

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON PUBLIC HOUSING

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January 26, 02016  
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HELD AT: Holmes Community Center  
415 E. 93rd Street  
New York, NY 10128

B E F O R E: RITCHIE J. TORRES  
Chairperson

COUNCIL MEMBERS: Rosie Mendez  
James G. Van Bramer  
Donovan J. Richards  
Laurie A. Cumbo

## A P P E A R A N C E S (CONTINUED)

Sandra Perez, Tenant Association President  
Holmes Towers

Lisa Kenner, Resident Association President  
Van Dyke Houses

Darnell Brown, Holmes Towers Resident  
Representative of Community Voices Heard

Beverly Corbin, Resident  
Wyckoff Gardens, Brooklyn

Shola Olatoye, Chair and CEO  
New York City Housing Authority, NYCHA

Nicole Ferreira, Vice President  
Real Estate Development  
New York City Housing Authority, NYCHA

David Farber, Executive Vice President  
Legal Affairs and General Counsel  
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Leila Bozorg, Chief of Staff  
Housing Preservation & Development, HPD

David Quart, Deputy Commissioner  
Research and Communication  
Housing Preservation and Development, HPD

Claribel Garcia  
Community Voices Heard Member, CVH  
Holmes Towers Resident

Donata, Holmes Towers Resident

Cherry Shivers, Wyckoff Gardens Resident

Sandria Coleman, Stanley Isaac Houses Resident  
Member, Community Voices Heard

Victor Bach  
Community Service Society

Naved Husain, Lead Organizer  
CAAHV, Organizing Asian Communities

Javier Sepulveda  
Clinton Houses Resident

Gale Brewer  
Manhattan Borough President

Jarilla Alli Sanders (sp?)  
Committee for Independent Community Action

Sangay Donso

Starshima Trent  
All Stars Project

Juan Colone (sp?), Sergeant-at-Arms  
Farrello Homes for Homeless

Mashan Banes  
Douglas Houses Resident

Carmen Quinones, President  
Douglas Houses Tenant Association

Evans Thompson  
Committee for Independent Community Action, CICA

Felicia Pullam  
Committee for Independent Community Action, CICA

Dr. Lenora Fulani  
Committee for Independent Community Action, CICA

Dr. Jessie Fields  
Mt. Sinai Health Systems

Aixa Torres, Resident Association President  
Alfred E. Smith Houses

Josh Barnett  
Local 375 DC37S Member  
Office of Design and Capital Projects, NYCHA

Patricia A. Charles, East Chester Gardens Resident  
49th Precinct Council and Community Board 11

Jasmine De Jesus, President  
Carver Residents Association

Gerry Frohnhoefer, Teacher  
Urban Sociology, La Guardia Community  
Founder of the Fiorello Homes for the Homeless

Betty Sanders, Chairwoman  
National Action Network Homeless Committee

Bernadine Weeks, Member  
Committee for Independent Community Action, CICA

Violet Bailey, Holmes Towers Resident  
Member, Community Voices Heard

Harry Kresky, Attorney  
Committee for Independent Community Action, CICA

Mark Marquis, Wagner Houses Resident  
Committee for Independent Community Action, CICA

Doug Balder, Architect  
Committee for Independent Community Action, CICA



[gavel]

CHAIRPERSON TORRES: Good evening

everyone. It's a honor to be here in the Upper West East Side of Manhattan, and I want to thank my colleague who is delayed by the subway, Council Member Kallos for hosting us in his district, and I want to thank all of you for hosting us here at Holmes. I do want to emphasize that this not meant to be a town hall. It is an official convening of a City Council hearing. So the normal rules of engagement will apply. If you are disruptive, you will be asked to leave. Having said that, I'm--I'm City Council Member Ritchie Torres, and I chair the Committee on Public Housing, and I'm proud to be joined by my colleague in the Council, Council Member Rosie Mendez. In the interest of time, I'm only going to make a few brief remarks so that residents will have a greater opportunity to testify in response to NYCHA's testimony, and we'll begin with a panel consisting of residents and advocates. But we're here because NYCHA is facing a deepening crisis in its infrastructure and finances. Plagued by decades of disinvestment, NYCHA has accumulated about \$17 billion worth of unmet capital needs. That in

order to bring the public housing stock into a state of good repair, you would need \$17 billion, billion with a B. And yet, NYCHA only receives about \$250 million from the federal government, and essentially nothing from the State, and about \$100,000 a year from the City. And so there's a massive gap between the needs of our public housing stock and the funding that NYCHA receives at every level of government to meet those needs. And so, the question before us is how do we close the gap? And NYCHA claims that it has an answer in the form of Next Gen NYCHA, and one of the features of Next Gen is a proposal for leasing out public housing land for market rate and affordable housing development, which is the subject of today's hearing. Whatever your opinion of NYCHA's plan whether you support it or oppose it, I think we can all agree on this point that if NYCHA has confidence for preserving public housing then it should have enough confidence to answer questions and defend that plan in front of all of you in the face of questioning from the City Council. Hopefully, you will see this as an attempt at bringing government directly to the people. With that said, I would like to call the first panel. Lisa Kenner from--from Van

Dyke; Sandra Perez from Holmes House; Darnell Brown  
Holmes Towers; and Beverly Corbin for Wyckoff.

[pause] So we can only be in the Community Center  
until 10 o'clock so we're going to restrict the  
testimony of each panelist to three minutes each.  
We'll start with the tenant leader of Holmes Houses,  
and thank you for hosting us. [pause]

SANDRA PEREZ: Good everybody. Thank you  
for coming out to this very important meeting. My  
name is Sandra Perez for who don't know me, and I'm  
TA President to Holmes to Towers. I only have two  
words to say, and it's that I'm opposed.

[cheers/applause]

[gavel]

SERGEANT-AT-ARMS: [off mic] We ask that  
you keep it down, sir. Keep it down while they're  
hosting. (sic)

CHAIRPERSON TORRES: You can--perfect--  
occupy Wall Street, yeah. [laughter] Do--do you want  
to--is that it?

SANDRA PEREZ: That's okay.

CHAIRPERSON TORRES: Okay, that's pretty.  
That's the briefest testimony I've heard. Okay,  
great. Van Dyke. Ms. Kenner.

LISA KENNER: Good evening. First I want to say I'm glad I'm here because it was a journey to get here from Brooklyn. The trains is horrible. That's what you need to get--work on next. But I'm here, and I'm glad I'm here. My name is Lisa Kenner, and I've been the Resident Association President for 12 years. Some people say I've been here longer, but it seems like I've been here forever, but I've also been a resident born and raised in Van Dyke for 56 years going on 57. Now, that's a blessing. I love my home, and I know people love it, too. But the thing that gets me is that we already have something being built with the Campbell Board and you paid \$1.8 million for low supportive housing. Now the Next Generation is coming in we don't need that. We need to get this up, get Van Dyke organized, painted, looking like something. You cannot keep bringing something and you're not taking care of what's there already. Then you wonder why the people are enraged and angry. I've been in people's apartments, and their bathrooms are horrible, and don't tell me 'cause you don't have the money. You have the money to fix a person's bathroom. You know, they have this Next Generation talking about safety, security,

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2 repairs, maintenance, and nothing has been done, and  
3 they've been doing this for a year at Van Dyke. We  
4 got extension for six months. Now, you know. You've  
5 been to Van Dyke, and I walked you around and I stay  
6 in trouble 'cause I did it. But it's all right  
7 'cause that's that my home, and that's other people  
8 homes, and if I don't know how to speak up, who's  
9 gonna speak up? I have a voice, and everybody in Van  
10 Dyke have a voice. That's why it was mandatory for  
11 me to get here for you to know that I'm not saying  
12 that it's a bad thing because we are a diverse  
13 community, but what I'm saying that you have to do  
14 something got Van Dyke. Van Dyke is 60 years old.  
15 If you come in the hallway, the hallway is beige, and  
16 they fix the wall. They paint it gray, a--a black  
17 spot. I love the chair. I think she's a very vital  
18 woman, and I know her hands are tied, but our hands  
19 is not tied. We are citizens here. We are the  
20 people here. If we don't open up our mouth and say  
21 something, and if you don't stand for something then  
22 it don't do nothing.

23 MALE SPEAKER: 30 seconds

24 LISA KENNER: I think you. [applause]

25

CHAIRPERSON TORRES: I'm sorry. No--no round of applause. [gavel] Mr. Brown.

DARNELL BROWN: Good evening, ladies and gentlemen. Thank you for coming out. Thank you to the Council members for coming out. My name is Darnell Brown. I'm new resident here at Holmes Towers. I'm also a representative of Community Voices Heard. Now, I'd like to take the time to actually thanks you guys who come to engage us in this dire issue. Now, after speaking with my fellow residents, we're concerned with the impact that infill is going to community. Now, though, Public Housing houses many low to very low-income housing residents, there's also a large number of residents who work every single day just like all other New Yorkers, and we all want clean, safe streets for our children, and a decent quality of life in the city that we love. But Infill as far as we're concerned diminishes that in many ways. I'm going to outline some of those. One being the issue of lost public space. Another being an issue of severe overcrowding, and another, which is a big one, is the issue of mismanagement and misappropriation. Now, I mentioned severe overcrowding. Currently, there's

one high-rise being built right over here on 89th Street and First Avenue. That's going to be about 500 to 700 new families moving into the area. NYCHA is proposing another 400 to 800 families in two separate buildings. Now, that's looking at a 900 to 1,500-family increase within a five-block radius of our nearest school. All right, now you could come to your own conclusions in regard to the overcrowding and increased class sizes on that matter. Let's go ahead and look at public space. The term under-utilize was used to describe our parks that our children play in. That term is used to depreciate the value of that land to justify the parks to destruction. Any time we're aiming to destroy parks in favor of capitalistic gains, we have some soul searching to do because that's a--that's a depreciation of quality of life in the area. Now, we understand that NYCHA has a \$1.7 billion per year shortfall. We also understand that the \$70 million per year that NYCHA is going to gain from this is just the proverbial drop in the--in the bucket, so speak. All right, this leaves us completely baffled how the State cannot find funding, a \$900 to \$800 million split between them to find income or--or

housing funding for these low-income houses, but you could find \$4 billion to build a new Penn Station. All right. [cheers/applause] Public is a need in this city. It's--it's a need. It's a part of the safety net that prevents mass homelessness. There's the funding that we have to do for it. Here at Isaac Holmes we say no to privatization. We say no to mismanagement. We say no to the sale or leasing of public land. We want Mayor de Blasio or Governor-- and Governor Cuomo to quit the shenanigans and start funding NYCHA today. [applause]

SERGEANT-AT-ARMS: [off mic] No. Quiet on the floor. Quiet on the floor. [pause] There's no booing anything. (sic) Quiet on the floor.

BEVERLY CORBIN: Good evening. My name is Beverly Corbin. I'm from Wyckoff Gardens in Brooklyn, and we're here to support our sisters and brothers in Holmes Houses because we don't want the Infill project either. We want NYCHA to start to look in pockets, other pockets to get money. That's the first thing. The second thing is no we're not a stadium like the Barclay Center that will get cut, and maybe if we were a stadium we would have the money put there for NYCHA and the residents that live

in NYCHA. NYCHA is a low-income development that take care of people in the community. I know a lot of people don't think NYCHA is a community, but it is. It's a community in itself. It's a neighborhood within itself. In Brooklyn where Wyckoff Gardens is there are towers being built as we speak. Land is being moved. We're already overcrowded because we're the new urban downtown area. Those buildings are not filled. Half of those buildings are not filled. How does NYCHA think that people are going to run in to get those apartments at a market rate to live on public housing land? Are they going to want to live next to us? That's the big question. Are they going to want to pay those rents to live in our community. I think it's cheap shot on NYCHA part to put [laughs] put, yeah. It's a cheap shot for NYCHA to use public land to raise money. When the Mayor came to Wyckoff Gardens I asked him, "Is there another way that we can raise this money?" And he told me no. There is no other way. Well, I don't know too many generals that have only one way in and one way out. That's a big question. You have not looked at anything else or sat down to speak to residents about that. Right now, as we speak, they have deployed

many men and women to clean Wyckoff Gardens up so they can trick the residents into saying yes this is a good idea. If you can get that many people to come and clear Wyckoff Gardens at this particular amount--minute, polish our floors at this particular minute, it can be done everyday. It can be done on a regular basis. It does not have to be done after the Mayor come or after the residents complain. So I want you to start to look for ideas. I want you to sit down and talk to our residents. Let's see some other ideas that we can bring money back into NYCHA without building a tower on the play area where our kids live. [pause]

CHAIRPERSON TORRES: Ms. Perez, so even though you only gave a two-word testimony, I have a question for you. So, the--the previous administration Mayor Bloomberg had a plan for--had a--his own plan for leasing out public housing land for private development, and Mayor de Blasio said that one key difference between the previous mayor's plan and his own is community engagement, that NYCHA has been engage in a much more extensive process of communicating with the residents. Are you satisfied with the level of community engagement here at Holmes

Houses as the elected leader? What's been your experience?

SANDRA PEREZ: I'm not that satisfied. I think, um, and I've always said it that I've always felt that they have a trick underneath their sleeves. So I'm not satisfied.

CHAIRPERSON TORRES: And--and what specifically is un--is unsatisfactory?

SANDRA PEREZ: Just that--there's a lot of--we have a lot of questions, but yet there's no answers. They keep repeating the same answers.

CHAIRPERSON TORRES: I guess of all the questions you have, which is the most important so that we can get you an answer?

SANDRA PEREZ: Oh, there's so many. I have to think on that. [background comments, pause] Well, yeah. [laughs] I can't remember.

CHAIRPERSON TORRES: Okay, well if the question come to mind let us know. We'll be more than happy to answer them for.

SANDRA PEREZ: Okay, yeah 'cause I have a--

CHAIRPERSON TORRES: Okay, I--and, yeah, feel free to provide us with them, please.

SANDRA PEREZ: Thank you.

CHAIRPERSON TORRES: I want to give Council Member Kallos, who's hosting us here an opportunity to say a few words. [pause]

COUNCIL MEMBER KALLOS: I'm Council Member Ben Kallos. Welcome to Isaacs Neighborhood Center, which is a former NYCHA community center, which is now operated by the Stanley Isaacs Neighborhood Center, which is a non-profit, and they do amazing, amazing work for the residents of Stanley Issacs, Holmes and the broader community. We're here 365 or so days a year. We're here on Thanksgiving. We are here on Christmas day, and just thank you for the amazing work that everyone does here, and we've got an amazing set of tenants here, and we've got a pretty amazing NYCHA chair so he's requested no applause. But he absolutely deserves it, but please don't out of respect because he's brought this--the City Council to you. Typically, you have to come to the City Council at 10:00 a.m., and sit through a day-long hearing before you get a chance to go. But at this point it's the residents who are first because you are first. You are the people we serve not only here in the Council but also for our chair,

and so just-- It took a lot bring this here, and just I want to acknowledge him, the committee members who have come up here as well as the staff who helped make this possible. And, um, could I ask questions now, or should I wait until now.

CHAIRPERSON TORRES: [off mic] Do you have a question for them?

COUNCIL MEMBER KALLOS: Yeah, sure. So thank you for your leadership. I think I've said this at the tenant meetings, but I'm a person of faith and it seems that whatever forces there might be, whether you believe or not they tend to choose those who can handle the pressure. And so, for that I'm glad to have you here. We continue to fight much bigger issues than either of us. So my first question is do you want the infill at Holmes Towers?

SANDRA PEREZ: [off mic] No.

COUNCIL MEMBER KALLOS: So, you do not want infill at Holmes Towers. Do--do you feel like you've had an opportunity to say no to the infill at Holmes Towers?

SANDRA PEREZ: No.

2 COUNCIL MEMBER KALLOS: Do residents use  
3 the playgrounds that are currently slated for  
4 development?

5 SANDRA PEREZ: Yes.

6 COUNCIL MEMBER KALLOS: How--how many  
7 would you say? How old are they, and who--who's  
8 really using it? Wouldn't it be better to replace  
9 that playground with a--

10 SANDRA PEREZ: [interposing] All kids use  
11 it. It doesn't matter if they're at an early age.  
12 Even though the parks are built like for toddlers or  
13 like 'til five years old, but all kids play there.  
14 All ages.

15 COUNCIL MEMBER KALLOS: And do you have--

16 SANDRA PEREZ: [interposing] Yeah, even  
17 when it rains, when it snows.

18 COUNCIL MEMBER KALLOS: And do you have  
19 light in your apartments? Do you have natural light  
20 during the day?

21 SANDRA PEREZ: Yes.

22 COUNCIL MEMBER KALLOS: Are you concerned  
23 that you might lose that?

24 SANDRA PEREZ: Yes, very much.  
25

2 COUNCIL MEMBER KALLOS: And in terms of  
3 conditions versus all the other NYCHAs that you might  
4 know about, how do you feel about these buildings?  
5 Is--are--is Holmes one of the developments everyone  
6 wants to get into, or is it one of the developments  
7 everyone wants to transfer out of?

8 SANDRA PEREZ: No, it's a development  
9 where everybody wants to get in.

10 COUNCIL MEMBER KALLOS: Oh.

11 SANDRA PEREZ: We have a long waiting  
12 list for this development.

13 COUNCIL MEMBER KALLOS: Thank you and--  
14 and what types of--during the trade-off sessions were  
15 there any trade-offs that you felt were absolutely  
16 necessary where we absolutely need them, and need to  
17 sacrifice the playground in order to get those trade-  
18 offs?

19 SANDRA PEREZ: Um, no.

20 COUNCIL MEMBER KALLOS: Okay. I think  
21 those are--and--and at the--at the sessions, how much  
22 notice do you get before the meetings? Is it a day?  
23 Is it a week? Is it a month?

2 SANDRA PEREZ: Well, there's supposed to  
3 be 72 hours, but I believe this meeting wasn't even  
4 posted.

5 COUNCIL MEMBER KALLOS: Well, not--not  
6 from the Council, but when you--

7 SANDRA PEREZ: [interposing] Yeah.

8 COUNCIL MEMBER KALLOS: --have the NYCHA  
9 meetings.

10 SANDRA PEREZ: About a week.

11 COUNCIL MEMBER KALLOS: And is that  
12 enough to get folks out?

13 SANDRA PEREZ: Yes.

14 COUNCIL MEMBER KALLOS: And how many  
15 folks came out to the first meeting would you say?

16 SANDRA PEREZ: To the first?

17 COUNCIL MEMBER KALLOS: The meeting with  
18 NYCHA about Next Gen?

19 SANDRA PEREZ: I couldn't really tell you  
20 how many 'cause we walked out.

21 COUNCIL MEMBER KALLOS: Sure. How many  
22 people walked out with you? Would you say it was  
23 around 50 to 100 or--

24 SANDRA PEREZ: [interposing] I believe it  
25 was more than that.

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2 COUNCIL MEMBER KALLOS: Okay and at the  
3 last meeting with NYCHA how many people were there?

4 SANDRA PEREZ: Um--

5 COUNCIL MEMBER KALLOS: Less than 20?

6 SANDRA PEREZ: No more than that.

7 COUNCIL MEMBER KALLOS: But were there as  
8 many at the--at the last meeting as there were at the  
9 first?

10 SANDRA PEREZ: No.

11 COUNCIL MEMBER KALLOS: Why do you think  
12 less people have been showing up to the meetings  
13 since the first one where folks stormed out?

14 SANDRA PEREZ: Excuse me. I didn't  
15 understand.

16 COUNCIL MEMBER KALLOS: Sure, do--do you  
17 think there's any reason why folks--why fewer people  
18 are coming out to the meetings with NYCHA?

19 SANDRA PEREZ: They're not trusting them.

20 COUNCIL MEMBER KALLOS: Why--why don't  
21 people trust NYCHA?

22 SANDRA PEREZ: 'cause like I said, in  
23 every other meeting that we had previous they just  
24 kept beating around the bush to the questions.

25

2 COUNCIL MEMBER KALLOS: So they're not  
3 asking questions, and then--they're not answering  
4 your questions?

5 SANDRA PEREZ: To certain tenants no.

6 COUNCIL MEMBER KALLOS: An do tenants  
7 feel like they have--their voices are being heard?

8 SANDRA PEREZ: No.

9 COUNCIL MEMBER KALLOS: Are people  
10 disengaging because they don't think that they--their  
11 voice--they actually have a role in the process?

12 SANDRA PEREZ: Yes.

13 COUNCIL MEMBER KALLOS: I think that's my  
14 questions. Thank you very much--

15 SANDRA PEREZ: [interposing] You're  
16 welcome.

17 COUNCIL MEMBER KALLOS: --for your  
18 leadership, Mrs.--we--we are lucky to have you as one  
19 of our tenant leaders. I know you don't get paid for  
20 this, but it is such a nice development, and you have  
21 a waiting list because of how good a job you do.  
22 Thank you.

23 SANDRA PEREZ: Thank you.

24 CHAIRPERSON TORRES: Council Member  
25 Mendez.

COUNCIL MEMBER MENDEZ: Hi. Thank you, Mr. Chair and thank you Council Member Kallos. Under NYCHA's previous infill plan as proposed by Mayor Bloomberg there were other sites that were in that plan at Carver Houses, Washington Houses, and Douglas Houses. Did anyone on this panel attend those community engagement meetings then?

DARNELL BROWN: [off mic] No.

COUNCIL MEMBER MENDEZ: No, okay. So, um, I--I understand, young man. I'm sorry I don't remember your name.

DARNELL BROWN: My name is Darnell.

COUNCIL MEMBER MENDEZ: You are part of CVH, Community Voices Heard?

DARNELL BROWN: [off mic] That's correct. I'm a member.

COUNCIL MEMBER MENDEZ: And I understand the Community Voices Heard has been doing the community engagement portion of this round of reinvented infill. Is that correct?

DARNELL BROWN: Yes, that's-that's very correct.

COUNCIL MEMBER MENDEZ: Okay, so, um, you--you don't know since you weren't here for the

last one, but I--I'd like for you to find out from CVH how this community engagement is different than it was in 2013 because I'd--I'd like to understand how it's different. I can tell you that in 2013 community engagement was NYCHA person leading the discussion at each table, and not getting answers when questions were posed. So, I--I'd like to know how it's different now. So, if you can get that answer to the committee, I'd like to know.

DARNELL BROWN: Well, I thought--I thought--I--I heard what Mr. Kallos--Mr. Kallos or Councilman Kallos did mention in regards to the difference being now. NYCHA is trying to increase the community engagement, but the reason we walked out from the initial meeting that we had here because it was--it was false community engagement. It--it didn't actually happen. The moment that someone asked a pertinent question, she ran around that question as if it was a track and field race. She didn't answer the question. She ran around it and everybody said, Oh, my goodness. If you look at the tapes, the entire crowd had the same--

COUNCIL MEMBER MENDEZ: [interposing]

Can--

2 DARNELL BROWN: --the same reaction.

3 COUNCIL MEMBER MENDEZ: --can you  
4 identify who the she is with NYCHA?

5 DARNELL BROWN: Oh, I don't remember the  
6 young lady's name, but--

7 COUNCIL MEMBER MENDEZ: [interposing]  
8 Okay.

9 DARNELL BROWN: --you know, if you could--  
10 -I mean I'm pretty sure it was recorded, um,  
11 multiple--multiple avenues recorded it. But, you  
12 know, if you look at the reaction of the community,  
13 it was oh, here we go again. They're not listening  
14 to us, and that's why you had about a room of 300.  
15 It was pretty much filled like this. Everyone got  
16 out. There was probably maybe 20 or 15 people left  
17 over. So that was a--a grand testimony as to how the  
18 people feel about the project itself. Now, in--in  
19 the last meetings that we attended, NYCHA pretty much  
20 told us well we're going to do it anyway regardless  
21 of what you're saying. That's--that's literally what  
22 she said. Well, do we have a voice? That--the  
23 question was asked. She said, No, we just want to  
24 know how best we can go forward with the process.  
25 But meanwhile the community is saying you're not

going to have a process 'cause there's no way we're going to support it at any point in time. So that's what you're looking right now where the community is saying the--the--the City and the government, state government has an obligation to provide this because it's a--it's a social safety net that covers so many other areas. If it fails--if the government allows it to fail, if NYCHA fails, it's going to be a huge problem that you have. You know, when you have mass homelessness and, you know, crime and everything else that's associated with that. You know, and you guys know. You know, you have political science and everything like that behind you, you'd think. So you know all the social--the social effects that happen with that. You know, so it's not really NYCHA find your own money because you don't tell a homeless shelter to find its own money. You provide that funding that safety net so that Americans can, you know, advance themselves in a society. You know so it's--it's--I don't think it's--the way the residents are looking at it, the way CVH is looking at it, it's up to the government, and the city and the state to find those funds. And if we can, like I said, if we

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2 could find the funds to build a new Penn Station, we  
3 could find the funds to fund NYCHA.

