

**TESTIMONY OF THE MAYOR'S OFFICE OF HOUSING RECOVERY OPERATIONS
BEFORE THE NEW YORK CITY COUNCIL
COMMITTEE ON RECOVERY AND RESILIENCY**

Friday, September 25, 2015

Good afternoon Chairperson Treyger and members of the Committee on Recovery and Resiliency. I am Amy Peterson, Director of the Mayor's Office of Housing Recovery.

Thank you for having us here today to provide an update on the continued progress of the City's Sandy recovery. This is the third time I've come before this committee to testify. The first was on March 31, 2014. In April 2014, we set in motion Mayor de Blasio's program overhaul. We outlined our plans in the report *One City Rebuilding Together* and set goals of 500 construction starts and 500 reimbursement checks for Labor Day 2014. I came before this committee again on September 18, 2014, announcing that we had surpassed those goals and reported on the overhaul's progress.

One year later, Build It Back has served over half of all homeowners, 5,186 households. We have had:

- 1,716 construction starts -- compared to none at the start of 2014; and
- Issued 4,702 reimbursement checks – also compared to none at the start of 2014, valued at over \$90 million.

We also completed our 1,000th construction project on September 14th and have now completed 1,062 projects.

The progress is the result of many ambitious and creative policy solutions this administration has put forward. In the last year and a half, the City:

- Secured relief for all eligible Sandy impacted residents through \$839 million in additional funding, including a City reallocation of \$200 million, enabling the City to ensure that all homes will be fully repaired, elevated, or rebuilt;
- Restructured case management to focus on customer service, performance, and accountability;
- Expanded access to the program through partnerships with local elected officials, civic associations, and community based organizations including embedding Build It Back staff at the offices of local elected officials;
- Increased flexibility to help homeowners get to “yes” resulting in over 8,500 homeowners deciding how they want to move forward and selecting their program option;
- Launched a temporary relocation assistance program to help applicants pay for housing costs while repairs are being performed; and

- Launched Sandy Recovery Workforce1, in partnership with NYC Department of Small Business Services, dedicating \$3 million to ensure Sandy impacted residents participate in the rebuilding.

In the last year, the City has also focused on efforts to accelerate construction. Build it Back is transitioning from application processing to design and construction services. We have quadrupled our design and construction capacity and undertaken several inter-agency initiatives to streamline the construction process. We have brought on three major construction management firms and added DDC's construction management expertise. With this new capacity we began hundreds of elevations designs over the summer and are now in position to move hundreds more homes into construction.

A big part of the progress has been because of the help we've received from our civic leaders and elected officials. We have learned the most about how to help our communities by listening to those who live in and represent them. In Brooklyn, we have worked closely with Council Member Deutsch to rethink how to help the Sheepshead Bay Courts community and with Council Member Treyger how to deliver resources through our Sandy Recovery Workforce1 program. Council Member Maisel opened his office to the Build It Back program two days a week dramatically increasing access for his community. Brooklyn Borough President Eric Adams partnered to reach local businesses and the Minority and Women Owned business community and Council Member Menchaca brought together residents to help think through the complicated federal regulations. In Queens, we have worked closely with Council Member Ulrich and Borough President Melinda Katz' Task Force, which helped us conceive the important Zoning Text Amendment that the Council passed this summer. We have also been working closely with Council Member Richards to develop a comprehensive approach to Edgemere. In Staten Island, Council Member Matteo and Borough President Oddo have helped us focus on acquisition and redevelopment opportunities for Build It Back homeowners and abandoned properties. The creative policy ideas and bold actions that have come from this level of collaboration have allowed us to expand options for homeowners and speed design and construction.

Today I will provide an update on our transition from application processing to design and construction.

Getting Homeowners to "Yes"

Our first stage was getting homeowners through the option selection process. Virtually no homeowners selected an option in 2013, despite over six months of an active program. Homeowners repeatedly heard "no" when trying to move through the process and find the right option for their unique situation. In the first four months of 2014, the City aggressively pushed to provide homeowners with options and by April 17, 2014, 935 homeowners had selected an option. This pace doubled when the City implemented recommendations from the April 17, 2014 report.

Today, owing to the City's direct takeover of the intake and eligibility process and to increased flexibility for homeowners, over 8,500 homeowners have selected an option.

