

Chairman Ricardo Elías Morales's Testimony before the City Council
May 28, 2009

Chairperson David Weprin, Chairperson Eric Dilan, Chairperson Rosie Mendez, members of the City Council, good morning. I am Ricardo Elías Morales, interim Chairman of the New York City Housing Authority. With me this morning are NYCHA's Vice Chairman, Earl Andrews, Jr., Board Member Margarita López, and members of NYCHA's senior management team.

For 75 years, NYCHA has provided public housing in the city of New York. NYCHA owns and operates over 178,400 apartments in 338 developments throughout the city, providing homes for more than 403,000 low- and moderate-income New Yorkers. NYCHA also administers the largest Section 8 program in the country. NYCHA's Section 8 program assists more than 95,000 families.

NYCHA remains committed to its mission of providing decent and affordable housing for lower-income New Yorkers, particularly during these difficult economic times.

When I last appeared before you in March, I presented an overview of NYCHA's preliminary financial plan for fiscal year 2009. In April 2009, NYCHA's Board approved the NYCHA budget for fiscal year 2009. Today I will describe that budget, and will update you on steps NYCHA has taken since the last hearing to decrease its budget deficit. I will also tell you about NYCHA's upcoming plans for capital improvements – including elevator repair and replacement – which will be accomplished, in part, with funding NYCHA will receive through the American Recovery and Reinvestment Act, or the stimulus bill.

NYCHA continues to face a structural deficit as a result of the federal government's failure to fully fund public housing operating subsidies. From 2001 to 2009, NYCHA has been deprived of a total of \$671 million in operating subsidies. In 2009, for instance, NYCHA is eligible to receive \$991 million in federal operating subsidy. Unfortunately HUD has communicated to NYCHA that it should expect to receive approximately 88 cents of every eligible dollar for the current year. This translates to a loss of \$119 million in the current year.

While the new administration and HUD Secretary Shaun Donovan have indicated that public housing will once again be fully funded, this proposal, even if approved, will not affect NYCHA's 2009 operating subsidies. Funding levels for 2010 will not be announced until October 2009.

In addition to its reduced operating subsidies, NYCHA has also been faced with rising non-discretionary costs, such as salaries and benefits and utilities. Since 2002, employee benefit costs have risen approximately 73%. Pension costs, for instance, have grown more than a thousand percent to more than \$100 million a year, and utility costs have almost doubled from \$268 million in 2002 to \$527 million in 2008.

NYCHA had previously anticipated a budget deficit of almost \$172 million for fiscal year 2009. As I will explain, NYCHA has taken various measures to reduce its deficit to a more manageable \$45 million.

On April 14th the Board passed a revised 2009 budget and four-year financial plan which projects a \$45 million deficit in 2009 and a deficit in the out-years of

approximately \$130 million. The Board adopted several measures in the current year which reduced the deficit from the previously projected amount of \$172 million.

When I appeared before you in March, I advised you that NYCHA would be streamlining its central office operations, with the goal of reducing central office costs by \$10 million. As of May 1, 2009, NYCHA has reduced its central office headcount by 56 executive and 44 administrative positions. This included lay-offs, the elimination of vacancies and the reassignment of provisional managers to non-managerial positions. Through these measures, together with associated non-personnel cost savings, NYCHA has achieved a reduction of \$11.1 million in central office costs, exceeding its \$10 million goal. By 2011, the savings realized will exceed \$16 million.

To ease the budget deficit for the short term, NYCHA will transfer approximately \$76 million in capital funds to its operating budget, in accordance with HUD regulations. This is a short-term solution, however, and is not a cure-all.

In addition, NYCHA has revised its estimate of the amount of federal subsidy it is expecting to receive from HUD in the current calendar year. Due to technical adjustments made by HUD regarding the subsidy formula, NYCHA is projecting to receive \$13 million more than it had previously forecasted. This additional amount assists NYCHA in closing its deficit.

On March 20, 2009, HUD approved NYCHA's Annual Plan, which includes phased-in rent increases as I described in March. The Annual Plan was approved after public comment and with the input of NYCHA's Resident Advisory Board and members of the public, as federal law requires.

The rent increase will enable NYCHA to realize an additional \$5 million in revenue for 2009. It will be phased in over a two-year period, and will affect only those NYCHA households with the highest incomes – approximately 28%. Seventy-two percent of NYCHA households will not have their rent increased. Once the increases are fully phased in, NYCHA projects that by 2012 it will realize revenue of approximately \$61 million annually.

NYCHA currently expects to generate approximately \$22 million from development-related activities in 2009, exclusive of other proposals that may come to fruition by the end of the year. Given present market conditions, including the availability of financing, these figures are subject to change. Projections of new revenue notwithstanding, among these developments activities is the sale of University Avenue Consolidated. NYCHA anticipates selling this property and creating affordable housing opportunities. NYCHA will keep the City Council apprised of its development activities.

Let me tell you about the status of some of our other programs. To address the lack of funding of our city and state developments, in September 2008, HUD finally approved NYCHA's plan to transition 8400 apartments in city-state developments to Section 8 units. As of May 22, 2009, 1,374 units were converted to Section 8, including 62 public housing residents who transitioned in place. NYCHA anticipates that by the end of 2009 this program will generate a total of \$17 million in revenues from the city-state transition program. By 2011, when all 8400 units have been converted to Section 8, they will generate \$75 million in annual revenues.

To contain rising energy costs and to reduce NYCHA's carbon footprint, NYCHA is actively pursuing a number of energy initiatives as part of Mayor Bloomberg's PlaNYC and through its use of federal stimulus funds.

By the end of 2008, NYCHA had replaced approximately 178,000 incandescent light bulbs with low-wattage, energy-efficient compact fluorescent lamps in more than 30,000 public housing apartments.

NYCHA has replaced 450 traditional hot water tanks with energy-efficient instantaneous hot water heaters from 2006 through the end of 2008. NYCHA continues to implement this program, and will replace a total of 1,265 hot water heaters by the end of 2011.

Over the next 3 to 5 years, NYCHA will replace boilers and other critical heating system equipment with high-efficiency natural gas burning models in more than 30 public housing developments.

One example of improving energy efficiency through heating-system upgrades is at Beach 41 St. Houses in Queens. Starting this summer, NYCHA will use \$460,000 in stimulus funds, along with \$3.4 million in pre-stimulus funds, to replace heating system components at this large development, comprising four 13-story buildings over 13 acres housing more than 1,600 residents in 712 apartments. Installation of these components will improve the operation and efficiency of the development's heating and hot water systems and will result in energy savings.

NYCHA will also use \$24 million in federal stimulus funds to replace aging appliances at a much faster rate than it had previously been able to do. Starting in July 2009 and continuing until March 2012, NYCHA will purchase and install approximately

56,000 energy-efficient refrigerators in 53 developments throughout the five boroughs. One in every three NYCHA apartments will receive a new stove or Energy Star-rated refrigerator, resulting in \$1.4 million in annual electricity cost savings.

The primary fuel NYCHA uses is natural gas, which provides reliable service and reduced emissions. At those locations where petroleum-based fuel oil must be used, NYCHA is embarking on a bio-diesel program as a lower-emissions alternative.

As part of Mayor Bloomberg's Million Trees NYC initiative, 10,700 trees will be planted throughout NYCHA developments. This will not only enhance the physical appearance of our city, but will also help to reduce the energy required to cool NYCHA apartments and will improve air quality.