4 COUNCIL MEMBER MENDEZ: And the carriage  
5 horse stable in Central Park.

6 DARNELL BROWN: Yeah.

7 COUNCIL MEMBER MENDEZ: Just saying.

8 DARNELL BROWN: Right. Yeah, I mean--

9 COUNCIL MEMBER MENDEZ: I'm not saying,  
10 just saying.

11 DARNELL BROWN: [interposing] --just, you  
12 know, IJH.

13 COUNCIL MEMBER MENDEZ: Thank you very  
14 much.

15 CHAIRPERSON TORRES: Thank you for your  
16 testimony. The next panel is the New York City  
17 Housing Authority. The Chairperson Shola Olatoye.  
18 The Vice President for Development, Nicole Ferreira,  
19 and the General Counsel David Farber. [pause,  
20 background noise and comments] Can you raise your  
21 right hand. I'm sorry, Ms. Raul (sic), Mr. Farber,  
22 raise your right hand. Okay. Do you swear to tell  
23 the truth and nothing but the truth in your testimony  
24 before the City Council?

25 PANEL MEMBERS: [off mic]

CHAIRPERSON TORRES: Okay, before we begin I just want to--where's the sergeant-at-arms? How many people do we have in the overflow room?

SERGEANT-AT-ARMS: [off mic] About 27.

CHAIRPERSON TORRES: How many people are waiting outside?

SERGEANT-AT-ARMS: [off mic] 40 or 50 total.

CHAIRPERSON TORRES: 40 or 50 total, and what--what numbers are coming from the overflow room?

SERGEANT-AT-ARMS: [off mic]

CHAIRPERSON TORRES: Okay and those are residents of public housing?

SERGEANT-AT-ARMS: [off mic]

CHAIRPERSON TORRES: You may proceed.

SHOLA OLATOYE: Chair Ritchie Torres and members of the Committee on Public Housing, other distinguished members of the City Council and residents of Holmes Towers and Wyckoff Gardens, good evening. I'm Shola Olatoye, Chair and CEO of the New York City Housing Authority. Joining me today are Nicole Ferreira, Vice President for Development and David Farber, Executive Vice President for Legal Affairs and General Counsel. I want to thank Homes

TA President, Ms. Perez, and the other residents on the panel for their opening remarks. They care deeply about the future of their home. They want to improve it today, and preserve it for tomorrow. On this we can both agree. Like so many others we share the same the goal, improve Holmes, Wyckoff and NYCHA, and protect them for the future. I also want to acknowledge and thank our host Gregory Morris, Executive Director of the Stanley Issacs Neighborhood Center who has allowed us to use the center this evening and has been our host for multiple community meetings during this past year. I also want to quickly thank Chairman Torres who has been a long supporter of Next Generation NYCHA and key program that will preserve the City's public housing for the future. I appreciate the opportunity to discuss NYCHA's Next Gen Neighborhoods plan and thank the Holmes community for hosting this hearing. We've heard a lot of concerns and some misinformation. So I welcome this chance to ground us in facts on what the Next Gen Neighborhoods or 50/50 Program is and what it is not. And why the program is so critical for the future of the New York City Public Housing Authority. As you know, decades of federal and state

disinvestment have left NYCHA confronting about a \$17 billion in major repair needs across our portfolio. Since 2001, NYCHA's Housing Program has--NYCHA's Public Housing Program has suffered a more than \$2 billion loss in federal operating and capital funding. This has serious impacts on our residents and their quality of life. Consider the crisis in real numbers. The average NYCHA family pays about \$545 a month in rent and fees, and their unit receives about \$421 in assistance from the federal government. On average that's less than \$1,000 a month to sustain the operations of a single apartment. Keep in mind that the average of \$966 per apartment goes towards operations, maintenance and utilities, but does not support major capital needs. Holmes does not have the funds to support its major up--upgrades and repair needs, which total more than \$30 million. If you speak to Ms. Perez and other residents here at Holmes, they'll tell you what \$30 million in capital look like. To NYCHA it's the nearly 500 work tickets that were created in January alone. But to residents it's the bubbling paint and water coming through their ceiling caused by leaks in the roof and brick facade. It's the bathroom and the

kitchen that need new tile and cabinets after decades of wear, or the window that should be replaced to keep apartments more insulated from the outside temperatures. The longer we defer major capital repairs, the root cause of many building issues, the greater we can expect our operational maintenance repair needs, and no Calvary coming from Washington or Albany to rescue public housing any time soon, how will we preserve NYCHA? How can we make things better today, and ensure that there is a tomorrow? The 400,000 New Yorkers who directly--who are directly impacted by decades of funding shortfalls and ineffective management, need champions in their corner, but they also need honesty. Really tough problems are rarely solved by popular solutions. We must shift the mindset that there will be an easy, quick, painless fix. We must move beyond the distrust and anger that have built up over years to find a place of mutual understanding that NYCHA really does want to solve its problems. We are not sitting on the sidelines accepting the status quo, waiting for the grim fate that played out in Chicago, Atlanta, St. Louis and so many other cities across the country. We will preserve the city's public

housing stock, and leave no stone unturned in our pursuit of funding. NYCHA will continue to ask the state and the federal government to step up to the plate like Mayor de Blasio has, and to follow his lead with the investment of millions in roofs and other critical capital needs. But, we must operate realistically. We cannot rest our hopes and our future on a bailout that may never come. As the Daily News put it back in September, quote "There's no such things as NYCHA fairy who will pay to keep the Authority's aging buildings habitable" end quote. This is why we developed Next Generation NYCHA, our ten-year strategic plan. It is a road map to change the way we do business, get our financial house in order to preserve public housing. It requires us to seek innovative solutions, work with residents on some tough decisions, and leverage every available resource to create the safe, clean and connected communities our residents deserve. There are several development programs under Next Generation NYCHA including the 100% Affordable Program and Next Gen Neighborhoods, or 50/50. Unlike other programs, the purpose of 50/50 is to generate money and produce affordable housing where it is desperately needed.

By using under--underused NYCHA property, the Authority intends to create new housing. Half of the units will be affordable and half market rate. This is one of the most innovative program models in the nation. The market rate units will generate revenue for critical NYCHA needs, money to fund priorities not only identified by 250 Broadway, but also by the residents on the ground at Next Generation Neighborhood sites, those directly impacted by the program like the residents here at home and Isaacs and at Wyckoff. Models similar to a participatory budget used in my of your districts, the Next Gen Neighborhoods program elevates the voice of the resident in the decision making process. We are creating a program in which the input of residents is more directly guiding dollars and our work. In rolling out this program, we've made certain promises. First, impacts to current resident parking will be accommodated as part of the new construction. Second, playgrounds impacted will be moved--that will be moved they will be improved and enhanced. That means a brand new play area with modern equipment, accessibility and safety features integrated into a better, green landscape design at the property as

part of the new construction. Most important, improvements to Holmes and Wyckoff--and Wyckoff will proceed concurrently with new construction. Resident engagement and communications will continue throughout the--this entire process. In addition to funding--to a funding lifeline for the Authority, Next Gen Neighborhoods will create more much needed affordable housing options for low-income and working New Yorkers in neighborhoods where there is a severe shortage like the Upper East Side and Boerum Hill. In fact, in neighborhoods that are feeling the impact of gentrification, Next Gen Neighborhoods offer the opportunity for more affordable units alongside public housing, which is a permanent anchor of affordability in any neighborhood no matter how much it changes. New Yorkers benefit including NYCHA residents who will receive preference for 25% of the new affordable units.

In selecting sites for Next Gen Neighborhoods we are looking at several factors: The availability of land at the development; the development's major repair needs; the affordable housing needs of the neighborhood; and the potential to generate revenue from market rate apartments.

I've outlined Next Gen Neighborhoods and its purpose, but I also want to set the record straight on some misconceptions and fears surrounding this program and its intentions. The Next Gen Neighborhoods program will not and cannot raise NYCHA rents. It will not displace existing residents and families. Under this program we will not sell off NYCHA buildings. This program will not lead to demolition of public housing. This is what could happen if we don't pursue solutions for solvency through Next Gen Neighborhoods and our other Next Generation NYCHA strategies. To be clear, NYCHA will retain ownership of land under the new building. We will ensure the-- the affordability of the apartment in the new building through our agreement with the selected development partners. I'd also like to clarify how Next Gen Neighborhoods differs from the plans of the previous administration. A much larger percentage of the apartments will be affordable, 50% rather 20. The NYCHA developments at the site of the new construction will benefit directly with improvements starting immediately with an upfront payment from the developer. And the most striking difference is that resident engagement and community input are an

essential part of this process. Resident input will inform the character of the residential/commercial mix at sites, the pros and cons of building--new building locations, and the look and feel that is the design and landscape which will integrate the new building into community. We've been criticized for the vagueness of our plans. Unlike previous approaches that presented a finalized plan, which steamrolled residents after the fact, we are seeking resident input at the front end to inform what the final plan looks like. Our engagement to date has been about the Next Gen Neighborhoods program and how it is a vehicle for creating plans to address the needs at Holmes and Wyckoff. We haven't talked about unit counts, or dollar amounts or any plan detailed yet because we have tried to ground residents in what this program means to their community and why we have to do it.

As we discuss resident engagement, I want to take a step back to focus on our learning curve and our commitment to this process. The relationship between NYCHA and its residents has been fractured for so many years, our credibility badly damaged for so long. We knew engagement would have to look and

feel different this time. Starting last fall, we launched engagement with calls, door knocking, information on our website, and lobby meetings. We've held almost weekly meetings with residents at home and Wyckoff, 14 to date, and there will be many more. We brought flyers with information about some of our upcoming meetings. We've met extensively with elected officials, community organizers, organizations, advocates and community boards. Some have even said we're holding too many meetings. Even with all these efforts, residents felt frustrated by the conversation and were suspect of our intentions at the meetings. We had to further refine our engagement model. Residents wanted NYCHA to address immediate concerns now, not just brick and mortar concerns and not a couple years down the line. For example, at Wyckoff, residents felt disrespected by poor management and all conversation started and stopped there. We heard the residents and we took action. We replaced the management not only because we were serious about changing how we do business, but because it was right thing to do. We realize we cannot have a genuine dialogue without our residents at the table, and we cannot get our residents to the

table if we fail to deliver on our most basic responsibilities as a landlord.

The challenges that NYCHA faces are not going to disappear. If we stick with the status quo, they will become even more dire. Other cities have resorted to reducing or demolishing their public housing stock. That is not the path we want to take nor our Mayor. [siren] We believe we have identified viable, beneficial solutions for overcoming NYCHA's fiscal crisis. We are ensuring that residents and other stakeholders are at the table working with us as we refine and implement them. NYCHA did not get into this state of crisis overnight, and we're not going to get out of it overnight. It will take a generation worth of work. I hope that you will stand with us, and we can have a constructive dialogue. I hope we can harness the diversity of opinions to improve this process, and the end result. I urge you to consider the balanced solutions in this program real and honest solutions and the grave consequences of inaction. We can only preserve public housing and improve the quality of life for today's residents and tomorrow's families if we are willing to have those conversations. Thank

you. We are happy to answer any questions you many have.

CHAIRPERSON TORRES: Thank you Madam Chairwoman. Before I ask questions about 50/50, I do want to allow you an opportunity to respond to Ms. Perez's criticism of the process of community engagement here at Holmes Houses, if you have any thoughts in response to what she said.

SHOLA OLATOYE: Well, I think more broadly, not necessarily Ms. Perez, but I think in general I think we-- As I've stated in my testimony, we've had--thank you--over 14 meetings here at--at home, and in her own words, you know, have given residents multiple hours, days--days to--in terms of when those meetings--notice about when those meetings are--are--are happening. But I think more importantly, is--is that we--we--the difference with this initiative and the commitment that this mayor made and the charge that he gave to me when he asked me to take this job, was to reset relationships with residents. And that meant taking longer, laying out a process that has the flexibility to change. So we heard people. People's word or we heard residents say that they were not happy with the size of the

meetings. That they felt like they weren't able to really get their answers--their--their questions answered. I think some of that had to do with, frankly, the--the tenor of some of the meetings, and--and allowed some of the disruptions. We met with--in December I met personally with the elected resident board here at home where they asked us to have smaller meetings, resident only meetings. And so, we have adjusted the process going forward. We've laid out dates in flyers that are outside that reflect the input that we heard from residents. I think this is New York, and we're going to have a diversity of opinions and that's--that's important, and I hope that in the process going forward we can have true engagement of the folks that live here, and with facts. And that we can get into some of the details that folks wanted--what we were unable to do, frankly, in the fall for some of the reasons that you might have heard.

CHAIRPERSON TORRES: So, let's discuss the facts. One critical difference between--you pointed out between the Bloomberg plan and the de Blasio plan is that the latter devotes a greater percentage of units to affordable housing. And the

most important question that we ask around affordable housing is affordable for whom? And so, will these units be affordable to the majority of the residents here at Holmes and elsewhere in public housing?

SHOLA OLATOYE: So a couple of things. The major differences with this--with Next Generation NYCHA and Next Gen Neighborhoods, which is a subcomponent of our overall strategic plan is that we've started with residents. As I said, a resident engagement process one. Two, we committed to the 50/50 program being 50% affordable and 50% market. The affordable portion being at 60% of area median income or below, and that--

CHAIRPERSON TORRES: [interposing] And what is 60% of it?

SHOLA OLATOYE: That is about--I think it's about--it's about \$46,000 for a family of three. So, so that is the major difference with this initiative. The third--the third--the third piece that we've committed to is that--that this program would continue to--that--that it--that any revenues from the program would go back to development.

CHAIRPERSON TORRES: I'm not hearing an answer to my question. I asked will the majority of

the units be affordable to the residents who live here? That's--that's a simple question.

SHOLA OLATOYE: The average--as I said in my--

CHAIRPERSON TORRES: [interposing] Yeah.

SHOLA OLATOYE: --testimony, and I think you heard that, so the average--the average income for residents here for NYCHA is about \$25,000. That is correct, and that like most of the development that we have done--

CHAIRPERSON TORRES: So the answer is no?

SHOLA OLATOYE: Like most--the development that we've done, there will be a 25% set-aside for NYCHA residents, and we have had success in getting NYCHA residents to move into--

CHAIRPERSON TORRES: [interposing] Will all the--will all the units target--will all the affordable units target 60% of AMI or are you going to have a breakdown? Will some of the target 40, 30, 20% of AMI? [pause]

NICOLE FERREIRA: Hi, Nicole Ferreira, Vice President, Real Estate Development. So to answer your question--thank you for having me here

tonight--yes, the affordable units will have income tiering below 60% AMI.

CHAIRPERSON TORRES: What's the exact breakdown?

NICOLE FERREIRA: We don't have an exact breakdown right, but the reason is--is because this program will follow HPD term sheets. Those term sheets break down income levels, and developers can choose to use a myriad of term sheets in their proposals.

CHAIRPERSON TORRES: And my understanding is that the term sheets tend to skew toward 50 or 60% of AMI, is that--?

NICOLE FERREIRA: So--

CHAIRPERSON TORRES: [interposing] And most of the units are expected to be at 50 or 60% of AMI, is that right?

NICOLE FERREIRA: No, there--there is going to be income tiers, and I would just point out that 70% of the households at Wyckoff are between 30 to 60% AMI, and 19% of households are between 30 to 60% of AMI at Holmes.

2 CHAIRPERSON TORRES: What--what's the  
3 median income of the public housing development in  
4 the local community district? [pause]

5 NICOLE FERREIRA: [off mic] Of the  
6 community board, right?

7 CHAIRPERSON TORRES: Of this community.  
8 I don't know what one it is.

9 SHOLA OLATOYE: We can follow--Community  
10 Board 8, but we can follow up with you with the  
11 specific number. We have the average public housing  
12 income, which I said is about \$25,000.

13 CHAIRPERSON TORRES: Citywide?

14 SHOLA OLATOYE: Citywide.

15 CHAIRPERSON TORRES: Do know Holmes  
16 specifically?

17 SHOLA OLATOYE: No, we can get you that.

18 CHAIRPERSON TORRES: Okay, and that--that  
19 was a question that I did send to NYCHA to in  
20 advance. I just wondered.

21 SHOLA OLATOYE: Thank you.

22 SERGEANT-AT-ARMS: Keep it down, please.

23 CHAIRPERSON TORRES: I have a question  
24 about the 421a tax abatement. It's--it's widely seen  
25 as a critical tool for developing affordable housing,

2 but that tax abatement has expired. So what impact  
3 will that have on the affordable and market rate  
4 development in--in Holmes and elsewhere in public  
5 housing?

6 NICOLE FERREIRA: Right. So there are a  
7 couple of tax exemption opportunities for this  
8 project. 421a is one of them. However, you noted--

9 CHAIRPERSON TORRES: [interposing] It's a  
10 big one, yeah.

11 NICOLE FERREIRA: --it--it has expired  
12 yes. We can also utilize the 420c in Article 11 on  
13 the below 60% AMI units in this program, and since  
14 NYCHA will continue to own the land here at this  
15 development site, we can also extend the pilot tax  
16 exemption. So there is a couple of tools that we can  
17 use to make this viable.

18 CHAIRPERSON TORRES: But--but if 421a  
19 were in place, would it apply to the development here  
20 in NYCHA or--?

21 NICOLE FERREIRA: It could apply yes.

22 CHAIRPERSON TORRES: Okay, so what is the  
23 impact? Is--is the affordable housing development  
24 still workable without 421a?

2 NICOLE FERREIRA: Yes, we can use the  
3 Alternative Tax Exemption program.

4 CHAIRPERSON TORRES: But in the absence  
5 of 421a, what's the impact? Are you generating less  
6 revenue than you otherwise would generate with 421a?

7 NICOLE FERREIRA: No because of NYCHA's  
8 ownership of the land, and our use of the pilot, we  
9 can get to some of other terms, yeah.

10 SHOLA OLATOYE: Chair, if I could say--

11 CHAIRPERSON TORRES: [interposing] Sure.

12 SHOLA OLATOYE: --I think it's because of  
13 our commitment to keep the ownership of the land, it  
14 actually affords NYCHA a great flexibility and tool  
15 to actually pass on that tax abatement to a  
16 development partner.

17 CHAIRPERSON TORRES: Yeah, but if the tax  
18 abatement is expired then you're losing a critical  
19 financing tool for affordable housing.

20 NICOLE FERREIRA: It is--it is a critical  
21 tool, and it certainly something that the city--  
22 that's quite important to the overall production--

23 CHAIRPERSON TORRES: [interposing] I'm--  
24 I'm not quite--  
25

SHOLA OLATOYE: --but we do have other tools in our portfolio.

CHAIRPERSON TORRES: I understand that, that that's--that's a particularly important tool, and it just strikes me as odd that the expiration of a critical tool for affordable housing would have no impact on the development of affordable housing or market rate housing on public housing land, and the revenue that you generate from it. It would have no impact at all. Is that what you're telling us?

SHOLA OLATOYE: There--so one of the--so there are a couple of things. One, again, I will repeat the fact that--the fact that NYCHA does have the ability to pass on the pilot, which is frankly taxed at the same level, allows us to account for a similar abatement. We will get into--we are--we are still modeling as the 421a is a tool in our toolbox, but we have had to, and we will continue to refine that if--if that tool is no longer available to us. But we will continue to work with that, and work with your office--

CHAIRPERSON TORRES: [interposing] Yeah, I get that you're going to go forward regardless of 421a. I'm asking what the impact on the revenue that

you would generate? The expiration--what impact would it--if you don't know the answer to that question would it have an impact on the new--?

SHOLA OLATOYE: Right, right, well, we're continuing to refine the analysis and we'll certainly look at it to see if it has an--an impact on the range that we've provided as part of Next Gen and if that's--and--and provide that answers to your--to your office.

CHAIRPERSON TORRES: Now according to Next Gen NYCHA, NYCHA is projecting somewhere between \$300 and \$600 million in revenue from members (sic) over the next ten years?

SHOLA OLATOYE: From Next Gen Neighborhoods program yes.

CHAIRPERSON TORRES: Land use section or whatever you want to call it, right. It's leasing out public housing land for private development, right. Why the wide-ranging estimate? Why the--the massive gap between the lower end of the estimate, \$300 million and the higher end \$600 million?

NICOLE FERREIRA: So why the estimate and what's behind the estimate? Is that the--that's the question?

CHAIRPERSON TORRES: Well, why the gap? You're--you're estimating somewhere between \$300 and \$600 million.

NICOLE FERREIRA: [interposing] Because--

CHAIRPERSON TORRES: So what accounts for the gap?

NICOLE FERREIRA: The gap is accounted for the fact that it's a ten-year plan. Capital markets change, real estate markets change, and by capital markets I mean interest rates change, right. And so we have a varied gap in--in the--the returned to the program. I can explain the \$300 million to \$600 million.

CHAIRPERSON TORRES: If you want to explain, yeah.

NICOLE FERREIRA: Sure.

CHAIRPERSON TORRES: Please explain.

NICOLE FERREIRA: So, um, you know, we have--we took a step back and did an analysis of strong neighborhoods as part of our Next Gen--Next Generation NYCHA report. I should say that all 328 developments are analyzed for the 100% affordable program and the Next Gen Neighborhood program. We found that about over 80 NYCHA developments fell

within strong neighborhood ranges. This is a ten-year plan. We committed to two to four, 50/50 or Next Gen Neighborhood sites per year. That gets you to 30 to 40 sites. We take--took a data set of 30 to 40 real estate development sites. We did a highest and best use analysis with highest, and best uses is what the market could support there, market rate condos, market rate apartments. That got us to an analysis that yielded \$1 billion to \$1.5 billion for these 30 to 40 sites as a data set. You discount that data set because you take a step back, and as a policy object--objective of NYCHA to create more affordable housing units, we commit to 50% of those units below 60% AMI. And additionally, NYCHA not selling the land long-term ground leasing the land for 60 years. You discount for a ten-year real estate market. As I said earlier about capital markets changing, real estate markets changing, and we got to the \$300 million to \$600,000 number.

CHAIRPERSON TORRES: So, you're--you're suggesting that there are as many as 80 sites that could potentially be targeted for--for a 50/50 or did I hear you correctly or--?

NICOLE FERREIRA: So, as we said, all 328 of our developments have been looked at for a participant in our 100% Affordable program as well as 50/50 program.

CHAIRPERSON TORRES: Okay, and there are 80 sites that could be targeted for 50/50?

NICOLE FERREIRA: As part of our analysis, there were anywhere between 40 to 80 sites that we looked at, and we chose that they--as one analytical point to help in the financial modeling of the--

CHAIRPERSON TORRES: [interposing] Okay, so the high number is 80, and your revenue estimates are \$300 to \$600 million assumed market rate development in about 30 to 40 developments? Did I hear you correctly?

