velazquez, Member of Congress. And Michael
12 Benjamin, Member of the New York State Assembly.

13 The purpose of this hearing tonight is for
14 you to hear how this effort will improve your
15 development and preserve public housing for the
16 future. We are here to obtain your views,
17 comments and answer your questions on this
18 revised draft agency plan. The revised draft
19 plan is not final and will be modified before it
20 is submitted to HUD. Unlike other NYCHA public
21 hearings, this is intended as a forum for verbal
22 exchange.

23 NYCHA officials and other representatives
24 will engage in discussions with the speakers,
25 and will respond to questions. We are present

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2 to hear what you have to say about the revised
3 draft plan, and it is our hope that as many
4 persons as possible will have an opportunity to
5 express their opinions and to ask questions.

6 The revised draft plan was made available
7 on December 7, 2009 for public inspection at
8 NYCHA's principal office at 250 Broadway in
9 Manhattan, on NYCHA's website, at each local
10 public housing development management office, at
11 all Community Operations/Management and Leased
12 Housing Borough Offices, and at nine designated
13 community centers. The revised draft was also
14 sent to all Resident Advisory Board, RAB,
15 delegates, and alternates, to each resident
16 association president, and to the Section 8
17 Resident Advisory Board representatives.

18 Tonight we have the following NYCHA
19 representatives here on the dais to hear and
20 answer your questions. They are: The New York
21 City Housing Authority chairman, John B Rhea.
22 Our vice chairman, Earl Andrews, Junior.
23 Commissioner, Margarita López. General manager,
24 Michael P Kelly. And in the second row we have
25 the assistant deputy general manager for

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2 development, Ilene Popkin. Our deputy general
3 manager for finance, Felix Lam. And acting
4 general counsel, Sonya Kaloyanides.

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

9 If you wish to speak, first you must fill
10 out a speaker slip. They are available in the
11 entrance area at the table marked speaker sign
12 in. Please line up at each of microphones in
13 the center aisles and wait your turn to speak.
14 Each speaker is allowed three minutes.

15 On the stage you will see a timer with
16 three lights. When you begin to speak, the
17 green light will be on and the timer will begin
18 to count down. When the yellow light is lit, it
19 means that you should start to conclude your
20 remarks. When the red light is turned on, your
21 three minutes to provide comment are over.

22 A table has been set up outside so that
23 written comments may also be submitted.

24 Numbered speaker slips are
25 non-transferable. And if you are not present or

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2 do not wish to speak when your name and number
3 are called, you will forfeit the opportunity to
4 speak.

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

10 Remember, we are here to discuss the
11 revised draft agency plan amendment proposal.
12 Any personal comments on, criticisms of, or oral
13 attacks on NYCHA personnel, resident
14 representatives and public attendees, or any
15 demeaning, discriminatory or ethnic slurs, or
16 vulgar language will not be tolerated. I, as
17 the moderator of this evening's public hearing,
18 reserve the right to immediately move on to the
19 next speaker on line if any comments are deemed
20 inappropriate. The moderator on stage is in
21 charge of the hearing, so please be considerate
22 of your neighbors and obey the moderator's
23 directions.

24 We are here to consider issues that are of
25 concern to everyone, not issues that concern

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2 only a single resident or individual. If you
3 have an issue that concerns only you or your
4 apartment, we have tables set up outside
5 specifically for that purpose. You may fill out
6 a resident response form at the table outside
7 marked residents' complaints.

8 The passing out of materials, photo taking
9 and video recordings are not allowed in the
10 auditorium; however, a general information
11 station is available outside where leaflets and
12 flyers may be displayed.

13 Additional resource tables have been set
14 up outside with information on our Resident
15 Employment Services Department, fair housing,
16 social services, citywide programs and health
17 provider, Health First, is also available.
18 Additionally, there are revised draft annual
19 plan books outside for you as well.

20 After all comments and questions are
21 presented, the chairman will provide a brief
22 summation. With that said, let's begin.

23 Charlene Nimmons, Wyckoff Gardens.

24 **MS. NIMMONS:** Hi, I'm Charlene Nimmons,
25 Wyckoff Gardens, TA president. The question

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2 that I have is I heard you mention the elected
3 officials that signed off. Is there a reason
4 for the other elected officials and why they
5 didn't sign, or was it just offered to a
6 specific group?

7 Also, I understand that we have new
8 leadership. In the past we have not been heard
9 and our voices have not been taken heed. How
10 can you ensure us that that will change? That's
11 it.

12 **MS. GILLIARD:** Thank you, Ms. Nimmons.

13 Scott Stringer, Manhattan borough
14 president.

15 (Applause.)

16 **BOROUGH PRESIDENT STRINGER:** Thanks, mom.

17 Good evening, and I'm very happy to be
18 here. I want to first start out by saying that
19 I support the federalization, and I'm going to
20 submit formal testimony and wish you good luck
21 with that. I want to commend Chair Rhea for
22 getting out there and really giving us a sense
23 of change and hope as it relates to public
24 housing, and I've enjoyed our meetings and our
25 collaboration.

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2 But I am very disturbed tonight to now
3 know that there are 3,000 people walking the
4 streets of this city thinking that they have an
5 opportunity to have an affordable housing unit
6 for their families, many who could get out of
7 the shelter system and live in a development.
8 They're walking around with these vouchers, and
9 you have yet to tell them that 3,000 vouchers
10 are not worth the money, the paper that they're
11 printed on, is the most outrageous thing this
12 agency has ever done. And I think --

13 (Applause.)

14 **BOROUGH PRESIDENT STRINGER:** The fact is
15 that you had this information since May. You
16 didn't tell the tenants. You didn't tell the
17 people who had the vouchers, and now you're
18 telling them right before Christmas where it's
19 not enough time for us to mobilize a
20 congressional delegation. It's not enough time
21 to go out there and wage a campaign. You
22 basically gave something and took it away.

23 I have sent a letter to you, Mr. Chairman,
24 to ask you to explain to all of us, city and
25 state legislators, elected officials, what

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2 exactly is happening with the voucher program.

3 It's my understanding that there are still
4 thousands of vouchers that were out there that
5 were never used that have now expired. And
6 there's a whole question of whether the agency
7 has done its due diligence to make sure that
8 these vouchers would be put to use. And I am
9 very concerned that this is not the case.

10 So I wanted to come here tonight, one, to
11 recognize new leadership, but also say that this
12 is no way to run the agency. And maybe what you
13 need to do, with all due respect, is bring a
14 team in here who doesn't let people hang by a
15 voucher. Don't let people think that they're
16 going to have an apartment and then it doesn't
17 materialize. This gives a sense of despair and
18 hopelessness to people. And we all know that
19 with more accountability, with more strategic
20 strategy and more transparency, we can get
21 everybody into an affordable housing unit.

22 Part of what you have to think about is
23 when you say that these vouchers will only
24 narrowly -- could only narrowly be used in
25 vacant apartments, I want to remind you that

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2 there are still thousands of vacant apartments
3 in NYCHA developments, and maybe we've got to
4 begin to put it all out there to start to figure
5 out how we take advantage of voucher systems,
6 build affordable housing units, build the units
7 out so they can be rented.

8 I'm going to put this in a formal
9 testimony. I do support the federalization, and
10 I ask you to please sit down with us and let's
11 have a conversation about the voucher system.
12 Thank you very much.

13 (Applause.)

14 **MS. GILLIARD:** Thank you.

15 Barbara Claiborne, speaker No. 28.

16 **MS. CLAIBORNE:** Good evening. My name is
17 Barbara Claiborne, and I'm from East River
18 Houses. I am here tonight to represent the
19 residents of East River Houses. And their
20 concern was concerning the consolidations of the
21 developments because now we're finding that a
22 lot of times the developments is not getting the
23 proper care that it needs because of lack of the
24 employees has to go to the other developments,
25 the four developments, that's connected

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2 together.

3 So we would like for you to know that
4 we're here in the best interest of our residents
5 to continue to keep public housing a safe and a
6 home for us to continue to live, and that we are
7 concerned about keeping it clean. There's times
8 that we know that we see our maintenance
9 caretakers, givers, and everyone give us the
10 best of care, and the next thing you know
11 there's other people that come back from other
12 areas that don't even live in our development
13 and mess up our place.

14 So maybe this meeting here tonight is
15 about -- it's not about this, but we want you to
16 know that we, the resident leaders, try to help
17 provide and keep our home as safe, healthy and a
18 liveable place to live.

19 And we also realize that the operation
20 budget cannot be used for the capital budgets.
21 Right now we are short of -- we need lightings
22 for the upgrading of the lightings, and also our
23 mailbox. We do have numerous complaints because
24 the seniors that's handicap, they have to go to
25 110th Street to get their mail. Many of the

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2 boxes are broken. Thank you very much.

3 **MS. GILLIARD:** Thank you, Ms. Claiborne.

4 (Applause.)

5 **MS. GILLIARD:** Mr. Joseph Garber, speaker
6 No. 29.

7 **MR. GARBER:** Good evening, chairman and
8 members of the dais. My name is Joseph Garber.
9 Being the last time we spoke on the annual plan
10 was at the public hearing on June 23rd, I
11 would like to revisit it from different aspects.

12 On Page 156 of the plan, Mr. Chairman, I
13 know you were there on June 23rd, I spoke
14 about the organization chart of NYCHA. And for
15 the most part, it still exists the way it
16 existed on June 23rd. In the Journal of
17 November on Page 3, you indicated you're looking
18 forward to organizational change. I suggest you
19 look at it very closely. There are a lot of
20 duplicative names and functions. For instance,
21 there's Office of Facility Planning and
22 Administration which specifically states it's an
23 office; however, whenever there is a board
24 submission on the calendar, it's listed on the
25 department. I think we have to try to reach a

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2 decision. If you want to elevate the office to
3 a department, fine, but you can't keep on
4 calling that an office when it's -- it's an
5 office or it's not an office.