Under the American Recovery and Reinvestment Act of 2009, NYCHA received \$423 million from HUD in federal stimulus funds. These funds will be used for significant capital improvements to address residents' needs. The infusion of these funds will allow NYCHA to accelerate projects that were part of its Five-Year Plan, and to commence projects that were unfunded prior to the receipt of stimulus funding. I have described just two of the many projects for which NYCHA will use stimulus funds, and will give you more detail on NYCHA's proposed use of these funds.

During the months of May and June, NYCHA is holding Town Hall meetings to develop its next Annual and Five-Year Plans, which include setting new priorities for NYCHA's capital program. Stimulus funds will be used to address certain needs, which include: elevator modernization; apartment renovation; roof repairs; brickwork repairs and energy-efficient appliances.

I want to remind the Council Members that the stimulus bill imposes strict deadlines on the obligation and expenditure of these funds that do not apply to NYCHA's traditional capital program. There are additional reporting requirements regarding the use of stimulus funds. These will present significant challenges to the administration of the capital program, not only for NYCHA but for public housing authorities throughout the nation.

The addition of stimulus funds to its capital program, has enabled NYCHA to add more elevator repair and replacement projects to its capital plan. The fiscal year 2009 Capital Plan will now include the projected repair and replacement of 242 elevators at 22 developments throughout the city. The 2009 Capital Plan is expected to be submitted to the NYCHA Board in late June.

Since my appointment in December, I have dedicated my time and effort to the development of a plan to ensure the reliable and safe operation of NYCHA's elevators. NYCHA recently completed a rigorous three-month evaluation of its elevator fleet and operations. As part of this evaluation, NYCHA met with residents, resident leaders, union officials, NYCHA employees, and other interested parties to hear their concerns regarding elevator safety, service and operations, and to develop a plan to address these concerns. This collaboration has resulted in NYCHA's Comprehensive Elevator Service and Safety Plan (ESSP).

Under the ESSP, NYCHA has made elevator modernization a priority in NYCHA's capital improvement program. The savings realized from the Central Office Cost reduction has enabled NYCHA to increase its budget for elevator personnel by \$6.6

million. NYCHA is in the process of hiring 75 additional elevator technical and support staff. NYCHA has created an Elevator Maintenance Support Unit (EMSU) consisting of 20 maintenance teams. These teams are staffed by elevator mechanics and helpers. EMSU teams will focus their efforts on the 50 NYCHA developments with the highest average outage per elevator.

We have also hired an elevator consulting firm to perform a 12-month comprehensive review and to report on NYCHA's elevator operations and associated capital program.

Additional measures that we have implemented include expedited funding for elevator modernization and the installation of state-of-the art technology, including CCTV. We have also enhanced the inspection process through an MOU with the Department of Buildings.

NYCHA has been developing creative ways to continue to provide decent and affordable housing to New York's residents, even in these difficult times and under these difficult financial conditions. NYCHA remains committed to fulfilling its 75-year legacy of service to the city.

On behalf of NYCHA, I thank the Council Members for their continued support of public housing in New York City.

I would be pleased to answer any questions you may have.

**Testimony of the Department of Housing Preservation & Development before the
New York City Council's Housing & Building and Finance Committees
Fiscal Year 2010 Executive Budget – May 28, 2009 – 10:45am**

Good Morning, Chairman Dilan, Chairman Weprin and Members of the Housing and Buildings and Finance Committees. I am Holly Leicht, Deputy Commissioner of Development at the Department of Housing Preservation and Development (HPD), and joining me are Molly Wasow Park, Assistant Commissioner of our Budget Division, and Vito Mustaciuolo, Acting Deputy Commissioner for the Office of Preservation Services. I apologize on behalf of Commissioner Cestero that he could not be here – as I believe you know, there was a death in his family this past weekend.

In his absence, I am pleased to be here this morning to discuss HPD's Fiscal Year 2010 Executive Budget. First, though, I would like to update you on the progress of the Mayor's New Housing Marketplace Plan (NHMP). Since the Mayor took office in 2002, the City has funded about 100,000 units of affordable housing, of which 85,000 were started under the Mayor's 165,000 unit affordable housing plan. Last year, due to the City's capital budget cuts, the plan was stretched out for a year to 2014, but I want to assure you that we remain committed to the goal of building and preserving 165,000 units of affordable housing, especially to those most in need. 75% of our housing is targeted to households earning up to 80% of AMI, which is approximately \$62,000 for a family of four.

HPD faces very different challenges today than a year ago. We all know that with the decline in the capital markets, New Yorkers are losing jobs, neighborhoods are threatened

with destabilization, and families across many economic strata are in distress. HPD's goal is to retool the NHMP and adjust its programs to ensure that New York City continues to produce and protect affordable housing during this downturn, and emerges from this recession positioned to capitalize on a revived real estate market and the renewed availability of capital.

As you know, Commissioner Cestero started his most recent tenure at HPD moments before we submitted our most recent budget plan. As a result, we have not yet had the opportunity to reconfigure the NHMP along the lines of his vision to achieve its goals in a similar timeframe despite continued budget cuts and market constraints. We are working on an adapted plan as we speak and will come back to you soon with our revised version.

Over the years, the City has invested hundreds of millions of dollars in communities across the five boroughs. We are confident that focusing our energies on stabilizing households and neighborhoods and developing initiatives that respond to the current crisis while positioning us for an eventual rebound will enable us, along with the innovative programs that carried us through the first half of the NHMP, to achieve our goal of creating and preserving 165,000 units and making New York City a more affordable place to live.

While we continue to create opportunities for the development of new affordable housing, preserving existing units is critical to HPD's mission, especially in today's

economic climate. I'd like to take a few minutes to describe some of our preservation projects currently underway.

The Bridge, a not-for-profit organization that was established to assist people with serious mental illness, substance abuse issues and homelessness, will redevelop 81 units in five buildings that were initially opened between 1981 and 1990 to serve seniors with chronic mental illness. All the units will remain dedicated to 100% low-income (below 50% AMI) seniors under HUD's Section 202 program. The buildings - located on the Upper West Side, East Harlem and the East Village - have between 15-18 units each including one unit for live-in staff. The entire project will be refinanced and moderately rehabilitated using HDC bonds, 4% tax credits and \$3.4 million in Reso A funds that the Council set aside for distressed HUD housing in FY08.

Both the Lower Manhattan Development Corporation (LMDC) and Battery Park City Authority (BPCA) are supporting the renovation of Masaryk Towers, an HDHC co-op in Councilwoman Rosie Mendez's district. These four buildings have more than 1,100 units, and the maintenance fees are affordable to families making less than 80% AMI. HPD is providing an 8A loan for the renovation work which includes new roofs, removal of asbestos, repairing elevators, and performing exterior waterproofing and masonry repairs. We hope to close this loan by the end of this fiscal year.

A third project that HPD is funding and expects to close in 2010 is a 198-unit HUD property in Upper Manhattan that was purchased through the Acquisition Fund and will

be renovated as long-term affordable housing by Jonathan Rose Companies. HUD will continue providing Section 8 vouchers, and the City will provide over \$5 million in capital for rehabilitation. The developer is applying for HUD funds for energy savings and green measures, and if they are successful, it will be one of the first green projects to utilize these funds.