NICOLE FERREIRA: Yes.

CHAIRPERSON TORRES: Okay. What are the--what are those sites?

SHOLA OLATOYE: So one of the important things that we've said and I've said, and the Mayor said is that we're going to start with resident engagement when we're talking about any kind of--of activity that might impact residents. So we've

committed publicly to release those sites. We started with two here, 50/50 program where we could do the kind of engagement that is important to make sure people are grounded in facts, and where we could come to residents with information. We cannot manage that, frankly, across 328 developments or 80 developments and so we've--this is ten-year plan. We've committed to these two sites. We will talk about the next sites of and we'll begin an engagement process there.

CHAIRPERSON TORRES: I'm not clear how releasing a list of all the 80 sites that could lend themselves to market rate development would stifle resident engagement. If anything, it would show that NYCHA is more transparent--

SHOLA OLATOYE: [interposing] Well, actually

CHAIRPERSON TORRES: --and that we--that--that--here's--here's what we feel needs to happen and here's where it happens, and we're bringing all the details out in the open, and that--that to me would show a real spirit of transparency.

SHOLA OLATOYE: We, as I think your own words, Chair, have, um, have underscored the

importance of transparency in this administration from day one. And but--and also resident engagement, and I think frankly some of--some very well organized individuals will and have made our ability to get facts out to residents challenging. And I think if you reference the previous administration's efforts, it was not done well, and residents didn't have the kind of information that we fully believe is important to begin the conversation. So that's what we've committed to, and that's what we're going to do.

CHAIRPERSON TORRES: Well, I would just urge NYCHA to hold itself to a much higher standard of transparency than simply comparing itself to the previous administration. And how could--how can you expect the public to trust NYCHA when you're not entrusting us with the information that we need to fully assess the plan? I mean how could we know--

FEMALE SPEAKER: [interposing] [off mic]  
Well, that's the--

CHAIRPERSON TORRES: --hold on, please.  
How--how can we assess the credibility of these numbers when we don't even know the site on which these numbers were based on, or how these numbers

were arrived at? I think that's a legitimate concern. Okay, and I--and I think it's wrong for NYCHA to use a resident engagement as pretext to withholding information. I'm sure--I'm sure you disagree with that.

SHOLA OLATOYE: We'll agree to disagree on that one.

CHAIRPERSON TORRES: I'm sure we'll disagree.

SHOLA OLATOYE: Yes.

CHAIRPERSON TORRES: [pause] I have a question about the revenues. It's \$300 to \$600 million over the next--over the next ten years. What about the subsequent ten years? Will the revenues from those market rate units decline over time? [pause]

NICOLE FERREIRA: Will the revenues decline over time.

CHAIRPERSON TORRES: [interposing] Right.

NICOLE FERREIRA: So as part of this program we are asking for upfront payment for the 60-year ground lease because this program is to preserve the public housing, and to also stabilize NYCHA-- NYCHA's financial returns. So it's upfront payment.

2 CHAIRPERSON TORRES: So the upfront  
3 payment in the first ten years, and then we get  
4 nothing else afterwards? Is that--?

5 SHOLA OLATOYE: It's--go ahead.

6 NICOLE FERREIRA: One of the things that  
7 we modeled again in this financial exercise is the  
8 ability for the Housing Authority to generate as much  
9 cash in--in it's current ten-year dollars to meet the  
10 capital needs of the development. I would presume  
11 and hope that development proposal would look to  
12 continue to provide an ongoing steady revenue stream  
13 to the Authority, but the real value for us is in  
14 that upfront cash payment to the Authority address  
15 the capital needs at the development as well as our  
16 portfolio capital needs.

17 CHAIRPERSON TORRES: Thank you, and  
18 NYCHA's ability to generate or to continue generating  
19 revenue from the market rate units, I suspect will  
20 depend on the city's ability--willingness to  
21 subsidize the affordable units? Is that--?

22 SHOLA OLATOYE: Absolutely work--

23 CHAIRPERSON TORRES: --is it that the  
24 City-the city will subsidize the affordable units  
25

while NYCHA generates revenue from the market rate units? Is that how it works?

SHOLA OLATOYE: Well, we are working closely with the City as part of the Mayor's Affordable Housing Plan to ensure that those affordable units meet the same--similar term sheets, and--and affordability levels that are outlined in the City--

CHAIRPERSON TORRES: [interposing] Right, but your ability to generate revenue from the market rate units depends on the City's willingness or ability to subsidize the affordable units right?

NICOLE FERREIRA: Yes, I think that the--

CHAIRPERSON TORRES: [interposing] So, so how--how can we be assured that the city is going to keep subsidizing those affordable units permanently?

SHOLA OLATOYE: Well, this is a--and I know you know this issue quite well. This is an issue that--

CHAIRPERSON TORRES: [interposing] I'm not testifying, but that's okay so--

SHOLA OLATOYE: Well, but I know you know this issue--

CHAIRPERSON TORRES: [interposing] Right.

SHOLA OLATOYE: --because you've--you've studied it, which is to say that--that the City Housing Program in general is looking at how we can ensure long-term affordability of the things that it's--that it's supporting.

CHAIRPERSON TORRES: This is a special case because the point of this program is not only affordable housing. The point of this program is revenue generation.

SHOLA OLATOYE: That is correct.

CHAIRPERSON TORRES: And your ability generate revenue depends on the city permanently subsidizing these affordable housing units. Is that a correct assessment or am I wrong about that?

[pause]

DAVID FARBER: The--the--I'm David Farber, General Counsel. The--the City subsidizes the upfront development of these projects, right. The operating costs are then covered by the developers long term. So the city is not being asked to subsidize operating costs in a way that it--that the federal government subsidizes NYCHA's operating costs.

CHAIRPERSON TORRES: Okay. I have more questions, but I do want to give my colleague-- Oh, yes, the Majority Leader Jimmy Van Bramer was here earlier. Okay, he's coming back. Ben Kallos.

COUNCIL MEMBER KALLOS: Thank you to Chair Torres for holding this hearing. A great line of questioning. Did not leave much on the bones, as it were, and Chairperson, I will tell you that I just learned things that I don't think anyone knew before. I didn't know that 80 sites were being considered. I did not know that we were 40 with 40, and I think that this is what the City Council's job is, and we just thank you for taking this so seriously. In point of fact, prior to Holmes being selected as a location, I actually came out along with Gale Brewer and several others against this. I actually said the only way we should do infills is if it is at the tenants' association and tenants' approval because there might be locations where folks want it. If they get maximum preference under law, I think we still have to go back and forth over HUD regulations, and whether it can 100% or some other number like that. And then ultimately just making sure that every single square foot is being used for

affordability to get as many low-income New Yorkers the help they need. It is horrifying to me the idea we would use our NYCHA housing for---as a--and which is limited for luxury development. And so, that being said, I just want to thank Chair Shola for coming out to these meetings in person, for your partnership in really trying to get NYCHA back on solid footing, for helping save Thanksgiving for tenants at Lexington Houses, and just seeking partnership. And so, in your testimony and throughout all of this Mayor de Blasio and you have gone to great lengths to highlight your process. You mentioned 14 meetings, and even mentioned some of the criticism that there seemed to be too many meeting. How many meetings are left before residents will have a proposal to comment on?

SHOLA OLATOYE: So we, and they're out at the table, we have relieved the first quarter of the meetings scheduled here at home. I won't run through all dates, but as part of that process, we will be discussing the--as I said, the mix and scale of the commercial uses. The location--the preferred locations of buildings. [coughs] The--the sort of

2 look and feel and design of--design and landscape  
3 that will be part of each of the sessions.

4 COUNCIL MEMBER KALLOS: [interposing]  
5 And I think it's--

6 SHOLA OLATOYE: It is--it is--it is  
7 planned to do that through the end of May, and we  
8 will--that--that is--that is our plan.

9 COUNCIL MEMBER KALLOS: As--as a council  
10 member and as a citizen as well, I think all of us  
11 struggle for having a chance to have a say in things,  
12 and it is helpful to know when to come out to talk  
13 about the park. When to come to talk about the  
14 location, and as we've already had 14 meetings, and  
15 we haven't really had a chance to talk to a specific  
16 thing, and then haven't had anything tangible.

17 SHOLA OLATOYE: Uh-huh.

18 COUNCIL MEMBER KALLOS: Even with the  
19 MITQA (sic) and NYH or even horse carriages, there is  
20 something tangible. It's not very tangible on horse  
21 carriages, but with MITQA at least there's actually a  
22 plan and we're able to say, you know what, we don't  
23 like the wording of this section. We'd like to  
24 change that. So, can we please have a plan to start  
25

from so that we can negotiate? Because right now we don't have anything to--to negotiate with.

SHOLA OLATOYE: Yeah, so beginning our--our meeting schedule for February 18th and 23rd we really will begin with a site map, and really begin--It's a process--there's process of actually looking at how the buildings currently--how the current site map looks--what it looks like.

COUNCIL MEMBER KALLOS: Yeah.

SHOLA OLATOYE: Really then we have--having a conversation about the uses, et cetera. If we come and--and present, you know, something that's in the state of complete (sic) I think that would be a problem. So we are first and one of the round of (sic) people and information of that. Talk about the potential components of a development program, and then use that cumulative information to then talk about options.

COUNCIL MEMBER KALLOS: So, I--I get the piece being. I just came from a three-hour hearing on a bill I'm doing. The City Council I don't think ever passed a non-A version of the bill, but it's good to have something to start from. Along with the meeting, so we had 14 meetings already. We have a

certain number--number coming up. I think the--the Mayor had told me and asked for my agreement, which I gave him, that I would come to a meeting with him with the residents as he has done in Wyckoff here at Holmes. Is that it didn't happen in the last 14 meetings. Is it going to happen in this next segment of meetings? When--when will the Mayor be here to hear from the residents themselves?

SHOLA OLATOYE: The Mayor is very committed to being a part of the discussion here. We're working with his office to schedule that and you among the--and your colleagues will be among the first including our residents to know when that meeting occurs.

COUNCIL MEMBER KALLOS: So in terms of this process and feedback, the previous panel, Tenant Association President Sandra Perez said no, the tenants do not want infill at Holmes. So can we move to a new location? Can the tenants say no at this or any of other 40 or possibly 80 sites?

SHOLA OLATOYE: Residents can say--they have their--can have their opinions. I think it's really important for us to recognize why we started doing this work, which is our significant need to

preserve public housing. With \$17 billion in capital needs, we've had 20 plus years of annual operating deficits. Now, we can talk about how and why we got we got there, federal disinvestment, mismanagement, et cetera. The reality is--our present day reality is NYCHA is at the--at the brink, and what we put forward as part of Next Generation NYCHA. And I think it's important for folks to realize that development is three of the 15 strategies that we've put forward as to stabilizing our operations, and making up a better landlord than certainly the one that has gotten the most attention. But there are other things that we are working on, and it is critical that we move forward to preserve public housing for the next--for today and for the next generation.

COUNCIL MEMBER KALLOS: And so I guess just if I can have a clear answer. Can residents say no?

SHOLA OLATOYE: Resident can say no, but we--

COUNCIL MEMBER KALLOS: [interposing]  
Will you--will you--so if they've--they've said no will you not build until at Holmes?

SHOLA OLATOYE: We--this program is moving forward. [audience comments] and it is moving forward, and it is moving forward [gavel]. It is moving forward hopefully with those residents who wish to have an input on the scope and scale and size of this program. But we are moving forward because we believe inaction is unacceptable.

COUNCIL MEMBER KALLOS: I think it's-- it's--it's hard to engage in a process where there-- where we don't have a say in it. If--if we can't even say like sure we're welcome to say no, but nobody is going to actually change their course of action. It's like an election with only person on the ballot, which isn't much of an election. SO, I think that is what hearing from the--

SHOLA OLATOYE: [interposing] Yes.

COUNCIL MEMBER KALLOS: --community. And let the record reflect folks are waving their hands.

SHOLA OLATOYE: Okay.

COUNCIL MEMBER KALLOS: So I think the-- what I have to echo from the community is it's not much of a process if we can't say no to it at specific locations, and that the tenants can't have a--have a say. And so along those lines are you

seeing drop-off in participation as the first panel indicated?

SHOLA OLATOYE: Well, I--so I actually-- it was--it was a really interesting line of questioning Council Member, and I--and I would hazard that my staff, who have been here day in and day out with, you know--well, first of all the men and women who work here at Holmes, and I've--to prepare, you know, the development along with the Center's staff. I would say that the folks who actually want to hear and learn information have probably been turned off by the tenor of some of these community meetings. And--and I--and I--and I think that's unfortunate. I have--with the meetings that I've come to people have come up to me. They've asked me very specific questions. I've been able to provide them the information. I think that if we can't have a civil dialogue, it is very hard for people to even have an informed opinion. Look, I get that this strikes a cord that's deep here in this city. As I said in my testimony, I think it's hard for people to imagine a future when their own reality is not good. And so, we have real work to do around being a better landlord. That is our responsibility and our job.

But I think it is not our--it is not an option to stand by and wait for a plan from some level of government that may or may not materialize while our buildings crumble. And we have--we have opened ourselves up to a level of criticism, input, et cetera, from many corners of the city looking for ideas for how we can address our major needs. And we stand ready to do that, but we are also moving forward with a plan to preserve public housing because inaction is not going to happen on my watch.

[audience comments]

SERGEANT-AT-ARMS: Keep it down please.

COUNCIL MEMBER KALLOS: So we'll--we'll keep going through this. So, the city only has 209 square miles. That is our--that is our physical limit. It's 197,768 acres, and NYCHA actually has 2,473 acres, which is about 1.25% of entire city. And we're currently providing affordable housing to 5% of our city. So 5% of our city lives on 1.25% of our land, and once we sell that land or give it on a 99-year lease or a 60-year lease, it's gone. It's gone for the next three generations. It's gone for the next five generations. It's gone for as long as I'll--I'll be on this planet. I imagine others, too.

And so, how--now--now that we've heard that it's now 80 possible locations, how many acres of NYCHA are we going to give up for infill?

SHOLA OLATOYE: We can provide you the specific acreage answer around--around the--again the analysis that we did. I think it's really important to underscore that these sites could change, will change given the evolving market. We can certainly provide you that information in terms of overall acreage. I think it's really important--I think you're right to give us the--to contextualize how important NYCHA is to the city. I think you know we house the city's-- 50% of the city's lowest income families reside in NYCHA. If our buildings go away, we don't rebuild that asset, and so it is our intent to preserve that for today and tomorrow.

COUNCIL MEMBER KALLOS: So, I am so glad that the Chair asked about the number of buildings and that his was revealed. I think I--I--I follow up on the chair's question will you release the 80 buildings you looked at and the 40 buildings that you are considering moving forward with over the next ten years?

SHOLA OLATOYE: So have 328 developments. We are certainly happy to provide you with that list. We looked an analysis using many tools, one of them being the city's Market and Strong Neighborhood Analysis. You are more--which is available online. You're more than welcome to--

COUNCIL MEMBER KALLOS: [interposing] So--so--

SHOLA OLATOYE: --look at. You can look at where our developments are within that report, and have at it.

COUNCIL MEMBER KALLOS: So, I--I get and everyone here gets, and I think the City is now on notice 25%, actually 24 and a changed percent of the NYCHA developments in our city will be seeing infill under your plan. And so, that's I think enough that people will say, you know, what I'm likely to be that one in four that's going to see it. I'm one in four so 80 over 328, 24%. So--so roughly--

SHOLA OLATOYE: [interposing] We did correct the record.

COUNCIL MEMBER KALLOS: --one in four NYCHA residents you're now on notice that you--you

could be next. So I guess the question is can you actually just tell us instead of making us guess?

NICOLE FERREIRA: So, we said it's a ten-year plan, and we said two to four sites per year that ties to the 30 to 40 sites. 80 sites are in the strong market areas. As we know, over 10 years markets change. You could look to the Queens Waterfront where it was 10 years ago, and where it is today. And so, there's not an exact list. In year 10, it could be very different than where you would develop today.

COUNCIL MEMBER KALLOS: And--and so this--so if happened that made this no longer a strong market, would you look at one of the other 80 sites.

SHOLA OLATOYE: Yes. Well, if we--if we hadn't already been developing here.

COUNCIL MEMBER KALLOS: Well, so there's no development here. I don't know if you know, but if you look out that window right behind you there's--they are building a garbage dump. It's going to be handling 1,800 tons a day. It's destroying property values. This will not be a hot market any more.

[laughter] What is--what is your--what do you be

believe the impact of a garbage dump across the street from one of your new infills?

DARNELL BROWN: [off mic] Non-justification of a free flyer. (sic)

COUNCIL MEMBER KALLOS: Yeah, so what-- what is the impact that you foresee of a garbage dump 200 feet and entrance at 92nd and First? So it's going to be 100 feet that way, and it's literally 200 feet over there.

SHOLA OLATOYE: [interposing] I would--I would--

COUNCIL MEMBER KALLOS: So what would be the impact on there?

SHOLA OLATOYE: Look, I think, you know, there's still building happening in the Upper East Side, Councilman, as you well know, despite, you know, despite the marine transfer station construction. You know, this remains--it is no secret where the current neighborhoods are where we could do things: One, leverage our ability to raise resources--as much--the resources for the Authority, and create affordable housing. This--this is where-- this is one of the sites and we're going to pursue, pursue that development as I said. We will continue

to monitor our--the--the neighborhoods and the markets as--as they change. And--and that is part of--part of this--part of this exercise.

COUNCIL MEMBER KALLOS: All right. So again if you can share the 80 locations. How many of them are going to be 50/50 versus--

SHOLA OLATOYE: [interposing] I just want to be clear I didn't say 80 locations. That's-- that's 80 sites--

COUNCIL MEMBER KALLOS: [interposing] Sorry.

SHOLA OLATOYE: That's--that's 80 sites that were in the Strong Market Neighborhood Study.

COUNCIL MEMBER KALLOS: Sorry, 20 to 40 locations over the next 10 years.

SHOLA OLATOYE: [interposing] It's 30 to 40 just to be clear for the record.

COUNCIL MEMBER KALLOS: So--so okay 12%. So one in ten NYCHA developments. So, how many of these will be 50 for--50 versus 100% affordable?

SHOLA OLATOYE: All 328 of our developments are accountable for 100% affordable development. We are part of the Mayor's Affordable Housing Plan to create and build 200,000 units over

the next ten year. We--NYCHA will be contributing up to 10,000 units of--of affordable housing throughout our portfolio. So all of our developments are a candidate for that and, in fact, preserve--are--are a potential opportunity for that.

COUNCIL MEMBER KALLOS: So, you--you--NYCHA's projected deficit ten years out is how many billion?

SHOLA OLATOYE: The cumulative operating deficit is about \$425 million.

COUNCIL MEMBER KALLOS: So only \$425 million?

SHOLA OLATOYE: Operating. We're on the operating side.

COUNCIL MEMBER KALLOS: What about total?

SHOLA OLATOYE: On the capital side we continue--the--the five-year capital need is \$17 billion.

COUNCIL MEMBER KALLOS: Okay so we--we need \$17 billion, and this plan is going to raise \$600 million? Where does the rest come from and why is it worth leveraging our only real asset, which is our land when it's not going to get us to \$17 billion?

SHOLA OLATOYE: Let me just correct myself. The ten-year cumulative operating deficit is \$2.5 billion. I was incorrect on that, and so your question about how do we get to address the larger need given that we're estimating a \$300 to \$600 million revenue return. So a couple things. Again, really important that Next Gen be seen in its totality, not picked off in terms of this particular strategy. There are 15 specific strategies as part of Next Gen that we modeled. We'll--we'll be being to generate operating or net incomes to the Authority over tens years. It is both on the expense side, and NYCHA actually cutting expenses, and to other forms of revenue. Whether that be commercial ground floor revenue, whether it is ensuring and raising other private dollars into the Housing Authority. The reality is we get to ten years, and we shrink our capital needs. We still have a \$10 billion capital need, but you have an organization that is financially viable. And you then either with the city's support can utilize the capital markets to launch what would be one of the largest modernization programs for public housing in the country. Right now no capital market, no bond offering would accept

2 an organization that--that essentially has had the  
3 kinds of deficits that we have.

4 COUNCIL MEMBER KALLOS: So, to be clear,  
5 ten years out you are not projecting a balanced  
6 budget and you're still spending. (sic)

7 SHOLA OLATOYE: [interposing] No, in ten  
8 years we're projecting with the implementation of  
9 Next Gen strategies all 15 approximately a \$230  
10 million operating surplus, and then you--

11 COUNCIL MEMBER KALLOS: [interposing] And  
12 how much for capital deficits?

13 SHOLA OLATOYE: And we now have shrunk  
14 our capital need to about \$10 billion because of--the  
15 other strategy was part of Next Gen.

16 COUNCIL MEMBER KALLOS: And you believe  
17 somebody will invest in a company with \$10 billion--a  
18 \$10 billion--

19 SHOLA OLATOYE: [interposing] Absolutely.

20 COUNCIL MEMBER KALLOS: --capital  
21 deficit?

22 SHOLA OLATOYE: Absolutely. It's not  
23 about investing. I think it's important to know what  
24 we're talking about just to be--just for the record.  
25 We're talking about utilizing the capital markets to

issue bonds to help us bring some capital into NYCHA, which, by the way, we have done in the past. We did that through the Federalization Effort in 2013 and 2011. We've done that through our Bond B. So it is something--a tool that we have used in the past.

COUNCIL MEMBER KALLOS: We--we just went from a \$78 billion last--billion expense budget last year to \$82 billion this year. How many billion are going to NYCHA as part of the Mayor's Executive Budget?

SHOLA OLATOYE: There are--the Mayor has committed \$300 million to support our roof program, which is about fueling our building, and there are a myriad of other initiatives that are included in the--the Mayor's Budget like our supporting NYCHA's role in stemming the homeless crisis of which we are receiving funds to do so. So there is--there are resources dedicated there for NYCHA.

COUNCIL MEMBER KALLOS: A final question on this round, and I thank the Chair for your--

SHOLA OLATOYE: [interposing] I'm sorry. Also if I could just, um, the--excuse me--the--as you know, the Mayor also forgave both the pilot and the annual police payments that NYCHA had been paying for

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2 more an 40 years, something about \$100 million. So  
3 there has always been a significant down payment from  
4 this administration to write some of the--I would  
5 think in all three on them--

6 COUNCIL MEMBER KALLOS: [interposing] I  
7 think we should be doing more--

8 SHOLA OLATOYE: --annually.

9 COUNCIL MEMBER KALLOS: --to the tunes of  
10 billions. So my last question on this line is  
11 according to figures provided only 5% or 19 units  
12 would be set aside for 30% of AMI. So it's hard to  
13 imagine the--the number of people who might be  
14 applying for these units. And according to the NYCHA  
15 website, the average income for NYCHA is \$23,311 with  
16 an average rent of \$464. Could 20% of the units or  
17 77 be set aside at 30% of AMI to provide more units  
18 that NYCHA residents could afford? And how many  
19 people do you anticipate will be competing for these  
20 19 units? [audience]

21 NICOLE FERREIRA: Okay, so the  
22 percentages so it's 25% so whatever NYCHA has built  
23 on--on NYCHA land it's 25% NYCHA preference and this  
24 a preference number--a percentage that NYCHA does not  
25 create. That is Federal Fair Housing Guidelines. We

need permission from HUD to create those preferences. So if you took a--and the number of units you're referring to I'm just going to take a building count example. I'm assuming you are talking about here at Holmes, a preference. Okay.

COUNCIL MEMBER KALLOS: So if you a 350-unit at Holmes, 175 of those units being below 60% AMI the 25% of that unit count would be 40 preference units for NYCHA residents. So 19% of the residents here between 30% and 60% AMI. So that would be about 102 households at Holmes that would qualify for those 40 preference units.

