

**TESTIMONY FROM NYCHA CHAIR JOHN RHEA & GENERAL MANAGER CECIL HOUSE
OVERSIGHT - PROPOSED NYCHA ACTIONS TO ADDRESS THE IMPACT OF FEDERAL
SEQUESTRATION
CITY COUNCIL PUBLIC HOUSING AND FINANCE COMMITTEES
THURSDAY, JUNE 13, 2013 – 10:00 AM**

Chairwoman Rosie Mendez, Chairman Dominic Recchia, members of the Public Housing and Finance Committees, and all other distinguished members of the City Council, thank you for this opportunity to discuss the impact of the Budget Control Act of 2011, commonly known as sequestration, to the New York City Housing Authority (NYCHA). I am NYCHA's Chairman, John Rhea, and with me at the dais this morning is General Manager Cecil House. Also in attendance are Vice Chair Emily Youssouf, Commissioner Margarita Lopez, and Resident Board Member Victor Gonzalez, as well as several members of NYCHA's senior leadership team. Our testimony this morning will outline the New York City Housing Authority's (NYCHA) response to the budget reductions resulting from sequestration and the related 2013 Continuing Resolution.

Sequestration, which became law on March 1st 2013, coupled with related Continuing Resolution congressional budget actions, will reduce NYCHA's 2013 federal subsidies by \$205 million. This 11% cut affects every part of the work we do: the Authority will receive \$114 million less in public housing Operating funds than planned; \$14 million less for our Capital Program; and \$78 million less to administer our Section 8 Leased Housing program.

During our March 12th Operating Budget Plan testimony before the Council, we estimated that the impact of sequestration would be a \$253 million reduction in subsidy over full eligibility. The \$205 million facing us today is directionally consistent with that earlier estimate.

These reductions follow four years of tireless effort by NYCHA and the Bloomberg Administration to achieve financial stability by pursuing a host of revenue-generating and cost-saving initiatives laid out in *Plan NYCHA*, our roadmap to preserve public housing. These actions have amounted to over \$400 million in additional yearly revenues and reduced expenses.

Over that same four-year period, however, we've seen our capital budget slashed, operating subsidies prorated, public housing and Section 8 reserves recaptured – leaving us well short of HUD's recommended 4-month expense levels – on top of a \$35 million increase in our annual pension obligations.

Through this succession of increasingly painful hits, NYCHA persevered, taking immediate action to minimize the impact of each new challenge, and taking special care to relay the gravity of the ongoing assault on public housing to residents, elected officials, and other stakeholders.

Indeed, we address you this morning with the full knowledge that without our bold management actions – such as finding aggressive ways to cut central office costs; pursuing fair and equitable rent policies; and finding new revenue sources, whether by developing our land or through our innovative Federalization transaction – NYCHA would be here to paint a much different, and even more ominous picture: a structural operating deficit of approximately a half-billion dollars.

So although the \$205 million of sequestration cuts are brutal, and come at a time when we have already asked for incredible fortitude from both residents and employees, we will not waver in our determination to advance sound, if sometimes unpopular, initiatives to secure the future of public housing.

We realize that our actions to mitigate these new reductions will have a tangible and lasting impact on the residents who depend on the services we provide, as well as the employees who provide them. The wellbeing of these families and their communities is what inspires the efforts of NYCHA employees, and we will continue to work devotedly and tirelessly on their behalf every day. However, the realities of the present moment are stark and unavoidable. Without any assurance that these cuts are one-time in nature, we have a responsibility to faithfully steward the resources that we do have and continue to protect our city's great legacy of public housing.

Now, General Manager House will take us further by detailing the development of NYCHA's plan and the specifics of our response.

General Manager Cecil House: NYCHA's Preparatory Efforts

For the past several weeks, NYCHA has been working to build a thoughtful, strategic plan to minimize the impact of sequestration on employees, as well as the public housing and Section 8 families we serve. Other public housing agencies across the country have had to undergo similar exercises: the Philadelphia Housing Authority, for example, has implemented layoffs and a hiring freeze. Homeless families in Washington, D.C. who have been waiting for years on the waiting list for public housing are seeing their chances of placement become slimmer and slimmer. Even the U.S. Department of Housing and Development, our primary funder and regulator, has had to implement large-scale furloughs and close half of its field offices.

NYCHA's plan includes a series of immediate and long-term actions, many of which we began to implement immediately after sequestration took effect. We dedicated the majority of our focus to identifying items that NYCHA could execute on its own; however, we have also worked in close partnership with City Hall, several of our fellow city agencies, and the U.S. Department of Housing and Urban Development (HUD) to explore ways to ensure the continuation of key services for residents and their families. We also worked to coordinate our decision with the City Department of Housing Preservation and Development (HPD), to the extent that the Leased Housing program was impacted.

In every instance, our foremost goal in developing the plan was to minimize the impact of these cuts on NYCHA residents and employees, and to allow us to continue the work of reducing our backlog of maintenance and repair work orders; making critical capital investments for modernization; and ensuring safety and security at our developments. However, NYCHA simply has no choice but to make hard decisions, at every level of our organization.

NYCHA's Plan

Specifically, we expect to save over \$50 million through reductions to our labor costs. We will achieve these reductions through a variety of steps, some of which we have already taken, and others we will take soon. For example, in February, we instituted a hiring freeze and a general limitation on backfilling vacant positions, with the exception of positions that directly provide critical services to residents. We have also begun to significantly reduce overtime costs. As we move forward, we also plan to engage our union leadership on a proposal to furlough certain workers. We will also need to implement targeted staffing reductions in areas where our remaining workforce can effectively carry the load. We know this will present challenges for our remaining workers, but we have confidence that they can get the job done. We have also eliminated our summer seasonal caretaker program. Last year we hired 300 residents in this program. Finally, we will fully convert NYCHA's Resident Watch to an all-volunteer program. In our Leased Housing program we will save an additional \$2 million in labor costs from similar actions.

We will save over \$9 million in operating costs by reducing non-personnel office expenses; limiting outside contractors, eliminating Human Resources programs like our leadership academy; and reducing technology costs. In our Leased Housing program we will save an additional \$800,000 from similar actions.

We have identified \$33 million in other revenue sources within NYCHA, including a transfer from our Capital Fund and the collection of an administrative fee from a Superstorm Sandy-related Community Development Block Grant. In addition, NYCHA will forgo a \$7 million management fee normally paid by our Leased Housing program. The city will contribute \$24 million to help NYCHA close the remaining gap on the public housing side.

In addition, in Leased Housing, we will manage the reduction in Housing Assistance Payment (HAP) funds by not issuing new vouchers and accumulating savings from attrition (\$22.5 million), not increasing payments upon renewals (\$3 million), requiring

cost neutral transfers (\$1.8 million), and finally, exhausting the program's existing reserves. Even with these measures, we expect to have a \$14 million shortfall in our Section 8 program. Due to this shortfall, NYCHA will not have funds available to pay Section 8 obligations beginning this December, which could result in the permanent removal of 1,200 families from the program. To avoid this kind of action, NYCHA has taken several steps, including submitting a request for HUD shortfall funding and applying for a waiver that would allow us to reduce our Section 8 rent payment standard from the current 110% to 90%. The payment standard is used to determine the level of assistance that a voucher-holding family will receive, taking into account the amount generally needed to rent a moderately-priced apartment in the local housing market.

A reduction in the payment standard will affect roughly 9,600 households, raising each family's portion of their rent by an average of \$57 per month. This action is projected to reduce costs by an additional \$3.3 this year, assuming HUD acts quickly. We are continuing to work with HUD to close the remaining gap.