HPD also works to preserve affordable units by addressing the physical conditions in the City's privately-owned housing stock. I would like to take this opportunity to thank Councilmen Dilan and Weprin for sponsoring HPD's 'Owners Registration' and 'Emergency Repair' legislation. Both are important to our preservation efforts: the former allows HPD to temporarily invalidate a prior owner's registration so that we can send a Notice of Violation to the actual owner even if he or she is not properly registered, and the latter bill allows the Department of Finance to include a charge for unpaid emergency repair work on a property owner's quarterly statement. These laws streamline our processes and make HPD's preservation efforts more efficient, which is good for everyone.

While the 2008 Housing and Vacancy Survey shows that neighborhood conditions are at their best level ever, there are privately-owned properties with serious code enforcement issues. Our Code Enforcement Division, led by Vito Mustaciuolo, plays a critical role in our preservation efforts by ensuring compliance with the Housing Maintenance Code (HMC), New York State's Multiple Dwelling Law, and by responding to calls to 311. Between July 1, 2008 and April 30, 2009, we inspected 525,769 complaints; 100,969

were heat and hot water complaints, and 39,789 were lead complaints. Compared to the previous fiscal year, overall inspections in response to complaints increased by 11%. This year, HPD inspected 25% more heat and hot water complaints and as a result issued 30% more heat and hot water violations than last year. We spent \$14,742,000 on non-lead Emergency Repair Program (ERP) work, up 30% from last year. An additional \$4,137,000 was spent on emergency lead repair work, 3% more than what was spent in the prior year. Our Housing Litigation Division initiated 13,560 cases, 8% more than last year and collected \$4,407,000 in fines, a decrease of 6% from the previous year.

We all hear about the magnitude of the mortgage foreclosure crisis and understand the need to work together to confront the effect it has on our communities. There were nearly 15,000 *lis pendens* filed in 2008, and we expect the number to rise to close to 20,000 this year. Brooklyn and Queens continue to be the two most vulnerable boroughs with two-thirds of the city's foreclosure auctions taking place in Queens.

The Center for New York City Neighborhoods (CNYCN) was established to link New Yorkers with organizations that can help protect them from foreclosure. The budget for the Center comes from a variety of sources, including the Council and private philanthropic donations. I think you will be happy to hear that the Administration is contributing \$2 million to the Center this year, and we hope that the Council will continue their very generous funding as in past years.

As many of you know, the CNYCN is a not-for-profit created by HPD, designed to help people at risk of foreclosure stay in their homes. The Center supports a network of nonprofit service providers that offer free housing counseling and legal services to people facing foreclosure and gives funding and technical assistance to community groups that provide direct services to individual homeowners. In February, the Center launched a call center that serves as the primary point of contact for all NYC homeowners in distress. When homeowners call 311, they are transferred to the CNYCN call center which conducts intake interviews and connects homeowners to free expert counseling services in their neighborhood. The Center expects to serve 5,000 people before the end of the year. As of April 30, more than 3,000 intakes had been conducted, and over the same period more than 2,000 homeowners have been reached through community education events. Preliminary data from clients counseled from July 2008 through March 2009 shows that 1,900 clients received budget and financial planning services; 369 clients had loan modification requests submitted; 92 clients have received loan modifications; and only 10 clients were foreclosed upon.

I would like to take a minute to acknowledge Councilman Fidler for a recent proposal he made regarding notice to troubled building owners. He suggested that the City add a notification on quarterly Statements of Account alerting property owners receive when they pay their real estate taxes that they should call 311 if they are having trouble making their mortgage payments. We reached out to the Department of Finance to discuss the possibility of implementing this, and DOF agreed that such a notice would be beneficial. This message will be included in everyone's tax bill starting in July 2009.

Preserving affordable housing and keeping people in their homes are critical to HPD's mission. So too is expanding our housing stock to accommodate the city's growing population and make housing more affordable for all New Yorkers. We are committed to ensuring that we continue our pipeline of new construction projects in key neighborhoods citywide, particularly targeting low- and moderate-income New Yorkers. And we are actively exploring a number of creative and cost-effective ways to capitalize on current market conditions to create affordable housing, such as facilitating the conversion of stalled market rate projects to affordable housing.

In September 2008, HPD issued an RFP for the last three remaining large residential sites in the Melrose Commons Urban Renewal Area in the South Bronx, where thousands of units of housing have been developed over more than a decade. The proposed programs and configurations for these sites were borne out of the South Bronx Initiative, the Mayor's inter-agency task force that coordinated with public officials and community boards, as well as local organizations and institutions to develop a comprehensive community plan for the South Bronx. We received 20 submissions in response to the RFP which we are currently evaluating, and we expect to designate developers for the three sites over the summer. The resulting projects will maximize the development of affordable housing – producing up to 750 units, at least half of which must be affordable to households at or below 60% of AMI (\$46,000 for a family of four) – provide open space, retail and community facility spaces, and rationalize traffic patterns. Most of the proposals we received include multiple buildings with a combination of low- and mixed-

income, homeownership and either housing for seniors or special needs populations, including one for retired musicians.

HPD is also committed to building “green.” As you know, in Spring 2007, the Mayor launched his PlaNYC initiative. Two weeks ago, Councilmembers Recchia and Gennaro introduced two green initiatives that could dramatically improve energy efficiency and reduce costs in residential buildings. Intro 967 will require owners of existing buildings larger than 50,000 square feet to conduct energy audits every ten years and retrofit their buildings to maximize energy efficiency. Intro 973 requires that lighting systems in buildings over 50,000 square feet be upgraded to meet the requirements of the new NYC Energy Conservation Code. HPD supports these initiatives and is exploring ways to require retrofitting in our preservation programs as well as other green elements in our new constructions projects.

One of our recently-completed green projects is the Women’s Housing and Economic Development Corporation’s (WHEDCo) Intervale Green development, also in the Bronx. It includes 88 affordable, energy efficient rental units for households earning at or below 60% of AMI (\$46,000 for a family of four). Not only are all the appliances Energy Star; the windows are double-paned, low-emission and argon-filled; the flooring is made of recycled material; the grounds include a private sculpture garden; and the building has a green roof. WHEDCo claims that tenants’ electricity bills will be 30% lower than a similarly-sized non-green unit. The development was submitted by HDC to a national

competition sponsored by the Charles L. Edson Tax Credit Excellence Awards and won first prize for green affordable housing.

Last but not least, I would like to discuss the Mayor's 2010 Executive Budget. There is no question that this is a difficult budget year, on both the expense and capital fronts. However, we are lucky that housing is a very important piece of the federal stimulus bill, which will help mitigate reductions in City funding.

HPD received \$26 million in Community Development Block Grant (CDBG) money through the federal stimulus package passed in February. We will use these funds to supplement our neighborhood stabilization efforts through the Emergency Repair Program (ERP), demolition of unsafe structures, and our division of neighborhood preservation. Further, we expect to receive \$85 million through the State's allocation of Tax Credit Assistance Program (TCAP) dollars. These funds will enable us to close on projects that have been delayed due to a decline in tax credit pricing.