COUNCIL MEMBER KALLOS: How--how many people--

NICOLE FERREIRA: [interposing] Between 30% and 60% AMI.

COUNCIL MEMBER KALLOS: But these seats are open to everyone in NYCHA. So how many people do you anticipate will apply for NYCHA just for these 20 or 40 preference units?

NICOLE FERREIRA: Um, so out of--the last since 2005 that we've tracked this data when we've had NYCHA preferences, out of 100% number of opportunities that NYCHA residents have had for

moving into new residential units, we have filled 80% of those units. They've had--all NYCHA residents have had the opportunity to move into the units. And so we have filled 80% of those units. 22% of that 80% is public housing residents, and the balance is Section 8--NYCHA Section 8 Voucher holders.

COUNCIL MEMBER KALLOS: How many applicants? What are my chances? If I'm a NYCHA resident--

NICOLE FERREIRA: [interposing] I can't--

COUNCIL MEMBER KALLOS: --am I competing against everybody or am I competing against--

NICOLE FERREIRA: [interposing] So there will be 40--

COUNCIL MEMBER KALLOS: What--what are my chances? Is this a lottery or--

NICOLE FERREIRA: --preference units. Yes, of course, there's a housing lottery for the rest of the--the units, and it all goes by Federal Fair Housing Guidelines.

COUNCIL MEMBER KALLOS: So--so--

NICOLE FERREIRA: [interposing] As we know, there is a demand for affordable housing throughout the city.

2 COUNCIL MEMBER KALLOS: So--so just to do  
3 the math, 40 over 500,000 would be .00008.

4 [background conversation]

5 SHOLA OLATOYE: But I think it's really  
6 important to know [audience comments] and complement  
7 and you and I we spoke about this. You the 400,000  
8 plus residents who call NYCHA home in our public  
9 housing program are not seeking to move out of their-  
10 -out of their units. There is a percentage of  
11 residents who do apply, but the lion's share of folks  
12 who want to stay within NYCHA because they recognize  
13 the benefits. So that means for themselves and their  
14 families. But I do think--I think you're speaking to  
15 a very important issue, which is there is a demand,  
16 and we do have an affordable housing crisis. Not too  
17 far up the road at the Yomo Toro Development, which  
18 is an affordable housing development and a new  
19 school, we had 88 affordable rental units, and a 25%  
20 set-aside. We had for those--that 25% set-aside we  
21 had more than 5,000 NYCHA residents apply for those  
22 units, and that is on top of the 75,000 New Yorkers  
23 who applied overall. So I think your point is a good  
24 one, which is there's a demand. There is a need, and  
25 I think what to underscore was our program offers is

in neighborhoods, which have already changed--have changed, and are changing. NYCHA remains a bulwark towards affordable house, and this program as even additional units to the affordable housing portfolio.

COUNCIL MEMBER KALLOS: And--and--but if we had 100% affordability that would actually double the number of units available for NYCHA at each every site that did 100 instead of 50%. (sic)

SHOLA OLATOYE: [interposing] Perhaps--perhaps complement, but then we would not be able to preserve public housing, which is--which is one of our other objectives of this initiative.

COUNCIL MEMBER KALLOS: Will--will you share the amount that you're seeking? Do you know how much you're seeking to earn from this location?

SHOLA OLATOYE: We spent--I'm sorry. I'm sorry.

COUNCIL MEMBER KALLOS: And whether or not--I--I would love to see the numbers, and I think the public would love to see the public numbers of how much you're trying to earn per location that's 50/50 and what the difference in what you can earn at 100%. And especially if you're willing to have a broad spectrum for affordability so that's a high

set-aside for NYCHA residents of 25%. So 25% of the building's units are just for NYCHA and then you have other bands of affordability?

SHOLA OLATOYE: So, and I know you know this, but we've had many conversations about this. We are seeing very competitive proposals from the open market. I am not going to negotiate against myself by putting out numbers that those in the development knows that to lowball NYCHA residents on. So we, hopefully, through this process will articulate what a development program looks like. And we--it was very clear expectations, and we expect to get the maximum amount of revenue to the Authority so that we can address capital needs and throughout our portfolio.

COUNCIL MEMBER KALLOS: So looking at your numbers, if you're looking to make \$600 million and you're looking at 40 locations just doing the math that brings us to--you want to make \$15 million over ten years from each development.

SHOLA OLATOYE: [interposing] That's right. (sic)

COUNCIL MEMBER KALLOS: And then if you divide that over ten years, that's \$1.5 million per

development per year over ten years. So is--is the number \$1.5? I guess it's just--it's hard. It's like you're trying to sell an apartment, but you're not going to tell anyone what you--you want, and you just tell people make an offer. One of the great things about the--the pre-market is you put something up there, and say, okay, we want a million dollars, and maybe somebody asks for more. Maybe somebody asks for less, but you don't end up in a situation where we ask for a million and you get nothing.

SHOLA OLATOYE: So your question is?

COUNCIL MEMBER KALLOS: How much are you looking to make from these buildings, and can you please give us a--a number. Obviously we can back into it. I--I saw folks nodding no, but--so what are the right numbers? Is it \$1.5 a year, or should they be people who are bidding on it, just no okay, let's do \$1.5?

SHOLA OLATOYE: So, look we're--we're not going to do right because (a) I think there is and--and I--

COUNCIL MEMBER KALLOS: [interposing]  
Well, I just did.

SHOLA OLATOYE: --I know you know that. Well, and you can do that as a--as an intellectual exercise and we have been upfront about the--the range in numbers. But we are not going to put a figure out there that then we are held to. We are going to hopefully with resident input, articulate a clear program with an expectation that we get the maximum amount of revenue.

CHAIRPERSON TORRES: Thank you Council Member Kallos. Council Member Mendez.

COUNCIL MEMBER MENDEZ: [pause] Thank you, Mr. Chair. Madam Chair, NYCHA intends to do 100% affordable housing, and the 50/50. So, how are you determining what sites are going to get the 100% affordable housing?

SHOLA OLATOYE: So, a couple of factors that we've used in selecting--in--in looking, um, our developments. One is there--our ability, the capital needs of the existing development and our ability to actually meet those capital needs. Two, the availability of land, and that--that obviously can be broadly defined. Three, the presence of ongoing public investment or city--city actions. For example, we are working--looking in communities where

2 there is current investment, DOT investment, EDC  
3 investment, HPD investment. Four, our ability to  
4 leverage public--

5 COUNCIL MEMBER MENDEZ: [interposing] I'm  
6 sorry. Go back and name all those agencies again.

7 SHOLA OLATOYE: So EDC, HPD, City  
8 Planning, DOT, where--where in the city there are  
9 planned or existing public investments. We--we--the  
10 vision of Next Generation NYCHA is one of a safe,  
11 clean and connected, and connected also means  
12 leveraging public investment. Not just simply  
13 building buildings, but actually connecting to other  
14 investments. So again, the criteria or--or the  
15 factors that we've thought about are--are capital  
16 needs, availability of land, the existence of public-  
17 -other public investments and--and the market.

18 COUNCIL MEMBER MENDEZ: So, and the sites  
19 have been chosen so far they have the worst capital  
20 needs or they have pretty bad capital needs, and they  
21 meet some of these other criteria?

22 SHOLA OLATOYE: A combination of--of--of  
23 all of those. Yeah.

2 COUNCIL MEMBER MENDEZ: Yeah. [pause]

3 In your testimony on page 6 you say that you've done  
4 14 meetings at Holmes and Wyckoff. Is that correct.

5 SHOLA OLATOYE: I believe it's 13 here at  
6 Wyckoff and 14 at Holmes.

7 COUNCIL MEMBER MENDEZ: Can you provide  
8 the committee with each of those attendance sheets  
9 for each one of those meetings--

10 SHOLA OLATOYE: Absolutely.

11 COUNCIL MEMBER MENDEZ: --at every  
12 development?

13 SHOLA OLATOYE: Absolutely.

14 COUNCIL MEMBER MENDEZ: Thank you.

15 [pause] So, you know, I'm not--if--if you can do  
16 this very quickly, then--then I'd like for you to  
17 this, but this may take too much time. In--in terms  
18 of numbers when the Bloomberg Administration was  
19 proposing eight developments with several sites at  
20 those eight developments, and the amount of money it  
21 was going to generate for NYCHA with its land lease,  
22 and you're talking now about more than eight  
23 developments, and it's not going to generate us more.  
24 Is that just based on the fact that it's not 80/20 or  
25 is it based on what else?

SHOLA OLATOYE: It's based on the fact that it's not 80/20. It's based on the fact that we made a policy decision to keep the ownership under the land--under the new buildings, and that we, as I said, committed to a 50% affordable housing component.

COUNCIL MEMBER MENDEZ: So in, um, the Bloomberg Infill Plan, as opposed to the de Blasio Refill Plan, we were going to get electrical generators and power back-up systems, you know, which was going to be very important in all of these Sandy impacted developments, which were many. How--how does that weight in, and are we getting any of that in refill?

SHOLA OLATOYE: So in our Next Gen Neighborhoods Program, we have talked--we have (a) shared in all of this as public information, our Physical Needs Assessment for 328 developments. Here at Holmes, there's \$30 million need or \$30 million is needed today to bring the--the development up to a state of good working repairs. That includes kitchens and baths, elevators [audience comments] brickwork and--and appointing. (sic) Those remain, um, to be the major capital needs for this

development. We have, as you know, overall through our Sandy program a major focus on not just building back but building better. And so in the 35 affected developments, there will be all of the things that you talked about. And as part of our Capital Program, we are working to ensure that new construction takes on--takes really--ensures that issues around sustainability, issues around resiliency are part of any scope of work.

COUNCIL MEMBER MENDEZ: Every Sandy impacted development is going to get a back-up generator.

SHOLA OLATOYE: Our Sandy Program it's not--yes it is about back-up generators. It's also about above-ground separate gas-fired boilers. As you know, a major health issues as well as an operational issue. And as--I think as you also know, our FEMA program is--is about \$3 billion. We have--we are eagerly awaiting the beginning of the flow of those dollars to beginning the rebuilding work in our development.

COUNCIL MEMBER MENDEZ: Madam Chair, can you tell me and the audience what is the definition of a Significant Amendment under the HUD rules.

2 SHOLA OLATOYE: A Significant Amendment  
3 is a term of art. We as--as a public housing  
4 authority we are required to outline any changes,  
5 program initiatives in what is known as an Annual Plan.  
6 That is a process that happens for content. That is  
7 a process that happens every year, and it is formally  
8 submitted to HUD.

9 COUNCIL MEMBER MENDEZ: And you--and you--  
10 -

11 SHOLA OLATOYE: [interposing] It  
12 represents--

13 COUNCIL MEMBER MENDEZ: Excuse me. I  
14 need to backtrack. You said a term of art. So you  
15 mean it is not defined in HUD rules?

16 SHOLA OLATOYE: No, it is.

17 COUNCIL MEMBER MENDEZ: Okay.

18 SHOLA OLATOYE: As I'm saying it's a  
19 specific sort of HUD term of art, which is a  
20 Significant Amendment, which means any change to  
21 one's Annual Plan needs to be labeled as such, i.e.,  
22 a Significant Amendment, and there is a process by  
23 which the Housing Authority is required to make those  
24 changes or Significant Amendments known to the  
25 public. As you well know, there's a series of

hearing and town halls that--and there--there are specific requirements around notice, et cetera. And this is a process that we continue to do and are in compliance with doing.

COUNCIL MEMBER MENDEZ: How does all of this land leasing just fall under Section 18 and not under a Significant Amendment?

SHOLA OLATOYE: It's both actually, and as you know, any change to the ownership or ownership structure of a NYCHA property must go through Section 18 process. Again, another HUD term of art, which is the federal disposition process. And, the work that we have discussed will and is required to be noted as a Significant Amendment. Our--we set a date for our Significant Amendment town hall or--or a hearing, which is Tuesday, April 5th at VMCC. So, in fact, they both have to--everything has to go through both Section 18 and through the Significant Amendment

COUNCIL MEMBER MENDEZ: So the Significant Amendment--

SHOLA OLATOYE: [interposing] Annual Plan process.

COUNCIL MEMBER MENDEZ: --for all of this proposed Next Gen NYCHA. When was the first Significant Amendment hearing?

SHOLA OLATOYE: It will begin in April.

COUNCIL MEMBER MENDEZ: It will begin in April?

SHOLA OLATOYE: Yeah.

COUNCIL MEMBER MENDEZ: And then from there--

SHOLA OLATOYE: [interposing] Uh-huh.

COUNCIL MEMBER MENDEZ: --we move forward. That gets notice and that is going to be separate and apart--a hearing separate and apart from the Annual Plan.

SHOLA OLATOYE: For Wyckoff and Holmes, yes.

COUNCIL MEMBER MENDEZ: And there's going to be a separate hearing for each development--

SHOLA OLATOYE: [interposing] Yes.

COUNCIL MEMBER MENDEZ: --on the Significant Amendment?

SHOLA OLATOYE: No, there will be a public hearing on the Significant Amendment for the Next Gen Neighborhoods Program, which is--which is

2 inclusive of Holmes and Wyckoff on Tuesday, April  
3 5th.

4 COUNCIL MEMBER MENDEZ: So for the  
5 developments that you've allowed us to know, we're  
6 going to do that, and then every time you let us know  
7 when a development is we'll have another Significant  
8 Amendment hearing?

9 SHOLA OLATOYE: And it's part of the  
10 Annual Plan, which is something that we're required  
11 to do every year. We are required to update HUD as  
12 well as our residents, and the broader public to any  
13 changes to our work.

14 COUNCIL MEMBER MENDEZ: And, um, my last  
15 question. Coming up will you be holding hearings in  
16 the evening on the Annual Plan, or will you only be  
17 doing them in the morning, afternoons as you've done  
18 the last two years?

19 SHOLA OLATOYE: The Annual Plan meeting  
20 will be held I believe--I don't--

21 NICOLE FERREIRA: [interposing] Do we  
22 have a time?

23 SHOLA OLATOYE: We don't have a time yet,  
24 but I know that we are working to ensure that as many  
25

residents have the ability to attend. So evenings are certainly--

COUNCIL MEMBER MENDEZ: [interposing] In each borough.

SHOLA OLATOYE: --evenings are certainly preferable. We also know that there is a desire for folks to be able to--to--to live stream, which is a new feature that we added last year, really at your urging. So that is something we are--are committed to ensure that as many members of the public can be a part of the Significant Amendment and the plans.

COUNCIL MEMBER MENDEZ: [interposing] In each borough?

SHOLA OLATOYE: It--we are not required to do it in each borough.

COUNCIL MEMBER MENDEZ: For the Annual--

SHOLA OLATOYE: [interposing] For the Annual Plan we are not required to do that. I know that that's--

COUNCIL MEMBER MENDEZ: [interposing] It's so--

SHOLA OLATOYE: --a point of contention with you in particular, Council Member--

2 COUNCIL MEMBER MENDEZ: [interposing]

3 Yes.

4 SHOLA OLATOYE: --and we talked about  
5 that.

6 COUNCIL MEMBER MENDEZ: So, although you  
7 used to do it, you're not going to?

8 SHOLA OLATOYE: It has been a major, and  
9 as you know, a major intensive and cost to the  
10 Authority to do this, and we remain committed to  
11 doing that. I also think it's important to note that  
12 our ability to--our engagement process happens  
13 outside of the annual planning process. Um, and so  
14 it is part of a broader and new different way in  
15 which we're engaging with residents?

16 COUNCIL MEMBER MENDEZ: So that would  
17 mean, as even though you've done it before you're not  
18 going to continue to do it that way?

19 SHOLA OLATOYE: We have to change the way  
20 we do our business, and we've got to make sure that--  
21 that we have--

22 COUNCIL MEMBER MENDEZ: [interposing] And  
23 that--

24 SHOLA OLATOYE: --enough money to do  
25 everything.

2 COUNCIL MEMBER MENDEZ: Yes, I find it  
3 interesting that you save money in some ways when it  
4 comes to resident engagement, but you don't save  
5 money in other ways. [cheers/applause] [pause] All  
6 right.

7 CHAIRPERSON TORRES: Thank you, Council  
8 Member Mendez. I have more questions, Madam  
9 Chairwoman regarding--

10 SERGEANT-AT-ARMS: Quiet please.

11 CHAIRPERSON TORRES: --the--the  
12 affordable housing, um, because I understand that  
13 there is a NYCHA preference for 25% of the units, but  
14 I think the concern that we have is what's the value  
15 of a preference for affordable housing units most  
16 NYCHA residents cannot afford, right. And so given  
17 the depth of affordability need in public housing,  
18 why NYCHA not ask HPD for worksheets that were  
19 specifically oriented toward public housing, toward  
20 affordable housing development on public housing  
21 land?

22 NICOLE FERREIRA: So we use the--the term  
23 sheets.

24 CHAIRPERSON TORRES: Is HPD here? We  
25 were told HPD was going to be here. Can they join us

at the--we may have questions specifically for HPD.

Okay. We'd love for you to join us if you could. So thank you. Don't be shy.

NICOLE FERREIRA: So to address the HPD term sheet question, we do--we do use HPD term sheets that tier to lower AMI levels for these programs we do.

CHAIRPERSON TORRES: And are these standard term sheets or are these term sheets specifically designed for public housing?

NICOLE FERREIRA: They are standard HPD term sheets.

CHAIRPERSON TORRES: Okay, did you ask HPD to create a term sheet specifically for resident in public housing given the depth of need here?

NICOLE FERREIRA: For the 50/50 programs specifically or the--?

CHAIRPERSON TORRES: For both?

SHOLA OLATOYE: We've been with--with--with our housing colleagues on--on all of these various tools. We discussed and have discussed multiple tools whether it is a set-aside, whether it is a different term sheet, and those are--those are discussions that we've had. We believe that the--the

approach that we've outlined allows the city to continue to meet its housing obligation, and NYCHA meet its revenue obligations as we've currently presented them. It doesn't mean that it won't change, and that we are not open to change, but we believe that we are--we are moving forward with the current terms as--as presented.

CHAIRPERSON TORRES: So there is openness to pursuing new term sheets specifically?

SHOLA OLATOYE: [interposing] We are open for sure, and I know that--

CHAIRPERSON TORRES: [interposing] Is HPD open to different term sheets?

LEILA BOZORG: HPD is very committed to this program, but the two main goals as of now being to help NYCHA raise money.

CHAIRPERSON RICHARDS: [interposing] Could you state your name for the record?

LEILA BOZORG: My name is Leila Bozorg. I'm the Chief of Staff at HPD. So, we're really committed to this program, understanding the broad-- broad goals are to raise revenue for NYCHA to put back into the buildings.

2 CHAIRPERSON TORRES: It was a market  
3 development.

4 LEILA BOZORG: Right, but the whole  
5 program raises revenue for NYCHA to put back into the  
6 existing public housing. So as to preserve existing  
7 housing and to build additional affordable housing at  
8 or believe 60% of area median income. So we are--we  
9 are committed to those vital roles. (sic)

10 CHAIRPERSON TORRES: What--what could be  
11 done assuming you are open to different term sheets,  
12 what could be done to--to ensure that the affordable  
13 housing units reach deeper levels of affordability?

14 SHOLA OLATOYE: Well, that's part of what  
15 we're waiting to see from proposals after we've put  
16 out requests for proposals and that's part of what  
17 we're going to be--with NYCHA evaluating proposals  
18 based on how deeply they think up to different  
19 affordability levels, and how much revenue it raises  
20 to put back into it.

21 CHAIRPERSON TORRES: But if you had  
22 proposals within one of your standard work sheets,  
23 my--my impression is that most of those units will  
24 skew towards 60 or 50% of AMI.

2 LEILA BOZORG: Well, we're not actually  
3 articulating any specific term sheets. When we put  
4 out the requests for proposals with NYCHA, we're not  
5 requiring them to come back under any particular term  
6 sheet.

7 CHAIRPERSON TORRES: Fair enough, but in  
8 order for the project to be financially feasible,  
9 where would most of the affordability levels be? Is  
10 it 60, 50% of the AMI?

11 LEILA BOZORG: It could be feasible at a  
12 variety level--levels of AMI. The feasibility  
13 depends on what the goals are, and so we're trying to  
14 get below 60% AMI and raising revenue. So, HPD's  
15 term sheets were not designed to raise revenue. So  
16 we are definitely going to have to adjust term sheets  
17 in some ways to meet these other goals.

18 CHAIRPERSON TORRES: No, I asked NYCHA a  
19 question. I would like to pose the same question to  
20 HPD regarding the role of 421a. What--what impact  
21 will the expiration of 421a have on the--on the  
22 feasibility of the development and the revenue that  
23 it would generate from HPD's perspective.

24 DEPUTY COMMISSIONER QUART: Hi, I'm David  
25 Quart, Deputy Commissioner from HPD. So I mean I

would echo what Nicole and Shola said. You know, we--we have other tools besides 421a. I mean does the expiration of 421a if it were to continue be a challenge? Absolutely. I think it's--

CHAIRPERSON TORRES: [interposing] Okay, so I want you to define what--Okay, so I finally I--I got a straight answer. So what is that challenge?

DEPUTY COMMISSIONER QUART: It would be a challenge. Well, it would be a challenge because 421a has been a tool to--

CHAIRPERSON TORRES: Sorry.

DEPUTY COMMISSIONER QUART: Thank you--has been a tool to--to incentivize rental housing throughout the city and the construction of it, which is critically important to the city.

CHAIRPERSON TORRES: But specifically as it, yeah, as it pertains to the development at Holmes.

DEPUTY COMMISSIONER QUART: But as it pertains to development at Holmes and--and at NYCHA developments across the city, there are other tools that we can use instead with 421a such as the pilot that NYCHA referred to. We have many projects at HPD. For example, which this could apply to as well

where we used, as you probably know, Article 11 or 420c for tax exemptions. It's not in addition to--

CHAIRPERSON TORRES: [interposing] But-- but Article 11 is for not-for-profits HDFCs. This is not an HDFC. This is a market rate development. So 421a is the only tool that could be available not an Article 11.

DEPUTY COMMISSIONER QUART: Or the--or the pilot program that was described--

CHAIRPERSON TORRES: [interposing] And you believe the pilot program could offset the impact of 421a?

DEPUTY COMMISSIONER QUART: Yes.

CHAIRPERSON TORRES: Okay.

DEPUTY COMMISSIONER QUART: I'll just explain that a little bit more. NYCHA because it's publicly owned land, NYCHA does not pay taxes. It does not have to pay taxes to the City. NYCHA-- that's why NYCHA is a pilot to the City, right. So, the City has forgiven the pilot of its contribution to, you know, to the NYCHA's efforts to improve its bottom line. But NYCHA has an opportunity to pass through its tax exemption the development. So, those--

2 CHAIRPERSON TORRES: [interposing] So,  
3 do you know for sure if that's going to happen or--?

4 DEPUTY COMMISSIONER QUART: We can make--  
5 we can determine that if that is reasonably necessary  
6 to support the good of the pilot. (sic)

7 CHAIRPERSON TORRES: It just seems to me  
8 that's a huge question mark. That we're moving to  
9 development and we're about to issue an RFP, and we  
10 don't even know whether

11 DEPUTY COMMISSIONER QUART: [interposing]  
12 And we can do it--no we can do it. It's a question of  
13 will we do it? Is that necessary to support the  
14 development, but we can do it.

15 CHAIRPERSON TORRES: [interposing] And  
16 what is that process of can doing it? Like do--do  
17 you need the approval of DOF or what's the--?

18 DEPUTY COMMISSIONER QUART: We have an  
19 exemption so--

20 CHAIRPERSON TORRES: [interposing] So you  
21 could pass it at will?

22 DEPUTY COMMISSIONER QUART: Our view is  
23 we can pass it on, yeah, yes sir.

24 CHAIRPERSON TORRES: And there's no  
25 competing view?

DEPUTY COMMISSIONER QUART: Not that we're aware of.