Finally, NYCHA will save \$8 million by discontinuing the direct provision of services at the 69 community centers and 37 senior centers that are currently managed directly by the Authority. By using a portion of the contribution from the City that I mentioned earlier, we will be able to keep the facilities open until the end of August, instead of our initial plan of July 1st. Fortunately, programming will continue at the approximately 350 community facilities on NYCHA grounds that are sponsored by our fellow city agencies and a host of high-quality local service providers. It is also our understanding that the NYC Department for Youth and Community Development (DYCD) and Department for the Aging (DFTA) are exploring ways to ensure that residents have access to the services they need most – and they are here today to discuss that further.

Still, the discontinuation of programming at community centers is a devastating result for residents, as well as the approximately 200 employees that would be affected. Despite receiving absolutely no dedicated funds for community activities over the past decade, NYCHA has consistently prioritized this work because we feel a deep responsibility to connect the members of our communities – many of whom are among

our city's most vulnerable citizens – to opportunities that can enrich their lives and empower them for the future. We recognize that the cancellation of crucial programming will have a serious, negative impact on our youth, their families, and senior citizens.

Each of the decisions that I've catalogued comes with real consequences for our staff, as well as the families that we serve – we regret deeply that we've been forced to go down this path in order to continue providing services for New Yorkers. It is an inescapable fact that these actions will cause real harm to the families and local economies that keep this city strong.

Conclusion

As Chairman Rhea mentioned earlier, there is no guarantee – or indication – that the cuts caused by sequestration won't become the new normal for the foreseeable future. If they do, they will become immediately more difficult to deal with. Many of the tools that we are using this year are one-time in nature, and will not be available moving forward. Others – like the complete exhaustion of our Section 8 reserves – are risky, and leave us in a precarious situation.

As we have shared with you on many other occasions, most recently during the hearing relating to our Five Year Capital Plan, this new setback is simply the latest reminder that NYCHA must proactively seek innovative new sources of sustainable revenue. Continuing to depend entirely on the whims of the federal government is a recipe for disaster – in order to preserve the precious resource of public housing for future generations of New Yorkers, we will need the energy and urgency of an entire city.

Thank you. I look forward to your questions.

Appendix A

NYCHA Community Programs

Number	Organization Name and Address (Arranged by Borough)	Borough	NGO Name	NYCHA Sponsored
1	Amsterdam Addition Community Center, 250 West 65th Street	Manhattan	Lincoln Square Neighborhood Center	
2	Baruch Community Center, 605 FDR Drive	Manhattan		X
3	Campos Plaza Community Center, 611 East 13th Street	Manhattan		X
4	Chelsea/Elliott Community Center, 441 West 26th Street	Manhattan	Hudson Guild	
5	Clinton Community Center, 120 East 110th Street	Manhattan		X
6	Corsi Community Center, 307 East 116th Street	Manhattan	SCAN New York Volunteer Parent Aides Association, Inc.	
7	De Hostos Community Center, 696 Amsterdam Ave	Manhattan	Stryker's Bay	
8	Douglass Community Center, 885 Columbus Ave	Manhattan	Children's Aid Society, Inc.	
9	Drew Hamilton Community Center, 220 West 143rd Street	Manhattan		X
10	Dyckman Community Center, 3782 Tenth Avenue	Manhattan	dycd/Alianza Dominicana, Inc.	
11	East River Community Center, 404 E 105th St	Manhattan		X
12	Frederick E. Samuel Community Center, 669 Lenox Ave	Manhattan	Abyssinian Baptist Church	
13	Gompers Community Center, 80 Pitt Street	Manhattan	Grand Street Settlement, Inc.	
14	Grant Community Center, 1301 Amsterdam Ave	Manhattan	Boys and Girls Harbor, Inc.	
15	Harlem River Community Center, 2627 7th Ave	Manhattan	YMCA of Greater N. Y. Harlem Branch	
16	Holmes/Isaacs Community Center, 1792 First Avenue	Manhattan	Sponsor: Stanley M. Isaacs Neighborhood Center	
17	Johnson Community Center, 1833 Lexington Avenue	Manhattan	DYCD/SCAN	
18	King Towers Community Center, 2 West 115th Street	Manhattan		X

19	Lehman Community Center, 1589 Madison Ave	Manhattan		X
20	Lincoln Community Center, 2110 Madison Ave	Manhattan	Harlem Children Zone	
21	Lower E Side I Community Center, 175 Eldridge St	Manhattan	University Settlement, Inc.	
22	Lower E Side I Community Center, 213-15 Eldridge St	Manhattan	Greenwich Village Youth Council	
23	Manhattanville Community Center, 530 West 133rd St	Manhattan		X
24	Polo Grounds Community Center, 3005 Eighth Avenue	Manhattan	The Children's Village/DYCD	
25	Riis Community Center, 80 Avenue D New York, N. Y. 10009	Manhattan		X
26	Robinson Community Center, 110 East 129th St	Manhattan		X
27	Rutgers Community Center, 200 Madison St	Manhattan		X
28	Seward Park Extension Community Center, 56 Essex Street	Manhattan		X
29	Smith Community Center, 50 Madison Street	Manhattan	Hamilton-Madison House, Inc.	
30	St. Nicholas Community Center, 2374 F. Douglas Blvd	Manhattan	Harlem Children Zone	
31	Taft Community Center, 1732 Madison Avenue	Manhattan	Children's Aid Society, Inc.	
32	Two Bridges Community Center, 286 South Street	Manhattan	YMCA-China Town	
33	Wagner Community Center, 435 East 120th St	Manhattan		X
34	Wald Community Center, 888 East 6th St	Manhattan	Henry Street Settlement, Inc. Inc.	

35	Wald Community Center, 12 Avenue D	Manhattan	Loisaida, Inc.	
36	Washington Community Center, 1775 Third Avenue	Manhattan	Union Settlement Association	
37	Washington Community Center, 1761 Third Avenue	Manhattan	Union Settlement Association	
38	White Community Center, 237 E. 104th Street	Manhattan	Union Settlement Association	
39	Wise Towers/WSURA Community Center, 647 Columbus Ave	Manhattan	Goddard Riverside Outreach	
40	Baychester Community Center, 1220 E. 229th St.	Bronx	Baychester Youth Council	
41	Betances Community Center, 465 St. Ann Ave.	Bronx	DYCD/Bronx Work, Inc.	
42	Boston Secor Community Center, 3540 Bivona St	Bronx		X
43	Bronx River Community Center, 1619 East 174th St	Bronx	DYCD/Childrens Arts and Science Workshops, Inc.	
44	Butler Community Center, 1368 Webster Ave	Bronx		x
45	Castle Hill Community Center, 625 Castle Hill Ave	Bronx	Kips Bay Boys & Girls Club	
46	Davidson Community Center, 1221 Prospect Ave	Bronx		X
47	Eastchester Community Center, 3016 Yates Ave	Bronx	DYCD/Neighborhood Initiatives Development Corp.	
48	Edenwald Community Center, 1150 East 229th St	Bronx	DYCD/Child Development Ctr of the Mosholu Montefiore Comm Ctr.	
49	S. E. Bronx Neighborhood Community Center, 955 Tinton Avenue	Bronx	S.E. BX Neighborhood Centers	
50	Ft Independence Community Center, 3350 Bailey Ave	Bronx		X