6 Now, the board -- excuse me, the minutes
7 for December 2nd has a couple of names that I
8 can't find in the listing of the revised annual
9 plan. Ms. Minor and Ms. Gross were listed as
10 attending and are not listed in the draft annual
11 plan.

12 Now, in addition, Mr. Chairman, you were
13 asked a question on December 2nd: When are we
14 going to get the minutes? And you indicated
15 that you do not have direct control. So please
16 let me inform you that the minutes of all the
17 RAB, Town Halls, public hearings, is done by a
18 firm called Gilda Weinstein Reporting, which I
19 don't know why, since they are the only ones
20 doing it.

21 I suggest you investigate it. I don't
22 know if it's going out to bid. But Ms. Joyce
23 Harrison, who is the deputy director of resident
24 relations, is in charge of this. I feel that we
25 have to look. There are many errors over the

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2 years. For instance, if you look at the past
3 10, on Page 1 there are people listed, incorrect
4 titles, impartially in the document itself their
5 incorrect titles, and we have to look at better.

6 No. 2, the issue of the way the plan was
7 issued, I definitely agree with the pages on the
8 revision as far as multi-finance of the city and
9 state developments. But I think the timeframe
10 should have been looked at because many times
11 it's very hard with the turn around time to
12 prepare. Usually a public hearing follows five
13 Town Hall meetings. So anyway, I think that has
14 to be looked at.

15 In addition, there are areas that have to
16 be addressed, and we have to ensure whether
17 we'll submit testimony that is more inclusive of
18 resident testimony in the plan. Thank you very
19 much.

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

21 Mr. Erik Crawford, speaker 31.

22 **MR. CRAWFORD:** Good evening. First and
23 foremost, I would like to give all honor and
24 praises to God who is the head of my life, as
25 well as the last decision maker. To the

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2 chairman of the Housing Authority, Mr. Earl
3 Andrews, Commissioner López, and to the senior
4 staff, and to the moderator, Ms. Deidra
5 Gilliard, my name is Erik Crawford. I am a
6 resident leader for two of NYCHA's developments
7 here in the South Bronx -- or in the South
8 Bronx. I am also a member of Community Voices
9 Heard, and more importantly, I'm a resident of
10 public housing. Like many others, I am deeply
11 concerned about the steps the Authority is about
12 to take to take over -- to take the 21 city and
13 state developments and sell them off to a
14 partnership.

15 Mr. Chairman, I'm sure you are well known
16 from members. Your career is tremendous in the
17 corporate America, but public housing is not
18 corporate America. Our status in this political
19 world as public housing is low. We can't and
20 will not let you or anyone play with our homes
21 by playing a business deal.

22 I believe selling part of our stock into a
23 partnership to banks, mind you, that just needed
24 to be bailed out by the federal government, is
25 not the right choice to make for public housing

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1 residents.

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3 With that, there are recommendations,
4 Mr. Chairman, and to the board of NYCHA. We
5 need to forcefully try something else. We need
6 to use the law of this land to force the city
7 and state, including your boss, Mayor Bloomberg,
8 to work along with the city council to come up
9 with a timeframe and come up with a line-item
10 budget that will provide subsidy for the city
11 developments.

12 (Applause.)

13 **MR. CRAWFORD:** We need to do the same
14 thing as pertains to the state. We need to
15 force the hand of our state legislature,
16 including the governor, to make sure that the
17 State of New York provides the funding that they
18 need to provide to these state developments.

19 I believe, just like being a father that's
20 on child support here in the City of New York,
21 well, the city and state have a child to support
22 as well, that is the public housing city
23 developments that they need to take care of.

24 (Applause.)

25 **MR. CRAWFORD:** Mr. Chairman, in closing, I

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2 believe if we take a look at something personal,
3 that is the Lehman Brothers, which you once
4 worked for. They took gambles. Where are they
5 today? Gone. I don't want this gamble that
6 you're about to take with our homes to make our
7 21 developments be gone, too. So hopeful y'all
8 will consider that. Thank you.

9 (Applause.)

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

11 Assembly Member Melinda Rosenthal.

12 **ASSEMBLY MEMBER ROSENTHAL:** Good evening,
13 Chairman Rhea, Vice Chairman Andrews and Board
14 Member López, and whoever else is up there. I
15 can't see with my glasses so far, I'm sorry.

16 Hello, I'm Assembly Member Melinda
17 Rosenthal. I represent Amsterdam Addition,
18 which is home to nearly 350 of my constituents,
19 and one of the 21 developments slated for
20 federalization in this plan. I come in full
21 agreement with the rationale behind this effort,
22 that our NYCHA housing complexes have been
23 perpetually underfunded, and that the residents
24 there have had to put up with lots of disrepair,
25 including elevators, heating equipment, and

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2 other essential infrastructure. For this
3 reason, NYCHA is an excellent recipient of
4 stimulus funds that should be used to repair and
5 enhance our city's housing stock.

6 While I'm intrigued by the proposal, and
7 I'm eager to support this effort, I'm troubled
8 about several details of the plan, and I worry
9 that NYCHA will not be able to meet its
10 responsibilities to its tenants, tenant
11 organizations or future tenants that NYCHA
12 currently does serve.

13 I'm also skeptical about the intentions of
14 the three participating commercial lending
15 institutions, and I seek clarification about the
16 levels of compensation they have agreed to
17 receive in exchange for entering into this
18 partnership. I will need specific assurances
19 that my constituents affected by this proposal
20 don't suffer as a result of these administrative
21 changes in order to offer more than tentative
22 support right now for this project.

23 One potential consequence I've already
24 identified is that human service providers that
25 are located within NYCHA facilities that offer

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2 counseling, childhood education, job training,
3 and other essential services, may face
4 punitively damaging rent increases after
5 ownership of these facilities is transferred to
6 the partnership. In many instances, these
7 organizations may be forced to reduce operations
8 or vacate NYCHA facilities if these increases
9 occur.

10 Although these groups receive city support
11 through various agencies, they are specifically
12 barred from applying these funds toward rent.
13 If providers are charged rent as high as \$13 per
14 square foot that I have heard about, residents
15 may lose vital services upon which they have
16 relied.

17 I'm also worried that this procedure may
18 lead to neglect of community rooms and other
19 facilities currently maintained by the building
20 itself. This tradeoff of improved facility
21 planned facilities in exchange for a harsh
22 reduction in human care is not something we
23 should accept.

24 I also ask that NYCHA clarify its
25 arrangement with Citigroup, Bank of America and

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2 JP Morgan Chase to lay any fears the banks may
3 be profiting at New Yorkers' expense. I am
4 particularly concerned that the Community
5 Reinvestment Act that the banks expect the tax
6 breaks are derived from is granted for investing
7 in low-income neighborhoods, which is not
8 applicable, in my definition, to Amsterdam
9 Addition, which is on the Upper West Side.

10 So I call on NYCHA to demonstrate exactly
11 how these profits will occur, from what revenue
12 streams they will be derived. Failure to
13 furnish this information in an easily accessible
14 fashion will lead to feelings of apprehension,
15 exacerbate tenants' anxiety as they experience
16 this transition.

17 So while I will offer a more formal and
18 specific request for information in the near
19 future, I wish to state that I need additional
20 detail before I can vote for this initiative.
21 The federalization plan may bring legitimate
22 improvement to my constituents, present and
23 future, but this plan needs to be verified
24 before it can be trusted. Thanks very much.

25 (Applause.)

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2 **MS. GILLIARD:** Thank you very much.

3 David Jones by Mr. Bach. Good afternoon.

4 **MR. BACH:** Yes, I'm Victor Bach. David
5 Jones was unable to appear this evening. I knew
6 about NYCHA's green initiative being spearheaded
7 by Commissioner López, but I had no idea that
8 meant not turning the heat on in Manhattan
9 Center.

10 The Community Service Society is pleased
11 to support the proposed amendment to the annual
12 plan that through the Economic Stimulus Act, it
13 provides NYCHA with a one-time opportunity to
14 bring its 21 city and state developments into
15 solvency and sustainability by making them
16 eligible for federal operating and capital
17 subsidies.

18 The federalization initiative will address
19 the long-standing shortfall, the deficit of
20 \$100 million annually, in these 21,000 units on
21 which the city and state governments have turned
22 their backs on the public housing they
23 developed. And NYCHA, along with resident
24 leaders and advocates, including CSS, have spent
25 years struggling to make the city and state

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2 accountable, to no avail, even during the best
3 of fiscal times.

4 The resulting stream of federal operating
5 subsidies estimated at \$100 million annually
6 will go a long way to address the current NYCHA
7 operating deficit, and it also means that that
8 \$100 million will not be diverted from the
9 already federal developments in order to sustain
10 their operations. So they will benefit as well.

11 In all, we have applaud NYCHA for moving
12 forward on this initiative in the interest of
13 both fiscal soundness and the preservation of
14 public housing. That said, the proposal is,
15 nevertheless, a complicated proposition. We're
16 requiring the rapid disposition of NYCHA
17 properties to a new limited partnership, a
18 public/private arrangement.

19 Some of us have reason to be suspicious of
20 changing the nature of the -- the public nature
21 of this part of our public housing of
22 incorporating private capital and profit
23 incentives in our public housing investments and
24 the like; however, NYCHA has provided oral
25 assurances that it will retain a controlling

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2 interest in the properties, that residents will
3 have all the rights and benefits that public
4 housing residents enjoy, and thirdly, at the
5 expiration of a public/private partnership,
6 presumably in 20 years, the properties will
7 revert to full ownership by NYCHA as federal
8 public housing without qualification.