CHAIRPERSON TORRES: Okay. Of the 80 sites that you said could lend itself to market rate development, which--do you know which number of those sites would be subject to ULURP?

SHOLA OLATOYE: So, again, Chair it's 30 to 45 that we've talked about as part of our analysis. As you know, Wyckoff is subject to ULURP's--

CHAIRPERSON TORRES: [interposing] I mean what's--what's the confusion? What's the 80 sites that I'm referring to?

SHOLA OLATOYE: What we talked about is we looked at to get in the analysis--

CHAIRPERSON TORRES: [interposing] Yes.

SHOLA OLATOYE: --we looked at a--we utilized the City's Housing and Strong Market Analysis, a study that is online, and within that analysis there were 80 NYCHA developments in their Strong Neighborhood Analysis, but that--that was the point of that.

CHAIRPERSON TORRES: [interposing] And you that analysis is online?

SHOLA OLATOYE: It is online if you need-

-

CHAIRPERSON TORRES: [interposing] And the 80 sites are--and the 80 sites are in that analysis?

SHOLA OLATOYE: Yeah, there were 80 NYCHA developments located there. It does not mean we looked at or modeled all 80 of those sits.

CHAIRPERSON TORRES: [interposing] But you're saying the 80 sites are in an analysis that's available online?

SHOLA OLATOYE: No, that's not what I'm saying. I'm saying our---I'm not being clear. So I apologize. There are 80 NYCHA developments located, physically located in the Analysis of Strong Neighborhoods--

CHAIRPERSON TORRES: [interposing] Right.

SHOLA OLATOYE: --in this report. That's it, and end of story, and that we shared that as a point of reference, as a tool, and you asked the question I believe of how do you determine wait--what is a strong neighborhood, what is not. We used that among many tools to help in that analysis.

CHAIRPERSON TORRES: So out of the 80 you analyzed 30 to 40?

SHOLA OLATOYE: That is correct.

CHAIRPERSON TORRES: So of the 30 or 40, what--what number of those development sites would be subject to ULURP?

SHOLA OLATOYE: We are working on--as we've said, we've not released all of those sites.

CHAIRPERSON TORRES: Right.

SHOLA OLATOYE: We have the first site, which is Wyckoff. We've not analyzed every single site for what zoning actions are needed and what zoning actions are not needed at this point.

CHAIRPERSON TORRES: I just assume and maybe I'm wrong that your--your revenue estimates of \$306--\$100 million makes assumptions about which sites you're targeting, and whether you would pursue zoning actions on those sites. Is that--was that part of your revenue estimates or-- But if you--if you have a reserve, are you going to create more units, you generate more revenue. I imagine you have to know which sites you're going to consider a zoning action.

NICOLE FERREIRA: So we--at this point we took a data set of 30 to 40 sites.

CHAIRPERSON TORRES: [interposing] Yeah.

NICOLE FERREIRA: No, we did not, you know, as-of-right development we did not look at zoning actions for each individual site. Across the 80 we can swap site in and out--

CHAIRPERSON TORRES: [interposing] So you're assuming as-of-right for all them?

NICOLE FERREIRA: And there could be other zoning action we need to take, but at this point we have not looked at point we have not looked at every zoning action on every site.

SHOLA OLATOYE: Chair, as you know, one of the--and one of the things that we've worked very closely or are working very closely with City Planning is we often times do not have the ability to have commercial ground floor at our developments. But we know that is something that residents want to see, and that that would be definitely a zoning permission that we would seek is an actual commercial overlay for any--any new development. We know that as--as of right because we don't have that on our own accord.

CHAIRPERSON TORRES: And as far as the revenue you generate from the market rate development, what are the specific uses that you're anticipation--what--what percentage will go toward capital, and what percentage will go toward operating? What percentage will go to the local development, and what percentage will go to the general fund?

SHOLA OLATOYE: So we have--we've committee that a significant percentage of any revenues will go back to the development in question. Not put a specific number on that, but that what we have--what we have done is talked about the specific capital needs of that development. As I said in my testimony something I--again I think is--has come out of the resident engagement process, is residents would like to have a voice in where those dollars go at their development. And so we have heard that, and we are going to artic--we're going to--when we have a selected developer, and we have an actual deal with real numbers, not promises, but real numbers, we will then have a portion of that revenue that goes back to the --the development. And the residents of that development will be able to determine through a

democratic participatory process what per--where those revenues go. There will be some things that we say are really important infrastructure like roots, like sewers or other things, but we--we've heard, and we made that commitment that that will be a process going forward.

CHAIRPERSON TORRES: And that's not predicting the exact number, but how will you go about determining the percentage of the revenues that should go toward Holmes Houses for example?

SHOLA OLATOYE: I think part of that is going to be--obviously when you have a selected developer and we have an actual deal, it will be based on capital needs of that intended development, and our ability to meet as--as much of that need as part of the--the transaction.

CHAIRPERSON TORRES: So, it's--it's fair to say that the higher the need, the higher the--the local allocation of revenue? Is that--would that be a fair assumption?

SHOLA OLATOYE: I--I think--I'm sorry. I just lost my way here.

CHAIRPERSON TORRES: But the higher the capital need, the higher the portion of the revenues

that would go toward the local development. Is that--  
-is that a fair rule of thumb?

SHOLA OLATOYE: I think the--the fair  
rule of thumb to say is we will make sure that  
residents understand those investments that are  
critical to our developments long term, and--and will  
it be--we certainly again will seek the maximum  
amount of revenue--amount of revenue from any  
development deal. And so that we can actually meet  
those needs. I think that everyone would we would  
not be--we would not have met our obligation if we  
only meet, you know--

CHAIRPERSON TORRES: [interposing] Well,  
I--I agree with you completely.

SHOLA OLATOYE: --some of the--some of  
the needs that are proposed here.

CHAIRPERSON TORRES: I'm just suggesting.  
We--I think people want to know what criteria is  
going to govern which portions go to the local  
development. If Wyckoff receives 5% of the revenues,  
but Holmes receive 25% like how do we ensure that  
there's a standard that determines what portion goes  
toward the local development, that there's  
consistency?

SHOLA OLATOYE: Right, we know that that initially it is truly about the capital needs. We also recognize that--and this is something that we've engaged with you and other--other council members and elected officials on is for those developments that are not in strong real estate markets, we want to ensure that they also get the kind of capital investments necessary. So I hear you and I hear the need for us to have a clear and consistent criteria. Please know we first start with the capital needs of that development, and our ability to--do we have the ability in our exiting Federal Capital Plan, which we know we don't currently at Holmes. So, I--I--so that will also be part of our criteria in determining the percentage of revenues back to the development.

CHAIRPERSON TORRES: And--and I guess if--if--if--I think your--your approach to the residents of this--this development is going to happen, right is that--?

SHOLA OLATOYE: Yep.

CHAIRPERSON TORRES: Okay, and so I think residents want to know what benefits should they be expecting in return, right? Are they only going to receive--not only. It's a big deal, but a reduction

in the capital need, or if the residents want a Workforce Development Center in their local development is that part of the negotiation?

SHOLA OLATOYE: Uh-huh, yes.

CHAIRPERSON TORRES: Like what is the range of--

SHOLA OLATOYE: So look what--that's--that's a really good point. One of the things that we heard from some of the residents here at Holmes is, you know, that any new development be inclusive of a new--a new community center with--with Stanley Issacs as its operator, right. That was something that came up as part of the discussion. In--in other--in other--in our conversations with Wyckoff residents, very concerned about local amenities like laundromats and grocery stores. So those are exactly the kinds of uses that will be laid out in any solicitation that goes to the development. The other point is around jobs. Next Generation NYCHA when the Mayor and I released that last May made a very clear commitment of more than 10,000 and training would be--10,000 jobs would be created over ten years through Next Generation NYCHA initiatives broadly--broadly. Not just our work here around the Next Gen

Neighborhoods program, but through our REES program, through our other Section 3 Initiatives that are already underway. One of the things that we--and we really just got clearance from Council to be able to do this is in the solicitations that go out to developments. It will be required that developers submit a detailed hiring plan for NYCHA residents. That will be utilized as one of the criteria in selection. They will then be filled, and then they'll--someone will be selected. And then those commitments that were made in the RFP will be public, and we will manage to those--to those numbers to ensure that NYCHA residents are meeting--are gaining access to employment. So reduction of capital needs and improvements to people's quality of life and job opportunities and overall improvements to the development as a whole.

COUNCIL MEMBER KALLOS: I want to just start with a huge thank you for folks who actually deserve a thanks, which is all the residents who came out tonight. Thank you for spending two hours with us. [applause] And--and no applause. No applause. Just thank you, and I will also say that I would have had much better grades in school if I could have sat

through two hours of anything without saying anything. So thank you to you, and I also want to thank Community Voices Heard for really working with the community and the residents to get folks out, and this has been really, really good. As a person who-- if I ever met a genie would ask for more wishes. I would say that this has actually been very helpful because I'm actually learning more, and perhaps it's because Ritchie is sitting here. Maybe it's just the format that I learned before in countless meetings. I think one of the frustrations is that there really is an opportunity to have a conversation the way we are now. Every month, every month without fail except for federal holidays and my staff deserves vacations apparently according to the federal government, but do the first Friday. And 8:00 a.m. to 10:00 a.m. I set with my constituents. We sit in a circle and we have a conversation about whatever is important, a I think beyond just the--the meetings that you're having if--would you commit to just continuing to have regular meetings? But actually changing the format so instead of you being in front of the room with your staff and folks may or may not be allowed to ask questions. May or may not get, but

actually just sit--sit around the table with folks who want to come and have a conversation, and be willing to answer the tough questions. Constituents ask me lots of tough questions. Sometimes I prefer not answer, but I'm committed to transparency. So I just go--it's radical transparency and radical honesty. It's really worth it.

SHOLA OLATOYE: Yes.

COUNCIL MEMBER KALLOS: Okay, so hopefully we can set up a table like this and thank you. One big question is right now we're looking at possibly both playgrounds, and I think one thing we'd like to hear is how many buildings are planned now and in the next ten years at Isaacs and Holmes, and how tall will they be?

NICOLE FERREIRA: So we have only one building as the proposed building at Holmes. We have been clear with residents that it's only one building here. We have spoken about three potential development sites, and as the chair referred to earlier in the February meetings we will go through massing, which the size of the potential buildings. So that we don't have, you know, specific building height as of this point. We have come to the

2 residents and in those meetings have said  
3 approximately 30 stories in line with other buildings  
4 within the neighborhood. But those specifics have  
5 not been settled yet, and we will do that with the  
6 residents.

7 COUNCIL MEMBER KALLOS: So, you're under  
8 oath.

9 NICOLE FERREIRA: And--and we had heard  
10 the senior center site as an additional cite.

11 COUNCIL MEMBER KALLOS: Say what--what?  
12 I didn't hear that.

13 NICOLE FERREIRA: So we had heard through  
14 resident engagement process in the fall that  
15 residents wanted us to look at--at the senior center  
16 as an additional site.

17 COUNCIL MEMBER KALLOS: Okay, so but to be  
18 clear and under oath, Holmes and Isaacs as a  
19 development complex between 91st Street--sorry--92nd  
20 Street and 95th Street, First Avenue in the FDR Drive  
21 Service Road, one--

22 NICOLE FERREIRA:[interposing] Right.

23 COUNCIL MEMBER KALLOS: --one building.

24 NICOLE FERREIRA: One new building.

25 COUNCIL MEMBER KALLOS: Ten years.

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2 NICOLE FERREIRA: One new building.

3 COUNCIL MEMBER KALLOS: Over the next ten  
4 years no additional buildings.

5 NICOLE FERREIRA: One--one building.

6 COUNCIL MEMBER KALLOS: Okay, so there's  
7 400,000 FAR on the Holmes lot. There's 707,280 FAR  
8 on the Isaacs lot for a total of 1.1 million FAR.  
9 How much of that are you intending to use?

10 NICOLE FERREIRA: So, there's 300,000 FAR  
11 available on the Holmes lot. The Isaacs lot is  
12 actually overbuilt. So there's no availability.

13 COUNCIL MEMBER KALLOS: I've just looked  
14 at Pluto, and the exact--the Accidental Skyline  
15 Report from MAS, and they are reporting 1.1 million.

16 NICOLE FERREIRA: But with the buildings--

17 -

18 COUNCIL MEMBER KALLOS: [interposing]

19 Well, I know--

20 NICOLE FERREIRA:--so taking up--so I'm  
21 happy to give you this data, but--but I can tell you  
22 that Isaacs is overbuilt and Holmes has the available  
23 residential floor area.

24 COUNCIL MEMBER KALLOS: And I guess the  
25 next question, which I'm really glad we have HPD

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2 here, I don't think we got a chance to swear them in.  
3 May I trouble you, Mr. Chair.

4 CHAIRPERSON TORRES: [off mic] Okay. Can  
5 you raise your right hand. [on mic] Can you raise  
6 your right hand. Do you swear to tell the truth and  
7 nothing but the truth before--in your testimony  
8 before the Council today?

9 PANEL MEMBERS: [off mic] I do.

10 CHAIRPERSON TORRES: Thank you.

11 COUNCIL MEMBER KALLOS: Thank you. How  
12 much does it--so outside of the NYCHA plan for this  
13 12,000 units that we will actually be able to  
14 hopefully build, and make money. How much does it  
15 cost HPD to incentivize each unit of affordable  
16 housing to--to acquire pieces of land for 20, 30, \$50  
17 million, pay for the construction, do the loans, do  
18 the tax abatement. All in, how much are we paying  
19 for each unit of affordable housing while we're not  
20 doing it on a NYCHA site?

21 LEILA BOZORG: Generally, the subsidies  
22 we've provided are about \$65,000 per unit.

23 COUNCIL MEMBER KALLOS: So--so with the  
24 city it costs about 65 and so--

25

LEILA BOZORG: I have it. 65 to 75% and \$6,000 on average.

COUNCIL MEMBER KALLOS: [interposing]  
For the subsidies and then what about for the tax abatement?

LEILA BOZORG: We would have to follow up on that.

COUNCIL MEMBER KALLOS: Okay.

LEILA BOZORG: Not--not every project gets a tax abatement. So it really depends, and not every project that gets a tax abatement gets a full tax abatement. So sometimes it's a partial tax abatement. So sometimes we don't have to offer any tax abatement to incentivize development, and sometimes we have to offer a full tax abatement.

COUNCIL MEMBER KALLOS: Are you familiar with the recent republic--reporting from ProPublica that tags that tax abatement bill to about \$1 billion that we're giving up for affordable housing through J51421-A?

LEILA BOZORG: I--I have not read it.

DEPUTY COMMISSIONER QUART: I've seen the report, yes. I know what you're talking about.

2 COUNCIL MEMBER KALLOS: Is that--would  
3 you say that that's accurate?

4 DEPUTY COMMISSIONER QUART: I mean I--I  
5 can't make that--I'm not--I can't make a blanket  
6 statement of yes or no. I have done--I haven't  
7 looked at their analysis of their report, but--

8 COUNCIL MEMBER KALLOS: Would you--could I  
9 trouble you to get back to us on how much it's  
10 currently costing us all-in with the per-unit subsidy  
11 with the loan, with the tax abatement, with the per-  
12 unit subsidy and any other incentives. I think it's--  
13 -where now it's a quintuple dipping if want to build  
14 affordable housing. Would you--

15 LEILA BOZORG: No, we--we actually don't  
16 allow quintuple dipping, um, to the affordable  
17 housing?

18 COUNCIL MEMBER KALLOS: Just triple or--?

19 LEILA BOZORG: Nope. [laughter] We're  
20 not triple dipping on it.

21 COUNCIL MEMBER KALLOS: So--

22 LEILA BOZORG: [interposing] But we--can  
23 you--if you could clarify what the exact question is  
24 we can get back to you on that value.

COUNCIL MEMBER KALLOS: Sure so I--I guess what I'm--what I'm looking at is, um, and then just so you know, of those, about a million units of rent regulated or rent affordable housing, ProPublica found that 200,000 were being registered. Which leads us to believe that 200,000 units that we're spending hundreds of millions dollars a year, are not being offered as affordable housing despite all of our best efforts. And, in fact, the Attorney General has done stuff on this and Andrew Cuomo, our Governor, has said he's going to starting enforcing at least 50,000 that they've initially found. And I guess for what's worth, I trust Chair Shola more to offer each unit that she builds for the affordable rate that it is.

DEPUTY COMMISSIONER QUART: To that point, council member, I'll just say that the--the rent registration and the tracking of that is a--is a DHCR state and Department of Housing and Community Renewal State requirement and tracking. And we have been working very closely with the Attorney General's Office on that, and with the state to ensure that all of the units are registered.

CHAIRPERSON TORRES: I just want to make sure the line of inquiry is relevant to the topic.

COUNCIL MEMBER KALLOS: Yes, so--so--the--the next question is just isn't given the limited space that we have the--the-- However many acres of NYCHA that we have, isn't the best use of our money at HPD to actually build 100% affordable here on our NYCHA land? Rather than trying to give developers money and profits, when we could actually just spend it ourselves here? And with a manager that we would trust to actually make sure that every single one of the units is affordable?

LEILA BOZORG: Well, so I think, you know, part of the Mayor's Affordable Housing Plan does include NYCHA, which is, you know, the ability to meet the 200,000 build-up reserve and 80,000 new. 10,000 of that is actually required--is being built as part of NYCHA. So it is--it is because of that that the City can meet its broader goal, and--and-- and we are also trying to preserve public housing for the Next Generation. So we believe with clear and transparent conversation that we have the ability and the capacity to meet both of those goals.

COUNCIL MEMBER KALLOS: So along those lines we have all this. So we have Battery Park City and it was supposed to generate money for affordable housing. That money has been sitting there. Do we anticipate that the affordable housing fund from Battery Park City can be brought over to NYCHA? It could generate as much as \$20 million a year, and \$200 million over the next ten years. So that maybe we wouldn't need to build as many of these infills.

LEILA BOZORG: Right. So we've said, you know, we are, you know, eager to leverage all available resources. I know that the Mayor's Housing Plan looks to Battery Park City Authority resources as part--as one source to support--to support that program as well. And I wouldn't say that the Battery Park City Authority resources are just sitting there. They've gone to create affordable housing throughout the city through the Mayor's through the City's--the New York City Acquisition Fund. So it has been a tool that has been utilized in the past--and we're happy to talk to you more about that--to support affordable housing. It is something that I know that the Mayor's Plan now it considers as one possible funding source for the 200,000, and, um, and it is --

this is why we need to I think pursue development on both tracks, both the 100% affordable as well as the 50/50.

COUNCIL MEMBER KALLOS: The problem being we just don't have anywhere to put it, I guess. Along the same line the MIH has a concept of a payment in lieu. So rather than actually building affordable housing, we're just going to let developers buy out of mandatory inclusionary housing.

CHAIRPERSON TORRES: I--I just want to-- if we can keep it--

COUNCIL MEMBER KALLOS: So the question just--

CHAIRPERSON TORRES: Yes.

COUNCIL MEMBER KALLOS: --whether or not that is perceived by HPD and the Mayor as a possible source of income for NYCHA? I mean I don't know where else we can spend the money.

DEPUTY COMMISSIONER QUART: I mean, as you know, we'll be talking about MIH a lot very soon, but the payment in lieu fund is proposed. I hear that--I hear there's going to be a hearing on it soon. But, the payment in lieu fund is to be set up, and until there is any money in the fund, which could

take some time. And as you know, very small buildings for the most part can only qualify for the payment in lieu. So in terms of the types of revenue that we're talking about for NYCHA, we would not foresee the best use of that payment in lieu funds to be for NYCHA at least in the future. We can talk more about that, though, when we're talking about MIH.

COUNCIL MEMBER KALLOS: I--I guess the key thing is if you can please come back to us with a firm answer on it. We have these funds, they're going to be--supposed to be tied to communities. There won't be anywhere that we will be able to spend it in my communities unless it is being spent a NYCHA. And if we're able to do that perhaps we can reach more affordability by reaching to other sources.

DEPUTY COMMISSIONER QUART: I understand your point, yeah, and we can talk more about that.

CHAIRPERSON TORRES: I want to follow on--on--on of your lines of questioning. I think obviously one of the factors that complicates affordable housing development is the price of land. And that's infill land in NYCHA is essentially free.

Does that mean that it's easier to finance and, therefore, does that mean that you have an easier ability to reach cheaper levels of affordability? I think that was one of the questions that he was--

[background comments, pause]

NICOLE FERREIRA: Yes, so in the 100% Affordable Program, there--the land value is essentially a dollar.

CHAIRPERSON TORRES: Yeah.

NICOLE FERREIRA: And it does--I mean it does allow us to partner with HPD, where their subsidy levels could get a lower level AMIs. Additionally, NYCHA has resources that we've committed to that program through Section 8 for seniors for example, and it--and it does offer us an ability to partner to get to level AMIs, yes.

CHAIRPERSON TORRES: Okay, so I just want to reiterate that point that since the cost of land is a dollar that should enable you to reach deeper levels of affordability--

NICOLE FERREIRA: [interposing] In the 100% Affordable Program.

CHAIRPERSON TORRES: --than--than you would--than would normally be the case because of the acquisition cost.

NICOLE FERREIRA: In the 100%

CHAIRPERSON TORRES: In the 100%?

NICOLE FERREIRA: Correct.

CHAIRPERSON TORRES: Okay. What about 50/50?

NICOLE FERREIRA: So on the 50/50 program, the city is able to put their subsidy into the below 60% AMI portion. So they're actually able to leverage their subsidy to created the affordable housing, and with--in addition to market rate units provide a return to NYCHA so they--so that we can preserve the public housing. So in that scenario that's where the market rate units would provide us the return, and the city can also leverage their subsidy input in order to create affordable units. And make the returns to NYCHA be possible to preserve public housing.

CHAIRPERSON TORRES: And I do--I have a question regarding the Battery Authority and the Controller Scott Stringer has a proposal for--or is calling on--dedicating all of the revenues in the

Battery Park Authority to the preservation in public housing. Is that a proposal on which you have an opinion? Would you support that?

SHOLA OLATOYE: I mean certainly--

CHAIRPERSON TORRES: [interposing] I certainly support it, but--

SHOLA OLATOYE: Look, I think this is--we certainly--

CHAIRPERSON TORRES: [interposing] That's roughly \$400 million over ten years.

SHOLA OLATOYE: --welcome every available tool to preserve public housing.

CHAIRPERSON TORRES: Okay, and I want end my line of questioning regarding I guess the environmental impacts. So how many units are you expecting to create in Holmes? How many in Wyckoff and what are the environmental impacts associated with each development?

NICOLE FERREIRA: So we had give--given unit ranges because we don't have exact buildings yet--

CHAIRPERSON TORRES: [interposing] Yeah.

NICOLE FERREIRA: --of the unit ranges we had given at Holmes were 350 to 400 units. It could

go as low as 300 units, and at Wyckoff we had projected approximately 600 units in two sites.

SHOLA OLATOYE: [off mic] And as you--[on mic] and as you know because we are both a state public benefit corporation as well as overseen by HUD, we are required to in some ways meet a higher threshold on the environmental side. So the state requires CEQR, an acronym, which we will happily provide to you. We are also required to go through the environmental NEPA, which is a federal requirement--federal environmental study review program as well, and then-- And for Wyckoff in particular as part that will need to go through the ULURP process. So there is an environmental impact analysis that is required as part of that. At our town hall meeting with the Mayor at Wyckoff a couple weeks ago, we had the Commissioner of DEP there, who has been working with us to ensure that any issues around environmental--issue are (a) thought of and included in any solicitation that goes out. And do, we have made, you know, that a priority both in communication to the development community as well as to our residents.