51	Gun Hill Community Center, 745 Magenta St.	Bronx		X
52	Highbridge Gardens Community Center, 1155 University Ave	Bronx		X
53	McKinley Community Center, 751 East 161st St	Bronx	Southeast Bronx Neighborhood Centers	
54	Melrose Community Center, 286 East 156th Street	Bronx	Vacamas Middle School Program	
55	Millbrook Community Center, 201 St. Ann's Ave	Bronx	East Side House, Inc.	
56	Mitchel Community Center, 210 Alexander Avenue	Bronx	East Side House, Inc.	
57	Monroe Community Center, 1780 Story Ave	Bronx		X
58	Monterey/Twin Parks Community Center, 2100 Monterey Ave	Bronx		X
59	Morris Community Center, 489 East 169th St	Bronx	Claremont Neighborhood Center	
60	Mott Haven Community Center, 375 E 143rd St.	Bronx	East Side House, INC	
61	Murphy Community Center, 601 Crotona Park North	Bronx		X
62	Parkside Community Center, 2972 BX Park East	Bronx		X
63	Patterson Community Center, 340 Morris Avenue	Bronx	East Side House, INC	
64	Pelham Parkway Community Center, 785 Pelham Parkway North	Bronx		X
65	Sedgwick Community Center, 1553 University Avenue	Bronx		X
66	Justice Sonia Sotomayor Community Center, 1000 Rosedale Avenue	Bronx		X
67	Soundview Community Center, 1680 Seward Avenue	Bronx	DYCD/Phipps Community Development	
68	St. Mary's Park Community Center, 595 Trinity Avenue	Bronx		X
69	Throggs Neck Community Center, 550 Balcom Avenue	Bronx	Kips Bay Boys and Girls Club	
70	Astoria Community Center, 4-05 Astoria Boulevard	Long Island City		x
71	Beach 41st Community Center, 426 Beach 40th Street	Far Rockaway		X
72	Queens Community House, 108-25 62nd Drive	Forest Hills	Queens Community House	
73	Hammel Community Center, 81-14 Rockaway Beach Boulevard	Rockaway Beach		X

74	Latimer Gardens Community Center, 34-30 137th Street	Flushing	DYCD/Child Center of New York	
75	Ocean Bay APT/Bayside Community Center, 57-10 Beach Channel Drive	Far Rockaway	DYCD/Action Center for Education and Community Development	
76	Queens Community House, Pomonok Center, 67-09 Kissena Boulevard	Flushing	Queens Community House	
77	Queensbridge Community Center, 10-25 41st Avenue	Long Island City	Jacob A Riis Neighborhood Settlement	
78	Ravenswood Community Center, 35-40 21 St	Long Island City	DYCD/Jacob A Riis Neighborhood Settlement	
79	Redfern Community Center, 15-44 Hassock St.	Far Rockaway	DYCD/Police Athletic League	
80	South Jamaica Community Center, 109-04 160th Street	Jamaica	DYCD/Southern Queen Park Association	
81	Woodside Community Center, 50-19 Broadway	Woodside		X
82	Albany Community Center, 164 Troy Avenue	Brooklyn		x
83	Armstrong Community Center, 495 Gates Avenue	Brooklyn	Police Athletic League	
84	Atlantic Terminal Community Center, 501 Carlton Avenue	Brooklyn		X
85	Bayview Community Center, 5955 Shore Parkway	Brooklyn	DYCD/Bergen Basin Community Development Corporation	
86	Borinquen Plaza 1 Community Center, 125 Humbolt St,	Brooklyn	YMCA of Greater New York	
87	Boulevard Community Center, 715 Stanley Avenue	Brooklyn	Wayside Outreach Development Corporation	
88	Breukelen Community Center, 715 E 105 St	Brooklyn		X
89	Brevoort Community Center, 280 Ralph Avenue	Brooklyn		X
90	Bushwick/Hylan Community Center, 50 Humboldt	Brooklyn	DYCD/Grand Street Settlement, INC	
91	Carey Gardens Community Center, 2315 Surf Avenue	Brooklyn		X
92	Cooper Park Community Center, 76 Kingsland Avenue	Brooklyn		X
93	Cypress Hills Community Center, 475 Fountain Avenue	Brooklyn	DYCD/Direction For our Youth	
94	Farragut Community Center, 228 York Street	Brooklyn	DYCD/Goodwill Industries of New York	
95	Glenwood Community Center, 5816 Farragut Rd	Brooklyn		X
96	Hope Gardens Community Center, 422 Central Avenue	Brooklyn		X
97	Howard Community Center, 90 Watkins St	Brooklyn		X
98	Independence Towers Community Center, 114 Taylor Street	Brooklyn		X
99	Ingersoll Community Center, 177 Myrtle Avenue	Brooklyn	University Settlement Society of New York/DYCD	
100	Kingsborough Community Center, 129 Kings 1st Walk	Brooklyn		X
101	Lafayette Community Center, 442 Dekalb Avenue	Brooklyn		X
102	Langston Hughes Community Center, 301 Sutter Avenue	Brooklyn		X
103	Marcus Garvey Community Center, 20 Amboy St	Brooklyn		X
104	Marlboro Community Center, 2298 w 8TH St	Brooklyn		X
105	O'Dwyer Community Center, 2945 W 33rd St	Brooklyn		X
106	Penn-Wortman Community Center, 895 Pennsylvania Avenue	Brooklyn		X
107	Pink Community Center, 2702 Linden Blvd	Brooklyn	DYCD/Italian American Civil Rights League	

108	Red Hook East Community Center, 110 West 9th Street	Brooklyn		X
109	Roosevelt II Community Center, 400 Hart Street	Brooklyn		X
110	Saratoga Avenue Community Center, 940 Hancock St	Brooklyn		X
111	Seth Low Community Center, 137 Belmont Ave	Brooklyn		X
112	Sheepshead/Nostrand Community Center, 3679 Nostrand Ave	Brooklyn		X
113	Stuyvesant Gardens Community Center, 214 Stuyvesant Ave	Brooklyn		X
114	Sumner Community Center, 862 Park Avenue	Brooklyn	DYCD/Groundwork	
115	Surfside Community Center, 2947 West 28th Street	Brooklyn	DYCD/HeartShare	
116	Taylor-Wythe Community Center, 80 Clymer Street	Brooklyn	DYCD/Puente de Williamsburg	
117	Tilden Community Center, 630 Mother Gaston BLVD	Brooklyn		x
118	Tompkins Community Center, 736 Park Avenue	Brooklyn		X
119	Unity Plaza Community Center, 576 Blake Avenue	Brooklyn		X
120	Van Dyke 1 Community Center, 392 Blake Avenue	Brooklyn		X
121	Williams Plaza Community Center, 321 Roebling Street	Brooklyn		X
122	Williamsburg Community Center, 195 Graham Avenue	Brooklyn		X
123	Wyckoff Gardens Community Center, 280 Wyckoff Street	Brooklyn		X
124	Wyckoff Gardens Community Center, 272 Wyckoff Street	Brooklyn	Colony South Brooklyn Houses	
125	Berry Community Center, 211 Jefferson St	Staten Island		X
126	Mariner's Harbor Community Center, 157 Brabant St	Staten Island		X
127	Richmond Terrace Community Center, 71 Jersey St	Staten Island		X
128	South Beach Community Center, 155 Norway Avenue	Staten Island		X
129	Stapleton Community Center, 189 Gordon St	Staten Island	DYCD/Jewish Community Center of Staten Island	
130	Todt Hill Community Center, 255 Westwood Ave	Staten Island		X
131	West Brighton Community Center, 230 Broadway	Staten Island		X