Outreach

Increasing our visibility in our communities has been vital to engaging homeowners. Through partnerships with elected officials and civic organizations, we have conducted extensive outreach in all neighborhoods, with Borough Directors engaged at civic meetings to explain new policies and provide updates on Build it Back progress.

Our ability to get homeowners to “yes” has relied on embedding Build it Back case workers in the offices of local elected officials. In many instances, homeowners feel more comfortable with the staff of their elected official. Allowing homeowners to meet with caseworkers in these local offices adds an extra layer of familiarity and support. The City has held over 450 community “embed” sessions in Build it Back satellite centers in the offices of local elected officials.

In the spring we conducted an on the ground outreach campaign to ensure that any applicant who wanted help could receive it. The effort focused on vulnerable populations, including low income homeowners and seniors. It spanned every neighborhood in the program, as Build it Back employees and volunteers knocked on over 2,300 doors, made over 1,300 calls, sent 400 letters, and held 47 community events in partnership with local elected officials. We partnered with Disaster Case Managers to directly contact over 500 applicants. With all efforts, we reached approximately 4,000 applicants, and over 800 more applicants are on the pathway to rehabilitation or reimbursement. Almost 200 have signed grant agreements. Of the 800 applicants, half were low- or median- income and over 100 were seniors over 65 years old. HRO, in coordination with the Department for the Aging and Catholic Charities of the Archdiocese of New York, conducted outreach to applicants over the age of 65 to help them remain active in the program.

Related to this effort, we set application deadlines this summer. The first deadline, June 30th, focused on collecting eligibility documents from homeowners and scheduling damage assessments. We extended hours at our Centers and conducted community outreach to encourage homeowners to complete these steps. We then set a second deadline, July 31st, for homeowners who had been presented a program option to make a selection. Once again, we extended hours at our Centers and conducted community outreach.

The Housing Recovery Office is working with approximately 10,000 active applicants out of initial 20,000 applicants in 2013. Five thousand of the original applicants did not complete an eligibility review and another 2,375 didn't schedule their damage inspection. Through our customer service team, the City gathers information on why applicants drop out after the damage inspection process. Reasons include no remaining unmet need, no longer owning property, do not want to comply with program requirements, or do not want to elevate their home. The City's participation rate is in line with the rates reported for New York State and New Jersey and is comparable with what has been observed in other, similar CDBG disaster recovery programs, where withdrawal and ineligibility rates result in overall participation rates below 50 percent.

Public-private partnerships

In making such a significant decision about their homes, we wanted to make sure that homeowners had access to counseling resources. We have partnered with non-profits and community organizations to help homeowners move forward in the Build it Back process. This

has included referring over 2,300 homeowners to non-profit legal and housing organizations for counseling through the Center for NYC Neighborhoods (CNYCN).

The City assists homeowners who experienced financial distress as a result of the storm and provides foreclosure counseling services to Build it Back applicants. To better serve the needs of homeowners whose mortgage delinquency may have been exacerbated by Sandy, the program updated its policy, following feedback at last year's hearing, to allow applicants with *lis pendens* filings, in this beginning stage of foreclosure, to receive both repair or reconstruction assistance and the counseling necessary to resolve the foreclosure.

We also work with Catholic Charities and the Human Resources Administration to help facilitate access to emergency grants for homeowners in financial distress. We partner with Disaster Case Managers, including working with them and the New York Disaster Interfaith Services (NYDIS) Unmet Needs Roundtable to help distressed homeowners with financial aid and referrals to community-based services.

HPD engages local partners in multifamily projects. HPD partners with organizations that can draw on their own resources and experience in the fields of housing and community development to support in issuing loans and providing technical assistance to property owners. Among the partners are the New York City Housing Development Corporation (HDC), Community Preservation Corporation (CPC), and Local Initiatives Support Corporation (LISC), each of which administers a subset of projects receiving reimbursements, repairs or resiliency funding through Build it Back.

Federal Regulations

We work closely with the federal government to reform policies that would have slowed Build it Back's progress and made it more difficult for homeowners to receive help.

Federal policy requires that an applicant's SBA loan amount is taken into account when calculating unmet need. Given the uniquely vulnerable position of low- and moderate-income (LMI) households, the City asked HUD to excuse LMI households from the case-by-case determinations required of all applicants who declined their SBA loans. HUD approved this request. The City recognized that this was an issue facing all homeowners including seniors, and introduced two new policies for homeowners with SBA loans.