CHAIRPERSON TORRES: Okay, and since Holmes is not going through ULURP, what is the environmental review going to look like? When does that process begin?

NICOLE FERREIRA: So the environmental review process is under out Section 18 disposition, which is the federal process we undergo for NYCHA land, as the chair just stated, we go through CEQR and NEPA review so that's federal and state, and those reviews are more stringent than the city environmental review which is CEQR. So NYCHA actually does a more stringent environmental review as part of Section 8 team process, and it's always required, and we will do that review.

CHAIRPERSON TORRES: And--and when will that review begin?

NICOLE FERREIRA: So after developer selection, we start in our site analysis with the developers to do our phase 1 and phase 2 environmental studies.

CHAIRPERSON TORRES: Right, and--and given the sheer number of units that we're building on both sites, are the residents going to have an

opportunity engage with agencies beyond NYCHA, DEP or DOT or whatever infrastructure or questions arise?

SHOLA OLATOYE: Absolutely and in fact, we--that's another thing that we heard from--from residents and certainly.

CHAIRPERSON TORRES: I know, but Council Member Kallos has one more question. One more question.

COUNCIL MEMBER KALLOS: Yes, one more question. Thank you so very much, Chair Torres. The--the question relates to this versus the previous situations. So in 2013, then Mayor Bloomberg had a process for his infill development plan. So I guess the--the questions are just you've now released two sites. He released 18 sites, and similarly, when the community including then Public Advocate de Blasio opposed the infill plan, he actually stopped. So, will you commit to be as transparent, if not more transparent than Mayor Bloomberg by releasing all 40 of the sites, 40 to 80 of the sites that you are considering? And will you commit to hearing the community just as Mayor Bloomberg did, and actually stopping with enough opposition?

SHOLA OLATOYE: Well, we have committed to, and we have actually--just a point of fact, we've actually released five sites just to be clear. Two sites here at 50/50, three sites as part of the Affordable Housing Program, the 100% Affordable, and we have been engaging with residents from day one. I can't--I'm not--we remained committed to preserving public housing. I do not pretend to believe what--to know what the Mayor thinks right, but I know that he is committed to NYCHA, and committed to its future, and will remain an honest and consistent broker in our discussions. And looks forward to visiting here another developments as we begin the resident engagement work.

CHAIRPERSON TORRES: Okay, thank you for coming.

SHOLA OLATOYE: Thank you.

CHAIRPERSON TORRES: We'll call the next panel. [background comments, pause] Can we have Ms. Garcia from 1780 First Avenue, Clariel Garcia, and who--who from NYCHA is going to remain to hear the testimony from--[background comments]. Okay. Jose Guevera.

SERGEANT-AT-ARMS: Folks, be quiet,  
please. He's naming names.

CHAIRPERSON TORRES: Please come. Tamara  
Sepulveda. Mrs. Sepulveda, Tamara Sepulveda. Okay.

MALE SPEAKER: A place?

CHAIRPERSON TORRES: Yep. [background  
comments] Cherry Shivers.

SERGEANT-AT-ARMS: Folks, keep it quiet,  
please.

CHAIRPERSON TORRES: What are their  
names?

COUNCIL MEMBER KALLOS: Give--give her  
their names, and we'll--

CHAIRPERSON TORRES: [off mic] Well, when  
the Borough President comes in--when the Borough  
president comes in, we'll have a place for that.  
(sic) Cherry Shivers. Okay. All right, great. And  
so this is our next panel. [background comments,  
pause] Please begin, and I just want to emphasize  
since we have about--well over 30 residents who wish  
to testify, we're going to have to limit everyone to  
two minutes, we only have an hour and a half left in  
the Community Center so--

CLARIBEL GARCIA: Thank you. My name is Claribel Garcia. I am a member of Community Voices Heard, and have been a tenant in Holmes Towers for 13 years. We will not give up our land in order to get repairs done that we have a right to anyway. And according to NYCHA's own number infill, we've put a dent into NYCHA's deficit. The community really needs \$2 billion invested from the state and city for repairs to preserve the quality of life we have here at NYCHA. We also heard a lot of talk about affordable housing, but I want to make--I want to make it clear that me and my neighbors will not be able to afford any of the proposed development our NYCHA's land. Our community deserves to be able to live in real affordable housing, and not have our parks and open space and quality of life crumble to the ground thank you.

JOSE GUEVARA: Hello, my name is Jose Guevara. I just wanted to see if the Chairwoman for NYCHA is still here. [background comments] Raise your hand, please. This has been the situation all the time. We are trying to get our voices heard, which happens to be saying listen, we do not want the buildings on these playgrounds. This is imminent

domain. There's something about honor. When you take land from people who owned it before, and tell them, hey, guess what, we're going to use it for low-income housing, and now you're going to give it to other private people. There's something honorably with that. This lady. Where is she? She--she lied didn't she because if you look at it, she said that this was a done deal. If it's a done deal then why are you here? Why is she explaining it to you? It's not a done deal, right? Secondly, this thing has been done over 166th and Tinton Avenue. They said it was going to be a 50/50. It's not a 50/60. It's something like an 80/20. The--the deals go around. They want to do whatever they want to do. Then lastly--I got 45 minutes--45 seconds left--is that this is kind of like I felt harassed by these people. We kept--we kept telling them no we do not want it. They kept coming back. No, we do not want it. Systemic decentralization. No, we do not want it. Where's the lady now? I wanted to let her know in front of all these fine gentlemen here, no, we do not want it. Enough. [background comments]

SERGEANT-AT-ARMS: Quiet please.

CHAIRPERSON TORRES: I--I neglected to recognize one of my colleagues, the great Council Member Corey Johnson.

DONATA: My name is Donata. It's--I feel very, very down. There are too much lies. Only one questions. Maybe it's something that the Devil make. Who--who is--or why is the name or the person that give you with these people the signature, name. Don't confuse me, please. Thank you.

[audience comments]

SERGEANT-AT-ARMS: Folks, keep it down, please.

CHAIRPERSON TORRES: I'm sorry, what's your question?

DONATA: It's Jane in Spanish.

TRANSLATOR: [Speaking Spanish] I'm going--I'm going to translate as best as I can.

DONATA: [Speaking Spanish]

TRANSLATOR:

DONATA: [Speaking Spanish]

TRANSLATOR: First of all, thank you--

DONATA: [Speaking Spanish]

TRANSLATOR: --to hear me.

DONATA: [Speaking Spanish]

TRANSLATOR: The second point is there's  
a lack of respect because of the lies.

DONATA: [Speaking Spanish]

TRANSLATOR: The numbers don't match up.

DONATA: [Speaking Spanish]

TRANSLATOR: And nobody--

DONATA: [Speaking Spanish]

TRANSLATOR: And nobody

DONATA: [Speaking Spanish]

TRANSLATOR: They--nobody has given me  
anybody's name who has signed--

DONATA: [Speaking Spanish]

TRANSLATOR: --that they would give--that  
would not permit the construction of this property.

DONATA: [Speaking Spanish]

TRANSLATOR: So have a good night. Thank  
you.

DONATA: de Blasio, thank you.

CHERRY SHIVERS: Thank you. [coughs]  
Thank you for having me. My name is Cherry Shivers,  
and I'm from Wyckoff Gardens. I'm a resident there,  
and I am a member of FURY. (sic) I just want to  
represent myself as a senior citizen. I have been in  
the housing for 50 years. I love my neighborhood. I

love the building and I'm very concerned about the commitment that NYCHA is accepting upon us about adding new buildings for rent, and good jobs for the neighborhoods. I just want to explain to you that a lot of my senior citizens does not understand it. They are very confused, and I think tonight I got a little taste of some of the confusion. Thank you, thank you for bringing it out, and now I can go back to my residence and tell them, too.

[background noise, pause]

CHAIRPERSON TORRES: We'll call the next panel. Victor Bach from the Community Service Society; Sandra Coleman from Isaacs and Holmes Towers; Naved Husain from CAAAV, and Pearl Barclay from CVH and Jefferson Houses. Okay. And Javier Sepulveda. [background noise, pause]

SANDRIA COLEMAN: Greetings and good evening all. My name is Sandria Coleman. I am a current resident of Stanley Isaac Houses, but I have lived in Holmes Houses for 23 years. I am active leader of Community Voices Heard. I am also a civilian member of the New York City Police Department in which I supervise payroll and have been with the department for 23 years. I am passionate

about fighting for the rights of others, and stopping discrimination as well as unjust, unfair treatment for all. Today, we are here to discuss the options NYCHA has chose--chosen to follow that allow them put mixed-income housing on the grounds of current NYCHA land. Although NYCHA no longer calls it infill since this was the previous mayor--mayoral administration's name. I see little difference. So I will call it infill going forward. As I stated, I am former resident of Holmes Towers and spent 23 years, and only recently I was transferred into a bigger apartment after being placed on a waiting list for over 23 years. I am sure my recent vocal involvement in the fight to preserve home had nothing to do with the speediness of my transfer. When I moved into NYCHA 23 years ago, they put their best foot forward. Recently they don't seem to even bother. We are here to address the current NYCHA Infill Plan, which I am opposed to, and feel there are a number of reasons it doesn't work for us. First, the Yorkville section of Manhattan where this infill is supposed to be taken place is loaded with construction. This will leave us with a number of other issues such as losing our children's playground, hurting and disrupting our air

quality, and hindering the shining of the precious sun. The Second Avenue Subway is still be worked on. There's a garbage dump being built between York and Eastern Avenue. We have had to deal with huge overcrowding--and I'm almost done--and to squeeze another building would not only add another 200 to 400 tenants, but will affect every bit of our lives, which includes transportation, schools, et cetera. With no clear plan on how to successfully handle these issues. When do the tenants of Holmes Towers and the surrounding community get a break. There has been construction year after year in our neighborhood all around us, and the construction seems not to be slowing down. While there is talk about other private development, I can speak out about another development of NYCHA land. Finally, NYCHA states that the money that will be generated from the leasing of NYCHA land will go towards the improvement in Holmes Houses. But overall, based on those numbers, it will not make a huge dent in the overall NYCHA budget. I--I now--I know that the Chair has stated that we have to start somewhere, which I agree with, but I'm not in favor of it continuing to be on the backs of residents that have already had to deal

with all the issues previously stated. I'm almost done. [laughter] NYCHA says it's a done deal. We the people are willing to take NYCHA to court. [cheers]

CHAIRPERSON TORRES: [interposing] So-- I'm going to cut you off because we need--

SANDRIA COLEMAN: Okay, okay.

CHAIRPERSON TORRES: --in the interest of time.

SANDRIA COLEMAN: Okay.

CHAIRPERSON TORRES: I want to be fair. Okay. So big buck. (sic)

VIC BACH: Vic Bach, Community Service Society. I'm just going to emphasize one point of my testimony. It seems clear from the way things are working that once NYCHA selects a development as--as the Chair has said, NYCHA will move forward with housing development. In that case, I think it's a good idea for NYCHA to let each development know whether or not they're candidates for NYCHA development. Let them know in advance. Let them know which program they're candidates for, whether it's 100% affordable or 50% affordable, and secondly give them a chance to contest whether or not--to

contest their candidacy. In the case of Holmes Towers, there's a valued playground that may be lost. There may be alternatives to that. I'm not clear on what they are, but I think that ought to be worked out in advance before NYCHA picks a development. So that if the housing is to go forward at least it's clear that residents have had advance notice, and that would be my recommendation at this point.

[pause]

CHAIRPERSON TORRES: [off mic]

NAVED HUSAIN: Sure. My name is Naved Husain. I'm the Lead Organizer at CAAAV, Organizing Asian Communities. I wanted to say that I am joined by our members Sean Harris, Alia Mary Nuhade, (sp?) Quon Wong Kong (sp?). There were supposed to come. Unfortunately, when they were--when they found out that there wasn't their required translation and interpretation for their languages here, they decided to come, and this is unfortunate because NYCHA is required to provide language access services to immigrants who don't speak English. And how--and if we're going to talk about resident engagement, you're excluding hundreds--

2 CHAIRPERSON TORRES: I--I want to  
3 interrupt you there. I have to say I think that's  
4 the fault of the City Council.

5 NAVED HUSAIN: Okay.

6 CHAIRPERSON TORRES: I--we take full  
7 responsibility with it, and we'll make sure that it  
8 doesn't happen in the future. So, I--I will take--

9 NAVED HUSAIN: [interposing] Never--  
10 nevertheless, I just--

11 CHAIRPERSON TORRES: --the complaint  
12 should be directed in our direction.

13 NAVED HUSAIN: Nevertheless NYCHA is  
14 surely lacking on the ground when it comes to repairs  
15 and communicating with those LEP, Limited English  
16 Proficient immigrants with the same needs they have  
17 as everybody else here and engaging with--with NYCHA  
18 in general. We are here representing the voices of  
19 the Asian tenants living in Queensbridge, and we just  
20 want to say we oppose the privatization of NYCHA. We  
21 oppose the infill project. We pose any solution that  
22 prioritizes the interest of developers at the expense  
23 of the families, seniors, immigrants and communities  
24 of color that live in NYCHA buildings. As resident  
25 of NYCHA buildings and members of the community, we

demand that the Mayor, City Council and NYCHA tenants and tenant advocates work together to find reasonable effective solutions that reflect the residents' interests and not developers' interests. We demand that NYCHA and the Mayor work together with residents with the shared vision of preserving public housing and not dismantling it. In order for this to happen, NYCHA would need to ensure that residents are informed, engaged and have an enforceable power of decision making about what goes on in their neighborhoods and their lives. This means that legally enforceable community benefit agreements must be part of the process. This means that there should be even more hearings like this convened at the times and locations most suitable to residents so they can actually participate with the language access. NYCHA represents one of the few places left in New York City where communities of color and immigrants can still afford to live. If the Mayor's plan is to preserve affordable housing, we say that opening the door to market rate housing and development--

CHAIRPERSON TORRES: [interposing] If you can wrap up.

NAVED HUSAIN: is not the way. We demand an open democratic process where residents get to decide what happens into their communities and families and not developers. Thank you. [applause]

JAVIER SEPULVEDA: Thank you. Thank you for having me. My name Javier Sepulveda. I'm a resident of Clinton Houses, and I've been fighting NYCHA in court for the past six years for repairs. Money that should go to repairs, they're utilizing to pay lawyers to fight me for getting-- So, they're spending thousands of dollars for the attorneys to fight me for a \$200 repair, and they talk about they need more money. I say deny the money. Deny the money. NYCHA has committed--they have a dark side. They are committing fraud by asking the tenants to pay higher rents for apartments that are devalued by the conditions. They know that they cannot fix, and instead of asking for a reduction of the rent recognizing they can't fix it, they still demand the full rent. I'm pay \$1,500 for a four-bedroom. I had won an 80% abatement. This is an example of fraud that they are perpetrating in Next Generation because they said they're aggressively going after revenue from the tenants. This is how they're doing it.

1 They're taking us to court, and fighting us and  
2 squeezing us for income for--for rent that they're  
3 not utilizing for repairs. As far as infill, you  
4 want engagement, I'm here. I'm here to tell you hell  
5 no to infill. Hell no to infill. That is my  
6 position. It won't change. I can come to every  
7 meeting that NYCHA wants to set up in the future. My  
8 answer will be the same. There is no need to spend  
9 taxpayer dollars no these hearings when the answer is  
10 clear from the residents. We don't want it. That's  
11 the answer. Stop harassing us. Stop translating.  
12 Stop asking for more meetings. That's the answer.  
13 Stop. We don't want the damn buildings. It's a--  
14 it's a land grab. It's again the government saying  
15 that they must sell the land for our benefit. I am a  
16 Puerto Rican raised in the city, but my parents  
17 experienced this in Puerto Rico. The land was taken  
18 away from them by the government promising that it's  
19 for their benefit, and here we are today. We know  
20 what's going on in Pureto Rico, how we've been  
21 deprived of--of decency in living over there as well.  
22 So this is just a continuation of the same old lie,  
23 and we say hell no to infill. Thank you.  
24 [cheers/applause]  
25

CHAIRPERSON TORRES: Thank you for your testimony. I noticed the Manhattan Borough President came in. So I would like to invite her to say a few words if she--

[background comments, noise, pause]

CHAIRPERSON TORRES: You--you made your point. We--we--we--message received loud and clear. So-- [laughter]

JAVIER SEPULVEDA: [off mic] So thank you.

CHAIRPERSON TORRES: If you want to submit it for testimony, we'd be more than happy to take it, too.

GALE BREWER: Go ahead.

[background comments]

CHAIRPERSON TORRES: Thank you Madam Borough President.

GALE BREWER: Thank you very much. I'm Gale Brewer. I am the Manhattan Borough President. I want to thank Council Member Torres and the entire Committee on Public Housing for this opportunity to testify. I want to also express my appreciation because the Chairman and NYCHA had a January 20th Legislative Breakfast, which was very helpful, and I

want to thank you because I know you had a lot to do with that. Next Generation NYCHA plan is intended to be a comprehensive blueprint to return NYCHA to fiscal health in light of repeated budget cuts. The initiatives outlined in the plan impact over 600,000 residents, as you know, and Section 8 tenants including in Manhattan 551 NYCHA buildings and over 53,000 units of public housing including Isaac and Holmes here. Since the plan was released in May, NYCHA has moved forward on strategies. I'll focus on several of their plans regarding housing development and sustainability. We're all familiar with the infill issue, and we know that in September of last year, NYCHA announced that it has selected two developments, Wyckoff Gardens in Brooklyn, and Holmes here and Council Member Kallos knows only too well, here in Manhattan. And we know that it's a plan similar to the infill development under the Bloomberg Administration, although I know others feel differently, but that's how I feel. Under this plan, Holmes located right here overlooking the drive and East River, is proposed under NYCHA to see the addition of 400 units built on an existing playground, half of which will be market rate units.

I'm not saying I'm for it. I'm just saying this is the proposal. The announcement was a surprise to Holmes, to Sandra Perez who's President of the TA. I believe that she found out that her development was chosen from a friend who heard about it in the news. And even though NYCHA later has held in both the Council Members, myself, my staff and others who have been to a lot of community meetings here in this room and in Holmes' Community Room, I am disappointed at the lack of general communication. It's not really resident engagement for NYCHA residents who will be directly affected by any construction or any loss of open space in their development. I have stressed over and over again the importance of borough equity when it comes to infill as proposed under Next Gen. I do remain very concerned that NYCHA is allowing 50% market rate units in high value markets such as we are in here on the Upper East Side in Holmes Towers while maintaining the 100% affordability in lower value sites, many of which will be outside of Manhattan. As a public housing agency, NYCHA must ensure all units produced on public land are affordable. Let me repeat that. NYCHA must ensure all units produced on public land are affordable. In

high value areas units can be offered at a range of area medium income levels affordable to low and moderate income households. [coughs] I want to give you an example. I know this came up earlier with the Chair in terms of talking about in not a very transparent way that she's looking at areas that are high value for some or not the majority of the new infill, but I don't see a list. A hundred percent affordability in my opinion is financially achievable. At Washington Houses in East Harlem, the partnership between the Department of Education, HPD, HDC and NYCHA and Harlem RBI, which is a non-profit, pulled together \$85 million to construct 150,000 square foot, 13-story building that houses a charter school. And, I must admit it's a good charter school, and you know I don't like some of them, but this is a very good one. It's on the first floor. Residential units on top of the school are 100% affordable. The developer, and I learned this, allocated from the school to NYCHA 100--\$1 million, and from the Housing \$2 million. It doesn't take care of the budget gap, but it is something. I think this should be the model for Next Gen, committing to full affordability and bringing in community

facilities like a school to accommodate expected increases in neighborhood population. In my conditional approval of the Mayor's Mandatory Inclusionary Housing Plan, I secured a commitment from HPD and the Department of City Planning that funds raised through payments in lieu from developers will remain in the same community board district where they were raised for at least ten years. And that the funds will never be used for affordable housing projects outside of the borough. Revenues generated from ground leases and rental income must first meet all on-site capital and repair needs at Holmes Towers. Any remaining funds should stay in Manhattan to support the capital and repair needs of NYCHA developments in the borough. Outstanding questions about Holmes and by extension about future infill developments remain:

1. When will any RFP go out? What safeguards will be in place to ensure the winning bid goes to a responsible developer committed to long-term affordable housing?

2. How will the residents' recommendation from the community planning sessions

be incorporate into an RFP criteria in the development plan?

3. Will new units demanded by NYCHA-- managed by NYCHA or via an external management company?

4. How will NYCHA select a local organization to be the project's community partner?

5 How much of projected revenues will go toward one-time and ongoing capital improvements at Holmes? What repairs will be done.

6. Where space is available will NYCHA include and encourage ground floor commercial storefronts like a grocery store? How will NYCHA learn from residents regarding what types of business or community facilities is wished and wanted.

CHAIRPERSON TORRES: Just in--

GALE BREWER: I also want to talk--

CHAIRPERSON TORRES: [interposing] So, just in the interest of--

GALE BREWER: Fine, okay.

CHAIRPERSON TORRES: Because I think there are like 30 residents.

GALE BREWER: Okay, I got it. I'll be very quick. There are lots of issues regarding

Section 3. I want to indicate that Mayor met recently with a NYCHA resident who completed an apprentice program, under REES, which is some of NYCHA's programs that deal with Section 3 and other kinds of partnerships. And we find that there are lots of promises, but we have a lot to learn in terms of making sure, as you know, that Section 3 makes sense. Thanks to the Council, as of October 27th or last year we no longer have to check the box for any application that has to do with those who have a--any record in their past, and that's something that should be incorporated into all employment opportunities. I want to also say that we have a lot of visioning that needs to get done if we are to proceed with the Next Gen. And I also just want to say that in terms of the technology and some of the ways in which the CCTV has been implemented, we've had a lot of discussions and that needs to be looked at in terms of how input from the residents takes places. Sustainability, which is the issue of recycling has been done every successfully by unbelievable amounts of tenant input at Grand Houses where Sarah Martin and others. But according to the Teamsters and the workers, there are very, very many

questions if we--if we recycling--if recycling rollout is going to be successful. And I just want to say that obviously there's not. We're all going to have even more rats than we already have. So finally, we want more transparency and communication. We want 100% affordability and tiered AMI. We want better training in terms of Section 3, et cetera. We want to have visionary processes that include NYCHA residents. We want to make sure that there's support for the resident for resident leaders, for family days and resident engagement. We want recycling that really works. We want to make sure that new construction is built that has adequate trash and recycling. Thank you very much. I know you have a copy of it. Thank you so much.

CHAIRPERSON TORRES: Thank you so much, Madam Borough President.

GALE BREWER: [off mic] Thank you.

CHAIRPERSON TORRES: [pause] The next panel will consist of Juan Calone (sp?); Camilla Alli Sanders; and Sangay Donso. Forgive me if I'm mispronouncing. I'm just reading the name. The Committee for Independent Community Action, and Starshima Trent. [background comments, pause]

JARILLA ALLI SANDERS: Good evening. My name is Jarilla Alli Sanders. I am a member of the Committee for Independent Community Action that is lead by Dr. Lenora Fulani and Pamela Lewis, and many of them are here. I am graduate of Rutgers University and have worked as a professional landscape architect for over 35 years. I would to thank to thank City Council and Ritchie Torres for responding to us, the people of New York City by having this needed public hearing on Mayor's plan. Building luxury housing on public housing parks and parking lots throws us back into the dark ages. Have we forgotten the importance of open spaces? Are we going to ignore the fact that building tall buildings next to much shorter ones creates wind tunnels and blocks the sun? Have we as a nation forgotten the 2008 housing crisis, and how greed resulted in lost homes, lost jobs, lost pensions and destroyed homes. It is time that elected officials took seriously their responsibility to their constituents. You need to be responsive to more than just those with the most money, in this case developers. Instead of handing over to them, have the developers pay for the rehabilitation of public housing by reducing tax

abatements and other attractive deals with the city. Gentrification is here. They are making out fine. They are not going to leave as the profit margin-- They are not going to leave if the profit margins are reduced. Where to go? To New Jersey? Really? You don't believe that. We don't. Thank you. [applause]

CHAIRPERSON TORRES: But the panelists' in New Jersey do not reflect [laughter] everyone else's, but--and thank you for addressing us. Okay.

