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**TESTIMONY BY NEW YORK STATE SENATOR BRAD HOYLMAN
BEFORE THE NEW YORK CITY HOUSING AUTHORITY PUBLIC HEARING ON
THE DRAFT 2014 ANNUAL PLAN**

July 24, 2012

My name is Brad Hoylman and I represent New York State's 27th Senate District, in which Campos Plaza I and II, Jacob Riis Houses I and II, Harborview Terrace, 344 East 28th Street, Fulton Houses, Lower East Side III, Lower East Side Rehab and parts of Chelsea and Elliott Houses are located. As the State Senator representing the residents of these New York City Housing Authority (NYCHA) developments as well as residents of Section 8 Leased Housing and other NYCHA units, I am particularly concerned about New York City's public housing stock and the well-being of its residents. Thank you for this opportunity to submit testimony on NYCHA's Draft Annual Plan for Fiscal Year 2014 ("Draft Annual Plan").

In the seven months since I first took office in January, I have visited NYCHA developments in my district, talked to residents and met with resident leaders. I am deeply troubled by what I have seen and heard. From the rat infestation at Riis Houses, to the mold and mildew left over from Superstorm Sandy and the broken windows and peeling walls in Campos Plaza, to the long delays in maintenance and repairs in all developments, NYCHA is failing its residents. We can and must do better.

While I appreciate how difficult it is for NYCHA to remain true to its mandate of increasing public housing and maintaining services in times of financial hardship, I object to several of the Draft Annual Plan's deficit reduction proposals, including hasty plans for infill land-lease development, enrollment in the federal Moving to Work program without guaranteeing resident protections, and Section 8 voucher cuts. I also share the other concerns expressed by the New York City Alliance to Preserve Public Housing in its position paper.

Given that all stakeholders recognize the serious fiscal challenges that NYCHA continues to face, the Authority must heed the call of residents, public housing advocates and elected officials to work with the City to terminate its outdated 1995 Memorandum of Understanding (MOU)



with the New York City Police Department (NYPD) for “special police services” and vehicles. There is no reason for NYCHA to be making annual payments of close to \$75 million to the NYPD; like other New Yorkers, public housing residents pay for police protection with their taxes. Likewise, there is no reason NYCHA should have to make \$23 million in annual “payments in lieu of taxes” (PILOTs) while other non-profit housing providers are exempt from this requirement. This inequity is inexcusable. Additionally, NYCHA should not have to pay roughly \$1.8 million annually for special Department of Sanitation (DSNY) pickups. I understand the pickups themselves are critical to keeping developments clean, but the funding should not come from NYCHA’s meager operating budget. The funds for these “special” expenditures would be much better spent on preserving NYCHA’s aging buildings, improving residents’ living conditions and closing the Authority’s recurring \$61 million operating deficit.

As I noted above, I strongly object to NYCHA’s plans to rush through a Request for Proposals (RFP) for land lease infill development, including at Campos Plaza in my district, without proper public review and engagement. I recognize that, without real intervention, the disrepair wrought by NYCHA’s unmet capital needs, which are slated to more than double to \$13.4 billion over the next five years, will jeopardize the safety and quality of living of NYCHA residents. But that is no excuse for bypassing a meaningful public process to ensure that any disposition and privatization of precious public land is in the best interest of residents and the surrounding communities.

The sad truth is that residents do not trust NYCHA to spearhead the public review process alone. NYCHA has held so-called resident engagement meetings on the plan, but the presentations have been scant on details and heavy on emotional appeals. Rather than discussing important details about the proposed new residential towers, the presentations have focused primarily on the Authority’s dire need for cash. Many residents have boycotted these meetings upon hearing from others that the Authority isn’t approaching them as honest brokers truly interested in resident input. Some have complained that direct questions to the Authority have either been ignored or—worse—challenged. For example, one NYCHA official responded to a question at a Campos Plaza meeting with this retort: “Come up with a better idea or shut up.”

To ensure that residents have a real voice in this extremely consequential initiative, each infill development proposal should be subject to New York City’s Uniform Land Use Review Procedure (ULURP)—the same review process that all Mayoral agencies must adhere to when redeveloping public land. I have introduced the *NYCHA Real Property Public Review Act*, which would do just that, in the State Senate this year. A robust public review process like ULURP is crucial in ensuring that public housing residents and the broader communities of which they are a part of can help shape the future of their neighborhoods. Before plans for infill development move ahead—in other words, before NYCHA issues an RFP—there needs to be more transparent and cooperative engagement with communities and tenants in affected NYCHA developments.

I am also deeply concerned about the Draft Annual Plan’s proposed cuts to Section 8 vouchers. NYCHA Chair John Rhea testified at a New York City Council hearing last month that 1,200 vouchers stand to be eliminated. With nearly 124,000 families on the Section 8 waiting list, any

reduction in vouchers is appalling and unacceptable. Likewise, NYCHA's plan to increase rents for 9,600 Section 8 voucher holders by applying for a waiver from the U.S. Department of Housing and Urban Development (HUD) to reduce its Section 8 rent payment standard will create an undue burden for affected households. NYCHA must identify ways to properly fund Section 8 vouchers and continue current levels of Fair Market Rent assistance, including appealing to HUD for additional funds. Cuts to Section 8 vouchers can result in a flood of newly homeless families entering a shelter system that is bursting at the seams. Furthermore, while it is not within the purview of this hearing, in lieu of issuing new Section 8 vouchers, the City should reinstate the Advantage program or another similar program, developed in consultation with advocates, to help keep families in their homes and out of shelters. The administration's claim that it has provided viable options for families who lost their Section 8 around Christmas in 2009 and those who lost Advantage vouchers in 2011 is not credible, as the City's homeless population has surged in the intervening years. As you know, vouchers are far more cost effective than shelters for all levels of government, and they are better for families and communities.

Regarding NYCHA's plans to apply to HUD to become a Moving to Work (MTW) agency, I strongly believe that NYCHA must sign onto a binding Memorandum of Understanding explicitly stating that it will not take advantage of the program's more regressive provisions, including significant rollbacks of residents' rights, increases in the cap on rent in relation to percentage of income, and the imposition of work requirements on tenants. In addition, I urge NYCHA to subject the MTW proposal to rigorous public reviews, including specific and comprehensive written proposals, 45-day review periods, and public hearings.

As NYCHA finalizes its plan for Fiscal Year 2014 and beyond, I urge the Authority to utilize the tremendous resources it has in its tenant associations, the Resident Advisory Board, and the Citywide Council of Presidents, and to work together with its surrounding communities. This collaboration could prove particularly helpful in addressing such controversial policies as the proposed infill development. Ultimately, however, we must work together to permanently close the budget gap by eliminating NYCHA's exorbitant and unparalleled payments to the City and demanding more public funding to preserve our precious stock of public housing for future generations.

Thank you for your consideration of my comments. I look forward to continuing to work with NYCHA to preserve safe, affordable and decent public housing for New York's most vulnerable and disadvantaged residents.