- Build it Back now increases reimbursement amounts from 60% to up to 100% of the reimbursable amount for any applicants who drew down on their SBA loan. Currently, all applicants receive reimbursement up to 60% of the value of reimbursable work. Applicants who have received disbursements of SBA loans and who have already received reimbursement at the 60% level are eligible for an additional payment under the new policy. These payments will begin this fall.
- Build it Back now offers a simplified process for applicants who declined SBA loans. A simple new financial hardship form makes it easier to demonstrate financial hardship. We have been reaching out to applicants who were previously declined a waiver to apply to reapply.

Mayor de Blasio and Council Member Treyger urged HUD to ensure that homeowners receiving settlements related to their FEMA National Flood Insurance Payments would not be required to pay that money back. As a result, HUD announced earlier this month that they will waive the requirement that FEMA insurance settlements below \$20,000 be counted as a duplicative benefit. We estimate that this decision will assist approximately three-quarters of the homeowners awaiting additional money from their insurance company. It will prevent them from being penalized twice and keep their projects moving forward.

Expanding Relief

Moving homeowners through the case management stage to option selection meant making it easier for homeowners to understand the options they had before them, and giving greater flexibility while they make important decisions about their future. Homeowners have had an easier time selecting their option in large part because there are more options to select from and because they have seen how quickly they can now receive relief.

Reimbursement Acceleration

Build it Back has been able to get immediate help to homeowners through our reimbursement program. To date, we have sent out over 4,700 checks. Last fall, Build it Back designed new reimbursement procedures centered on efficiency, while still ensuring that adequate program controls were in place. As a result, the City increased the rate at which checks are issued six fold over the past year.

Additionally, Build it Back made reimbursement available to more applicants. Homeowners who rebuilt or elevated their homes can now be reimbursed. Homeowners undergoing lead remediation or with certain permitting issues are now able to receive reimbursement earlier in the process.

As the Mayor announced in his State of the City address, all reimbursement checks will be issued by the end of the year.

Flexibility for substantially damaged homeowners

In compliance with the Federal Emergency Management Agency's (FEMA) National Flood Insurance Program and the NYC Building Code, the program must elevate homes that have either suffered "substantial damage" from the storm or will be "substantially improved" by the program's repair work. These are two technical terms that rely on an assessment of storm damage and of the structure's value. A home has suffered substantial damage when the value of storm damage is over 50 percent of the pre-storm structure value.

We have made the process more flexible for those who are considering elevation or reconstruction. Because the decision of whether to elevate a home may be among the most important decision a homeowner makes, Build it Back now works closely with homeowners near the substantial damage threshold to refine the analysis as much as possible – while maintaining compliance with the regulatory framework.

The program revised its methodology regarding how construction decisions are made, granting greater flexibility in the types of offers that could be made to applicants.

- We created more flexible options by allowing more applicants with extensive damage to choose between repairing and elevating their home or receiving a reconstructed home. Previously, very few applicants were given this choice despite its profound effect on the future of their home.
- We also made it easier for homeowners who might not have met the threshold for home elevation, but who wanted to elevate their homes, to get this assistance, including the recent introduction of discretionary elevation for homeowners that meet certain criteria.
- As per FEMA guidance, we give applicants an opportunity to re-evaluate the substantial damage determination for their home by either providing an appraisal, reevaluating the damage assessment, or deferring to a homeowner's own architects and engineers in determining the substantial damage status.
- We introduced a new process for engineers to evaluate homes earlier in the process to ensure that we make the right decision about repair, elevation, or rebuilding a home as early as possible. Engineers have the flexibility to flip homes to elevation or rebuild based on their review.

Direct Grant

To help homeowners in need of moderate repairs, we recently introduced the direct grant program. Under this option, Build it Back will prepare a scope of work based on the Program's damage assessment and will pay the homeowner directly once they demonstrate the repairs in the scope have been completed. This program allows for additional flexibility in design and construction, including upgrades and additions. It also gives the homeowner the flexibility of scheduling their own construction project. This summer, Build It Back reached out to a targeted group of 125 homeowners that are eligible, 65 are moving forward. In early September, through email and information sessions in each Borough, the program reached out to 1,400 additional homeowners. Over 200 reached out for more information on the program.