9 We respect the assurances provided by
10 NYCHA officials, but the reality is that mayoral
11 administrations change over a 20-year period, as
12 do NYCHA governing boards appointed by the
13 mayor. As a result, it's important to demand
14 that these assurances be provided in writing,
15 not as literature to the residents, but as part
16 of the formal agreement being forwarded by the
17 various parties so that they will be binding to
18 future administrations and NYCHA boards.

19 We also want to take this opportunity to
20 urge HUD to release the 6,400 unused Section 8
21 vouchers originally committed to the Section 8
22 voluntary conversion program for the 21
23 developments. The voucher -- the Section 8
24 vouchers, of course, are now in deep trouble in
25 terms of not having enough to sustain all

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2 voucher holders currently. Hopefully, at some
3 point in the near future, the release of those
4 vouchers will put them back into use in New York
5 City where they're badly needed.

6 So thank you very much, and we would like
7 more assurances. Thanks again.

8 **MS. GILLIARD:** Thank you, Mr. Bach.

9 (Applause.)

10 **MS. GILLIARD:** Deborah Webb, Hernandez
11 Houses.

12 **MS. WEBB:** Good evening, Chairman, and
13 everybody on stage, and everybody in the
14 audience. I thank God for allowing me to be
15 here today. My name is Deborah Webb, and I live
16 at NYCHA, 189 Allen Street, Hernandez housing.
17 I have been living here with my two disabled
18 sons for three years now.

19 I want to thank NYCHA for holding this
20 hearing today. I am here today as a member of
21 Good Old Lower East Side to testify against the
22 demolition of Prospect Plaza and any other NYCHA
23 development, especially without allowing
24 residents' input.

25 For the past three years this building has

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2 served as a safe haven affordable home for me
3 and my sons. One of my sons had nine open heart
4 surgeries and is about to have a scoliosis
5 surgery on Monday. My 15-year old son has ADHD,
6 has bipolar and schizophrenic.

7 NYCHA promised me originally each of us
8 would have our own room; however, through turn
9 around, they said it has to be domestic violence
10 and witness protection in order for me to get a
11 bigger apartment, which I have both. Still,
12 they have not transferred me to another room.
13 It is very dangerous for both of my sons to be
14 in both rooms at the same time.

15 NYCHA had asked me to watch out for drug
16 trafficking and illegal activity to keep the
17 building safe, and I have done that, but they --
18 still they can't keep my two sons safe.

19 If NYCHA can go through with a demolition
20 without due process, how do I know this will not
21 happen to my building and my family? How do I
22 know that I will not be homeless? I can't
23 afford to be homeless because I will lose my
24 children, and no one's going to make me lose my
25 children. We've been through this together.

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2 I ask NYCHA to stop the demolition
3 immediately or guarantee one-to-one replacement.
4 Hold another public hearing for public input if
5 they will stop the demolition of public housing
6 in all of New York City. Thank you.

7 (Applause.)

8 **MS. GILLIARD:** Thank you. Someone from
9 the Social Services Department will see you
10 before this evening is over.

11 Speaker No. 30, Ms. Saunders, Samuel
12 Gompers Houses.

13 **MS. SAUNDERS:** My name is Ms. Saunders,
14 and I've been living in Samuel Gompers Houses
15 for 34 years. I first want to thank New York
16 City Housing Authority for holding this hearing
17 today. I am here today as a member of the Good
18 Old Lower East Side because I'm tired of New
19 York City Housing making changes without
20 providing residents with due process. I'm here
21 today simply to speak against the demolition of
22 Prospect Plaza and demolition of all public
23 housing.

24 I spent the past weekend with my
25 grandchildren in Philadelphia. They live in

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2 Paschall Homes, a public housing development.
3 They've lived there with their grandmother who
4 has lived in this home for 44 years. Just a few
5 months ago they were told by the Philadelphia
6 Housing Authority that their homes were being
7 demolished without notice and without
8 representation. They were informed that they
9 must be out of their homes by December 24th.
10 On December 10th they were told they would
11 have to be out by Friday, which is tomorrow.

12 There's been no one to back them, no
13 senators, no congressmen. There is nobody to
14 represent them, and there's still nobody to back
15 them. They're also informed that they were no
16 longer eligible for Section 8 because the
17 Housing Authority lost some of their papers.
18 They were given two choices, either accept one
19 of the Philadelphia Housing Authority
20 apartments, all of which were in terrible
21 condition and in very dangerous neighborhoods,
22 or put their belongings into storage for one
23 year. They were not told where they were to
24 live if they accepted the second choice.

25 I'm here today testifying about New York

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2 City Housing's plan to demolish the remaining of
3 three buildings at Prospect Plaza. I did not
4 have this opportunity this past summer for New
5 York City Housing's Town Halls and the public
6 hearing. As per the federal law Quality Housing
7 Work and Responsibility Act of 1998, I should
8 have been able to have questions answered and to
9 testify on this issue; however, this amendment
10 was not yet in place in the plan at the time of
11 the hearing.

12 New York City Housing says that when
13 there's a change to draft annual plans doesn't
14 affect many people, it is an insufficient
15 amendment, and therefore, public review is not
16 required. They speak of this as numbers, but
17 what happens when you're one of those few? This
18 is the lives of over 200 people. Every person
19 should have a say so. They gave them the chance
20 to move in, and they should give them the chance
21 to move out, if they so desire.

22 If the Philadelphia Housing Authority does
23 this through demolishing my grandchildren's
24 homes, they may be homeless. I ask New York
25 City Housing not to follow in the same dirty

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2 path as Philadelphia Housing. I ask that they
3 stop the demolition of Prospect Plaza or
4 guarantee a one-on-one replacement as every
5 apartment holds another public hearing for input
6 and that they stop the demolition of public
7 housing before New York City Housing --

8 **MS. GILLIARD:** Ms. Saunders, thank you.
9 Someone from my management department will meet
10 with you.

11 Mr. Milton Bolton, Prospect Plaza Houses.

12 **MR. BOLTON:** Good afternoon, everyone.
13 How are you doing, Mr. Chairman? Mr. Andrews,
14 it's been a long time.

15 For the past four years no one have been
16 in touch with me. I went to the public
17 advocate. I went to the senate. I went to a
18 whole lot of people. And public housing, you
19 guys, you know, like y'all say we're going to
20 move out, you guys going to move us back in,
21 you're going to re-renovate and everything, we
22 believed you. We really did. But I don't trust
23 housing. Like I said before back in 2003, at
24 first we had believed you that you guys were
25 going to actually renovate the place and move us

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2 back.

3 Our city council at the same time, you
4 know, said that she put \$10 million into public
5 housing for the program also; however, that was
6 the old one, Tracy Boyland. Our new one,
7 Darlene Mealy, just said that she just put
8 \$20 million in. And I know we had 21.4 million.
9 I know you had to use some of that money to do
10 certain things.

11 But also, what about the capital fund that
12 for the past three years like '99 -- or '99 say
13 2000, 2001, 2003, those three years that you
14 were still getting the money for capital
15 improvement, what happened to all that money
16 coming in? And then the monies that you guys
17 had leveraged from different places, you brought
18 development corporation to help us out and
19 everything. The development corporation, they
20 were getting paid all of this time, and next
21 thing you know they just decided to walk off.

22 Look, nobody want to be homeless. We, you
23 know, like a lot of y'all's stuff, but at the
24 same time, we always been praying that you guys
25 would come along and do the right thing. When

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2 are you guys going to actually do the right
3 thing because like the same thing is that I have
4 been asking everyone before, if you tear it
5 down, Prospect Plaza, we want one-for-one, just
6 like you did -- you said in the plan that you're
7 going to do. That's all we want.

8 (Applause.)

9 **MR. BOLTON:** We want you to do the things
10 that you said in that book that we have, the
11 application, and what we said our commitment and
12 all that. We did what you asked us to do. We
13 moved out. We had 40 people who died. They
14 died. Some died from cancer, some others died
15 from other stuff. But the thing is that these
16 people are dead. There is no one talking for
17 them but me now. We have people who are sick.
18 I'm talking for them, too.

19 **MS. GILLIARD:** And Mr. Bolton --

20 **MR. BOLTON:** We have -- no, one more
21 thing.

22 **MS. GILLIARD:** Okay.

23 **MR. BOLTON:** We asked for one thing so
24 that we could be able to mail out mail to our
25 tenants. No one has step forward and gave us a

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2 budget just to do that. This thing is
3 ridiculous. But the thing is that I just hope
4 that you guys meet with us. And Mr. Chairman, I
5 would like to have four people and meet with you
6 privately.

7 (Applause.)

8 **MS. GILLIARD:** We heard your concerns.
9 Thank you, Mr. Bolton.

10 Speaker No. 34, Leo Falk, Harborview
11 Terrace.

12 **MR. FALK:** My name is Leo Falk.
13 Mr. Chairman, from your answer, for 15 years for
14 tenants practically not much will change. But
15 what happened after 15 years? I don't
16 understand.

17 So you told that NYCHA retains the right
18 to -- exclusive right to buy back the housing
19 after 15 years, but I have a premonition that
20 you won't be able to afford it. So what will
21 happen after 15 years? What should we expect as
22 tenants?

23 And generally, I give everybody all your
24 verbal assurances, beautiful as they are, they
25 always will stay as verbal. So sometime I agree

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2 with the previous -- with many previous people
3 who told that in writing should be provided
4 something.

5 **MS. GILLIARD:** Thank you, Mr. Falk.

6 Lisa Burriss.

7 (Applause.)