Appendix B

NYCHA Senior Programs				
Num	Organization Name and Address (Arranged by Borough)	Borough	NGO Name	NYCHA Sponsored
1	Amsterdam Add Senior Center, 250 West 65th Street	Manhattan	Lincoln Square Neighborhood Center	
2	Carver Senior Center, 55 East 102nd Street	Manhattan	Institute for the Puerto Rican and Hispanic Elderly	
3	Corsi Senior Center, 307 East 116th Street	Manhattan	Union Settlement Association	
4	Douglass Senior Center, 868 Amsterdam Avenue	Manhattan		X
5	Dyckman Senior Center, 3754 Tenth Avenue	Manhattan	NY Foundation for Senior Citizens	
6	East River Senior Center, 402 East 105th Street	Manhattan	Union Settlement Association	
7	Fort Washington Senior Center, 99 Ft Washington Avenue	Manhattan		
8	Fulton Senior Center, 119 Ninth Avenue	Manhattan	Hudson Guild	
9	Gompers Senior Center, 80 Pitt Street	Manhattan	Grand Street Settlement, Inc.	
10	Grant Senior Center, 1301 Amsterdam Avenue	Manhattan	Charles A. Walburg Multi-Service, Inc.	
11	Harborview Senior Center, 530 West 55th Street	Manhattan	Find Aid for The Aged, Inc.	
12	Hernandez Senior Center, 189 Allen Street	Manhattan	University Settlement, Inc.	
13	Holmes/Isaacs Senior Center, 415 East 93rd Street	Manhattan	Stanley M. Isaacs Neighborhood Center	
14	Jefferson Senior Center, 2205 First Avenue	Manhattan	Union Settlement Association	
15	King Towers Senior Center, 50 Lenox Avenue	Manhattan		X
16	Lehman Senior Center, 1641 Madison Avenue	Manhattan		X
17	Lincoln Senior Center, 60 East 135th Street	Manhattan		X
18	Manhattanville Senior Center, 530 West 133rd Street	Manhattan		X
19	Meltzer Towers Senior Center, 94 East 1st Street	Manhattan		X
20	PS 139 Senior Center, 120 West 140th Street	Manhattan	Central Harlem Senior Citizens Coalition	
21	Polo Grounds, 2965 Eighth Avenue	Manhattan		X
22	Rangel Senior Center, 159-36 Harlem River Drive	Manhattan		X
23	Robbins Plaza Senior Center, 343 East 70th Street	Manhattan	Lenox Hill Neighborhood Association	
24	Smith Senior Center, 50 Madison Street	Manhattan	Hamilton Madison House	
25	St. Nicholas Senior Center, 210 West 131st Street	Manhattan		X
26	Taft Senior Center, 1365 Fifth Avenue	Manhattan		X
27	UPACA 6 Senior Center, 1940 Lexington Avenue	Manhattan	Institute for Puerto Rican & Hispanic Elderly	
28	Vladeck Senior Center, 334 Madison Street	Manhattan	Henry Street Settlement, Inc.	
29	Wagner Senior Center, 435 East 120th Street	Manhattan		X
30	Wald Senior Center, 12 Avenue D	Manhattan	United Jewish Council	
31	Washington Senior Center, 1775 Third Avenue	Manhattan	Union Settlement Association	
32	Washington Heights Senior Center, 1970 Amsterdam Avenue	Manhattan	United Block Association	
33	White Senior Center, 2029 Second Avenue	Manhattan	Union Settlement Association	

34	Adams Senior Center, 735 East 152nd Street	Bronx	Hunts Point Multiservice Center	
35	Bailey Avenue Senior Center, 2660 Bailey Avenue	Bronx	Regional Aid for Interim Needs	
36	Baychester Senior Center, 1220 East 229th Street	Bronx	Aging in America, Inc.	
37	Betances I Senior Center, 401 St. Ann's Avenue	Bronx	Institute for Puerto Rican & Hispanic Elderly	
38	Boston Road (2440) Senior Center, 2424 Boston Road	Bronx	Regional Aid for Interim Needs	3016 Yates Avenue-Temporary Location
39	Boston Secor Senior Center, 3540 Bivona Street	Bronx	Regional Aid for Interim Needs	
40	Bronx River Senior Center, 1619 East 174th Street	Bronx	Kips Bay Boys & Girls Club	
41	Butler Senior Center, 1320 Webster Avenue	Bronx	William Hodson Senior Center, Inc.	
42	Castle Hill Senior Center, 625 Castle Hill Avenue	Bronx	Kips Bay Boys & Girls Club	
43	Claremont/Franklin Senior Center, 1315 Franklin Avenue	Bronx	Institute for Puerto Rican & Hispanic Elderly	
44	College Avenue (1020) Senior Center, 1020 College Avenue	Bronx	Regional Aid for Interim Needs	
45	Courtlandt Avenue Senior Center, 372 East 152nd Street	Bronx	East Side House, Inc.	
46	Eastchester Senior Center, 1246 Burke Avenue	Bronx	Regional Aid for Interim Needs	
47	Fort Independence Senior Center, 3350 Bailey Avenue	Bronx		X
48	Glebe Avenue Senior Center, 2125 Glebe Avenue	Bronx	YMCA Westchester/Bronx Branch	
49	Gun Hill Senior Center, 3445 Holland Avenue	Bronx	Regional Aid for Interim Needs	
50	Highbridge Gardens Senior Center, 1145 University Avenue	Bronx		X
51	Jackson Senior Center, 325 East 156th Street	Bronx	Presbyterian Senior Services	
52	Marble Hill Senior Center, 5365 Broadway	Bronx	Mosholu Montefiore Community Center	
53	Middletown Plaza Senior Center, 3035 Middletwon Road	Bronx	Regional Aid for Interim Needs	
54	Millbrook Senior Center, 201 St. Ann's Avenue	Bronx	East Side House, Inc.	
55	Mitchel Senior Center, 188 Lincoln Avenue	Bronx	East Side House, Inc.	
56	Monroe Senior Center, 1776 Story Avenue	Bronx	Institute for the Puerto Rican and Hispanic Elderly	
57	Moore Senior Center, 515 Jackson Avenue	Bronx	Citizens Advice Bureau	
58	Morrisania Air Rights Senior Center, 2=3135 Park Avenue	Bronx		X
59	Parkside Senior Center, 644 Adee Avenue	Bronx	Presbyterian Senior Services	
60	Patterson Senior Center, 308 East 145th Street	Bronx	East Side House, Inc.	
61	Pelham Parkway Senior Center, 975 Waring Avenue	Bronx		X
62	Randall Ave/Balcom Ave, 2705 Schley Avenue	Bronx	Jewish Association Services for the Aged	
63	Sedgwick Senior Center, 1553 University Avenue	Bronx		X
64	Soundview Senior Center, 1674 Seward Avenue	Bronx		X
65	Guess Senior Center, 2070 Clinton Avenue	Bronx	Neighborhood Shopp	
66	Union Avenue Senior Center, 950 Union Avenue	Bronx	Presbyterian Senior Services	
67	Astoria Senior Center, 4-05 Astoria Boulevard	Astoria		X