Temporary Relocation Assistance

One of the clearest ways in which we've helped homeowners get to "yes" is by introducing the temporary relocation assistance program in April 2015. This program was created in direct response to a need articulated by homeowners, who were struggling to pay for housing costs while their homes received much-needed repairs, or who were reluctant to move forward with elevation out of the fear that they would be unable to pay for temporary housing during the construction period. Build it Back now offers financial assistance for housing costs to homeowners who must temporarily vacate their properties due to Build it Back construction that extends more than a month. Assistance is provided based on the level of rental expenses homeowners incur and is capped at a fixed daily or monthly housing payment, for example up to \$1,495 per month for a one-person household and up to \$2,667 per month for a five plus person household.

Privately funded Sandy Temporary Rental Program

In June 2015, Build it Back, the Mayor's Fund to Advance NYC and NYDIS launched the privately-funded Sandy Temporary Rental Program. Administered by NYDIS, the Sandy Temporary Rental Program operates in conjunction with Build it Back's Temporary Relocation Assistance program. The program targets vulnerable and under-resourced homeowners who demonstrate an additional need for assistance with upfront housing expenses, which may include

broker's fees, deposits, moving costs, furniture, and utilities. Clients apply through their disaster case manager with assistance funded by donors of the NYC Sandy Unmet Needs Roundtable, also administered by NYDIS.

In offering support services for homeowners to relocate, the Sandy Temporary Rental Program advances the goals of the de Blasio Administration's overhaul of Build it Back and ensures that the recovery is equitable across affected communities.

Temporary Disaster Assistance Program

We have also provided rental assistance to low-income New Yorkers since 2013, with the HPD-administered Temporary Disaster Assistance Program (TDAP).

Initially, the TDAP program could only assist low-income New Yorkers who were still displaced as a result of Hurricane Sandy and whose income did not exceed 50% of the Area Median Income (AMI). In order to serve more of this vulnerable population, Build it Back and HPD received HUD approval to expand the program in 2014 to include households which relocated following Hurricane Sandy and paid more than 40% of income in rent. In total, 402 households were issued coupons and 224 households are receiving rental assistance subsidy payments.

Additionally, HPD, working with the American Red Cross and the Mayor's Office of Immigrant Affairs, was also able to launch TDAP-Private to serve Sandy-affected households not eligible for the federally-funded program. In the TDAP-Private program 133 households were issued coupons and 26 are receiving rental assistance subsidy payments.

Both the federal CDBG-DR funds for TDAP and American Red Cross funding for TDAP-Private were designated as short-term disaster assistance. As households are starting to reach the end of their rental assistance period and as limited Section 8 vouchers are now available, HPD is pleased to announce that as of June 2015, we are able to offer eligible TDAP and TDAP-Private households an opportunity to apply for the long-term Section 8 subsidy program. Offers will be made to all current coupon holders and expired coupon holders and we can report that two households have recently transitioned from TDAP to Section 8.

Multifamily Accomplishments

The Department of Housing Preservation and Development (HPD) administers the Multifamily Storm Recovery Program, which provides financial assistance to properties with five or more apartment units, including rental buildings, condominiums, and co-operatives, as well as individual condo and co-op units that sustained damage from Sandy. Financial assistance is provided to cover unmet need for repairs and reimbursement as well as comprehensive resiliency improvements in targeted developments.

As of September 25th, the Program has met the following milestones:

- Provided assistance affecting nearly 7,000 households - more than 60% of which are estimated to be low or moderate income;
- Committed more than \$31 million in assistance, up from \$19 million since the beginning of the calendar year;

- Provided assistance to 48 total developments, up from 17 since the beginning of the calendar year; and
- Assisted 20 affordable housing developments.

Over the course of the last year, the Multifamily Storm Recovery Program has crossed significant milestones and made impactful changes to its Program to increase the pace of assistance. Where bottlenecks occur, the Multifamily Program has continually made adjustments to ensure more applicants can be assisted. For example, in order to streamline the closing process and eliminate unnecessary legal hurdles, the Program has recently changed its structure by allowing applicants with awards of less than \$500,000 dollars to close as a grant rather than a forgivable loan. The Program has also made a series of changes to its Coordination of Benefits process, including shortening the timeline for acquiring private insurance information, which has allowed the Program to determine award amounts at a faster pace. The Program has recently completed a major outreach effort to unresponsive applications to ensure we have made every effort to move applicants forward or properly document and close out inactive applications.