8 **MS. BURRISS:** All right. I'm going to
9 give a little disclaimer because I have been
10 coming to these hearings over five years now.
11 It was so confusing to participate in this
12 process because the Housing Authority hadn't
13 adhered to the draft annual process, which
14 requires a 45-day notice to the public to review
15 and comment on the draft annual plan.

16 When you said I could ask questions, I was
17 thinking, well, okay, this is going to be a Town
18 Hall part. So I really just think that this
19 should only then be about the federalization of
20 those city and state developments, and then
21 there should be a whole other public hearing
22 where residents have real due process.

23 So I have two concerns: The future of
24 public housing stock in New York City, and then
25 also residents' opportunities to speak and

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2 engage in decision-making processes that shape
3 their future in public housing.

4 We have people here that were concerned
5 about the demolition of Prospect Plaza. This is
6 real because residents have questions that were
7 supposed to be -- that could have been answered
8 at Town Hall hearings. They're not provided
9 with these opportunities. So they have real
10 feasible concerns about their future and NYCHA
11 putting in the one-liner about their building
12 being demolished. There is no reassurance of
13 that.

14 With that said, let's get to the
15 federalization of the city and state
16 developments. You know, it sounds like a good
17 plan on paper, but that's what it sounded like
18 at Prospect Plaza in 1998. Everything sounded
19 good on paper.

20 I would like for the Housing Authority to
21 define significant -- the criteria for
22 significant amendment and standard deviation so
23 that residents could know about -- so they could
24 have true input on any changes. You don't have
25 any real assurances that they won't use these

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2 practices to make changes about the
3 federalization of the 21 city and state
4 developments. We don't have that reassurance.
5 So like everyone stated here, some enforceable
6 documents that residents could see. Maybe add
7 that to the list of the documents that are
8 available -- the supporting documents that you
9 have for the final plan.

10 Consider always working with the residents
11 as we move forward. You know, we worked with
12 y'all to get the money for the (inaudible). New
13 York City Housing Authority, they are an
14 outstanding housing authority. They're high
15 performance, and they should get that money so
16 that they could improve the lives and conditions
17 of residents in public housing. So we stood
18 beside y'all to get that funding. We want to
19 stand beside y'all when you make plans like
20 these as well.

21 So I'm hoping that we could, again, we
22 have another public hearing solely about the
23 changes that you made to the draft annual plan.
24 And this hearing should have been solely about
25 the federalization. I was confused. I was

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2 confused.

3 So I have those questions, and I'm also
4 going to forward some more questions in writing.
5 That's it. Thank you very much.

6 (Applause.)

7 **MS. GILLIARD:** Thank you, Ms. Burriss.

8 Albert Valentine, Linden Houses.

9 **MR. VALENTINE:** Thank you. In Linden
10 Houses, which is a 1,580-unit development, our
11 councilman, Charles Barron, in his first term of
12 office, he secured funds to build us a center.
13 The Housing Authority got the money. Now
14 Charles Barron is in his third term. We still
15 have nothing. The excuse that we were given is
16 that the Housing Authority couldn't fund the
17 staff.

18 Years ago in Linden Houses we used to use
19 the cram rooms, the carriage rooms as they were
20 called. And with the association and tenant
21 patrol, we used to provide recreation, tutorial
22 service and everything else for the youth of
23 that time. Today we have nothing, not even a
24 cram room.

25 I would like to know what happened to the

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2 money for the center. And we are facing some
3 real issues. In that development what we have
4 now is Bloods and Crips, right. And to get to
5 these young people today, we need some type of
6 outlet for them.

7 This summer we had a basketball tournament
8 in the park because we have no other outlet
9 except Linden Park. During the entire summer we
10 didn't lose any lives. The Bloods and the Crips
11 was playing each other and whatnot, and we lost
12 no lives. As soon as the summer was over, we
13 had three shootings in Linden, one in Boulevard
14 across the street, and it's just going idle. I
15 would like to know what happened to the money
16 and what are y'all going to do. I mean, we will
17 staff it ourselves if we have to.

18 In reference to the representatives that
19 was made that is support of many of these plans
20 that you're going over, I would like to know
21 what areas do they represent. I didn't hear any
22 of the names from the inner-city politicians and
23 whatnot. It kind of sounded like upstate.

24 That's basically the questions that I
25 have.

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2 **MS. GILLIARD:** Thank you, Mr. Valentine.
3 Barbara Ellis, Williamsburg Houses.

4 **MS. ELLIS:** Hi, I'm Barbara Ellis, and
5 I've lived in Williamsburg Houses ever since I
6 was 19-years old. I'm now the age of 52 and I
7 don't look my age. I raised my daughter there.
8 My daughter has three houses, three businesses,
9 three jeeps.

10 I've been terribly tormented by gang
11 members in Williamsburg Houses stalking me,
12 trying to take my bags, following me around, and
13 the apartment is very deplorable. I have no
14 kitchen sink. I have four mice. I have -- the
15 whole apartment is just totally demolished, and
16 it needs all types of specifications. I had
17 social workers come in and said that I was
18 incomparable. Do I look like I am incomparable?
19 I'm here.

20 **MS. GILLIARD:** Well, we have management
21 staff that can address your concerns this
22 evening immediately. So someone from management
23 will talk to you right now.

24 **MS. ELLIS:** Thank you.

25 **MS. GILLIARD:** Thank you.

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Ms. Hardy, Wise Towers.

MS. HARDY: I applaud your idea to try and innovate the funding of housing. That's nothing wrong with that, but I listened to everybody else here, and I listened to one person make a valid point about that 15-year honeymoon period, and then after that you reserve the right, but what does that mean?

And then I listened to another person talking about, well, demolish, don't demolish, demolish. But let's first face it, some of these buildings are very, very deplorable and in bad need of repair and they need to come down.

The human factor is the thing that we're trying to talk about where we come up before you. We're talking about human beings. Not all of us are gang members, drug dealers or stupid.

(Applause.)

MS. HARDY: A lot of educated scholars come out of the projects, and you lose sight of that. A lot of people go on to public service and they become rich and their constituents remain poor, and that is something that this country was not put together and it's not about

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2 all that. It's a human factor.

3 And then, two, you have a great vision
4 with refinancing and revitalizing housing, but
5 you have to have a balance. You have to have it
6 where it works for the people that you intended
7 it to work for. If they don't have some place
8 to stay while you're demolishing some place,
9 your plan is invalid.

10 (Applause.)

11 **MS. HARDY:** If you want your vision, and I
12 believe it's a good vision, to go forward, then
13 you have to look at the human factor. Where are
14 all of us going to go? And I'm saying that just
15 because we're from the projects doesn't mean
16 we're low class or low grade. There are a lot
17 of good God-fearing people in New York City
18 Housing Authority.

19 (Applause.)

20 **MS. HARDY:** And, yeah, we have our faults
21 and we may not have gone to Harvard like Obama,
22 but we're still human beings, and God gave us
23 life, and no one has the right to say who is
24 valid and who is not.

25 So in order to have a good plan that you

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2 do have -- and I give you credit for it. That
3 was an amazing plan you came up with, go
4 forward, try and save housing for people that
5 can't afford \$3,000 in rent because I know I
6 can't, and I work for the City of New York.
7 Please, do so with the human factor in mind.

8 There are people talking about their
9 families about to get evicted or they're going
10 to lose an apartment for demolition purposes,
11 and if they need something to be done, let it be
12 done. Don't let the red tape and all this
13 bureaucracy stop that.

14 Furthermore, you spoke to me about
15 A. Phillip Randolph and all these places that
16 have been named landmarks and that the state is
17 blocking you from doing the needed work on them.
18 You got to factor in all these things when you
19 put your plan forward. You have to put that
20 human factor in there and get all these things
21 taken care of or your vision is not going to be
22 a real vision, it's going to be a nightmare.

23 **MS. GILLIARD:** Thank you, Ms. Hardy.

24 (Applause.)

25 **MS. GILLIARD:** Mr. Arzu. Arnaldo Arzu.

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2 **MR. ARZU:** Yeah, this is about the
3 privatization of New York City Housing. I know
4 developers, when they come to develop, they come
5 to make a profit. I don't know too many
6 developers who come to take losses. And when
7 they come, they usually come asking to rezone.
8 And with the area medium income and the rezoning
9 of these new buildings that's supposed to be put
10 on public housing property, the rent is going to
11 be just astronomical. We're not going to be
12 able to afford. What kind of rent assistance
13 are you trying to provide for the tenants that
14 are there and living there now? These buildings
15 are supposed to be managed by these developers,
16 so I would like to know how it is this is going
17 to help the tenants that live in these houses.

18 Also, most of the tenants that live here
19 is faced with a lot of problems in the projects
20 itself, like urination and the staircases and
21 feces in the staircases. We need to address
22 issues that is causing health problems for the
23 tenants that's living in the public housing now.

24 And all this is going to be done and
25 trying to build new houses on these properties,

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2 I just really can't see how this is going to
3 work. The only way it could work is if you
4 start with the people who live in the community
5 first who's interested in building. Like the
6 lady said, not everybody came from Harvard, but
7 we do have people who is invested in the
8 community and very much interested in building
9 in it.

10 (Applause.)

11 **MS. GILLIARD:** Thank you, Mr. Arzu. This
12 is similar to the comments that you made at the
13 first --

14 **MR. ARZU:** Yes, yes, it is. Yeah, but
15 I'm, you know, bringing more different points,
16 like, you know, like, rezoning. Rezoning, bring
17 the property value up a thousand percent. You
18 know, like how can you actually expect people to
19 have to come up with a thousand percent increase
20 in, you know, living quarters, or living
21 conditions.