We also recently received notice of our fiscal year 2009 federal budget levels. There was some good news in an otherwise status quo budget – HPD received an additional \$13 million in HOME funds. The Obama Administration's proposed fiscal year 2010 budget includes level funding for HOME but significant increases for CDBG and Section 8. Furthermore, it proposes funding for new programs that if enacted could be very good news for affordable housing in New York City. The proposed budget includes \$1 billion for a low-income housing trust fund, \$250 million for a new Choice Neighborhoods

program that would allow for comprehensive neighborhood redevelopment, and \$100 million in an Energy Innovation Fund. We're looking forward to working with our excellent delegation in Washington and with the Obama Administration to ensure robust funding levels for federal housing programs.

On the City side, the Executive Plan Expense Budget for Fiscal Year 2009 is \$712.7 million. We project that our fiscal year 2010 budget will be at least \$635 million once we include the federal funding that will be added after adoption – plus additional stimulus funding that has not yet been finalized. It is important to note that HPD's FY09 budget included funding for a number of one-time initiatives, so it is somewhat misleading to compare our FY09 budget to FY10. For example, FY09 included more than \$27 million for demolition work we are performing for the Hudson Yards Development Corporation.

However, there are significant reductions to our budget beginning in FY10. As you are aware, all City agencies were asked to take expense budget reductions in both the January and Executive Plans. In addition to the Executive tax levy cut, HPD was also called upon to reduce CDBG spending.

About two thirds of HPD's tax levy budget is spent on personnel costs. In this environment, and after reduction targets in five consecutive budget plans, HPD is no longer able to avoid layoffs. The layoffs cross all areas of the agency and affect individuals at all levels, matching the distribution of our tax levy funding. Over the January and Executive Budget Plans, and across tax levy and CD, we are reducing our

headcount by about 120 people, or roughly 5% of total agency staff. The good news is that less than half of these reductions will be achieved through layoffs. To the maximum extent possible we are using attrition and redeployment opportunities to reduce our City-funded headcount, thereby minimizing the impact on people.

On the capital front, the City – including HPD – had to take a 30% reduction in the capital plan each year from FY10 to FY19. For HPD, this amounted to a cut of over \$1 billion. When combined with our September Plan reduction, the total cut was 44%, or about \$1.3 billion. Nevertheless, as I mentioned at the beginning of this testimony, HPD remains strongly committed to building and preserving 165,000 units of affordable housing through 2014. Because Commissioner Cestero started at HPD only days before the capital budget submissions were due, our plan does not fully reflect the new initiatives we are now developing. We are working with our partners to restructure our capital plan going forward.

In closing, let me reiterate that while we have challenges ahead, on behalf of Commissioner Cestero and all of us at HPD, I can say that we look forward to working with our government partners to creatively address these issues. We will continue talking with you and traveling to Albany and Washington to fight for funds and the flexibility to create and implement alternative programs that seek to address all of our communities' needs.

Thank you for this opportunity to share with you highlights of HPD's progress and plans for the future. Molly, Vito and I would be happy to take any questions at this time.

**FY2010 EXECUTIVE BUDGET HEARING
NYC Council – Housing & Buildings and Finance Committees
Testimony by Buildings Commissioner Robert D. LiMandri
May 28, 2009**

Good afternoon, Chairs Weprin, Dilan, Oddo and members of the Finance and Housing and Buildings Committees. I am Robert LiMandri, Commissioner of the New York City Department of Buildings. I am joined by First Deputy Commissioner Fatma Amer, Deputy Commissioner of Operations Marilyn King-Festa and other members of my staff.

Our Agency's core missions are clear: to advance public safety, facilitate compliant development and enforce the Building Code and Zoning Resolution. Last year, our Department faced challenges never before seen. The two unrelated tower crane collapses made crane safety a focal point, and we're finding new ways to improve high-risk construction safety. We're also holding people accountable for their actions when they don't properly protect the public.

We are seeing signs of improvement. Construction fatalities are down 85% – from 13 to two – in Calendar Year 2009 to date, as compared to the same time period last year.

In addition, we've seen a decline in excavations accidents since we launched our Special Enforcement Plan in 2007: So far this Calendar Year we've had no excavations accidents, down from six accidents in Calendar Year 2007.

Despite the current economic downturn, overall building permits have remained active so far this Fiscal Year. We've seen approximately 4% fewer overall permits from the year before, though the breakdown of the types of permits is changing. New building and significant alternations are down and minor alterations are holding steady.

This activity has kept the Department of Buildings extremely busy. This Fiscal Year through April 30th, we've conducted the following enforcement activities and services:

- The Department conducted more than 203,000 construction inspections, which is more than 8% over the same period in Fiscal Year 08;
- Our teams conducted more than 156,000 plumbing, electrical, boiler and elevator inspections, approximately 3% less than the same period in Fiscal Year 08;
- We responded to more than 114,000 complaints, virtually level over the same period in Fiscal Year 08;
- Our staff issued approximately 58,000 Environmental Control Board violations, over 8% more than at the same period in Fiscal Year 08; and
- We've issued more than 12,000 Stop Work Orders, approaching the more than 14,000 total Stop Work Orders we issued in Fiscal Year 08.

We're also holding registered architects and licensed engineers more accountable than ever before. Since February 2008, we've begun to issue ECB violations directly to design professionals whose plans violate code and zoning requirements. We're doing this now, instead of just stopping the work. Since February 2008, we've issued more than 90 violations to 22 architects and engineers.

Thanks to Speaker Quinn, Chairman Dilan and your efforts, our ability to meet our responsibilities to New Yorkers has been significantly bolstered with new legislative safety and enforcement tools we gained this past year. City Council's support has been invaluable, and I thank you for this.

Today I'll review our proposed budget, headcount and staffing, facilities, and how our High-Risk Construction Oversight study and Special Enforcement Plan will further advance construction safety in the coming Fiscal Year.

I) OVERVIEW OF PROPOSED BUDGET

The Mayor's Fiscal Year 2010 Executive Budget allocates approximately \$102 million in expense funds to the Department, excluding fringe benefits. Of this, approximately \$84 million is for Personal Services (PS), and \$18 million is for Other Than Personal Services (OTPS).

The major changes to our PS budget were: \$1.4 million added for new staffing; \$1.3 million added for collective bargaining; and a \$3.1 million reduction for PS savings.

The major OTPS budget changes were:

- \$3.1 million for a private elevator inspection contract;
- \$1.7 million for contract obligations; and
- \$1.6 million for existing emergency contracts.

The FY 2010 Executive Budget revenue plan is approximately \$123 million. This does not include the annual average of more than \$20 million in ECB fines that the City collects.

II) HEADCOUNT AND STAFFING

The Department's budgeted headcount, as of the FY 2010 Executive Plan, is 1,290. This is a net decrease of 22 positions from the 2010 Preliminary Budget headcount of 1,312.

New York City is now facing tough decisions, and we're contributing to the City's response to the current economic climate.

During the Executive Budget cycle we achieved savings by reducing our headcount by a total of 49 lines.

We're eliminating vacant positions and working with OMB to realign our headcount to support the priority safety and enforcement programs. We will not lay-off or terminate any active staff in this reduction.

In addition, our headcount increased by 27 full and part-time lines to support the transfer of the Loft Board staff to our Department, the increased DOB-related ECB hearings, and a new licensing program.

III) FACILITIES

Regarding our facilities, accommodating employees and filers became more challenging as our staff grew in recent years.

As of this past March, for the Fiscal Year 09 through Fiscal Year 12 budget cycles, DCAS included an estimated \$18 million in capital funds to upgrade our borough offices.

