

TESTIMONY OF

MAYOR'S OFFICE OF HOUSING RECOVERY OPERATIONS

BEFORE THE NEW YORK CITY COUNCIL

COMMITTEE ON ENVIRONMENTAL PROTECTION

April 12, 2018

Good Afternoon Chairperson Constantinides and members of the Committee on Environmental Protection. I am Amy Peterson, Director of the Mayor's Office of Housing Recovery Operations. Thank you for inviting me to testify today.

Through the City's Hurricane Sandy Housing Recovery Program, Build It Back, the City has prioritized helping homeowners remain in their affordable long-standing waterfront communities – ensuring that these New Yorkers have the resources necessary to recover and make their homes and communities more resilient.

Within the City's hardest hit waterfront communities, Build It Back is rebuilding and elevating approximately 1,375 homes to today's stringent regulations for flood compliance. Another 6,675 homeowners with moderate Sandy damage have been assisted with repair and reimbursement - helping neighborhoods that were not in the floodplain when Sandy hit and

homeowners who did not have flood insurance. Approximately 250 homes are being acquired through a combination of buy-out and acquisition programs.

Build It Back provided multiple ways for homeowners to repair and rebuild their homes, including the direct management of construction projects by the City (“City-managed construction”). Over the last few years, the City has brought on additional resources to ensure that we can get this work done, from partnering with the Building and Construction trades unions to expand construction capacity in 2015 to adding our new modular program in 2017. As a result of this concerted effort the City has completed 97 percent of City-managed construction projects, and 90 percent of all construction projects, including homeowner managed construction. We are working on the last elevations and rebuilds including: the new modular program – an innovative program expanding contractor capacity and speeding the duration of construction for each home; community-based projects including groups of attached homes in Coney Island and new infrastructure in the Sheepshead Bay Courts; and our most complex and challenging elevations and rebuilds throughout Queens.

Overall, Build It Back, through its Single Family Program, is helping 8,300 homeowners and landlords of 1-4 unit homes, housing a total of 12,500 families. Build It Back has served over 99 percent of these homeowners by starting construction, reimbursement of repairs, or acquisition of their homes. For 93 percent of homeowners, Build It Back has completed construction, reimbursement, and acquisition of homes. Build It Back distributed over \$133 million in reimbursement checks to over 6,100 families.

Build It Back construction partner HPD has also accelerated relief to multifamily households, benefiting more than 19,600 households in 143 developments through repair, resiliency, and reimbursement services.

Funded by the US Department of Housing and Urban Development (HUD), the Build It Back single family program is funded by \$2.2 billion in federal Community Development Block Grant Disaster Recovery (CDBG-DR) dollars and overseen by the Mayor's Office of Housing Recovery Operations (HRO) in coordination with the Department of Housing Preservation and Development (HPD) and the Department of Design and Construction (DDC). Community Development Block Grant disaster recovery funds (CDBG-DR) provide assistance to homeowners after all other forms of disaster assistance have been exhausted.

Hurricane Sandy impacted neighborhoods outside FEMA's 100-year floodplain in 2012. As a result, Build It Back's repair and reimbursement program provided much needed support for homeowners who didn't have flood insurance, many of whom were outside the floodplain.

About half of the housing flooded by Sandy was outside of FEMA's 100-year floodplain and of those in the floodplain less than 50 percent of housing had flood insurance. Two-thirds of Build It Back homeowners receiving repair and reimbursement lived outside FEMA's 100-year floodplain in 2012. Only one-quarter of Build It Back homeowners receiving reimbursement and repair received National Flood Insurance Program (NFIP) payments. For this reason, the City encourages residents to purchase flood coverage.

In 2014, Build It Back dedicated funding to provide rental assistance to homeowners displaced by construction so they are not burdened with existing mortgage payments and additional rental payments while their homes are being elevated or rebuilt. The Program expanded its services to include comprehensive relocation assistance partnering with the Center for New York City Neighborhoods (CNYCN) and New York Disaster Interfaith Services (NYDIS). Services were designed to help address barriers to securing temporary housing including large multigenerational families, specific physical or mobility needs, and pet-friendly units. Nearly 1,100 homeowners have received assistance with temporary housing and relocation and 83 percent of homeowners were temporarily relocated within their original community or borough.

Hurricane Sandy was an unprecedented storm for New York City. Build It Back began with key policy decisions that drove subsequent successes and challenges. The City prioritized keeping families in their homes and neighborhoods, and prioritized homeowner choice in the process. The resulting program design and implementation have been driven by many factors including: the unique nature of housing and site conditions in New York City, specifically the communities most impacted by Hurricane Sandy in Southern Brooklyn, Southern Queens, and the East and South Shores of Staten Island; an ever evolving regulatory environment from 2013 to today ranging from post-Sandy changes to building codes and flood map requirements; the need to complete thousands of single-family home construction projects in the busiest construction market in decades; and the complexities of providing relief within the federal disaster funding framework.

We have learned so much collectively over the last five years about what it takes to elevate and rebuild homes in these communities, about the importance of clear communication on how different federal programs (from flood insurance to SBA loans to HUD funded programs) can assist homeowners during their recovery, and about the impact of neighborhood resiliency planning. This is why we believe the joint City Council and Mayoral Sandy Recovery Task Force is such an important effort for the City. With your partnership, we will lay out the principles and best practices for future recovery efforts, with a focus on preparedness, technical assistance for building owners, and community engagement.

The transformation in these neighborhoods is remarkable. I would welcome the opportunity to take the committee on a tour.

I'm happy to take your questions.