22 And this is one of the worst financial
23 crisis we have here coming up. It's just no way
24 out of it for us, and then we being supposed to
25 be helped from public housing and we being

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2 crucified. It's like where is the help coming
3 from?

4 And how can you -- or any which way that
5 we can make any kind of laws which benefits the
6 people who been living in public housing for
7 over 20 years, it's people living in housing 20,
8 30 years in who don't have no kind of security
9 for they-self. They just have to not sleep,
10 worry at night whether their building going to
11 be demolition or whether they going to have to
12 pay extra rent. We need some security. We need
13 our elderly people to sleep well, you know. It
14 would benefit everybody if they can sleep well
15 at night, you know.

16 (Applause.)

17 **MS. GILLIARD:** We appreciate your
18 comments. Thank you.

19 Ms. Roxanne Reid, Castle Hill Houses.

20 **MS. REID:** Thank you. I'm back again.
21 Well, I'm going to address -- okay, I know you
22 got all this money for Castle Hill. That's a
23 beautiful thing. One of the buildings at Castle
24 Hill have not received their new stoves. 530
25 Homestead, and that's the only building that did

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2 not receive their new stoves. Everybody else
3 did. And they have been waiting for almost six
4 months now, maybe three, four months for their
5 new stove.

6 The next thing. At night, sometimes
7 around six, seven, I walk through the
8 neighborhood, and I know that we got -- like I
9 said, where this money is coming from or it's
10 supposed to have been there or whatever. We
11 don't have much lightings around the area. It's
12 dark in some of the buildings as I walk around
13 and check at night. There's no lights on the
14 side of the buildings where the people got to
15 come in, you know.

16 And I made calls to 707, put ticket
17 numbers in. So y'all can check it and find out
18 because y'all will have my name up there; got to
19 let them know I'm the TA president from Castle
20 Hill. And it's dark in the area, and it's bad
21 for the people that live there because something
22 could happen to them.

23 You know, another thing I would like to
24 address, too, is that we have the cameras in our
25 area. How come they're not catching these

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2 people vandalizing and breaking the doors? And
3 we just got new lights put up in the complex,
4 which I'm trying to find out who is vandalizing
5 the lights in the building, you know.

6 We try to keep the building -- the
7 neighborhood picks up and we try to keep it
8 together. But we got people that's coming in
9 and vandalizing it, you know, because they
10 thinking it's cameras because there is no light
11 there. That's a backup. It's a generator, you
12 know. It could be a blackout for the lights.

13 So I want to know if it's possible if we
14 do catch these people and we get these people,
15 report them, how long is it going to take to get
16 rid of them? Thank you.

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

18 Someone --

19 **MS. REID:** That's all. I'll leave that
20 with you. And I'm going to leave this with you,
21 too. People moving out, people moving in. Why?
22 Because of the color of their skin. So we can't
23 run, we got to hide.

24 (Applause.)

25 **MS. GILLIARD:** Thank you.

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Laurine Berry, speaker No. 41.

MS. BERRY: Good evening, Mr. Chairman.

My name is Laurine Berry. My situation may not be as grave with everybody that's losing their apartments because your demolition, but my issue is very serious.

We have an issue in housing that your skilled trades are not coming out to do the necessary repairs. I have residents that's sitting with no cabinets, a sink. This is a holiday coming in. They're told a team is coming out to look at the place, they haven't been. I have been making calls to the borough asking. Unfortunately, I mean, my borough administrator, unfortunately, is very tied up. I know he is working very diligently, but we can't not get these repairs done in our development.

Now, I understand what's wrong. You say you're hiring people, so where's your skilled trades? They should be in place. There is no reason why I think across the city of housing there is a problem. There is a skilled trade situation here, a skilled trade situation there.

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2 I want to know why my residents have to
3 sit with no cabinets and sinks and things that
4 need repair. They're telling me that May 2010,
5 2011 they may get to them. So think about it,
6 you're going to sit down for Christmas, have
7 your dinner, no cabinets, no sink, whatever may
8 be. If you feel that's fine, then you live with
9 it. But I don't think my residents need to live
10 with it.

11 So I'm speaking for residents in my
12 development. I'm not standing for it. If it
13 doesn't get done, I told my residents you take
14 the next step and I'm right there with you, and
15 we'll go forward because I don't think it's
16 fair. It's not healthy. Thank you.

17 **MS. GILLIARD:** Thank you, Ms. Berry.
18 Someone from management will speak with you.

19 Mr. Luis Sosa, speaker No. 42.

20 **MR. SOSA:** Good evening, ladies and
21 gentlemen. I want to say thank you for New York
22 City Housing Authority to help people to provide
23 the privilege to people who have no place to
24 live and family. Thank you for the letter, you
25 know, to go to help people to do official, and

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2 the resources to help people -- to help people
3 to have place to live.

4 I also -- I say thanks for all leader to
5 represent and to official and to New York City
6 Housing -- New York City Housing Authority to
7 help people to -- to help people who no have no
8 family to need help to provide the people there
9 to live in apartment in New York City.

10 Thank you.

11 **MS. GILLIARD:** Thank you.

12 Our final speaker, Mr. Wayne Walcott,
13 Albany Houses.

14 **MR. WALCOTT:** Good evening, everyone, to
15 the chairman, especially our new chairman. I
16 hope that this change bring about some positive
17 change for tenants because in the past the
18 experience has been kind of frightful.

19 Now, the problems that we have here, we
20 are kind of misunderstanding. We have a
21 government of, for and by the people, and the
22 people happen to be different classes. When the
23 government, like the president, the mayor, the
24 state people speak about the American people,
25 have they ever referred to the poor people? In

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2 fact, throughout this election campaign with
3 Obama, never once was the word poor used.
4 Middle class. What is middle class? We have
5 poor people. Housing was made for poor and
6 low-income people. Housing is a right, not a
7 privilege. We don't have to be begging for this
8 thing, but it turned out to be that.

9 Now, a lot of these housing developments
10 happen to be (inaudible). So Mr. President,
11 Mr. Chairman, my enthusiasm. I hear you come
12 out of Lehman Brothers, these wheeler and
13 dealers that have us in the problem that we be
14 in. I hope you didn't bring that attitude
15 because we want changes different to what they
16 did. Because -- well, no, let me don't say
17 that. Because the fed chairman that was in
18 charge of New York is now our treasury
19 secretary. So it means when you looting and
20 shooting (inaudible.)

21 We are here. A lot of things happening
22 for tenants. Unless we get organize, these
23 things will take place. Maybe Moses was a
24 former NYCHA head because all of us living in
25 the promised land. This can't be going on for

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2 any longer, and I hope that you could bring
3 about the changes to define these things. We
4 cannot be going on like that.

5 We in the heat season. The heat complaint
6 is always major. When we not in the heat
7 season -- like the guy from Linden Houses, a
8 community center been promised for years. A
9 community center is one of the main things in
10 any development. We don't have proper
11 facilities in the community. Some have
12 community centers. Summertime is one of the
13 main times that the youths need these places.
14 We need it right through the year with proper
15 organization and programs, but it's something
16 that definitely need to be looked in.

17 Again, I say we, as poor people, are
18 paying for the crimes of the rich, and it's time
19 for this to stop. We have an agenda working
20 above our head that we didn't design, but we
21 carried the boatload for it. Please, I have to
22 put my hope and trust back into the hands of the
23 executive, the same body that responsible for
24 the position. A lot of people benefited, but it
25 don't trickle down to the poor people down on

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2 the bottom.

3 **MS. GILLIARD:** Thank you, Mr. Walcott.

4 And now a summation from our chairman,
5 John B. Rhea.

6 **CHAIRMAN RHEA:** Thank you. I just want to
7 start by expressing all my appreciation for the
8 comments, the questions. This forum is
9 absolutely about NYCHA being transparent with
10 all of the residents, community advocates,
11 elected officials, about what we're doing to
12 preserve public housing for your benefit, and
13 obviously, with the plan to move forward on the
14 mixed financing rehabilitation and modernization
15 effort through the federalization strategy is
16 something that, obviously, is a great
17 opportunity for NYCHA, but we understand that it
18 comes with a lot of questions from each of you.

19 So I appreciate the spirit in which all of
20 you presented your questions and your comments.
21 I want to acknowledge that. I think it was very
22 constructive, and it shows all of your
23 commitment to maintaining our communities as
24 vibrant and safe and secure.

25 I want to start by responding to

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2 Mr. Crawford, who is concerned about this mixed
3 financing modernization strategy as the way to
4 get long-term federal support for the 21 city
5 and state developments.

6 I want to start by reminding everyone that
7 currently we don't receive any funding for those
8 21 city and state developments from the state,
9 the city or from the federal government today.
10 So we have to come up with a long-term funding
11 stream to support those developments. It costs
12 us roughly \$100 million a year, which is two
13 thirds of our annual \$150 million deficit that
14 we operated with that are directly related to
15 not receiving funding for those developments.

16 NYCHA, in partnership with elected
17 officials and many of you in this room, your
18 tenant representatives, Citywide Council of
19 Presidents, the Resident Advisory Boards and
20 other New Yorkers, have lobbied and advocated
21 for over 15 years to try and force and compel
22 the state and the city and others to either take
23 responsibility for the developments, or for the
24 federal government to step up and take
25 responsibility for the developments. Those

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2 legislative strategies have been unsuccessful,
3 not for a lack of effort on the parts of very
4 strong advocacy in Senator Schumer,
5 Congresswoman Velazquez, who continue to sponsor
6 legislation around federalization.

7 But in order for that to pass, we need
8 support from all the other elected officials
9 around the country. And it just can't be done
10 from support from New York elected officials.
11 And to receive an additional \$100 million to
12 support the city and state developments has been
13 a difficult push in congress and in the senate
14 and to receive the support from other elected
15 officials, which it would require from other
16 states. So that has not been successful, but
17 not for a lack of trying.