In light of today's capital budget constraints, we've substantially deferred renovations as part of the City's capital savings plan. Although construction is proceeding at 1 Centre Street with slight delays, other borough upgrades have been postponed to the outyears. As funding becomes available, the Agency will work with DCAS to make necessary repairs and to prioritize the upgrades.

IV) CONSTRUCTION SAFETY, OVERSIGHT AND ENFORCEMENT

I'll turn now to construction safety, oversight and enforcement.

Our duty to protect New Yorkers from the inherent dangers in construction is critical, and to continue to improve our operations, we're enhancing our inspections, audits, emergency and complaint response, plan reviews and investigations.

Our Agency is also raising construction standards through new legislation, new rules, unprecedented industry analysis, industry outreach and worker education. I will give a brief overview of these now.

High-Risk Construction Oversight Study

In August 2008, we fully launched the High-Risk Construction Oversight study. HRCO is an innovative effort to identify how to improve industry practices and strengthen industry regulation.

HRCO focused on crane and hoist, concrete and excavations operations – the types of activities that bring the greatest risk to workers and the public. More than 30 engineering experts conducted a top-to-bottom review of the regulations, materials, processes and systems employed in high-risk construction.

The HRCO experts also conducted a benchmarking study. They compared New York City's regulations and construction practices to those in 16 other national and international jurisdictions.

Their examination indicated that our Department has stronger site safety protocols and crane regulations compared to our counterparts.

Our HRCO study is nearly 400 pages and is now being finalized. It found opportunities to strengthen regulation and improve construction safety – and generated more than 40 recommendations on how to mitigate inherent dangers.

We will release our report on the findings in the coming days, and we'll give the public access to it on our website. We'll also provide links to video of our experts' presentations on the findings.

The HRCO findings can be quickly summarized: We need additional contractor oversight and regulation to further improve construction safety. The study's major recommendations include:

- Establishing a tracking system for critical tower crane components;**
- Strengthening requirements to monitor buildings adjacent to excavations; and**
- Developing essential specifications for concrete formwork design.**

To support our implementation of some of the study's major recommendations, we intend to work with the consultant involved with the HRCO study.

This contract will facilitate our new design requirements, enforcement tools and updated regulations. It will also bolster the Department's plan examination and inspection efforts as we hold the construction industry to higher safety standards. I'll also discuss our support of potential new crane legislation shortly.

Emergency Crane Contract

As confirmed by our HRCO experts and as part of our ongoing focus to improve New York City crane safety, develop new expertise and further train our in-house plan examiners, we're pursuing a negotiated acquisition contract to retain the services of an engineering firm.

This contract would provide and document peer review. These experts would offer their specialized knowledge of tower crane design and installation at specific sites. We anticipate the new contract would commence in Fiscal Year 09 and end within nine months.

Worker Safety Harness Campaign

Stemming from the HRCO study, we created and launched our Safety Harness Campaign, reminding workers of the importance of wearing a safety harness properly.

We've distributed thousands of posters, pamphlets and banners in seven languages. It's the first time our Agency has conducted such a massive safety outreach campaign.

Construction Safety Week

On May 1st, we completed our Fifth Annual Construction Safety Week. This week-long series of free seminars and outreach events educated the industry and workers on safe and proper construction practices.

This year, we focused on: new construction, demolition and abatement rules; new rules and regulations in high-risk construction; and safety requirements under the new NYC Construction Codes.

More than 800 people registered for the ten seminars. Our safety experts also visited four active construction sites, each in a different borough. Our teams toured buildings, speaking with the key players in the construction process – from masonry workers on the ground to carpenters many stories up.

New NYC Construction Codes

Starting July 1, 2009, our new NYC Construction Codes are mandatory for all new construction.

To prepare the construction industry for these upcoming changes, we're continuing our new Code training programs. We're leading seminars to educate architects and engineers on key changes in the new Codes, and we're focusing on the modernized safety requirements now becoming mandatory.

These new Codes represent the first complete building code overhaul in more than 40 years. A key part of the new Code is the built-in revision cycle – meaning that the City will never have to endure outdated, cumbersome construction requirements again.

These enhancements – along with improved standards stemming from the new Codes – will raise the bar even higher for safety and accountability in construction.

The first mandated revision cycle is beginning shortly. Just as we did when drafting the new Codes, we will be working with the industry stakeholders in this revision.

We will brief City Council before drafting begins. I look forward to working with City Council again, partnering to keep our City's Construction Codes up-to-date and focused on the City's plan for sustainability.

Special Enforcement Plan Update

In FY 2008, the Department received funding to create and expand our Special Enforcement Plan.

This Enforcement Plan is a key tool in transforming Buildings into a proactive enforcement system. This Fiscal Year through April 30th, these teams performed more than 9,000 inspections and issued approximately 6,800 ECB and DOB violations. This is nearly double when compared to the same time in Fiscal Year 08 as the teams were being staffed.

Phase one included launching and implementing our Excavations Team, Special Enforcement Team and Professional Certification Team. Together, they focus on safety, code and zoning compliance, and identify repeat offenders for legal action. Under phases two and three of the Enforcement Plan, we formed additional targeted teams:

The *Interior Demolitions Team* focuses on the safety of what laymen call “gut renovations.”

From its July 2008 inception through April 30th 2009, this team: performed 1,582 inspections; issued 373 DOB violations; wrote 832 ECB Violations; and inspected more than 900 sites.

The team also issued 278 Stop Work Orders, representing approximately 17% of the inspections.

The *Low-Rise Site Safety Team* concentrates on low-rise construction sites, providing oversight similar to the proactive inspections our High Rise Team conducts.

For new buildings permitted after July 1, 2008, low rise buildings are defined as four to nine stories. Under the 1968 Building Code, four to 14 story-buildings were classified as low-rise. In Fiscal 2008, there were 23% more low-rise buildings under construction than in FY 2007 – and we currently have nearly 3,500 low-rise New Building sites to inspect.

The Low-Rise Site Safety Team complements our new Construction Superintendent Rule, which requires a construction super to be accountable for safe and compliant construction at low-rise sites. This team launched February 10th, 2009. Through April 30th, 2009 they completed 939 inspections and issued 442 ECB violations.

We also issued 86 Stop Work Orders, which represents approximately 9% of the inspections. The three most common violations we issued were for failure to provide guardrails, toe boards and overhead protection.

The *Hazardous Violation Re-Inspection Team* is a new unit dedicated to re-inspecting properties where people fail to certify they have corrected a hazardous violating condition. When the team determines a violation has not been corrected, they issue additional violations. In addition, our team may stop work at that site until the hazardous violation has been corrected.

Finally, the *After-Hours Inspection Team* will crack down on contractors and developers who are illegally working after business hours. This program is being phased in by borough. We launched the Brooklyn team on May 18th, and Queens is underway this week. We're launching the other boroughs' programs by June 1st.

IV) Legislative Initiatives

Thanks to the unwavering support of Mayor Bloomberg, Speaker Quinn, and Council Members Dilan, Oddo and Lappin, the Department was able to announce an aggressive legislative package that equips our agency with additional oversight and enforcement powers to further the safety of New Yorkers and construction workers.