Multifamily Resiliency

The Multifamily Program developed a series of comprehensive guidelines for resiliency retrofits on multifamily developments, which has allowed building owners receiving this assistance to move forward more quickly when creating scopes of work. Through its resiliency strategies, the Multifamily Program will be helping protect critical systems and residents and preserve affordable units in more than 40 developments across the city. Resiliency scopes of work include measures such as elevation of utilities, dry flood-proofing of below grade spaces, and provision of emergency power. Developed in consultation with resiliency engineering experts, retrofit measures are designed as a comprehensive resiliency strategy to protect buildings and residents from future flood events. Because current FEMA guidance does not specifically address retrofit measures for multifamily structures, these resiliency improvements will serve as an important source of data and technical knowledge for New York City's multifamily housing stock located in the floodplain. The Program expects to start construction on eight major resiliency projects before the end of 2015.

Most recently, HPD is partnering with the Office of Recovery and Resiliency (ORR) in its application to HUD's National Disaster Resilience Competition (NDRC), through which the City is seeking \$633 million for comprehensive housing and infrastructure improvements that will strengthen social and economic resiliency in Lower Manhattan. As part of this application, the City has demonstrated nearly \$80 million in need for resiliency retrofits for affordable housing in Lower Manhattan neighborhoods. These improvements will further the goals of the New York City Housing Plan of promoting energy efficiency and flood protection and preserving affordable housing while providing assistance to developments that cannot be fully served through the Build it Back Program. The City has already been selected by HUD to participate in the second phase of the Program, which has a deadline of October 27th, and will find out results in early 2016.

New Construction Capacity

Build it Back is distinct from other disaster relief programs in significant ways. Build it Back delivers completed disaster-resilient homes and multifamily buildings, creating a more resilient

and safer community. Housing programs outside of New York City often deliver checks with capped amounts to homeowners to complete the work themselves, the outcome of which is uncertain. Build it Back is designed to avoid the challenges with homeowner-managed construction, particularly that experienced after Hurricane Katrina. Other programs require homeowners to manage site surveys, estimating, zoning analysis, sewer and utility connection, land use approvals, regulatory approvals, title search, and many additional tasks associated with home construction management and coordination, and to pay any costs that exceed a capped grant amount.

By contrast, in Build it Back, the program offers homeowners the option to have all aspects of design, permitting, and construction managed by the City, reducing the risk of work not complying with federal requirements and the potential recoupment of funds from homeowners in the future. Build it Back approves, hires, and manages all contracting firms performing work thereby alleviating the burden on Sandy impacted residents of contractor acquisition, oversight, and management and the risks of contractor fraud, shortcuts, and deficient home quality.

We are pushing more and more homeowners into design and construction each day, aided by increased construction capacity and interagency coordination to improve the construction process.

DDC

Speaking for the Department of Design and Construction I can say that Commissioner Peña-Mora and his staff have been honored to be involved in the Build It Back program, and have approached this program with a sense of urgency and dedication - to be responsive to the needs of the homeowners in the program. To that end, DDC endeavored to fast track and expedite this much needed and critical project. Indeed, DDC began to fast track their efforts even before homeowners joined the program.

DDC's efforts improved the standard timelines of every stage of the procurement, design and construction process. The response to the RFP submitted by DDC to interested firms was due in January of this year. DDC went through six stages of negotiation to ensure that qualified firms were awarded the work. DDC's Construction Management Firms or CM's were then mobilized and started work by May. By June DDC's CM's already started the process of reaching out to homeowners to get them on board with the program.

DDC's borough teams are comprised of locals who are passionate about this opportunity to realize great civic engagement while making our city resilient through the reconstruction, rehabilitation and elevation of over 2,000 homes throughout Queens, Brooklyn and Staten Island. The collaborative environment of the program has expanded to a DDC staff of over 50 people, a quarter of which were already hired by mid-summer. DDC's dedicated architects, project managers, and engineers manage the thousands of intricate construction timelines for all of the homes under their purview in an extremely detail-oriented process. There are over 1,000 homes currently assigned to DDC and over 80 percent of those are complex elevation constructions.