68	Baisley Park Senior Center, 116-80 Guy Brewer Boulevard	Jamaica		X
69	Bland Senior Center, 40-15 College Point Boulevard	Flushing		X
70	Conlon-Lihfe Senior Center, 92-33 170th Street	Jamaica	Jamaica Services Program/Older Adults	
71	Forest Hills Senior Center, 108-25 62nd Drive	Forest Hills	Queens Community House	
72	International Towers Senior Center, 90-20 170th Street	Jamaica		X
73	Latimer Gardens Senior Center, 34-30 137th Street	Flushing	Self-Help Community Services	
74	Queens Community House-Pomonok, 67-09 Kissena Boulevard	Flushing	Queens Community House	
75	Queensbridge North Senior Center, 10-25 41st Avenue	Long Island City	Jacob A. Riis Neighbirhood Settlement House	
76	Ravenswood Senior Center, 34-35A 12th Street	Long Island City	HANAC,Inc.	
77	Shelton Senior Center, 89-09 162md Street	Jamaica		
78	Woodside Senior Center, 50-37 Newtown Road	Woodside	Samaritan Village	
79	Armstrong Senior Center, 360 Nostrand Avenue	Brooklyn		X
80	Borinquen Plaza I Senior Center, 80 Siegel Street	Brooklyn	Ridgewood-Bushwick Senior Citizens center	
81	Boulevard Senior Center, 726 Stanley Avenue	Brooklyn	Wayside Outreach Development Corp.	
82	Brevoort Senior Center, 280 ralph Avenue	Brooklyn		X
83	Brownsville Senior Center, 528 Mother Gaston Boulevard	Brooklyn		X
84	Bushwick/Hylan Senior Center, 50 Humboldt Street	Brooklyn		X
85	Cooper Park Senior Center, 288 Frost Street	Brooklyn		X
86	Cypress Hills Senior Center, 475 Fountain Avenue	Brooklyn	Police Athletic League/DYCD	
87	Farragut Senior Center, 228 York Street	Brooklyn		X
88	Glenmore Plaza Senior Center, 1777 Pitken Avenue	Brooklyn		X
89	Glenwood Senior Center, 5701-3 Avenue H	Brooklyn	Builders for the Family & Youth	
90	Gowanus Senior Center, 420 Baltic Street	Brooklyn	Spanish Speaking Elderly (RAICES)	
91	Haber Senior Center, 3024 West 14th Street	Brooklyn	Jewish Community Council of Coney Island	
92	Hope Gardens Senior Center, 193 Linden Street	Brooklyn	Ridgewood-Bushwick Senior Citizens center	
93	Independence Towers Senior Center, 114 Taylor Avenue	Brooklyn	Millenium Development Corp.	
94	Kingsborough Senior Center, 447 Kings 4th Walk	Brooklyn	Fort Greene Senior Citizens Council	
95	Langston Hughes Senior Center, 301 Sutter Avenue	Brooklyn		X
96	Marcus Garvey Senior Center, 1440 East New York Avenue	Brooklyn		X
97	Marlboro Senior Center, 2798 West 8th Street	Brooklyn	Jewish Community Council of Coney Island	
98	Palmetto gardens Senior Center, 85 Palmetto Street	Brooklyn		X
99	Pennsylvania-Wortman	Brooklyn		
100	Pink Senior Center, 2702 Linden Boulevard	Brooklyn	East New York Inter-Agency Council/Aging	
101	Red Hook West Senior Center, 120 West 9th Street	Brooklyn	Spanish Speaking Elderly Council	

102	Rev. R. Brown Senior Center, 1630 St. Marks Avenue	Brooklyn	Wayside Outreach Development Corp.	
103	Roosevelt II Senior Center, 400 Hart Street	Brooklyn	Fort Greene Senior Citizens Council	
104	Saratoga Square Senior Center, 930 Halsey Street	Brooklyn		X
105	Seth Low Senior Center, 137 Belmont Avenue	Brooklyn		X
106	Sheepshead Bay/ Nostrand Avenue Senior Center, 3679 Nostrand Avenue	Brooklyn	Builders for Families & Youth	
107	Sheepshead Bay/ Nostrand Senior Center, 3643 Nostrand Avenue	Brooklyn	Catholic Charities Neighborhood, Inc.	
108	Stuyvesant Gardens Senior Center, 150 Malcolm X Boulevard	Brooklyn		X
109	Sumner Senior Center, 862 Park Avenue	Brooklyn		X
110	Tilden Senior Center, 630 Mother Gaston Boulevard	Brooklyn	Wayside Outreach Development Corp.	
111	Van Dyke II Senior Center, 430 Dumont Avenue	Brooklyn	Wayside Outreach Development Corp.	
112	Vandalia Senior Center, 47 Vandalia Avenue	Brooklyn	Millenium Development Corp.	
113	Whitman Senior Center, 105 Portland Avenue	Brooklyn	Fort Greene Senior Citizens Council	
114	William Reid Senior Center, 720 East New York Avenue	Brooklyn	Fort Greene Senior Citizens Council	
115	Williamsburg Senior Center, 204 Graham Avenue	Brooklyn	Jewish Association for the Aged	
116	Woodson Senior Center, 460 Dumont Avenue	Brooklyn	Wayside Outreach Development Corp.	
117	Wyckoff Gardens Senior Center, 280 Wyckoff Street	Brooklyn	Spanish Speaking Elderly Council	
118	Cassidy/Lafayette Senior Center	Staten Island	Community Agency for Senior Citizens	
119	New Lane Senior Center, 70 New Lane	Staten Island	Community Agency for Senior Citizens	
120	Stapleton Senior Center, 189 Gordon Street	Staten Island	Catholic Charities	
121	South Beach Senior Center, 126 Lamport Boulevard	Staten Island	Community Agency for Senior Citizens	
122	Todt Hill Senior Center, 184 Schmidt's Lane	Staten Island	Staten Island Community Services Friendship Club	
123	West Brighton Senior Center, 230 Broadway	Staten Island	Catholic Charities	



TESTIMONY

Presented by

**Lilliam Barrios-Paoli
Commissioner**

on

**Oversight: Proposed New York City Housing Authority
Actions to Address the Impact of Federal Sequestration**

before the

**New York City Council
Committee on Finance & Committee on Public Housing**

on

**Thursday, June 13, 2013
10:00 A.M.**

at

**Council Chambers, City Hall
New York, NY 10007**

Good morning, Chair Recchia and Chair Mendez and members of the Finance and Public Housing Committees. I am Lilliam Barrios-Paoli, Commissioner of the New York City Department for the Aging (DFTA). Thank you for this opportunity to discuss the proposed NYCHA actions to address the impact of federal sequestration.

DFTA FUNDED SENIOR CENTERS IN NYCHA DEVELOPMENTS

Today's hearing focuses on the 37 NYCHA operated senior centers. As a point of clarification, these senior centers run by NYCHA are separate and apart from the 71 DFTA funded senior centers located in NYCHA developments. The DFTA sponsored centers at NYCHA sites are not part of NYCHA's budget, and therefore are not subject to NYCHA budget cuts. Funding for all senior centers operated through DFTA contracts, including the 71 DFTA centers at NYCHA locations, has been allocated through recent DFTA senior center solicitations. These DFTA sites are fully funded and fully operational.

NYCHA OPERATED SENIOR CENTERS

DFTA worked closely with NYCHA to identify which of the 37 NYCHA centers would be suitable for DFTA to sponsor as neighborhood centers, which are required at a minimum to provide 60 lunches and serve 75 seniors daily. Based on analysis and mapping, nearly all of the NYCHA senior centers are within a 10 block radius of a DFTA senior center. The majority of NYCHA centers are also not large enough to run the type of programs offered at DFTA funded centers. Furthermore, attendance at most of the senior centers operated by NYCHA is less than 30 seniors per day, and in some cases, daily attendance is as low as 15 seniors. By and large, NYCHA centers also do not provide meals. Based on the feasibility of these NYCHA sites to operate as DFTA sponsored centers, DFTA proposes to sponsor four of the senior centers currently run by NYCHA. The four sites are the Polo Grounds Towers in Manhattan, Pelham Parkway in the Bronx, and Farragut and Saratoga Square in Brooklyn. In consultation with NYCHA, it was determined that these sites would be the most viable and robust locations for DFTA sponsored senior centers. These locations also include NYCHA centers that have a higher daily attendance of seniors and are not proximal to a DFTA center.

Contingent upon appropriate funding, DFTA will issue a solicitation to sponsor these four NYCHA sites. Because the solicitation process could take up to a year, DFTA proposes that the four NYCHA centers become satellites of existing DFTA centers in the interim. In addition, DFTA will issue contract amendments to cover costs for DFTA centers absorbing seniors from the remaining NYCHA centers.