This construction legislation was a set of 12 safety-related bills that focused on key enforcement challenges for the Department. I thank you for passing them. This signed safety legislation includes:

- Mandated tower crane safety coordination meetings;
- A limitation on nylon sling use in tower crane operations;
- Strengthened training for teams that erect and dismantle tower cranes;
- Enhanced requirements for site safety plans;
- Mandated concrete site safety managers;
- Required inspections for vacant or structurally compromised buildings;

- Required retaining wall inspections;
- Reclassification of certain housekeeping violations as immediately hazardous with increased penalties;
- Required safety registration numbers for Concrete, Demolition and General Contractors;
- Mandatory Project Site Safety Monitors for Jobs with Multiple Immediately Hazardous Violations;
- Standardized Department accident reporting; and
- Formalized State notice of City disciplinary action against design professionals.

These new Local Laws are an unprecedented step in construction site safety, and all are in various stages of implementation. They give our Department new power to raise safety standards and hold parties accountable.

I appreciate your support, and I look forward to working with you on additional legislation to continue to raise safety standards.

We have drafted and delivered to the Council a set of regulations that would allow us to set higher crane safety standards.

These changes would incorporate seven HRCO recommendations. These include:

1. Enhanced standards for prototype application;
2. A tracking system for critical crane parts;
3. Required comprehensive inspections by the industry;
4. Mandated technical oversight of tower crane foundations;
5. Mandated technical oversight and additional inspections for tower crane tie-ins;
6. New standards for maintenance and repair; and
7. An identification system for tower crane counterweights.

We will address the balance of the HRCO crane recommendations in rules and potential future legislation.

Department Licensing

This Code revision is just one element to improving crane safety. We have overhauled our Class C hoist machine licenses to demand heightened requirements, including work experience in a dense urban environment and ongoing requirements for licensees to maintain their qualifications through recertification every five years.

We established these rules in 2008, and now new applicants seeking a license to operate a mobile crane must first show they're certified by the National Commission for the Certification of Crane Operators or an equivalent organization that develops performance assessments for safer crane operations nationwide. All existing Class C operators must obtain the certification by September 30th.

Our Licensing unit has also implemented our General Contractor Registration for contractors building one-, two- and three-family homes. Registration became mandatory November 2008. Since then, we've registered more than 875 contractors. This registration promotes public safety and is enabling us to make sure insured general contractors are performing this work.

In addition, the Department of Citywide Administrative Services is transferring all trade license exams to the Buildings Department. This includes exams for Riggers, Sign Hangers, Electrical, Plumbing, Fire Suppression, Welding and Hoist Machine Operator.

We expect over the next year that the department will take over each of the exams and redevelop the exam and requirements. As we did with the code we will review national standards we will raise the standards here as well.

V) TECHNOLOGY, TRANSPARENCY & INTEGRITY

Aggressively improving our technology is essential in making New York City construction safer and protecting our quality of life in a cost-efficient manner. Modernized technology creates transparency, which improves accountability for all parties. I will briefly highlight our major projects underway.

B-SCAN

In 2007, we launched the highly sophisticated Buildings Scan and Capture Application Network, or B-SCAN. This scanning operation advances transparency and improves filing accuracy by making images of construction documents and forms available for immediate public review on BISWeb.

Since its launch, we've scanned approximately 1.25 million papers – that's unprecedented public access to information never before possible at the Buildings Department.

New Zoning Compliance Diagrams

To advance transparency in zoning compliance for all new buildings and building enlargements, we're instituting a formal public challenge period. This is a crucial tool, and it's a win-win program for all New Yorkers. It gives the public a greater voice in development in their communities – and it gives developers more clarity about how to design their projects. We anticipate launching this in mid-2009.

To support this initiative, design professionals will be required to submit a new Zoning Diagram. This diagram will be a drawn-to-scale size of the project, and it will include where a building will sit in relation to the street. It will show things like yards, setback, height trees and provide details of how the department has made certain zoning determinations.

Over time, these determinations will be used by the Department and design community to provide more consistency in our decisions. Once the Department approves the application, the diagram will be posted on the web.

Together, the new Zoning Diagram and public challenge period means New Yorkers will have information on development in their neighborhoods – and be able to challenge Department decisions – when projects are still just lines on paper and not bricks and mortar.

Wireless Handheld Technology for Inspectors

We are also bringing in sophisticated technology to support our field inspectors. B-FIRST is short for Buildings' Field Inspection Recording and Scheduling Technologies.

Through the B-FIRST program, we're equipping inspectors with wireless mobile devices. Inspectors will be able to remotely access assignment information, including structured inspection checklists.

Using this new tool, inspectors will record results and violations, integrating the information they gather in the field with our BIS database. This will post to BISWeb, giving Buildings' employees and the public access to inspection results.

We're launching this new technology through a phased-approach during the next two years. We are already piloting the handheld technology and standardized checklists with select staff. Once implemented, B-FIRST will eliminate delays and improve accuracy in reporting crucial safety information at construction sites.

Enhanced Reporting System

The best way to advance construction safety is to have a strong understanding of accident data. Using our new, internal B-SMART business intelligence technology launched last year, the Department has developed a Compstat-like system to aggressively track safety trends. This system is called Safestat.

Safestat is an internal monitoring and management tool – and it's enabling us to more easily discern accident patterns, determine the most common complaints – and even analyze risk profiles based on different factors. The trends we're finding through Safestat give us the needed data to pinpoint high-risk situations where we should focus our attention.

It is an interactive, internal dashboard that brings together important dates and indicators, such as complaints, violations, Stop Work Orders, emergency declarations and incidents.

Technology is one key tool in maintaining integrity in our systems and processes. We're also taking a grass-roots approach to infuse integrity within our ranks by mandating annual integrity training for all staff members – and we're taking strong action against people who attempt to undermine our enforcement. In 2009, we took various disciplinary actions against 32 licensed and unlicensed professionals.

I also thank Department of Investigation Commissioner Rose Gill Hearn for her support as we work together to root out individuals who undermine the hard work of our dedicated Buildings Department employees.

Investigating tips from Buildings employees, DOI has arrested contractors and others who attempt to corrupt our enforcement. We're standing together to maintain the integrity of our Agency and to advance construction safety.

VI) CONCLUSION

In closing, I want to reiterate my utmost gratitude for the continuous support of Mayor Bloomberg, Speaker Quinn, Chairman Dilan and the entire Housing & Buildings committee over this last year. With this support, we have been able to make some significant strides in making construction in New York City safer, and in improving our public services.

As we head into the year ahead, I look forward to working together in protecting all New Yorkers, including the hundreds of thousands of construction workers who build our City.

I would be happy to answer any questions you may have.

Thank you.

###

LEGAL SERVICES STAFF ASSOCIATION

National Organization of Legal Services Workers, UAW Local 2320, AFL-CIO

113 University Place, 5th Floor, New York, New York 10003

(212) 228-0992 * Fax: (212) 228-0097 * E-mail: lssa@lssa2320.org

www.lssa2320.org

Gibb Surette
President

L Terri Nathaniel
Treasurer



Nataki Yee Loy
Jonathon Burke
Vice Presidents

Jadhira Rivera
Secretary

TESTIMONY BEFORE THE CITY COUNCIL HOUSING AND BUILDINGS COMMITTEE MAY 28, 2009

I am Gibb Surette, President of the Legal Services Staff Association, a unit of the National Organization of Legal Services Workers, Local 2320 of the UAW. We are the lawyers, paralegals, secretaries, receptionists, social workers, process servers, intake officers and other staff employees at Legal Services NYC and at MFY Legal Services. Our local also represents the frontline workers at Housing Conservation Coordinators, Goddard Riverside Westside SRO Project and the Citywide Task Force on Housing Court.