The City selected DDC's three new construction managers based on the services they provide and their familiarity with New York City: Sullivan Land Services or SLS in Staten Island,

Tishman Construction in Queens, and the LiRo Group in Brooklyn. Each firm brings a distinct and comprehensive approach to addressing the planning challenges specific to their borough: Tishman Construction, an AECOM company, offers their local contracting expertise, innovative building solutions and integrated local design services to get people in Queens back in their homes safely, efficiently and securely. Previously in response to the devastation Hurricane Sandy caused to New York City, Tishman organized a crisis response team to perform housing inspections. With command centers in the boroughs of Staten Island and Queens, Tishman fielded 130 three-person assessment teams responsible for seven to 10 assessments per day to begin the disaster recovery process for single and two-family homes. Tishman construction staff also served as independent verifiers for design-build scopes of work on the work orders for six general contractors tasked with the restoration work.

SLS has extensive experience providing disaster relief efforts in Staten Island following Hurricane Sandy, and is acutely focused on providing a clear path to recovery for the affected communities. Founded in 1995, SLS is a diverse construction management company with extensive experience in Community Development Block Grant Programs stemming from natural disasters.

The LiRo Group offers local construction knowledge, expertise in post-Sandy recovery, and public contracting experience along with an extensive depth of designer know-how that brings innovative approaches to the challenges of rebuilding Brooklyn's vulnerable neighborhoods. Their team includes a diverse group of design teams with experience in some of the more challenging neighborhoods in Brooklyn. LiRo's involvement with Hurricane Sandy relief is well documented. Within two weeks after the storm, LiRo had coordinated the provision of temporary power and heat at 32 housing developments operated by NYCHA, and had enabled 50 schools managed by the NYC SCA to reopen. Temporary power was provided to the Battery Park City Community Center and to Pier A. LiRo also assisted the NYC EDC in the preparation of piers to receive Navy vessels arriving in New York City to house first responders assisting with Hurricane Sandy efforts.

As ever our work has been and continues to be focused on ways to improve the design and construction process without sacrificing quality and community engagement. To that end, an additional tool that DDC is utilizing to fast-track this much needed project lies in looking to the next phase of our efforts. While homes are in the design phase, DDC has already begun the time consuming process of pre-qualifying General Contractor, Plumbing, and Mechanical Firms – to lessen the time period from design to construction for these home-owners.

As part of their focus on neighborhood-wide planning, DDC's construction managers also work closely with Build it Back, the Mayor's Office of Recovery and Resiliency, HPD and DCP in developing plans for neighborhoods with particular infrastructure and resiliency opportunities. This unprecedented inter-agency collaboration on neighborhood resiliency addresses serious design and infrastructure constraints with innovative urban design approaches at a more cohesive neighborhood scale

Moreover, DDC's construction managers are also committed to implementing the Sandy Recovery Hiring Plan with local hiring requirements:

- Contractors and subcontractors are encouraged to hire 20% Sandy-impacted residents.
- Construction managers must provide a full-time staff member dedicated to daily tracking compliance with the Sandy Recovery Hiring Plan.
- Construction managers are required to register all job opportunities with Sandy Recovery Workforce1.
- Construction managers are encouraged to work with community groups and job training programs to identify candidates for construction-related work.

There are three main categories of design work being undertaken through DDC's program – are rehabilitations, elevations, and reconstructions. There are 210 rehabilitations currently being managed by DDC, and 876 elevations / reconstructions.

The key to DDC's process is the hands-on, proactive approach that their CM's have established with affected homeowners. This process includes multiple touch points where DDC assures the homeowner understands the work being planned – before going into construction procurement. DDC does this through multiple phone calls, in person visits to homes, and a detailed tracking system to assure that all City agencies have the metrics they need at their fingertips in order to understand the progress being made on a daily basis. Indeed, homeowners must approve the new design of their home - twice - before the design is finalized. After this validation and procurement process, the home goes into construction.

To date, 1086 homeowners have active applications in DDC's Build It Back Program, and DDC continues to bring more homeowners on board each day. These 1086 homes include 388 in Queens (under management by Tishman), 419 in Brooklyn (managed by The LiRo Group), and 279 in Staten Island (managed by SLS).