COMMUNITY OUTREACH

Following a determination by NYCHA to close their senior centers due to budgetary constraints, DFTA staff will visit the sites slated for closure and will meet with seniors to explain available options, such as enrollment in a local home delivered meals program and accessibility to a neighboring DFTA center. DFTA will gauge transportation needs from NYCHA locations to DFTA sites based on the feedback from visits to the NYCHA centers. Depending on the need, DFTA will work with its service providers to develop a transportation plan to meet the needs of NYCHA seniors. DFTA will assist in guiding seniors from the affected NYCHA locations to the DFTA network of services in order to ensure continuity.

CONCLUSION

Thank you again for this opportunity to testify about NYCHA's proposed response to federal sequestration. I am pleased to answer any questions you may have.

TESTIMONY BEFORE
THE COUNCIL OF THE CITY OF NEW YORK
COMMITTEES ON FINANCE AND PUBLIC HOUSING

HEARING

ON

THE CORNERSTONE INITIATIVE IN NEW YORK CITY HOUSING AUTHORITY
COMMUNITY CENTERS

PRESENTED BY
JEANNE B. MULLGRAV, COMMISSIONER

NEW YORK CITY
DEPARTMENT OF YOUTH AND COMMUNITY DEVELOPMENT

THURSDAY, JUNE 13, 2013

Good morning, Chairs Recchia, Mendez, and Fidler, and members of the Finance and Public Housing Committees. I am Jeanne B. Mullgrav, Commissioner of the Department of Youth and Community Development.

Thank you for the opportunity to discuss the Cornerstone Initiative at New York City Housing Authority (NYCHA) Community Centers.

Background

As we just heard from NYCHA, it faces significant budget shortfalls, due to long-term federal disinvestments in public housing, and further worsened this year by sequestration.

We were faced with a similar situation in 2009, when 19 NYCHA-operated community centers were going to close due to a lack of funding. At that time, Mayor Michael R. Bloomberg, Speaker Christine C. Quinn, and Council Members announced a plan to ensure continuity of services at 25 NYCHA community centers. Using city tax levy funding, we began what is now known as the Cornerstone Program.

To date, these centers have served over 29,000 participants. These programs, administered by local non-profits, help young people acquire the academic foundation and skills they need to graduate from high school, succeed in the workplace, and give back to the community.

Under the Mayor's leadership, we are prepared to expand this program if additional city tax levy funding can be allocated. With an investment of \$18.5 million, we could serve 9,500 participants in 45 centers across the city. These programs would operate six days a week and during holidays, including summers, when school is not in session.

Youth Services

At any of our programs, you can see young people engaged academically, whether through homework help, STEM activities, tutoring, or high school and college prep.

Youth are engaged in theme-based, structured activities that offer tangible benefits and build literacy and other core skills. Themes have included the environment, social justice, and STEM education.

Programs connect with the cultural heritage of the communities in which they are located and reflect the interests of their participants. In this regard, youth may learn salsa dancing, Caribbean drumming, or Chinese dragon dancing.

Cornerstone youth programs also focus on:

- Community engagement, through civic activities such as assisting elderly neighbors after Superstorm Sandy and beautification projects such as gardening and graffiti removal;
- Arts through dance, music, and photography; and
- Healthy living, including workshops such as healthy eating, drug and alcohol abuse, and physical exercise, with partners such as Cornell University and City Harvest.

The program also includes mentoring services supported by the Young Men's Initiative. This matches 5th through 9th graders with caring adults to help them transition through middle and high school. They engage in group mentoring, and attend activities that promote bonding and leadership development through participation in community service.

Adult Services

The Cornerstone Programs also serve adults with an array of services. These include:

- High School Equivalency exam preparation and ESOL instruction;
- Workforce development services including job preparation, resume writing, dress for success, interviewing skills and career exploration;
- Parenting skills and family relationship workshops; and
- Intergenerational programs that develop bonds between young people and seniors.

Cornerstone Expansion Proposal

As with the current Cornerstone model, we remain committed to serving young people in grades K – 12. We know that students living in public housing have disparate academic outcomes compared to peers who do not live in public housing.

We also know that working parents depend on these afterschool services, and to ensure a continuity of services, we propose to begin services at the start of the school year. To accomplish this, like in 2009, we would amend contracts of existing programs to operate these sites, and later issue a Request for Proposals.

The centers would be expected to operate from 2 p.m. to 10 p.m. on weekdays during the school year, from 8 a.m. to 6 p.m. on weekdays in the summer and on Saturdays year-round from 9 a.m. to 6 p.m.

Like other DYCD funded programs, these centers will have standards of accountability to ensure that programs are high-quality and worthy of public investment. Using DYCD Online, contractors will demonstrate compliance with required minimum service levels and hours of structured activities and track participant enrollment and attendance.

Community Input

As we've learned through our experience, the success of any program is dependent on community input. DYCD will require a Community Advisory Board for each center. These boards may include NYCHA residents, parents, and youth, representatives of the resident association, and local schools, law enforcement, and community-based organizations.

Youth councils also will be required for all programs to ensure a strong youth voice in program design and the selection of activities. The councils give the added benefit of fostering a sense of independence and empowerment in young people. Additionally, they offer significant opportunities for development of leadership, teamwork, and communication skills.

We are optimistic that through the combined efforts of the Mayor and the City Council, we can once again preserve and expand services for young people and families in public housing.

Thank you once again for allowing us to testify today. Joining me is Darryl Rattray, Assistant Commissioner for Beacon and Cornerstone Programs. We are pleased to answer any questions you may have.



Testimony of The Legal Aid Society

**Before the New York City Council Committees on
Public Housing and Finance
Oversight - Proposed NYCHA Actions to Address
the Impact of Federal Sequestration
June 13, 2013**

Interest and Expertise of The Legal Aid Society

The Legal Aid Society (the Society) in New York City is the nation's oldest and largest not-for-profit provider of legal help for vulnerable low-income children and adults.

Operating from 27 locations in New York City with a full-time staff of over 1,700, the Society handles more than 300,000 individual cases and legal matters each year. The Society operates three major practices: the Criminal Practice, which serves as the primary provider of indigent defense services in New York City; the Juvenile Rights Practice, which represents virtually all of the children who appear in Family Court as victims of abuse or neglect or as young people facing charges of misconduct; and the Civil Practice, which improves the lives of low-income New Yorkers by helping families and individuals obtain and maintain the basic necessities of life - housing, health care, food, and subsistence income or self-sufficiency.

With a focus on enhancing family stability and security, through a network of neighborhood offices and city-wide special projects in all five boroughs of the City, the Civil Practice helps vulnerable families and individuals with these legal problems: housing, foreclosure and homelessness; family law and domestic violence; income and economic security assistance (such as unemployment insurance benefits, federal disability benefits, food stamps, and public assistance); health law; immigration; HIV/AIDS and chronic diseases; elder law for

senior citizens; low-wage worker problems; tax law for low-income workers; consumer law; education law; community development opportunities to help clients move out of poverty; and reentry and reintegration matters for clients returning to the community from correctional facilities. Typically, clients seek assistance from the Civil Practice after exhausting all other avenues for assistance. The Society's Civil Practice is the safety net when all other safety nets fail. During the past year, our Civil Practice completed work on individual cases and legal matters benefiting more than 120,000 low-income children and adults, with an additional two million low-income New Yorkers benefiting from our law reform and class action litigation.

The Society is counsel on numerous class-action cases concerning the rights of public housing residents and Section 8 tenants and is a member of the New York City Alliance to Preserve Public Housing, a local collaboration of New York City Housing Authority (NYCHA) resident leaders, advocates and concerned elected officials.

We appreciate the opportunity to testify before the City Council's Committee on Public Housing and Finance to discuss the issues raised by federal sequestration.

Over 500,000 New Yorkers live in 179,000 apartments spread throughout NYCHA's 340 public housing developments. Public housing in New York City is a vital and vibrant source of stable and affordable housing for low-income New Yorkers and needs to be preserved.