Like the attorney members of our sister local, 2325, and the Legal Aid support staff represented by SEIU 1199, our members are dedicated social first responders. We address the most emergent needs of New York's poorest and most vulnerable citizens when all else fails.

Our work is essential, and is more badly needed by more New Yorkers in hard economic times like these. Moreover, we are effective for our clients, and in numerous ways, both short and long term, we are cost effective for the city. Our effectiveness and our efficiency owe much to the sacrifice and dedication of our members, and to the hard-fought contracts that make their careers viable.

The council has often heard these points, and the particular arguments and examples that support them. You have appreciated their truth and importance and embraced them. Time and again, when the executive has been indifferent or hostile, the council has saved our services to the poor from devastation. By last year, we had been nearly restored to 1994 funding levels.

Last year, however, our programs and our clients were made to suffer. Matters were made worse by the fact that the grants hardest hit were, for the most part, the general funds that best allow programs to respond to shifting and growing client needs.

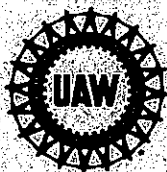
Most disturbingly, unionized programs—especially those with the longest track records and greatest economies of scale—were targeted for the heaviest cuts, not just absolutely but proportionately (50% overall and 59% for general funds). Many whom we count as friends felt compelled to concur in this result.

Layoffs and threats of layoffs, service reductions, and dislocation of staff from areas of hard-won expertise have been among the results.

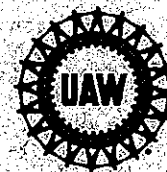
Council members have differed as to just how and why this occurred. What is more important is a consensus that it cannot recur.

The UAW opposes any further cuts to these unionized programs, and we support their requests for full restoration to FY2008 levels. If full restoration for all is not to be, we urge you to restore funding to unionized programs proportionate to the amounts they were cut last year.

Thank you.



DON'T CUT JUSTICE

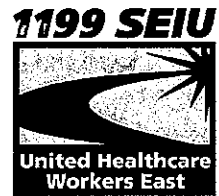


The members of UAW Locals 2320 and 2325 provide free civil legal services and access to justice for the poor in New York City—and save the City money in the process. What they do as social first responders is more essential than ever during these economic hard times. All of these unionized programs suffered drastic cuts in the FY2009 budget, and in some cases, disproportionately larger cuts than other social service agencies.

	FY2008	FY2009	Pct Cut
Legal Aid Society			
Citywide Legal Services	\$1,838,000	\$750,000	59%
SSI/UI Advocacy	1,250,000	650,000	52%
HPD Anti-Illegal Eviction	1,125,888	800,888	29%
Immigrant Opportunities Initiative	596,250	354,000	41%
Legal Services NYC			
Citywide Legal Services	\$1,838,000	\$750,000	59%
SSI/UI Advocacy	1,250,000	650,000	52%
HPD Anti-Illegal Eviction	970,599	799,099	18%
Immigrant Opportunities Initiative	591,250	354,177	40%
Domestic Violence & Empowerment	315,000	217,500	31%
Keeping Families Together	500,000	300,000	40%
MFY Legal Services			
Civil Legal Services Initiative	\$200,000	\$100,000	50%
HPD Anti-Illegal Eviction	294,475	215,975	27%
Immigrant Opportunities Initiative	265,000	110,000	58%
Citywide Taskforce on Housing Court			
Onsite Assistance to Pro Se Litigants	\$550,000	\$500,000	9%
Housing Conservation Coordinators			
Legal Services for the Working Poor	\$449,000	\$262,500	42%
Goddard Riverside Community Center			
West Side SRO Law Project			
HPD Anti-Illegal Eviction	\$527,129	363,129	31%

No Further Cuts – Restore FY2008 Funding Levels

UAW Region 9A, 113 University Place, New York, NY 10003, 212/529-2580



CIVIL LEGAL SERVICES FUNDING MUST BE SUSTAINED!

The Mayor's Budget ELIMINATES ALL CITY COUNCIL FUNDING for Legal Services NYC and Legal Aid City-wide Programs:

- The **City-wide Civil Legal Services Program** enables us to provide legal assistance for disabled persons, persons with HIV and others for whom we have little to no additional funding. This program also funds community legal education activities, hotlines and the like.

*A 59% **reduction** in funding from \$3.676 million in FY2008 to \$1.5 million in FY2009 resulted in 1822 fewer households served this year.*

- Through the **Unemployment Insurance/Supplemental Security Income (UI/SSI) Advocacy Program** we provide New Yorkers with legal representation in appeals of denials of disability and Unemployment Insurance benefits.

*A 48% **reduction** in funding from \$2.5 million in FY2008 to \$1.3 million in FY2009 resulted in 1241 fewer families served this year.*

- The **HPD Anti-Eviction Program** funds our work to prevent homelessness and improve housing conditions for at-risk individuals, seniors and families.

*A 25% **reduction** in funding from \$3 million in FY2008 to \$2.25 million in FY2009 resulted in 1900 fewer "units" of service (including full case representations, trainings, outreach sessions, and tenant association meetings) this year.*

- The **Keeping Families Together Program** keeps children safe at home through representation of natural parents in Family Court neglect proceedings, permanency planning, and termination of parental rights cases.

*A 40% **reduction** in funding from \$500,000 in FY2008 to \$300,000 in FY2009 resulted in 137 fewer families served this year.*

- Finally, the **Earned Income Tax Credit (EITC) Legal Assistance Project** was *completely defunded*. Through this program, we represented EITC-eligible families that had been denied the tax credit they were entitled to.

*Because the \$765,000 in funding from FY2008 was **eliminated** in FY2009, 740 households were not served.*

Assisted by the above Council-sponsored Initiatives, low-income New Yorkers have been able to access benefits for themselves and their families. They have in turn reinvested in the economies of the communities in which they live. These programs also save the City money in homeless shelter costs, foster care costs and other expenses.

We ask the Council to **RESTORE THESE PROGRAMS to their FY2008** **FUNDING LEVELS.**

For More Information Contact:

Legal Aid Society: Steven Banks & Adriene Holder 212-577-3277; 3355

Association of Legal Aid Attorneys-UAW Local 2325: Deborah L. Wright 212-343-0708

1199SEIU United Healthcare Workers East: Donald Crosswell 212-261-2380

Legal Services Staff Association, NOLSW-UAW Local 2320: Gibb Surette 212-228-0992

Legal Services NYC: Andrew Scherer 646-442-3606; Edwina Martin 646-442-3586; Vinny Montalbano 212-587-0587

**Support the FULL RESTORATION of
Civil Legal Services Funding to FY2008 Funding Levels for:**

Citywide Civil Legal Services

HPD Anti-Eviction Programs

SSI/UI Advocacy Programs

Keeping Families Together

Earned Income Tax Credit Legal Assistance Project

**Legal Services NYC and Legal Aid provide high quality legal help to all of New York City's
low-income communities through offices in every borough:**

Bronx

LEGAL SERVICES NYC	Legal Services NYC-Bronx	
	Main Office	718-928-3700
	Housing Annex	718-928-3700
	Courthouse Office	718-928-2864
LEGAL AID SOCIETY	Bronx Neighborhood Office	718-991-4600