Once involved in DDC's program, their construction management teams immediately begin reaching out to homeowners. As of today, 2,956 calls have been made, reaching 956 homeowners. 1,449 home visits have been conducted, as DDC teams visit each home as many times as necessary to ensure that homeowners receive the quality of service they deserve. To date, an impressive 858 designs have been started.

As of today, September 25, 2015, 193 design scopes have been approved, and of those, 97 have reached the next milestone – an approved schematic design by homeowner. These homes are in final design, and DDC has received DOB approvals to commence construction - with 46 homes currently in the bid process.

The CMs are opening local offices in the community, with DDC and HRO staff co-located within these borough offices. We are transforming our intake and eligibility centers into construction customer service centers. The centers will be staffed with Build it Back customer service representatives, construction specialists, the Department of Design and Construction, Department of Buildings and housing and legal counselors. The new Centers will provide one stop services for Build it Back homeowners. The new Centers will be located in the neighborhoods closest to the construction activity.

Zoning Text Amendment

This summer we were able to advance a group of homes and homeowners in large part because of the City Council's dedication to getting the Zoning Text Amendment passed this summer. We turned around an ambitious plan in rapid time, and were able to use the input from all of the electeds to create a simpler process for pre-construction and construction. The Amendment is a true manifestation of our community engagement, as it arose during one of our Queens Borough Task Force meetings based on concerns we heard there.

As you are aware, the amendment contains several changes, including:

- Simplifying the process for documenting non-compliances and non-conformances;
- Removing disincentives for property owners to make resilient investments; and
- Establishing a new zoning envelope for narrow and shallow lots, where homes are to be reconstructed, that more accurately reflects the existing neighborhood character.

"Accelerate Build it Back" Initiative

This summer, the Mayor and First Deputy Mayor convened over a dozen Commissioners to simplify and accelerate the City's pre-construction process for Build it Back projects. The meeting resulted in the "Accelerate Build It Back" initiative, coordinated by the Mayor's Office of Operations, which has already resulted in:

- Conducting soil borings and hydrant flow tests earlier in the process and by block to cover multiple homes;
- Deferral of agency approvals from pre-construction to after construction starts;
- Expedited asbestos permitting;
- Department of Buildings plan reviewers located in the borough; and
- Permission to do off-hour work and inspections.

Addressing complexity at all levels

We understand that for recovery to be fully seen in some communities, we need to focus on community housing recovery. In some communities where the housing stock is denser and there are wetland, land use, and infrastructure issues, we need to focus on a block level or a community level approach. To rebuild in these areas requires dynamic engineering and planning solutions. Our new capacity makes this possible.

One particular challenge is working on attached homes. Our new CMs have paid particular attention to this issue, especially in communities like Canarsie, and are developing solutions to work on attached homes. We have also selectively opened our intake process to make attached elevations easier.

Build it Back tackles difficulties at several scales, which we identify as issues at the home or lot scale, at the block scale, and at the community or neighborhood scale. We tackle home issues typically on an individual scale, as each site is unique, though we did work thoroughly with the Department of City Planning to pass the Zoning Text Amendment which granted relief to several non-conforming building types in particular neighborhoods. At the block scale, Build it Back is working in homes in or near wetlands (including Midland Beach), attached homes (including Canarsie), and homes in bungalow courts that do not face public streets. Furthermore, some communities that Build it Back works in have pre-storm infrastructure problems and economic

distress that were further exacerbated by Sandy, and some communities present opportunities for resiliency and coastal protection measures in the future.

Build it Back has worked extensively in the past year-and-a-half to expand its ability to drive housing recovery at all scales. In addition to traditional Build it Back pathways of repair, elevation, rebuild, and acquisition, we have developed several tools for community housing recovery. We brought on the new construction management capacity for work at the neighborhood scale, including work in attached homes and bungalow courts. We are also strategically offering new intake and City acquisition in certain areas when it will help us serve our existing applicants. Furthermore, Build it Back is evaluating infrastructure in areas such as Sheepshead Bay Courts where Sandy caused damage to private sewers.

All of our work is done in partnership with the longer term planning and resiliency efforts led by ORR, DCP, and HPD, including City Planning's Resilient Neighborhoods Studies, ORR's planning for long-term resiliency, and the City's ten-year capital plan for infrastructure projects.