18 As it relates to compelling the city and
19 state, we sued the state to compel them to
20 continue to fund the state developments that
21 they built. And the courts upheld the state's
22 right, as a legislative body, to appropriate or
23 not appropriate. You elect people; you send
24 them to Albany. They're assemblymen. They're
25 senators. They decide what to appropriate for

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2 and what not to appropriate for. And that was
3 upheld by the courts as the right of the state
4 to choose to support and fund the developments
5 or not. So we tried recourse through the courts
6 and we were unsuccessful. And we continued to
7 try legislatively and have been unsuccessful.

8 The second approach was to use Section 8
9 to convert 8,400 of the 21,000 units in the city
10 and the state developments to Section 8 as a way
11 to generate close to \$75 million of
12 additional -- or revenue, I should say,
13 operating support for the developments, and that
14 has been partially successful.

15 Public housing residents have not been
16 very excited about converting from public
17 housing to Section 8, even though there are many
18 benefits to having Section 8; it's portable and
19 other advantages of having Section 8. Public
20 housing residents have decided that they prefer
21 to remain in a traditional public housing unit.

22 We were entered into a voluntary
23 conversion agreement, which meant we would not
24 compel people to convert from public housing to
25 Section 8. We've honored that. But 2,000 units

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2 have converted to Section 8, either because some
3 people chose to convert, or, as the unit became
4 vacant, we transferred and converted it to
5 Section 8 when the new Section 8 tenant moved
6 into the former public housing unit. 2,000 of
7 the 8,400 units have been converted, and that's
8 generated \$20 million of annual revenue for the
9 Authority to use to support these developments.
10 It was a partially successful plan.

11 Given the challenges around the
12 availability of Section 8 vouchers in terms of
13 new vouchers, the likelihood of our ability to
14 convert the remaining 6,400 is seriously in
15 question over the three-year conversion period.
16 We're already well through a full year of
17 conversion, and we're obviously not saying the
18 conversion rate is high, and we have challenges
19 around voucher availability.

20 So we have tried legally through the
21 courts, legislatively through both the state as
22 well as the federal level, and then we tried the
23 Section 8 program as an alternative. Although
24 partially successful, it has not provided the
25 full solution. So we still find ourselves with

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2 a tremendous multi-million dollar annual deficit
3 of roughly \$90 million associated with the city
4 and state developments that we must fix because
5 it puts all of NYCHA public housing at risk.

6 We can't operate forever losing
7 \$150 million a year. It means we have to take
8 that money out of the capital program to support
9 the operating budget. If you take the money
10 from the capital program, you can't fix
11 elevators, you can't fix roofs, you can't fix
12 the building envelopes.

13 So we have to have a strategy here, and we
14 believe that this is a very sound strategy, and
15 one that not only provides money today, over
16 \$300 million to do renovation modernization work
17 today, but also will provide close to, if we're
18 successful at converting all of them through the
19 federalization strategy, close to \$100 million
20 of additional money every single year to support
21 both operating and capital requirements at these
22 21 city and state developments. And it allows
23 the money that we've been taking from the other
24 315 developments across the city now to receive
25 their full share of the money that they receive

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2 on an annual operating and capital contribution
3 to go to supporting those developments. So it
4 has a benefit not just for the 21 city and state
5 developments, but for all NYCHA residents in all
6 NYCHA developments.

7 So I appreciate the comment, Mr. Crawford,
8 and we will continue to pursue this. And we
9 hope we're successful at it. We have a lot of
10 hurdles to get over to be successful at it. And
11 if we're not, we won't stop here. We'll find
12 something else because we must have a solution
13 for the \$150 million annual deficit.

14 Question about community centers and what
15 will this federalization plan do to community
16 centers charging rent and the programs that are
17 operating. The federalization plan, the mixed
18 financing modernization plan, in no way impacts
19 community centers. I stated it earlier. I
20 stated it in the presentations that we have
21 given to elected officials and the presentations
22 we gave to the CCOP and the RAB, and the
23 presentations we gave on December 8th to each of
24 the 21 affected developments, that only the
25 buildings will be part of the partnership. All

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2 of the actual land, all of the development
3 rights, all of the community centers, all of the
4 parking lots, none of those things will go into
5 the partnership. NYCHA will continue to own all
6 of those things outright. So community centers
7 will not be affected.

8 Having said that, we are looking for ways
9 to support the cost of the community centers.
10 NYCHA does not receive money from the federal
11 government to operate our community centers.
12 They don't provide us with additional capital
13 dollars for the community centers. They don't
14 provide us with any operating money to support
15 the staff that runs the community centers. So
16 NYCHA spends \$75 million a year on community
17 operations that we have to take the money from
18 our overall operating budget, which is given to
19 us to support the actual developments
20 themselves.

21 So we need to find new ways to generate
22 money to support the community centers. One of
23 those ways is to charge rent to the operators
24 who are in our community centers. The person
25 who brought this up was concerned that city

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2 council doesn't provide or allow for the
3 operators to actually pay rent. That is not
4 true. In many cases, operators who are in our
5 community centers actually do receive money to
6 pay rent, and they don't pay the rent to NYCHA.

7 So there's an issue of equity here. That
8 means we cannot maintain those centers in good
9 physical standards and conditions if we don't
10 receive funding for them. And operators who
11 receive funding should have a responsibility to
12 pay rent that they can afford in order for us to
13 be able to maintain those facilities, and to
14 support the Community Operations activity that
15 NYCHA doesn't receive federal funding for.

16 Mr. Bach from CSS, we want to just
17 reiterate that the 21 city and state
18 developments will remain federal public housing
19 as part of the mixed financing modernization
20 plan. At the end of the 15-year tax period, the
21 credit compliance period, I want to reiterate
22 again that NYCHA will have the right to
23 reacquire title to the properties outright at
24 each of these developments.

25 Now, that will be spelled out in language

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2 in multiple documents that affect the
3 partnership and affect the transfer, selling of
4 these developments into the partnership.

5 Someone's concerned that at the end of
6 that period NYCHA won't have the money to
7 repurchase the properties. First of all, it's
8 our right to repurchase them. We don't have to
9 repurchase them. They can remain in the
10 partnership with NYCHA continuing to be the
11 managing partner and controlling partner of the
12 partnership and operating the way we will during
13 the 15-year period.

14 There is nothing that requires us to
15 collapse the partnership. We could continue to
16 have the operating agreements and the
17 partnership in place and to continue operating
18 them as public housing beyond the 15-year
19 period. But we will have the right. It's our
20 right that has value to us, to NYCHA residents,
21 to buy them back from the partnership, if we
22 choose to.

23 And the price at which we will buy them
24 back at will be at fair market value, and that
25 market value will only be based upon the use of

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2 these buildings as public housing. So it won't
3 be a fair market value if you wanted to turn
4 these into luxury condos or you wanted to tear
5 them down and build some other purpose on the
6 property, which then could, obviously, inflate
7 the value it. It will be at the value to be
8 solely used as public housing. So that gives us
9 significant protections as to what that purchase
10 price will be.

11 Additionally, NYCHA will hold the debt
12 that's associated with these properties, which
13 is a loan that we're making to these properties
14 as part of the transaction. As we put money
15 back into the developments, that is done in the
16 form of a loan to the partnership, and it's done
17 to give us protections because it means that if
18 a third party wanted to come in and to try, if
19 we couldn't raise the money -- and that was a
20 concern that a third party would want to come in
21 and then buy the developments. They would have
22 to actually pay NYCHA for all of the debit that
23 we loaned to the partnership, which would be a
24 very, very large number. Which, given that,
25 they would have to maintain them as public

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2 housing and can't raise rents and have to
3 actually only receive the rents that public
4 housing residents pay. They would not be able
5 to finance and raise the money to basically
6 payoff all of NYCHA's debt to buy it out from
7 under us.

8 So there will be a number of protections,
9 both financial and contractual and legal, that
10 will give us the protections not only our right
11 to buy it back, but to ensure that the purchase
12 price is reasonable and one in which that NYCHA
13 will have the capacity to execute.

14 There was a question about the Linden
15 Community Center and the money that Council
16 Member Barron has put forward to develop that
17 community center. NYCHA did not take the money.
18 The \$4 million is still -- I think the actual
19 number is closer to \$3 million -- is still being
20 held by city council in their budget for a
21 community center at Linden.

22 The other side of the equation is that the
23 community center costs \$11 million to build, not
24 \$3 million that Council Member Barron's
25 successfully been able to have allocated for the

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2 construction of that community center. So we
3 still have to find an additional \$8 million to
4 build the community center.

5 We would love to see a community center
6 built at Linden Houses. But as I said before,
7 we do not receive money from the federal
8 government, from the city, from the state, or
9 from anyone else to construct community centers,
10 unless it's actually appropriated by city
11 council in this case, which they have done
12 \$3 million, but we need 11 million.

13 NYCHA hasn't taken the money. The
14 \$3 million is still available for the community
15 center, and we would love to find ways to raise
16 the additional \$8 million. That will only get
17 the center built. Then the center's got to be
18 operated and paid for. You have to hire staff.
19 There's no operating budget right now for the
20 Linden Community Center, even if we raised the
21 \$11 million.

22 Community centers are costing us anywhere
23 close to -- from half a million to a million
24 dollars a year to operate. So that's
25 incremental money to operate the community

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2 centers that we don't have a dedicated source of
3 funding for. Again, these are real dollars and
4 cents issues. NYCHA would love to build a
5 community center at Linden. The community
6 deserves a community center.