Brooklyn

LEGAL SERVICES NYC	Bedford-Stuyvesant Community Legal Services	718-636-1155
	Brooklyn Legal Services Corporation A	
	Williamsburg Office	718-487-2300
	East Brooklyn Office	718-487-1300
	Bushwick Office	718-326-1300
	South Brooklyn Legal Services	718-237-5500
	Legal Services NYC- Brooklyn Branch	
	Downtown Office	718-852-8888
	Brighton Branch	718-934-2989
	Williamsburg Neighborhood Office	718-643-0854
LEGAL AID SOCIETY	Office for the Aging	718-645-3111
	Brooklyn Neighborhood Office	718-722-3100

Manhattan

LEGAL SERVICES NYC	Administrative and Support Units	212-431-7200
	Manhattan Legal Services	646-442-3100
	Harlem Office	212-348-7449
	Downtown Office, SRO Project	646-442-3100
LEGAL AID SOCIETY	Harlem Community Law Office	212-426-3000
	Lower Manhattan Neighborhood Office	888-218-6974
	Manhattan Courthouse Office Project	212-766-2450

Queens

LEGAL SERVICES NYC	Queens Legal Services	
	Long Island City Office	718-392-5646
	Jamaica Office	718-657-8611
	Jamaica Office—Courthouse Office	718-657-8181
LEGAL AID SOCIETY	Queens Neighborhood Office	718-286-2450

Staten Island

LEGAL SERVICES NYC	Staten Island Legal Services	718-233-6480
LEGAL AID SOCIETY	Staten Island Neighborhood Office	718-273-6677

Testimony before the New York City Council Committee on Housing Preservation and Development

Re: “Anti-Eviction” Funding for
Legal Assistance to the Poor

Legal
Services NYC

MAY 28, 2009

My name is Edwina Frances Martin and I am the Director of Communications and Government Relations for Legal Services NYC, the largest provider of free civil legal services to low-income people in the nation. Our network of programs, offices and outreach center offices located in low-income communities and transportation hubs in every borough of New York City have provided free legal help to people who have nowhere else to turn.

I am here today to

- Thank the City Council for always supporting civil legal services for the poor, and
- Ask you to restore the funding for the HPD Anti-Eviction Program to its FY 2008 level.

The provision of civil legal services to those who cannot afford counsel is crucial to the fair administration of justice. The City Council shouldn't have to fight the Mayor each year to restore funding for these critical legal assistance programs that ensure a system of equal justice for all. In the past the Council has stood firm in preserving precious City funding for access to justice, and we thank the Council for its work. **However, in the final FY2009 adjusted budget, funding for the HPD Anti-Eviction Program was reduced by 25% to \$2.25 million.** That has reduced our funding to provide legal services to 927 “units” of services (including full case representations, trainings, outreach sessions, and tenant association meetings). The HPD Anti-Eviction Program took a hard hit last year and, given our current economy, now is not the time to diminish housing services.

Since the 1980's, the City Council has put funds into HPD to provide legal services to low and moderate-income people faced with illegal eviction and displacement from their homes, as well as to provide legal services for low-income SRO tenants who face displacement. These programs have helped thousands of working poor, disabled and elderly in all the City's boroughs through direct representation of individuals and households and through counseling and training. The impact is great, and the program is cost-effective – the elderly, disabled and working poor who get legal help avoid the compound disasters of eviction and homelessness. The City benefits financially because the people served stay out of City homeless shelters and out of City-funded rehousing and social services programs, thus saving the City millions of dollars a year. **In his proposed FY2010 budget, Mayor Bloomberg has once again eliminated the funding put in by the Council for the HPD Anti-Eviction Program. We urge the Council to restore this funding to the FY2008 level of \$3 million.**

The City Council has long played a crucial role in funding for civil legal assistance for the poor and we are enormously grateful to the Council for its support. We need the Council to restore and protect this important program yet again. Thank you very much.

Edwina Frances Martin
Director of Communications and Government Relations
Legal Services NYC

May 28, 2009
Testimony before the City Council's Housing and Buildings, Public Housing, and
Finance Committees and the Task Force on Operations and Improvement of the
Department of Buildings
Executive Budget Hearings
New Destiny Housing Corporation

Good afternoon, thank you for the opportunity to testify. My name is Catherine Trapani and I am the director of the HousingLink Program at New Destiny Housing Corporation, a nonprofit organization that seeks to increase the permanent housing and services available to low-income survivors of domestic violence and others at risk of homelessness.

I offer testimony today to highlight some areas where with additional targeted resources, the New York City Housing Authority (NYCHA) and the Department of Housing Preservation and Development (HPD) could improve performance in placing homeless survivors of domestic violence in safe, permanent housing.

NYCHA has a domestic violence priority available to applicants that can prove their status as DV victims however, **only 2% of households exiting the domestic violence emergency shelter system left for a NYCHA Section 8 or NYCHA Public Housing apartment even though 38% had the required documentation for the priority** and of that 38%, 87% submitted an application while in shelter¹. The low placement rate is due to the long processing times for these applications coupled with the short maximum length of stay in emergency shelters. Given the large percentage of households eligible

¹ Statistics for Advocacy – data from calendar year 2008 provided by the Coalition of Domestic Violence Residential Providers and analyzed by New Destiny

and interested in this resource, we would like to see resources dedicated to processing applications from DV shelters to expedite the processing and better align it with the length of stay in shelter such that more residents can exit shelter with these valuable programs.

HPD has a smaller Section 8 program designed to help re-house those living in homeless shelters. In October 2007, the domestic violence shelter system was awarded a 10% share of the homeless housing resources to assist DV shelter residents in obtaining housing. DV shelters were able to utilize the entire allocation by December 2008. This is a vital option for domestic violence shelter residents because those who do not have DV documentation for NYCHA Section 8 and those who cannot use the Advantage NY housing programs would be left with no alternative permanent housing options without it. Since exhausting those resources in December, no new HPD resources have been available to the DV shelters leaving many families with no permanent housing resources. **We request that DV shelters once again be given a 10% share of any new homeless housing resources so that this segment of the homeless population can continue to benefit from HPD's programming.**

Such housing programs are of vital importance at this time in New York City's history. The demand for domestic violence shelter has increased since last year. Families seeking shelter at Prevention Assistance and Temporary Housing (PATH) who entered HRA's domestic violence shelters was 43.1% in the first four months of City Fiscal Year 2009,

an increase of 18.1 percentage points from the same period last year². Calls to the domestic violence hotline requesting shelter during that same period have increased by 16.1% over last year³. While the numbers of those who need domestic violence shelter have increased, the fact remains that **during Calendar Year 2008 only 14% of households exited the emergency domestic violence shelter system with permanent housing⁴.**

If efficiencies could be found in the application process for NYCHA Section 8 and if HPD's resources were made available to this shelter population we believe that outcomes could be markedly improved thus reducing homelessness and offering life saving stability to survivors of domestic violence who, if allowed to remain homeless after their shelter stays' end could be forced back into dangerous situations. Thank you for this opportunity to testify.

Contact: Catherine Trapani (646-472-0262 ext. 12) or Carol Corden (646-472-0262 ext. 11)

² Mayor's Preliminary Management Report, HRA

³ Safe Horizon Hotline: key indicators data

⁴ Statistics for Advocacy: data collected from the Coalition of Domestic Violence Residential Providers and analyzed by New Destiny