Today, NYCHA faces many challenges, including a \$61 million operating shortfall this year and a \$6 billion backlog in capital improvement needs. On March 12, 2013, NYCHA announced at its Preliminary Budget hearing in front of the New York City Council's Public Housing Committee that it expects to lose \$250 million from its Operating Funds subsidy in 2013. Obviously, this severe under-funding of federal subsidies, together with a lack of funding from the State and City, has a devastating impact on NYCHA's budget and ability to operate. Residents of public housing continue to suffer—living in substandard conditions in aging and deteriorating buildings as a result of these issues.

Federal sequestration will exacerbate the problems facing public housing. The estimate of the cuts range from \$60 to \$100 million a year. Apparently NYCHA may be planning to furlough workers and/or close senior centers. Although NYCHA has known about its financial issues with federal sequestration for months, only now are we learning anything about NYCHA's plans. This is not a responsible way to plan. NYCHA can clearly no longer afford to pay more

than \$70 million for police payments and more than \$20 million for payments in lieu of taxes. Both payments should be stopped immediately.

Federal sequester will be devastating to the Section 8 program. NYCHA had planned before sequester to recommence rentals in its Section 8 program. This could mean that households whose vouchers were taken from them in December 2009 could finally get their vouchers back. Unfortunately this will not happen. NYCHA is considering other actions for the program including a payment standard reduction which would negatively impact current Section 8 tenants and could make it extremely difficult for them to continue to afford their apartments. Although not part of this hearing, HPD is planning to implement a payment standard reduction which will impact almost 5,000 Section 8 households forcing their share of the rent above 30% of their income. One third of the 5,000 households are on Section 8. NYCHA's program is three times the size of HPD's Section 8 program so if NYCHA takes similar actions, 15,000 Section 8 NYCHA households will see their rents rise to unaffordable levels.

Conclusion

Thank you again for the opportunity to testify before the City Council's Committees on Public Housing and Finance.

Respectfully Submitted:

Steven Banks, Attorney in Chief
Adriene Holder, Attorney in Charge, Civil Practice
Judith Goldiner, Attorney in Charge, Law Reform Unit
THE LEGAL AID SOCIETY
199 Water Street, 3rd floor
New York, New York 10038
(212) 577-3332
jgoldiner@legal-aid.org

FOR THE RECORD

TESTIMONY: COMMITTEE ON PUBLIC HOUSING HEARING
The Impact of NYCHA Cuts to NYC's Senior Centers

There are over 300,000 seniors in New York City, and as baby boomers enter old age, this number will grow significantly. We need to decide now what services we want available to our loved ones down the road. I join AFSCME Local 371 and others here in arguing that these services must include well-staffed, well-funded senior centers.

Among other vital services, most senior centers in NYC provide lunch and, in some cases, breakfast to seniors, totalling 12.4 million meals each year. This is a critical service for those who struggle to purchase groceries and cook. Across the nation, Meals on Wheels estimates fully 8.3 million American seniors suffer from hunger.

Beyond providing healthy meals, these centers also provide opportunities for seniors to regularly exercise and receive health screenings, including blood pressure, cancer, mammography, vision, and hearing tests.

Finally, senior centers create a community, and can provide some seniors' only opportunity to socialize outside their home and family.

The reality is, unless you are caring for a senior personally, it is difficult to imagine the importance of these services. Reflect for a moment. Without senior centers, elderly New Yorkers would have to:

- Find soup kitchens or other food programs
- Find another agency that could help with benefits and services that understands the needs of older adults
- Join a gym
- Find affordable, accessible transportation
- Identify affordable health, recreational, educational and cultural activities and get there on their own

I understand NYCHA faces an enormous shortfall, \$205 million, as a result of the federal sequester. Yet I urge the City Council to help NYCHA bear this burden. Doing so will save our city money, for the following reasons:

- Without the health screenings, balanced meals, and fitness activities senior centers provide, seniors will live less healthy lives, straining the healthcare system at the cost of untold millions of dollars.
- Without meals, charities like Meals on Wheels will face an immense challenge in providing seniors meals at home. If the 11% across-the-board cuts to NYCHA translates to cutting 11% of senior centers' meals, we would lose 1.3 million meals, costing charities \$5.2 million and thousands of volunteer hours (Meals on Wheels asks for a \$4 donation per meal).
-

- Finally, without daytime services available for seniors in need of care, thousands of families will be forced to sacrifice hours at work, costing the City millions in lost income tax and many more millions in additional services for low-income families already struggling to get by.

I thank the committee for their time, and again urge you to find funding for our senior centers.

NEW YORK CITY COUNCIL TESTIMONY

NYCHA

The Tentacles of Retro Rage

I would like to thank you for the opportunity to speak to you today. My name is Anthony Wells and I am the President of the Social Services Employees Union Local 371. We represent Over 17,000 social service workers in every Mayoral agency NYCHA, the HHC, and various other agencies. I appear before this council to discuss proposed cuts in NYCHA. More specifically, the 378 workers slated to lose their jobs when NYCHA closes, then privatizes its Community and Senior Centers. I would like to specifically discuss NYCHA's plans, identifying which centers would close or how many workers would be laid off, however they have not had those types of discussions with the Union. In fact, Senior Management held a meeting last night and had borough management hand out a memorandum informing workers that August 31st, 2013 would be their last day. They seem to believe cursory discussions with Union leadership serve as formal notice to the Union. As you know such notice begins the process of negotiations to mitigate layoffs.

Here is what we know: NYCHA wants to stop providing direct social services to residents including community and senior centers. They have proposed that the Department for Community and Youth Development and the Department for the Aging take over the community and senior centers respectively. Neither of these agencies provides direct services, they oversee contract agencies. NYCHA would still be responsible for providing funding, if the residents are to receive these services. Lastly, the current contracted out service providers do not hold the necessary credentials to operate the centers.

NYCHA states that the cost to run the centers is \$100 million, according to their website. No one denies that there is a challenge when the budget is cut by \$200 million. However, solutions cannot be reached if there are not real discussions among the stakeholders. Many of our members work and live in public housing.

New York's public housing is unique and not comparable to any other. If there is a commitment to address problems then real solutions are possible; solutions that preserve jobs and services in NYCHA.

The social and economic gains of working people were phenomenal in the sixties and early seventies: The Civil Rights Act gave equal opportunity, upward mobility and hope to millions of minorities and working people.

Today there is a blatant attack on every gain made during this period and on every entity that assists or sustains working families including supported housing, social services and of course organized labor. This attack states our country's poor are only deserving of dehumanization and contempt. If the current course continues, it ultimately revokes the thirteenth amendment which abolished slavery. We must change this course.

One of the largest deficits in New York City today is NOT the budget; IT IS affordable housing, which the current course of action will only make larger. There's no mention of reduction to consultants, outsource contracts or payments for police, fire, or sanitation services.

The homeless population grows while affordable housing decreases. It makes no sense unless it really is "RETRO RAGE".

We cannot allow this "RETRO RAGE" to negatively impact strides made in the sixties and seventies, as well as the Civil Rights Act, to return and cripple this city more than the current administration has already done. If we allow NYCHA to close Community and Senior Centers it will mean layoffs to hundreds of people, and will negatively impact the quality of life of our most vulnerable populations; the children and the elderly.