7 There were specific questions around
8 Prospect Plaza. I understand, and I've only
9 been in this role for about five months now, but
10 I understand that Prospect Plaza has been a long
11 and winding road, and it has had a tremendous
12 impact on the lives of the residents who were
13 displaced as part of the Hope VI redevelopment
14 plan.

15 When I came in and I looked at projects
16 that have been on the drawing board that had not
17 been completed and had been going on for
18 multiple years, one of the first projects I said
19 we need to get our arms around this and
20 understand how we can complete the commitment
21 that was made to displace Prospect Plaza
22 residents in the community. This was high and
23 at the top of the list. So a decision was made
24 in the past few months to aggressively move
25 forward with the third phase of the plan, which

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2 is the remaining three towers.

3 I want to point out some very positive
4 developments in the Prospect Plaza plan. It was
5 a three-phase plan. The first two phases
6 involved 150 brand new rental units that have
7 gone up and successfully been completed, and
8 low-income residents live in those units today,
9 many who were former Prospect Plaza residents.
10 We also have 37 new homeownership units,
11 two-family units that went up that former
12 Prospect Plaza residents were successful at
13 buying their first home.

14 The first two phases of the plan, to the
15 letter, have been honored and are very, I think,
16 an incredible contribution to the overall
17 community there.

18 The third phase of the plan was to
19 redevelop the three towers. Those towers have
20 been vacant now for over I think seven, eight
21 years, at a substantial cost to maintain vacant
22 towers. It's a public hazard for crime, for
23 health, a lot of things. So we need to deal
24 with those towers, not just in the most
25 expedient and efficient way, but in a way in

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2 which at the end of the day it will result in
3 things that the community can be proud of.

4 The towers will only allow us to do 150
5 units. People were stating one-on-one
6 replacement. The plan now, if we tear the
7 towers down, is to be able to develop -- excuse
8 me, it was 250 units we could do if we redevelop
9 the plan, now it's to do almost 350 units. So
10 by bringing the towers down, we can develop more
11 affordable low-income housing.

12 Now, the real point though is that people
13 felt that they hadn't been consulted. I want to
14 make a couple of comments on that. First of
15 all, I've had a number of conversations with the
16 elected officials for Prospect Plaza's district.
17 They are very supportive of us getting this
18 project moved forward, and they are expecting,
19 as we will honor, a substantial amount of public
20 discussion around Prospect Plaza.

21 We already have had one meeting with the
22 former representatives from Prospect Plaza and
23 their board, and we have another one scheduled
24 for the middle of January. And then on
25 January 25th we actually have a public hearing

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2 at 6:30 in Reverend Brown Houses to begin to
3 discuss in greater detail the plan for Prospect
4 Plaza going forward.

5 The demolition will take 11 months to be
6 approved and completed, so there's a lot of time
7 to discuss this before these towers are torn
8 down, and for residents, displaced residents,
9 broader community around Prospect Plaza to
10 understand NYCHA's plan and how this benefits
11 the community, former displaced residents who
12 want to return, as well as new residents who are
13 of low-income means who would like to move in a
14 redeveloped Prospect Plaza neighborhood.

15 So there will be a lot of discussion about
16 this as we move forward. We are confident that
17 as we lay out the plan, people will be excited
18 about what we have in store for Prospect Plaza.
19 And the first two phases of the plan, NYCHA kept
20 its commitment. And I think the goal now is to
21 complete the entire plan, Phase III of the plan
22 as well.

23 Ms. Rosenthal, Melinda Rosenthal for
24 Amsterdam Addition, says she's skeptical about
25 the banks. That's something that we appreciate.

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2 We are not going into a transaction on a hope
3 and a prayer that the banks will do the right
4 thing. We are going to contractually, and
5 through regulatory means, protect your rights.
6 And that's our job, to ensure that the agreement
7 that ultimately will be made -- which was her
8 next point. She wants it to be publically
9 disclosed, what the banks will receive in terms
10 of compensation and the agreement that governs
11 the partnership and the relationship with the
12 banks. All of that will be publically
13 disclosed.

14 These won't be secret documents. These
15 will be documents that will be publically
16 disclosed. The conversations arrangements will
17 be public. The partnership structure will be
18 public. The operating agreements that govern
19 how NYCHA continues to operate the developments
20 will be public. So these documents will be made
21 public in a timely fashion when they are
22 negotiated, and all of the agreements that are
23 associated with the partnership will also be
24 made public.

25 There was concerns about the draft annual

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2 plan and the process to amend it. And I think
3 Ms. Burriss specifically brought up the fact
4 that there's supposed to be 45 days for the
5 public notice, and then the public hearing on
6 changes to the annual plan. That is true,
7 unless stimulus money is involved.

8 This plan that we're proposing in the
9 mixed finance modernization federalization
10 strategy is being done using federal stimulus
11 money and then money that we raise from the
12 private sector. Federal stimulus money only
13 requires a 10-day public notice period, not a
14 45-day public notice period.

15 NYCHA is not doing anything that HUD
16 hasn't put guidelines in place for us to do.
17 The 10 days versus the 45 is done for a very
18 clear reason. We have extremely tight deadlines
19 to spend stimulus money. It has to all be
20 obligated and committed by March 17th of next
21 year, 2010, and it all has to be spent within
22 two years.

23 To accommodate Housing Authority's ability
24 to work on that unbelievably aggressive timeline
25 where we normally have four years to spend

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2 money, two years to obligate and commit it, and
3 another two years to actually spend it, since
4 they cut all of those timelines in half, they
5 basically said they needed to cut down the
6 notice period so that we would be able to move
7 quickly.

8 So we are honoring HUD's guidelines on a
9 10-day notice period which we published on
10 December 7th, and the public hearing today is
11 the 17th. So the 45-day period does not apply
12 to what we're proposing.

13 Mr. Arzu stated that NYCHA's privatizing
14 these 21 city and state developments. We are
15 not privatizing these 21 city and state
16 developments. We are selling the buildings to a
17 partnership in which NYCHA will continue to be
18 the controlling interest in the partnership,
19 both in terms of the partnership itself and in
20 terms of the operating agreements that NYCHA
21 will be the day-to-day operator, as we are
22 today, of these properties going forward,
23 despite the fact that they will be owned through
24 a partnership. We will have operating agreement
25 and management contracts that designate NYCHA as

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2 the entity that will continue to run these
3 developments.

4 There was concern about a developer, quote
5 unquote, profiting on these units or the sale of
6 these units. NYCHA is the developer. There's
7 no private developer. The partnership is not
8 the developer. NYCHA is the developer. And
9 we're not receiving compensation separately as
10 the developer that we will not put back into the
11 building. The money we receive from selling the
12 buildings to the partnership will all
13 immediately be used on the modernization
14 rehabilitation work.

15 NYCHA's not taking money out of this deal
16 to do something else with. Every dime we
17 receive in selling them to the partnership at
18 the fair market value will immediately go back
19 into elevators and roofs and the building
20 envelopes and windows and boilers.

21 So we will spend the money immediately
22 over the next two years on a very aggressive
23 time schedule on these buildings, the 21 city
24 and state developments. Other developer fees
25 that we receive will go back into operating

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2 those buildings moving forward. So NYCHA's the
3 developer, not the partnership, not the banks.
4 They're not receiving compensation as the
5 developer.

6 There was concern about building new
7 housing. I want to make sure, maybe I was
8 unclear. The money that we're going to spend
9 here is to rehabilitate the existing 20,000 plus
10 units in the 21 city and state developments, not
11 to build new housing.

12 Any opportunities to build new housing at
13 these 21 city and state developments will be
14 just like it is at all of the other 315
15 developments around the city that NYCHA
16 controls. We will look at opportunities to
17 develop on our land new housing where it makes
18 economic sense and where it's not disruptive to
19 the existing tenants who live in those
20 communities. We will continue to look at those
21 opportunities.

22 There's no plan to rezone as part of the
23 federalization strategy. The mixed finance
24 modernization strategy does not require, and
25 we're not seeking, rezoning permits because,

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2 again, we're not building anything new. We are
3 just investing in capital improvements in the
4 buildings that are already there.

5 NYCHA's looking at rezoning opportunities
6 for its developments across the city. It has
7 nothing to do with this mixed finance
8 modernization plan, and we will continue to look
9 at rezoning where we believe it makes sense for
10 us to bring valuable services to NYCHA residents
11 and NYCHA communities. Whether that's to bring
12 a supermarket, if we need a rezoning to do that,
13 then we'll seek that rezoning. Whether it's to
14 build health facilities. Whatever we think the
15 rezoning would allow us to do to provide
16 valuable services to our communities, we will
17 look at rezoning opportunities. But they have
18 nothing to do with this. This doesn't
19 facilitate rezoning. We're not looking to
20 rezone as part of this, and the mixed financing
21 modernization plan does not require any rezoning
22 permits.

23 Will the rent will go up? How are these
24 banks going to be able to make money if the rent
25 doesn't go up? Again, the rents will not change

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2 as a result of this plan. Your rent guidelines
3 are governed by HUD policy. The rent
4 calculations will remain the same. The federal
5 standards for rent calculation will remain the
6 same. These will be public housing units. Not
7 "like" public housing units, they will be public
8 housing units with all of the protections.

9 The banks don't receive the rents. The
10 rents go to operate the developments, and they
11 will continue to go to operate the developments.
12 The ACC subsidy that we will receive from the
13 federal government, once it becomes federalized,
14 will go to operate and maintain the
15 developments, not to the banks.

16 The banks make, quote unquote, their
17 economic interest and profit, whatever you want
18 to call it, by the tax credits that are afforded
19 to them by making an investment in affordable
20 and low-income housing. They receive tax
21 credits from the federal government, not from
22 NYCHA, that they can use to offset taxes that
23 they would normally have to pay if they didn't
24 make these investments.