We have also reworked our acquisition program to make it more attractive in communities with particular challenges. Aside from our work with New York State to route preliminary eligible homeowners to the State to complete the sale of their property, we have provided supplemental opportunity for homeowners who are not able to participate in the State's program, by including an expanded acquisition option in the 2015 action plan amendment. The overview of the acquisition activities between the City and the State is as follows:

- In the State pipeline of more than 200 homes, 26 closings have occurred and closings are continuing apace. More than 100 offers have been sent and more offers will be sent in the next few months. Not all applicants will accept offers, but of those that close, these sites are expected to be auctioned by the State.
- For a smaller subset of sites where development potential is limited or deemed to be counterproductive to the City's resiliency goals the City will directly acquire the site and work to facilitate a non-development outcome in accordance with Federal regulations.
- City acquisition will augment the recovery effort in neighborhoods where we are focused on a community housing recovery solution.
- Working with elected officials and community groups, the City is exploring using the acquisition program where legally feasible to mitigate issues of blight and abandonment in Sandy-affected communities.

Workforce

Build it Back is committed to providing high-quality employment for New Yorkers, particularly those impacted by Hurricane Sand. In October 2014, SBS and Build it Back hosted the Sandy Recovery Opportunity and Resource Fair in Far Rockaway to connect local residents with jobs and skills training. Today we are announcing that we will be holding our second Sandy Recovery Opportunity and Resource Fair in Coney Island on Tuesday, October 20th.

The City invested \$3 million in Sandy recovery workforce development. In March 2015, SBS opened a recovery-dedicated Sandy Recovery Workforce1 Career Center in Coney Island. This past Spring, the City added Sandy Recovery Workforce1 staff at the Far Rockaway and South

Shore Staten Island Workforce1 Career Centers. Sandy Recovery Workforce1 matches qualified Sandy-impacted residents to jobs with City agencies and vendors working on recovery efforts, in addition to jobs in the Workforce1 portfolio. In the first six months, we have served 2,200 New Yorkers and made 1,600 job referrals.

To further incentivize employers to hire local residents, Sandy Recovery Workforce1 offers employment skills training vouchers to Sandy-affected individuals, including an initial 100 vouchers for pre-apprenticeship programs to prepare low and moderate income residents for careers in the unionized construction industry and provide direct entry to construction union apprenticeships. In partnership with the building and construction trades unions, contractors and subcontractors will work with community groups to link community residents to pre-apprenticeship and apprenticeship programs. So far, 32 vouchers have been distributed and 27 people have graduated from the programs using our vouchers, preparing them for union work as Roofers, Metal Lathers, Painters, Laborers, and Carpenters. Contractors and subcontractors are encouraged to hire 20 percent local residents on the recovery projects.

To ensure vendors are collaborating on Build it Back's workforce development initiatives, the program has worked with SBS and the Mayor's Office of Workforce Development to develop contract language (the "Sandy Recovery Hiring Plan") that encourages vendors to hire from Sandy-impacted areas and requires them to submit job postings to Sandy Recovery Workforce1. Section 3 and Executive Order 11246, federal requirements that focus on hiring of low-income residents and minorities and women, are included in the City's Sandy Recovery Hiring Plan and closely monitored by the program. The City is also working to provide comprehensive reporting, in compliance with Local Law 140 and Section 3 requirements, and to ensure Sandy Recovery Workforce1 meets its goals.

Build it Back has worked tirelessly to not only implement contract language that encourages local hiring, but to set up a comprehensive workforce development program that works for both job-seekers and employers. The Sandy Recovery Workforce1 center in Coney Island has served over 2200 unique clients, and Build it Back recorded our 250th hire from a Sandy-impacted area this summer.

These efforts mean real results for real New Yorkers, who we're enabling to take part in our recovery efforts:

- SLS, our construction management firm for Staten Island, has hired four Staten Islanders who were previously unemployed, one for 17 months.
- All 27 participants in our Construction Skills pre-apprenticeship course have been recruited by construction unions, including participants from Coney Island, Arverne, and Midland Beach.
- We are also excited to work with small business, including Laland Baptiste, a Canarsie-based MWBE with eight employees working with LiRo on housing recovery in Brooklyn.

As we continue to accelerate Build it Back and get homeowners back in their homes, we are excited to spur not only physical recovery and resilience, but also economic recovery and resilience in New York City's coastal communities.