SANGAY DONSO: Council members and everyone in the audience, I want to take this time to appreciate everyone for coming because we are all here today because we are concerned about, you know, how the future of our--about maybe New York or how the future of the U.S. is going to be there. Because my choice (sic) talking about getting people out, especially poor people out of their housing projects, and other housing facilities that are occupied by poor people. This is a question that always comes to my mind. If the aim of NYCHA is to provide affordable--affordable, rather, decent housing for low-income families, then why are they talking about kicking people out? And look at the crime written out in New York. There's violent stuff going on.

People living in affordable housing is struggling. They pay rents even though it is not that much, but they go to work, pay rent and pay taxes. If you kick such people out, how is it going to be there? So this is a question that I have for NYCHA members: Why do they want to kick poor people out if they are already struggling, and they in this affordable housing. If you look up the definition of affordable, it's basically making something more conducive, you know, more--less expensive for people to afford. And now you're talking about changing that. It's just making me feel like actually implementing they are in. Are they actually doing that. So my question is why are they trying to kick people out of housing activities?

[pause]

STARSHIMA TRENT: Hello everyone. Good evening. Thank you all for having this hearing today. Hi, everyone. So my name is Starshima Trent and I'm 24 years old, believe it or not. I look very young and I'm from Far Rockaway, Queens, and I work closely on behalf of Dr. Fulani, and I'm alumni from the All Stars Projects. So I personally feel that it's wrong that certain projects in public housing

are--areas are being turned over to private landlords and developers. People will be kicked out of their apartments, and they will be evicted and won't have a home to go to, and you know this is very wrong.

Mayor de Blasio and the City Council say that they want to help people who are homeless, but you're not looking at the bigger picture. If you want to help the homeless, you don't do it by making us homeless.

It's hard enough many of us are on Section 8. My mother gets it, and she gets Social Security to help pay the rent. Where will my family live and what kind of help can we get. I want to remind you of what our President John Kennedy said, "Ask not what your country can do for you, but what you can do for your country." And I ask you now what can you do for your city? All of your city not just the landlords, the developers or people who can afford private rent. One thing you can do is save public housing. Do you really want to make more people live on the street? Thank you.

CHAIRPERSON TORRES: Thank you for your testimony. Actually no. [background comments, pause]

JUAN COLONE: Good evening everyone.

Thank you for this opportunity for allowing us to all speak. My name is Juan Colone, and I am a sergeant-at-arms for the Farrello Homes for Homeless who advocates on behalf of the over 57,000 homeless in shelters and another 6,000 on the streets. I am a born and raised resident of the Roosevelt Houses in Bed-Stuy, Brooklyn, and I currently in the Linden Houses over in East New York. You know, it--it really--it really upsets me that all this--all of these answers that NYCHA is trying to produce is--is really making New York lose its unique character of diversity because of the lack of affordability. NYCHA should spread sites evenly amongst all boroughs because all New Yorkers should have the opportunity to live in the majority of neighborhoods. It was--it was really troubling for when I moved into my apartment last--last September with issues like loose floor tiles, missing pieces on the stove, cracks and gaps throughout the apartment. And yet they want to go ahead and create, you know, more developments when they can't even get the simple basic stuff that are already occurring in a lot of our apartments here. I also am here on behalf of--of CUNY. I'm also a

Queens College resident--I'm sorry--student with a Poli--a poli-sci major, and I'm an aspiring community organizer. So being a part of this process is really helping me to--to speak up for the people that can't speak, and I just--I just wanted to--to note that it's--it's really--it's really upsetting that NYCHA can't really disclose all the site locations. You know, like--this--this is really suspect, you know, why--why keep it a secret. You know, transparency is something that every agency should be doing, and--and I thank you for the time.

CHAIRPERSON TORRES: Thank you for your testimony. Thank you for coming from---all the way from the Far Rockaways. [pause] Milagros Valasquez. [background noise, pause]

COUNCIL MEMBER MENDEZ: Mashan Banes from Douglas Houses; Carmen Quinones from Douglas Houses; and Evans Thompson from

EVANS THOMPSON: [off mic] Sega (sp?) All Stars.

COUNCIL MEMBER MENDEZ: CICA All Stars.

[background comments, pause]

MASHAN BANES: Hell, my name is Mashan Banes. I am a resident of--

[audience member comments]

SERGEANT-AT-ARMS: Quiet please.

MASHAN BANES: I am a resident of Douglas Housing. I will say this is Next General-- Gentrification. This has been going on in a lot of in the city, and what's happening with the suffering of our children. As a black native mother, who ancestors have built this land and this community it is appalling that you have them running around homeless, and this is happening all over the country--country, and it has to stop. Another issue is we don't even a refrigerator working. We have problems with stoves, moldings in the bathrooms, and yet they tell us they can't give us a lock for our door. Our children are in jeopardy of their safety because there were \$104 million from the warehouse of NYCHA. So somebody needs--and that's on the Controller's website. You could look that up, Stringer's website. Somebody needs to answer who is doing this? There's never no money that they need to get missing. So we--I'm here to speak on behalf of the black children, the Latino children. This is racism all over again, and it has to stop. My father was on the local news (sic). I have a family and a legacy of advocacy

against the quality of life of our families of our children, and somewhere along the line it has to stop today, and I say no, and I opposed it. And I suggest that NYCHA do the research on the history. Douglas Housing was built on a mound and the natives were slaughter and the land was taken. So you are new to tell us in the year 2016 now, and descendants of our--of our ancestors, children are still suffering today. So that has to stop, and I'm asking you to make a decision and work in the favor of the people not against the people because then you become the enemy of the state. Because we are the ones, we are really the governors. We are--we are the ones who make the decisions onto what happens in this country as citizens of America.

CHAIRPERSON TORRES: [interposing] Thank you.

MASHAN BANES: So I would like you all to look into that. Thank you.

CHAIRPERSON TORRES: Thank you.

CARMEN QUINONES: I share my sister. You know, this is a--I don't know, is--is Bloomberg still the Mayor [laughter] because it--it seems like he's

1 COMMITTEE ON PUBLIC HOUSING 162  
2 still here. You know, this is like an ongoing thing.  
3 You change the name--  
4 CHAIRPERSON TORRES: [interposing] You  
5 want to identify yourself?  
6 CARMEN QUINONES: I'm Carmen Quinones  
7 from Douglas Houses.  
8 CHAIRPERSON TORRES: [interposing] I know  
9 you are.  
10 CARMEN QUINONES: I'm President and I  
11 also sit on the Cop (sic) Board as President. So we  
12 speak for a lot of people. But this is--this is the  
13 same thing over and over. It's--it's--I think that--  
14 Shola, I just want to tell you I think you're--you're  
15 swell. You know, I think you have a hard job, you  
16 know, and I know that your back is up against the  
17 wall, but you know what, we here for you, girl.  
18 Because we know this is a lot of bullshit.  
19 [background comments]  
20 CHAIRPERSON TORRES: And you--and you  
21 watch your language here.  
22 CARMEN QUINONES: Oh, I'm--I'm sorry.  
23 Please forgive me because it--it--I mean this is  
24 exactly what--you know, it--it is a form of art,  
25 though. Seriously, this has to stop. We are not--

we are not cattle, and you cannot put us in--you cannot fence us in. Enough is enough. There are people going hungry everyday. You know, besides paying your rent, people need to-- You know, some people are fighting whether they should pay their rent or should buy some food. And you people are talking about getting these developers all this money. You know, and we're still suffering. It's not cool, y'all. I got 18 grandkids and two great grands. Okay, I got a lot of people to answer to. So, you know what? I got to make sure that housing is around for them, too. [audience comment] Enough is enough, and I want to know if Douglas is on that map. Please let me know before I find out. I want to know because I want to be at the table. [pause]

EVANS THOMPSON: My name is Evans Thompson, and I'm here on behalf of CICA Dr. Fulani and Pam Lewis, and the people on the panel who think this is funny, if it was you, I wonder if you would still be laughing. Okay, so this is what I want to say. Chairman Torres and the committee members we demand accountability to the people of NYCHA. All the people on the waiting list for NYCHA and Section 8 housing have done absolutely nothing wrong to be

thrown off the waiting list as if they don't exist.

They do exist, and they have a legal right to be

included in the new housing plan, in quotes, under

the real low-income allowance that is already on the

books for Section 8 housing. The waiting list for

people should be grandfathered in since the time of

their signing the waiting list. Anything less is a

gross injustice against the poor and working class

citizens of New York City. As we all know, the

housing situation in New York and elsewhere for

Blacks, Latinos or all other people of color are

dismal. Let's not make it worse. We again demand

accountability for the residents of NYCHA, and I'm

talking to all of these people who come in with these

statistics, which mean nothing to us. The statistics

are for you. We need some action, and the people who

are in these apartments who have been getting--who

have needs for repair they shouldn't be waiting two

years when the developers come in to fix their

bathroom. And, I would say to the people if you got

to wait two years, rise up, baby. Thank you.

[background comments, pause]

COUNCIL MEMBER MENDEZ: Could I have

someone back who just gave testimony from Douglas

Houses so that you can tell me what the process was for community engagement. Because yours was one of the developments in the Infill Plan, which means you will be targeted again. Can you talk me through what the resident engagement process was like in 2013, please?

CARMEN QUINONES: Well, actually, it was almost like a dictatorship because we were all--as a matter of fact, it was in West Sihi (sic), and in every table there was a NYCHA employee. And so, they dictated it. This--that's all they did. They dictated it. It was, um, they said it was actually what they're saying now, a done deal. Okay, but let me tell you something, as long as we organize, and I mean organize development from development from development to development, everybody has to stick together. This is not just Holmes. This is every NYCHA development, and every president

COUNCIL MEMBER MENDEZ: [interposing] I meant--just--just answer the question. There's--I just wanted to know the process. There's a lot of people who--who still want to give testimony.

CARMEN QUINONES: Okay, yeah, well the--the process really was like I said, it was a

2 dictatorship. We just sat around. They asked  
3 questions. We talked about what we thought, but, you  
4 know, it's like talking and not nobody hearing you.  
5 Because it--that's what it really was.

6 COUNCIL MEMBER MENDEZ: Okay, thank.

7 CARMEN QUINONES: Some of the people  
8 didn't really didn't get heard.

9 COUNCIL MEMBER MENDEZ: It--it sounds  
10 like it's the same thing--

11 CARMEN QUINONES: [interposing] It's the  
12 same thing as this, yes.

13 COUNCIL MEMBER MENDEZ: Have you gone to  
14 one of the resident engagement--

15 CARMEN QUINONES: Of course.

16 COUNCIL MEMBER MENDEZ: --meetings here  
17 at--

18 CARMEN QUINONES: [interposing] Yes, yes.

19 COUNCIL MEMBER MENDEZ: And so it looks  
20 the same, sounds the same?

21 CARMEN QUINONES: It smells the same,  
22 honey. [laughter]

23 COUNCIL MEMBER MENDEZ: Yeah. Thank you  
24 very much.

CHAIRPERSON TORRES: I want to address some of the points that were made. So, if you believe that public housing land should only be for affordable housing that's a legitimate viewpoint. But you can--people can disagree on that. But there were a few assertions--there were a few statements made that I want to challenge. Number one, there's no plan for displacing public housing residents. But you might disagree with the use of public land for market rate develop to generate money, but there's no plan to remove tenants from their apartments. Number two, there's no removal of residents from the waiting list.

EVANS THOMPSON: [interposing] Are there folks there. (sic)

CHAIRPERSON TORRES: I'm just going to say my piece. You can either--look, you can disregard it or you can hear me out. So, there are 200,000 people on the waiting list. Yet, there are 2,500 apartments that are vacant every year. Right, so the demand for affordable housing is much higher than the supply. Right, you can believe that public land should be only used for affordable housing. I get that and I respect that belief, but I--I think we

should be--we should set the record straight, and be factual in our statements, and that's all I will say. The next panel is Dr. Lenora Fulani, Ed Brady, Dr. Jessie Fields and Ms. Pullam from 443 Parks Avenue South. [background comments, pause]

FELICIA PULLAM: Hi. Good evening.

SERGEANT-AT-ARMS: Keep it down, please.

FELICIA PULLAM: My name is Felicia Pullam and I stand with the Committee for Independent Community Action. You know, my first question to the Chief of Staff of HPD and Madam Chair of NYCHA is have you ever lived in NYCHA Housing? Because I have, and I can tell you important NYCHA housing has been to my family. You know, it was there when we had our fire, and we had no place to go. That was in 1970. My 90-year-old aunt still lives in that same apartment, and she's afraid right now. She is selling off her furniture because she believes that she will soon have to go. The word "strong neighborhood analysis" has been used over and over today, and why don't we call it exactly what it is further gentrification in the communities that are already being gentrified. When NYCHA was established in '34 and we look at where we are today, there are

334 developments. There are 2,602 buildings and 178,895 apartments, but we're not talking about brick and mortar here. We are talking about the 600,000 who live in these units, my aunt, me, these people that are sitting here. So, please understand that we are not talking about bricks and mortars and buildings on land. We are talking about people. You talk about affordability. We know that the average household income in New York City is about \$46,000. Yet, the average household income of NYCHA residents is about \$25,000. So you tell me how that is affordable housing for anybody in NYCHA? I don't see that it is. You tell me how it is because it is not. You talk about that there \$17 billion in needs for repairs and I am at my end, but I want to ask you something. You said who would want to live in an apartment that has bubbling paint, old tiles and cabinets? The homeless people that are on the streets I'm sure would not mind living an apartment that had bubbling paint right now, and especially as it is cold outside. As I am coming to a close you said that the cavalry is not coming from Washington, and the cavalry is not coming from Albany. Well, this Infill Plan proves that the cavalry is not

coming from New York City either. So you need to figure out how we are going to keep our people in the homes that they deserve to have and create more homes for the 600,000 that are in 178,000 units. Thank you. [applause/cheers]

DR. LENORA FULANI: Thank you. You need some passion. These are very passionate issues. My name is Dr. Lenora Fulani, and I am very glad to be here. Councilman Torres, I wanted to say that I was thrilled with your performance. The questions and the work that you've done here tonight. That's been very important, and Councilman Kallos, is that you're name? Because a lot of times these conversations go nowhere and they don't get at the heart of what's going on in our community. I know Councilman Torres, you said this thing about people not being displaced, but I get a lot of calls because the--NYCHA has changed the eviction rules from what they've been for many years, and they've changed the succession rules. So many people in the community are deeply, deeply frightened. We went through it in March at the African-American Day Parade, and it was about 200 people there, many of whom were people who lived in NYCHA. And the other half were white people

basically who live in gentrified communities. And we asked them to march and make a statement because we were being told that the reason why people wanted to get rid of NYCHA was because right white people didn't want to live in the same areas. And then people said, nope, that's not true, and we'll walk down the streets with you, and we'll make a statement about that. We did another hearing a couple of weeks later at the AME Church, Reverend Deland in Harlem, and 250 people came out in order to support this. People are so scared. They're so frightened. They hear all of this language and talk about what's going on in the city, and they are being displaced. And, it may not be legal [laughs]. It may not be overt, but it's happening to a whole bunch of people. So, since I couldn't really say all that I wanted to say, what I wanted to ask is if you would do these hearings like in a--in other places around the city. Because there are so many people who need to hear you. This was phenomenal and I'm glad that we put a demand on the Chair of NYCHA. I don't think that she--I don't think you really know what people in our communities are going through. You wouldn't be so flippant. This is deep stuff, and people are scared

that they're going to lose their housing, and they have no place to put their kids. And you all make up all these rules that make it difficult--difficult for them to go forward. So we are going to be at every hearing, and we're going to raise hell--that's not a curse--in every way that we can. Thank you. You all did a great job. [applause]

SERGEANT-AT-ARMS: Keep it down, please.

COUNCIL MEMBER JOHNSON: Dr. Fulani, I--I have a question. So, I want to say a few things. I mean I've sat here and listened. I wasn't here for NYCHA's entire testimony. I know that there are potential sites in my district that could be part of the Next Generation NYCHA Plan. It's not fair to blame it on the this chair. It simply is not fair. NYCHA has been mismanaged for years and years and years. And to attack Shola--

DR. LENORA FULANI: Do you think that was NYCHA ought to do?

COUNCIL MEMBER JOHNSON: [interposing]  
Well, I'm--I'm just talking about its--Let's talk about the history here.

DR. LENORA FULANI: Well, let's do that.

COUNCIL MEMBER JOHNSON: Let's talk about the--Did you speak out against the Infill Plan under Bloomberg?

DR. LENORA FULANI: First of all--

COUNCIL MEMBER JOHNSON: [interposing]  
Did you?

DR. LENORA FULANI: --this--will you let me answer the question? I've learned from you all from the recent news that Bloomberg was even doing this, and if he had gone forward, I would have spoken out against it because I care as deeply about the people who lived here under Bloomberg as they did--as they do--as I do about the people who live now. If--if the Chair of an organization is going to stand up, and say the things that they say, people have the right, in fact, people have the obligation as leaders in this city to respond to them and respond to that.

COUNCIL MEMBER JOHNSON: [interposing]  
Yeah, we should talk about the history here.

DR. LENORA FULANI: Well, the history is screwed up--

COUNCIL MEMBER JOHNSON: [interposing]  
Because if we bring up--

DR. LENORA FULANI: --because the person--  
-yes, its different dated, and--

COUNCIL MEMBER JOHNSON: [interposing]  
Did you support Mayor Bloomberg for all three of his  
terms when he ran for Mayor. [crowd protests] I'm  
asking you. [gavel]

DR. LENORA FULANI: No, I went out on  
dates with him. What are you talking about?

COUNCIL MEMBER JOHNSON: I'm saying--I'm  
saying let's give some context here. Let's talk  
about the history.

DR. LENORA FULANI: [interposing] Well,  
now--

COUNCIL MEMBER JOHNSON: Let's not gloss  
over it.

DR. LENORA FULANI: Well, let me say  
something.

[crowd protests]

SERGEANT-AT-ARMS: Keep it down.

[crowd protests]

SERGEANT-AT-ARMS: Keep it down, please.

COUNCIL MEMBER JOHNSON: It is not Mayor  
de Blasio's fault. This is not Shola's fault.

2 DR. LENORA FULANI: [interposing] So, I  
3 see--I'm not advocating--

4 COUNCIL MEMBER JOHNSON: This is an  
5 inherited problem.

6 DR. LENORA FULANI: --what he's doing. I  
7 may be inherited, but then the person who inherits it  
8 has a responsibility to respond--

9 COUNCIL MEMBER JOHNSON: Did you speak  
10 out against Bloomberg? (sic)

11 DR. LENORA FULANI: --to it in a lot of  
12 ways. I spoke out against Bloomberg if there were  
13 things for me to speak against him.

14 COUNCIL MEMBER JOHNSON: You supported  
15 all three of his terms.

16 DR. LENORA FULANI: Wait a minute. Why  
17 are you so silly? This is serious. [laughter]

18 COUNCIL MEMBER JOHNSON: Did you not  
19 support all three of his terms?

20 DR. LENORA FULANI: What's that got to do  
21 with NYCHA?

22 COUNCIL MEMBER JOHNSON: It has to do  
23 with NYCHA because this is a problem that has lasted  
24 a long time--

DR. LENORA FULANI: [interposing] Right,  
and I--

COUNCIL MEMBER JOHNSON: --and I was  
providing some context here and be honest about it.  
Thank you very much.

DR. LENORA FULANI: It's a process--Can  
I--

SERGEANT-AT-ARMS: Keep it down. Keep it  
down. Quiet place.

CHAIRPERSON TORRES: [shushing for quiet]

DR. LENORA FULANI: Can I just respond?  
Thank you. Okay. It's a process that has gone on way  
beyond Bloomberg, and if Bloomberg had tried to put  
rich people on this--

COUNCIL MEMBER JOHNSON: What?

DR. LENORA FULANI: --on this--well, let  
me just finish. If he had succeeded, if he had moved  
ahead with it, putting rich people here in the so-  
called empty spaces that our young people play in and  
that we--we have younger adults sitting outside--

COUNCIL MEMBER JOHNSON: [interposing] He  
did try to do that.

DR. LENORA FULANI: No, let me--just let  
me-- Will you tell him to be quiet. Thank you.

CHAIRPERSON TORRES: [off mic] Look, I think the point here is--

DR. LENORA FULANI: [interposing] But can't I just finish this. If he had

COUNCIL MEMBER JOHNSON: He very personally did this.

DR. LENORA FULANI: Okay, I would have spoken out against it. It doesn't--you can't cover over what's happening now.

COUNCIL MEMBER JOHNSON: [interposing] I'm not. I'm just saying that history in context it's important. It's okay.

DR. LENORA FULANI: Yes, but your--this history starts many years ago.

COUNCIL MEMBER JOHNSON: [interposing] Yes, so we can't blame it on this current mayor.

CHAIRPERSON TORRES: [interposing] Well, I'm the presiding throughout. This conversation is over. Thank you.

DR. LENORA FULANI: Well, you should tell him--

CHAIRPERSON TORRES: [interposing] Thank you.

DR. LENORA FULANI: -- not to interrupt.

CHAIRPERSON TORRES: [interposing] Thank you, thank you. I'm in charge here. Than you very much.

[audience protests]

SERGEANT-AT-ARMS: Quiet, please. Quiet.

[background comments]

SERGEANT-AT-ARMS: If you're walking out that's fine, but keep it down.

[background comments]

CHAIRPERSON TORRES: Okay.

DR. JESSIE FIELDS: Good evening. My name is Dr. Jessie Fields, and I'm here to discuss and respond to the plan, the current plan, which this is the de Blasio Administration. This is a plan of the NYCHA Housing under the de Blasio Administration. I am a medical doctor affiliated with the Mt. Sinai Health Systems. My practice is in Harlem. Obviously, humane and secure housing is essential for good health. I'm here in support of the residents of public housing and in support of the all the people [applause]--

SERGEANT-AT-ARMS: [interposing] Quiet please.

DR. JESSIE FIELDS: --in this city that, all of the people in this city from every economic strata, wealthy, middle-class, poor and working people coming together to say we support the residents of public housing. We support people who are poor being able to live in this city. [applause] And they have the right to live in this city and to live in public housing, which was built for the poor, not for private developers. It's the people who live in public housing who have endured and still endure cold winters when the heat does not work such as this winter, and the utilities do not work, and the elevators do not work, and the trash is not picked up, and the buildings are not maintained. The residents have endured and they should not be pushed out. Do not take away the playgrounds and the parking lots from the residents and their families and their children. They deserve to have open space and places to play. That's a human essential requirement. Over 400,000 people live in public housing in New York City. They do not want to be pushed out of their homes. I say to the members of the hearing tonight and to NYCHA protect housing. It needs to be protected to be expanded and improved

with renovations for the residents. I say to the Mayor, Mayor de Blasio, to the City Council to deal with the financial problems NYCHA faces. Turn to the people of New York City. Turn to democracy and inclusion, not to private developers. Public dialogue must be opened up, and it has to go beyond this hearing. Let the people speak--

CHAIRPERSON TORRES: [interposing] Okay.

DR. JESSIE FIELDS: --and let the people come together to support the right of the poor to live in this city.

CHAIRPERSON TORRES: [interposing] Thank you for your testimony. [applause/cheers] Also--

SERGEANT-AT-ARMS: Keep it quiet on the floor please. Keep it quiet.