25 So they receive value from the tax

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1 credits. That does not come out of NYCHA's
2 pocket. It doesn't come out of NYCHA's
3 residents' pockets. It doesn't have anything to
4 do with your rents. It is strictly an incentive
5 that the federal government has put in place to
6 encourage the development investment in low and
7 moderate-income housing.
8

9 Now, someone also said NYCHA communities,
10 or these communities -- I think it was
11 specifically Amsterdam Addition saying that that
12 community is not low income. By definition,
13 NYCHA communities, NYCHA developments, are
14 low-income communities. You wouldn't be public
15 housing if they weren't.

16 The average household income in a NYCHA
17 family is \$22,000 a year. In New York City,
18 that most definitely qualifies you as low
19 income. And because they will be investing
20 money in these communities, they get Community
21 Reinvestment Act Credit for investing in
22 low-income communities. NYCHA communities are
23 low-income communities, so they do receive CRA
24 credit for that.

25 Ms. Berry made a number of comments about

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2 skilled trades and how long it takes to get a
3 carpenter, cabinetry fixed, sinks replaced. I
4 share your concern and I share your anger. The
5 reality is with \$150 million annual deficit,
6 NYCHA has had to reduce staffing over the years
7 from a peak of about 15,000 to closer to 12,000
8 today. That has an impact on our ability to
9 maintain the developments and to respond to
10 repair needs.

11 So it's not just a capital issue in terms
12 of do we have enough money to actually fix the
13 elevator, it's do we have enough people to do
14 the work? And when you have \$150 million annual
15 deficit, that means you have fewer employees to
16 do the work.

17 The federalization plan that we're
18 proposing here would bring in, if we're
19 successful at all of the units being
20 federalized, close to \$100 million a year in
21 additional money to hire more staff, to hire
22 more skilled trades people to do the work
23 faster.

24 Unfortunately, there is a direct
25 correlation between our ability to respond to

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2 your needs with adequate staffing and the money
3 we receive to operate your developments. That's
4 a fact of life. It's not one that makes me
5 happy to have to deliver the message, but it's
6 the truth. And until we find a solution for our
7 structural financial deficit, of which the city
8 and state lack of funding is 100 million of the
9 \$150 million deficit, we cannot make progress
10 against your absolute expectations and rights as
11 it relates to having your communities maintained
12 the way they should be.

13 I am sure I missed something. But I will
14 commit to you -- Borough President Stringer
15 wanted to discuss the Section 8 situation, and
16 that we knew we had a Section 8 problem in May
17 and that we should have told families in May
18 that their vouchers were going to be terminated.
19 Well, I respectfully disagree with Borough
20 President Stringer.

21 I came on board in June. I immediately
22 began to investigate where we stood with our
23 Section 8 program because congress took
24 \$60 million from NYCHA in its Section 8 reserves
25 that we had every expectation would be available

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2 to us to operate our Section 8 program, to fund
3 our Section 8 program. They took \$750 million
4 back from public housing authorities across the
5 country to fund other initiatives in congress,
6 including the stimulus program.

7 NYCHA contributed \$60 million. We didn't
8 ask to contribute it. It was taken from us.
9 They reached in and took the \$60 million in our
10 bank account back from us as part of the \$750
11 million that they took back from public housing
12 across the country. We didn't anticipate it.
13 It was actually unprecedented, and they have
14 never actually taken, rescinded money back for
15 usable purposes. And we clearly had usable
16 purposes for Section 8 funds.

17 One of the usable purposes was the
18 conversions we were making of the 8,400 units in
19 our city and state developments that we had
20 earmarked that money for. That happened to us
21 in May. Normally you receive your Section 8
22 budget from congress in January. Because of the
23 state of the economy and the country and all
24 that was going on in Washington to try to come
25 up with stimulus funding, we didn't receive our

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2 funding notices until May, five months into a
3 year when we were already issuing vouchers to
4 families to get them into affordable housing as
5 quickly as possible.

6 We issued over 12,000 vouchers this year.
7 Those families -- we issued over 11,000 vouchers
8 this year, and over 12,000 families were newly
9 added to Section 8. They are in an apartment
10 receiving Section 8 funding today because of
11 NYCHA's administrative efforts to get them into
12 homes.

13 We were so successful in getting people
14 into Section 8 this year because the demand for
15 it, the state of the economy, families who need
16 it, that we are now actually above our statutory
17 limit. We have a limit of 99,000 vouchers. We
18 now have over 101,000 families receiving
19 Section 8 that NYCHA administers.

20 So we have to stop issuing new vouchers
21 because congress has not lifted our statutory
22 limit to allow us to provide more vouchers. So
23 the 3,000 families that he referred to, which is
24 not an accurate number, but there are 2,100
25 families out there whose vouchers will be

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2 terminated and will not be able to use those
3 vouchers to get into an apartment.

4 I want to be clear. We are not
5 terminating anyone who is currently receiving
6 Section 8 subsidy today to pay their rents. All
7 101,000 of those families will continue to
8 receive their Section 8 subsidy.

9 There are people who had received a
10 voucher who were in the process of finding an
11 apartment and hopefully would have been able to
12 become supported through Section 8 whose
13 vouchers, unfortunately, we have to terminate
14 before they are able to find an apartment and
15 they begin to receive funding.

16 Those families will be held harmless. We
17 are working with other city agencies to ensure
18 that they are in housing, that they remain in
19 housing, and we will be communicating directly
20 with those families to ensure that that process
21 happens.

22 We communicated this information as soon
23 as we knew it. We met with the press today to
24 get the information out, and we are going out to
25 all those affected families. But not a single

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2 family is going to lose housing because of the
3 decision.

4 And it's not a decision we're making.
5 It's one that we're compelled to make by law.
6 We cannot issue more vouchers beyond our
7 statutory limit. And we're working with HUD,
8 because we are over that limit right now, to
9 come back into compliance through attrition over
10 time because families naturally roll off of
11 Section 8 because they move from New York to
12 another jurisdiction, or because their incomes
13 go up and they no longer receive Section 8. And
14 as that number comes back into compliance
15 throughout this year, that will get us into
16 compliance with HUD.

17 And at some point, either because HUD
18 raises the number of vouchers we can issue and
19 appropriates more money through congress for
20 Section 8, we hope to restart our Section 8
21 program for new families. But 101,000 families
22 will continue to receive their voucher funding
23 and remain in their homes.

24 I think the only other thing that I
25 haven't addressed was Charlene Nimmons, Wyckoff

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2 Gardens, who wanted to know who we only named a
3 few of the people who submitted in writing that
4 they support the mixed financing modernization
5 plan, the federalization plan. We have met with
6 all of your representatives and city council.
7 We met with the entire New York City
8 Congressional Delegation. I've spoken with
9 senators, state elected representatives for
10 these developments, heads of the housing
11 committees in both the federal level, the city
12 council level and the state assembly level and
13 the senate. And the only person who has gone on
14 record as publically being against this plan is
15 Council Member Barron.

16 So we didn't name all the people we have
17 spoken to who have either given their full
18 support or preliminary support until they
19 received information as we continue to have it.
20 But we have met and received strong support for
21 this plan from elected officials. And only one
22 person has come out and said that they do not
23 support the plan, and that was Council Member
24 Barron.

25 I think Mr. Garber asked about the work

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2 chart and transcribing minutes from meetings.
3 We will look at the work chart, Mr. Garber, and
4 try and make sure that the annotation and
5 nomenclature and wording is accurate.

6 And on the CCOP and RAB meeting that you
7 were referencing, I did not say that there
8 wouldn't be minutes available and that the
9 meeting would not be transcribed. I said I was
10 a guest at that meeting. That was a CCOP and
11 RAB meeting and that I wasn't responsible --
12 NYCHA wasn't responsible for transcribing it but
13 that the RAB and the CCOP were. And I'm sure
14 that those -- as you read them, they are
15 available.

16 So I tried to address what I wrote down
17 here as concerns that have been expressed
18 tonight directly. But I would like to actually
19 just close with saying we are working incredibly
20 hard to solve NYCHA's financial problem so that
21 we have more resources to solve the problems of
22 your communities. This is not just about
23 dollars and cents, but without money, we cannot
24 operate NYCHA and preserve it as public housing.
25 That is our absolute commitment to you.

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2 We're celebrating our 75th anniversary.
3 We have no intention of doing anything other
4 than making sure NYCHA survives for another 75
5 years. In order to do that, we must find
6 solutions that provide additional funding for
7 your developments. We believe that this mixed
8 financing modernization plan will attach
9 long-term federal funding to maintain these
10 units as public housing units is a -- it is not
11 only the only way that we see today to do that
12 and to provide them for you, but we believe it
13 is a sound plan, and we believe it is a plan
14 that is very consistent with what other cities
15 across the country are doing to build and
16 maintain low-income housing and to develop new
17 low-income housing.

18 So we're not trying to invent something
19 here that hasn't been tested in other cities.
20 We are trying to use the mechanism that the
21 stimulus money has created for us to finally
22 find a solution for the 21 city and state
23 developments in the 21,000 families who call
24 them home. Thank you.

25 (Time noted 9:39 p.m.)

C E R T I F I C A T I O N

STATE OF NEW YORK)

) SS:

COUNTY OF WESTCHESTER)

I, VERA MONACO, a Registered Professional Reporter and Notary Public within and for the State of New York, do hereby certify:

THAT this is a true and accurate transcription of the NYCHA Public Hearing meeting held on December 17, 2009.

I further certify that I am not related, either by blood or marriage, to any of the parties in this action; and

I am in no way interested in the outcome of this matter.

IN WITNESS WHEREOF, I have hereunto set my hand.

VERA MONACO, RPR