MALE SPEAKER: [coughs] Thank you, Chairman Torres, fellow members of the City Council. Thank you very much for having this meeting. I not only second what Dr. Fields and Fulani have--and their eloquence in stating exactly what--what is going on. NYCHA is going to help out--since there's been--since there's been NYCHA there's been problems. I was going to just briefly talk on that. Oh, I--I lived 30 years on 95th Street, and really years of

mostly as a private citizen. I want to take offense, and I think this--this lays--there's a baseline that I--I want to discuss. Councilman Johnson, what you have just done in--in the public realm to me appalling. I wouldn't care who Dr. Fulani or anyone else supporting what they did. That is not the point. This is--this is how politics is run now, not--not to go off on a tangent, but it's like it's either and them. Yes or no.

CHAIRPERSON TORRES: I'm going to interrupt there. So this is not a referendum on Council Member Johnson. If you have comments about the Infill Plan.

MALE SPEAKER: No, I--

CHAIRPERSON TORRES: [interposing] No, this is my hearing, and I will decide who speaks.

MALE SPEAKER: I understand.

CHAIRPERSON TORRES: So--so please comment on the Infill Plan, okay. I don't want to make this a personal attack on a Council Member.

[crowd protests]

CHAIRPERSON TORRES: And I ended it. That's it. So--

MALE SPEAKER: Okay, all right. That's-- that's fair, Chairman, and I--and I understand that. The idea of taking land and developing it how about space for life. The idea that they are going to take land away, there is no land for--for kids and especially for poor kids. I grew up in the South Bronx. I had to leave--we had to leave our house because that--that apartment building went to seed because it was better going to seed and kicking people out. It was more--it was more proactive for the owner of that to let it go to seed and--and kick us out. I don't want to see that happen again. Councilman Kallos, very quickly you have--every Friday you have an open--like for--for--for people. You should do this--all councilmen should do this every month. I've heard a lot of acronyms being turned--back and forth. I didn't understand what they were. Have a meeting every month so that everyone can participate, and this--this a--this is too important to allow just people to--to--throw out terms and not understanding what they are. All the people, all City Councilmen even my own Garodnick who's my councilman should have meetings every month on this subject.

COUNCIL MEMBER KALLOS: We call it first  
Fridays at 8:00 a.m. I'm celebrating my 35th  
birthday February 5th. There will be cake, but you  
have to live in my district. [laughter]

MALE SPEAKER: Thank you.

CHAIRPERSON TORRES: Thank you for your  
testimony. Aixa Torres. (sic) I think we've called  
her and on that before. (sic) Joshua Barnett,  
Patricia Charles, and Jasmine De Jesus. [pause]  
[background comment]

AIXA TORRES: Okay, name Aixa Torres and  
I'm the resident--

CHAIRPERSON TORRES: [interposing] And  
I'm going to call one more person. I'm sorry.  
Melinda Tutrell. (sp?)

SERGEANT-AT-ARMS: Keep it quiet, please.  
Quiet, please. [pause] Violet Bailey. (sic)

AIXA TORRES: She was just here.

CHAIRPERSON TORRES: Okay. [pause]

AIXA TORRES: Can I--can I start?  
[pause] [background comments] Oh, okay. Good  
evening. My name is Aixa Torres, and I'm the  
Resident Association President of Alfred E. Smith  
Houses, which was included in the last land lease

fiasco that we had with the previous mayor. However, [coughs] I have to say two things. That I support Holmes', you know, position on what the residents want, and I think that public housing is a right of every citizen in the United States. I think we the residents, though, need to begin to become politicized to the point that we demand, not ask because we pay taxes and we pay rent. I want to thank the Council for doing this in the evening as you can see 'cause I've gone to a lot your hearings. Nobody shows up, and now the residents are able to come. So that means that we work. So that's why, you know, we could do the evening thing. There--in perspective there is--you know, I had to fight with the previous administration that only God knows. And we made it a mayoral issue the whole election. So moving forward transparency must exist. I don't want to hear that Smith is on the list through the grapevine, through anything. If there is a list of potential land lease, I know we're on it. We need to--we need to be informed, we need to know like because it's our right. This is our home. We're not--and we're--and we're not going to give up without a fight because it's our right, our right to

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2 be able to live decently, to support each other. And  
3 God knows I will support--I have a shelter right  
4 smack in the middle of--of my development. We will  
5 support the homeless. We will support each other,  
6 but clearly we need to be respected as citizens.  
7 Thank you. [pause]

8 JOSH BARNETT: Good evening. My name is  
9 Josh Barnett and I'm a member of Local 375 DC37S and  
10 also a NYCHA employee. I've worked in the Office of  
11 Design and Capital Projects since 1999, and as a  
12 union employee, I want to stand with all the  
13 residents for the reasons that they stated in  
14 opposition to the infill housing. Because for all  
15 the dire funding needs that we know NYCHA has, as bad  
16 as the situation is, this still represents one more  
17 attempt to balance the budget on the backs of the  
18 residents and the workers. And one more giant step  
19 of NYCHA towards privatization, and that's something  
20 we've seen on the job for a long time. We've seen a  
21 downsizing of the stuff. We're also at a third of  
22 our employees, but we still see high priced  
23 consultants hired all the time, private contractors  
24 hired all the time. We see new management positions  
25 created for six figures all the time. We get mailers

about that every week. Construction management in my department has been outsourced since 2004 with no audit to see whether it's cost-effective. The same for the outsourcing of the senior centers and the community center works and other departments as well. This is really frustrating to see this being positive as the main way to balance the budget when NYCHA doesn't have its own house in order. And so, they're making it less top heavy, and hiring permanent employees instead of high-priced consultants. And if we're looking for alternative funding streams, why don't we see this same kind of energy directed at taxiing Wall Street? Why don't we see the same kind of direct energy directed as we've joined with 421a, luxury housing giveaways? Why don't we see the same kind of energy directed with one of the subsidies from Yankee Stadium and City Field and Goldman-Sachs and all the giveaways to some very profitable developers. We can't. We know what happens when private--when private--when private companies try and take over public services. It means spending more money for less services, and it's part of a larger struggle. Everything in the republican is under attack these days. Well, we have to push back, which

is our tax money that's going to private developers. We know the money is there. It's just not going to those who need it. It's going up and not down. So the workers and the residents have to make sure that we put a put stop to this. [pause]

PATRICIA CHARLES: I'll wait. [laughs]

Good evening everyone. My name is Patricia A. Charles. I'm from East Chester Gardens, and I am part of the 49th Precinct Council. I am also thankful that they assigned me to my Community Board 11, which I am a part of the committee--the Housing Committee, and I'm also a part of the Parks Committee. I'm also a part of Dr. Fulani, CIGA and Community Voices Heard. I've been all over to support every organization that is fighting for affordable housing for the people, for--for humanity. And I'm here to say as the Board of Education Educational Associate, I have two more years to retire. I need to be able to have my apartment. I-- just because I work it doesn't--no one knows the trouble I see about how I try to keep my family afloat. I mean my daughter's rent--my daughter's income I had to take her off because they use her income as the head of household, which I'm head of

household. So the--the--the, um--how can I say?

The--the way that they--

FEMALE SPEAKER: [off mic] Re-budget

PATRICIA CHARLES: Re--not even re-budget, the way they capture it, people's income.

Housing was here--was put together for veterans.

This is the history, veterans. Veterans were a part

of coming into these developments, which my father

was able to bring his family from Harlem. I want to

go back to Harlem, and I--I plan on going back. But

in the same token, we have to support everything that

everyone has talked about tonight. We understand

what you're trying to do, but is everybody here on

the same page? Are we really here to support the

families? Are we really here to make sure that we

keep our apartments? Affordable housing is no more.

They took away ceiling rent. I mean we are actually

just working to just try your bills, and it really

has to stop. My mother would be 96 years old, she's

still in her apartment, but I thank God that I'm

there to make sure she really stays there. So please

help us keep affordable house. [applause]

CHAIRPERSON TORRES: Good to see someone from the Bronx. I'll be at Community Board on Thursdays.

JASMINE DE JESUS: Hi. My name is Jasmine De Jesus, and I am currently the President for the Carver Residents Association. I'd like to first say that I had a question for Ms. Mendez, but apparently she ran out the door after she stuffed her face. So, my next question would have to be well, I'm pretty amazed that NYCHA was able to sit here, and you guys were able to ask NYCHA questions considering yes and now answers. And yet again, NYCHA just blew you off, and it was okay. So, that's another thing that I found pretty amazing today, but I'd like to stated that I just moved in to Carver not too long ago, about a year. And a little after moving in I had already realized like there's was mold in my windows, paint was peeling. So let's not act like as if NYCHA had been doing what they had to do for God knows how many years. But, on top of that I would have to say that NYCHA just made what? \$5.3 billion not too long ago. Yet, again they're always broke. They can't even fix a stove apparently because they're always broke. So the whole question

is we're paying rent, but NYCHA is broke. Apparently, they got money to build a tower next door, right, 'cause they want to build a new building. So, what is it that they want to take this money to build a new development instead of taking this money, and fixing the repairs they already have to fix considering that they don't even have enough money to fix those repairs already?

CHAIRPERSON TORRES: NYCHA is not paying for the development, just for the record.

JASMINE DE JESUS: Well, what I'm saying is that, you know, who--who's coming up with this money for the--to build the building?

CHAIRPERSON TORRES: The develop--the-- the developers, the--either the affordable developer or the--

JASMINE DE JESUS: [interposing] So NYCHA is the one renting out the land, correct?

CHAIRPERSON TORRES: NYCHA is leasing out the land, but that's different from actually paying for the development.

JASMINE DE JESUS: Well, that's--that's saying, though, they're making money off of renting out this land.

2 CHAIRPERSON TORRES: That's the point of  
3 the program.

4 JASMINE DE JESUS: And who is going to  
5 benefit? Nobody but NYCHA.

6 CHAIRPERSON TORRES: Which is the  
7 landlord for your apartment to make repairs.

8 JASMINE DE JESUS: Exactly.

9 CHAIRPERSON TORRES: Yeah.

10 JASMINE DE JESUS: Yeah, but he's not  
11 going to repairs on us, he's going to make repairs on  
12 what he wants to make repairs on, which was--he's  
13 been doing for how many years? Let's not act like if  
14 NYCHER--NYCHER needs to be re-established from the  
15 top to the bottom. Because the top, the Chairwoman  
16 that was sitting here she--she--she blew you guys up  
17 with so much air it was ridiculous. And everybody  
18 sat down and let their house get blown up like  
19 balloons. It was amazing. So I'd just like to thank  
20 you for your time. Thank you.

21 CHAIRPERSON TORRES: Thank you so much.

22 [background comments, pause]

23 CHAIRPERSON TORRES: Belinda? No, she  
24 was not here. No, this is--no we called them, right?  
25 Violet Bailey--Ms. Keller? Jerry--I'm sorry.

Forfal--Fior--I can't--Fiorello Homes. Okay.

Bernadine Weeks, Betty Sanders. Yeah, from the  
National Action Network. Kevin Bell.

GERRY FROHNHOEFER: Good evening. My  
name is Gerry Frohnhoefer. I teach Urban Sociology  
at La Guardia Community. I'm the founder of the  
Fiorello Homes for the Homeless Organization. And, I  
want to thank Councilman Torres for the work that  
he's doing tonight especially in the community  
getting out here into the community, hearing the  
voices of people. Not just having hearings down at  
City Hall, but bringing the hearings into the  
community and listening to the residents. I want to  
thank also Ms. Benedetto, who I've been in contact  
with in your office, and you reminded me of the fact  
of the change of the venue today. The first thing is  
I'm going to quote from Mark Twain. "*There's likes,  
there's damn lies, and there's statistics.*" Tonight,  
we heard a lot of statistics. Okay. We're living  
with myths, total myths and everyone in this room  
whether they're living in public housing or not  
living in public housing, all of as citizens of the  
City of New York should be very, very angry, and  
very, very scared. Because just as came out in the

Daily News a couple of weeks ago when this first plan came alive that the Broadway Alliance put in the voices of people this is for the developers. This is not for the people. Okay, let's make that clear. All right. They talked about \$300 to \$600 million raised from the developers who are going to come in and fill in the land use that is vacant right now. It's not vacant. I'm just talking as a sociologist. The abstract notion of Chris Waller, Alonso and LaFaba--developers look at land abstract. They do not look at land with people. Okay. So in that sense that's what we're up against. We're up against the powerful. We're up against the financial interests that are taking away what we need, want and should have. Just want to make one thing very crystal clear. They're going to give us \$300 or \$600 million? One of the best things that's happened in Albany is the ending of 421a. This is something that our organization has been striving to do. We've met with legislators, and the thing is why put five boroughs in New York City? That's \$1.2 billion a year of uncollected taxes, and that's been uncollected taxes over the last 25 to 30 years. NYCHA would not be in debt at all if that money was

collected. What we're pushing for and the elephant in the room very few have talked about is we've got 50,000 homeless in the city that we know of, that we know of. We have 23,000 children who are in shelters right now. That's the new generation. That's the new gen. They're talking about a new generation. We're having a--

CHAIRPERSON TORRES: [interposing] Can you tell me--Okay, can you just wrap it up.

GERRY FROHNHOEFER: --generation of people that are going to live in shelters as if they were their homes. That has to stop.

CHAIRPERSON TORRES: Thank you for testimony.

BETTY SANDERS: Yeah, my name is Betty Sanders and I'm the Chairwoman with National Action Network Homeless Committee. We advocate for the homeless, and I was just made aware of this meeting earlier today. So, the public really--they don't know what's going on here, and I think that you need to put regular weekly announcements in all the newspapers and the newsletters so the people would come out. Because as was stated here there were over 500 residents in NYCHA, and looking at a smaller

amount of people that were here today. So they don't really know what's going on. I just put together these minutes. I'm sitting in the back so I didn't even know I was even going to speak. But I wanted to talk about homeownership opportunities for people in NYCHA. That's another alternative that could be considered. I've talked to a couple of residents, and they are interested in taking over their buildings. So why not allow or consider proposals from the residents. These people have been living here for 30, 40 years. So, we are totally against this landlord/tenant proposal. Why not give ownership opportunities to the people, and end this gentrification process?

BERNADINE WEEKS: Hi. Good evening. My name is Bernadine Weeks. I am member of the Committee for Independent Community Action run by Dr. Fulani. Having said that, I came here with an open mind. I've heard a lot of things about the--I didn't even know what it was called. I now know it's called the New Gen--Gen--the New Gen Neighborhood. Anyway, you hear a lot of different things. Now from what I understand, the Chair says she came to give the facts. I'm a--I am a--I am not as eloquent as she is

with words. So, she's saying that people are--the attendants are dropping because when you speak to ordinary people that way, they don't understand what you're saying. Now, I understand from--and I'm--I'm sorry. I forgot to say thank you Council Members for having this hear. From what I understand, there's a \$17 billion deficit with the, um, with NYCHA. Now, I understand this--this New Gen project is supposed to address that problem. Now, I'm just going to say \$17 billion are what their--this new project that they're proposing is something like \$600 million. How does that address--it's like, you know, it's like a Tic Tac in a whale's mouth. No seriously. How is that addressing the issue? I mean if you have a say in this, I mean first of all, what's being proposed is an insult to the people who are living in this housing. Because I--I don't live in the housing any more, but I grew up in the housing. Now, if I had a playground as a child, I'd played in the playground. If I had--

CHAIRPERSON TORRES: Can you conclude?

Thank you.

BERNADINE WEEKS: I'm so sorry. I'll try to be short. If I had my playground being taken

away, I would feel hurt. Now, all I'm saying if you have any say in this process, I would ask for you to vote against it. Because it's not helping anyone, but the developers because it does not address the issue that's at hand. Have you gone through those projects recently? They're in disrepair and it needs to be fixed, and this issue that they're proposing does not help the problem at all.

CHAIRPERSON TORRES: Thank you for your testimony.

BERNADINE WEEKS: Thank you.

VIOLET BAILEY: My name is Violet Bailey. I'm a member of Community Voices. I live in the building that's just yards away from the playground that they're going to take away from our children and our building. I've been with New York City Housing for over 50 years in the Bronx and now here for 20 years. The reason we don't--we shouldn't even have this much New York City Housing. The reason we have it is because of the federal, state and the city governments that did not enforce deseg--desegregation in housing. That's why we have to live here. Now, I'm not--I am opposed to that building--to--to that building on the playground. There's enough

gentrification right here. There's a building that was being built when I moved here 20 years ago, very nice. On the corner there, right on that same street. That's enough. That's all I have to say.

CHAIRPERSON TORRES: Thank you for your testimony. We're going to call the next and final panel. Kevin Dow, Harry Kresky, Douglas Balder; Michael Beakford (sp?), Mark from--

MALE SPEAKER: He's not here. (sic)

CHAIRPERSON TORRES: Okay, and Gretta Temple. [pause]

HARRY KRESKY: Hi, good evening. My name is Harry Kresky. I'm the attorney for the Committee for Independent Community Action. We're pleased that the City Council is holding this hearing. It's a chance to learn the details on of a plan, on plans that are being implemented to privatize NYCHA. CICA does not support these plans. I have attached our analysis of the problems with this process to the record copies of this testimony is being held after petitions calling for public hearings, and signed by over 2,300 New Yorkers were submitted to the City Council in November. Since then, 900 more signatures have been gathered, and Manhattan Community Board 6

has adopted a resolution calling for hearings. These hearings in our view are part of an effort to make the City Council, our elected representatives, take responsibility for these plans, hear from the people of this city, and then vote them up or down. Most people don't know that during the previous administration the City Council went to court to block privatization plans on the grounds that no hearing had been held, and no vote taken. The case was brought by the Council, the Baruch and Douglas Houses Tenant Associations and a tenant in each project. The case was dismissed not because it lacked merit, but because the plans were not far-- were not far enough along to make them right for judicial review. The court's decision is a tax tariff, the record copy of the testimony. Now, there are some differences between the plan then before the court, and the one being implemented now. The current plan allows for building of more affordable in quotes since--since poor and working people with incomes in the range of NYCHA tenants can't afford what's called affordable housing. Neither plan mandates--neither plan mandates the construction of housing for poor and working people. Both plans

would permit private developers to building high-rise buildings on open spaces, playgrounds, sitting areas, and parking lots. The principle forever remains the same: Public housing is a public trust. The land owned by NYCHA and other housing authorities in this state is intended for public use, specifically to provided decent housing for people that are unable to afford market rates.

CHAIRPERSON TORRES: Please conclude.

HARRY KRESKY: Yes.

CHAIRPERSON TORRES: Okay.

HARRY KRESKY: NYCHA is a critical part of the city's infrastructure like its parks, its bridges and its water supply. Can the city sell these things to private interest for private use? Can it do so without hearings and approval by the city's legislative body? Of course not. Such a giveaway would be inconceivable. We're asking the Council, the entire Council, take a vote and vote this up or down. That hasn't happened yet. We're hoping that it will. We think the City Council has a responsibility both legally an morally to do that.

CHAIRPERSON TORRES: I want to call one more person to testify, Ms. Taylor from Holmes. It's

my understanding that it's Latisha Taylor. Is she still here. Okay. so feel free to join the panel.

MARK MARQUIS: Yes, my name is Mark Marquis. I am part of the Committee for Independent Community Action. I also grew up in the Wagner Houses, and have been in housing for the last 45 years. I'm also criminal justice advocate. Tonight I will be speaking on behalf of Mother Drayton, a long-time housing resident for 55 years. And she asked me, she said, Son, could you ask this question? We know that NYCHA is operating at a deficit, but what about the many years that NYCHA has mismanaged its funds? We know that if they can find money for everything else, why can't a viable plan be made to save NYCHA that does not include putting the--putting the plight of poor people in the hands of private developers. And with that I say that we might fight to keep this plan from going into action. Poor people will be displaced, and poor people will not have a place to live. And with that, I end my testimony. [pause]

DOUG BALDER: Good evening. Thank you council members for this hearing. My name is Doug Balder. I'm an architect and a member of the

Committee for Independent Community Action. NYCHA's Next Generation Plan calls for selling a 50% share NYCHA apartments to developers who will collect rents, subsidies and tax abatements, and leasing land to developers to build and operate affordable housing on existing park space, parking lots and playgrounds and NYCHA projects. On average, the rents for these affordable units will be twice as high as the average NYCHA rent. NYCHA issued in September 2015, a Request for Proposal to developers for infill. And in it, NYCHA incentivizes developers to propose affordable units at a higher rent by giving a greater evaluation to providing less subsidy and disincentivizes them to provide deeply affordable units. I urge you to look at this RFP. Developers will control who are the future tenants of NYCHA housing; who are selected for apartments; who get into the new affordable units; who are to replace tenants who leave or die or are evicted; and infill is being placed in neighborhoods where gentrification is well underway, according to the Chair of NYCHA like Holmes Towers and Wyckoff Gardens. Developers' interests are to seek as great a profit as possible, and their interests will press, and their investors

will press them to do so. And over time--maybe not immediately--this will force residents out of their neighborhoods. They become too expensive to either rent in or live in or purchasing, destroying families and communities, and NYCHA's Next Generation Plan divests public housing by selling it to developers. Why doesn't NYCHA protect--

CHAIRPERSON TORRES: [interposing] Please conclude.

DOUG BALDER: --public housing as a public resource and insist that it remain permanently affordable? Why doesn't NYCHA develop a plan to repair and maintain the housing and deal with its deficits, not pushing out residents who have maintained the housing, raised families and fully participate in making New York run? And why won't NYCHA work with low-income housing tax credits and ensure affordability in perpetuity?

CHAIRPERSON TORRES: Thank you for your testimony.

DOUG BALDER: Thank you.

[background comments, pause]

FEMALE SPEAKER: Good evening. I'm speaking on behalf of Latisha Taylor, who had an

emergency, and advised of one. (sic) She lived in Holmes Towers most of her life, and also a leader of Community Voices heard. I speak about the proposal--building of NYCHA plans on developing in the back--in our back yard. I have the play--the playgrounds change, the buildings change. They even changed the elevators once. The building, however, is one change stand behind or immensely wrapped around my mind. This is where I played as a child, and now our children will only have memories of pictures. As I think of this proposal, I question who would truly benefit. I know it won't be me or my neighbors who live here. While this building is being built on public land, I hear that a portion would dedicate affordable, and actually none of these units will be affordable for our families. This would raise the price we pay for everything in our neighborhood, and contributed to gentrification citywide. This building would be being built on our necks, on our land, taking our air and destroying our space. But how much would the developer profit or extinct us. (sic) Who would benefit most from the erection of this building? If you attend any of then Next Generation meetings, you would think it would NYCHA.

1 You would think it would be NYCHA residents, excuse  
2 me. They would have us believe these would close our  
3 growing debt, but when you look at the numbers, it  
4 would raise only a small fraction of what is needed.  
5 So again, I ask you would benefit most from the  
6 erection of this building. In closing, we all can  
7 appreciate the appeal of Upper East Side. However,  
8 to add yet another is just a status--excuse--  
9 oversaturation to an over-population area. There's  
10 also a high-rise building built on 92nd Street and  
11 Third Avenue, and another one at 89th Street and  
12 First Avenue. This area has ongoing construction on  
13 Second Avenue Subway that's polluting our air. The  
14 schools are being filled, the bus lines are bursting  
15 at the seams. So I ask you again how much more can  
16 the neighborhood take.

18 CHAIRPERSON TORRES: Thank you. Thank  
19 you for your testimony. I want to acknowledge we  
20 have testimony from Enterprise, the Urban Justice  
21 Center, Legal Aid Society all submitted for the  
22 record. I want to thank the audience for you lively  
23 participation, and I want to thank NYCHA for staying  
24 throughout the duration of the hearing, particularly  
25

2 the chair. We are grateful. This hearing is  
3 adjourned. Thank you very much. [gavel] [applause]

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date February 7, 2016