From: House, Cecil
Sent: Wednesday, June 12, 2013 4:39 PM
To: DL_Entire_NYCHA *G*
Subject: Impact of Federal Sequester and Continuing Resolution On NYCHA

Dear NYCHA Colleague,

Earlier this week, Chairman Rhea outlined a series of budget challenges facing NYCHA as a result of funding actions taken by Congress in the Budget Control Act of 2011 (also known as "sequestration") and the extension of the Continuing Resolution under which NYCHA is funded. Based on the operating budget that we adopted earlier this year, these actions by Congress will reduce funds available to NYCHA by \$205.5 million in 2013. The NYCHA leadership team has developed a thoughtful, strategic plan to minimize the impact of these budget reductions on our employees and the public housing and section 8 families that we serve. Thanks in large part to our Plan NYCHA initiatives to improve operations, reduce administrative costs and generate new revenue sources, the organization is better positioned financially to weather this difficult budget reduction. Despite these efforts, however, NYCHA has had to make tough and unavoidable decisions to ensure that we continue to be a valuable and thriving resource for New York City.

Notwithstanding the impacts on our budget, we remain committed to continuing with our Action Plan to eliminate the backlog of maintenance and repair work orders as well as moving forward with major Capital improvement projects. Thus, we will take special steps to ensure that we continue on our path to achieving our goal of improved maintenance and repair service levels to our residents

Immediate and long term actions have been determined with our utmost concerns being the continued safety and wellbeing of NYCHA residents and employees, as well as the ongoing maintenance and operations of our apartment buildings. We have had no choice but to put the following measures into effect:

- An across the-board hiring freeze in all NYCHA Departments; only positions determined to be critical will be filled
- With the expectation of front line position, positions vacated will not be filled without my approval, which require significant justification
- Reductions in overtime across the Authority;
- Elimination of the Seasonal Caretaker program
- Elimination of the Leadership Academy and Executive Leadership development programs
- Implementation of various OTPS cost saving measures
- Reduction in payment standards for Section 8 subsidies from 110% to 90% of HUDS's fair market rents.
- Full conversion of Resident Watch to a volunteer program
- Shutdown of NYCHA-operated community and senior center facilities effective at the end of the summer program period. With support from the City of New York, we will continue to offer youth and senior center summer programming and hire center staff for the 2013 Summer Day Camp program.
- We will also eliminate selected positions
- In addition layoff actions and exploration of furloughs will be necessary.

There is no question that the above measures will be painful and create additional challenges for all of us in meeting the critical needs of our diverse communities. We expect to provide more details over the next few days. If you have specific questions, please see your supervisor.

We face difficult times in the months ahead but I know that the professionalism and commitment I have seen in NYCHA employees over the past ten months will carry us through. The Board and I thank you for your hard work and dedication that continue to make a positive impact on the lives of New Yorkers.

Thank you,

Cecil House

Cecil R. House
General Manager
Office of the General Manager
250 Broadway, New York, NY 10007
Tel.(212)306-3416
New York City Housing Authority | www.nyc.gov/nycha

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Please think of the environment before you print this e-mail

Thank you for inviting me to speak at this joint hearing of Public Housing and Finance committees on NYCHA. My name is Walthene Primus and I am President of Local 957 of DC 37 representing over 1,000 employees working in nearly every housing development at NYCHA.

A couple of days ago the Federal Government announced a \$205 million reduction of funds to NYCHA. This unexpected cut comes after years of reductions in funding to the poorest residents of New York City. Over 600,000 people live in NYCHA housing developments depending solely on federal funding to maintain a roof over their head. My members, many of them residents of NYCHA developments, have been trying to survive while funding has been reduced. The State and the City provide practically zero funding for NYCHA housing, yet the City asks for over \$90 million in payments for police service and in PILOT payments, basically a tax, from the poorest residents of New York City.

I know that the press and many members in the City Council like to beat up on NYCHA. But I am here to tell the bigger story that these cuts will hurt thousands of poor people and ultimately result in more homelessness among the poor of New York City. The homeless population in New York City has been increasing and one of the only government agencies providing housing to the poorest is NYCHA. Without NYCHA who knows how many thousands of families would be homeless. How many folks with jobs who work everyday would be unable to pay for an apartment? These cuts fall of thousands of working men and women who have so little, and with these cut may not have a place to live.

I know that you may think there is waste in NYCHA, but no agency can take a sudden 11% cut after years of underfunding and not have those cuts hurt the working poor. And while the Feds are cutting funding the City still collects over \$90 million in fees and provides little if any funding for the upkeep of the thousands of apartments in all five boroughs.

I am asking that the City Council suspend any of the fees and PILOT payments that are to be collected from NYCHA over the next year. I am asking that City Council help NYCHA by suspending the \$90 million in fees collected from NYCHA and help preserve housing for the working poor of New York City. This amount of funding would cover nearly half of the cuts from Federal funding. And to help 600,000 residents of NYCHA I know that the City Council can find the other \$115 million out of a City budget of over \$70 billion. I know that after years of not providing operational funding to NYCHA the City needs to step in to cover this sudden cut in Federal funding.

Thank you

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 6/13/13

(PLEASE PRINT)

Name: Henry Garrido

Address: 125 Barclay Street NY NY 10007

I represent: Associate Director, DC37

Address: Representing Lillian Roberts - Exec Dir, DC37

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THE CITY OF NEW YORK**

Appearance Card

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Date: 6/13/13

(PLEASE PRINT)

Name: Anthony Wells

Address: 817 Broadway NY NY

I represent: President, L. 371, SSEU DC37

Address: _____

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THE CITY OF NEW YORK**

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in favor in opposition

Date: 6/13/13

(PLEASE PRINT)

Name: Walthere Primus

Address: 125 Barclay Street NY NY 10007

I represent: President, L. 957, DC37

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
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Date: _____

Name: JOHN RHEA (PLEASE PRINT)

Address: _____

I represent: NYCHA

Address: _____

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Date: 6/13/13

Name: WALTHENE PRIMUS (PLEASE PRINT)

Address: _____

I represent: NYCHA, LOCAL 957 CLERICALS

Address: _____

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THE CITY OF NEW YORK**

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in favor in opposition

Date: 6/13/2013

Name: ANTHONY WELLS (PLEASE PRINT)

Address: 817 BROADWAY

I represent: SSEU LOCAL 371

Address: 817 BROADWAY

**THE COUNCIL
THE CITY OF NEW YORK**

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Date: _____

(PLEASE PRINT)

Name: JOHN PLAZA

Address: _____

I represent: NYCHA

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

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in favor in opposition

Date: 6.13.13

(PLEASE PRINT)

Name: William Barrios-Paoli

Address: Commissioner

I represent: DETA

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

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in favor in opposition

Date: 6/13/13

(PLEASE PRINT)

Name: Judith Goldner

Address: 199 Water

I represent: The Legal Aid Society

Address: _____

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**THE COUNCIL
THE CITY OF NEW YORK**

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Name: Tyree Stanback

Address: 345 Classon Ave 17d

I represent: Lafayette Gardens NYCHA

Address: 345 Classon Ave 17d

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Date: _____

(PLEASE PRINT)

Name: Darryl Rattray

Address: ASA Cmsr, P4ED

I represent: _____

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

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Date: _____

(PLEASE PRINT)

Name: Jeanne Mullgraw

Address: Commissioner, PYCD

I represent: _____

Address: _____

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**THE COUNCIL
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in favor in opposition

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(PLEASE PRINT)
Name: Americo Santiago

Address: _____

I represent: Cooper Park / NYCHA

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)
Name: Deborah Scott

Address: 4 Van Sicken Ct

I represent: Summer Houses SC / NYCHA

Address: 862 Park Ave

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)
Name: LACHAUNE TINGLEY

Address: 119 BUTLER ST BK NY 11231

I represent: _____

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____
 in favor in opposition

Date: 6/13/2013

(PLEASE PRINT)

Name: A. Brian Zimmerman on behalf of Benjamin Kallos

Address: 235 E. 22nd St. Apt 15 DE

I represent: Benjamin Kallos

Address: 1520 York Ave Apt. 21E

◆ Please complete this card and return to the Sergeant-at-Arms ◆

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____
 in favor in opposition

Date: _____

Name: Steven Shooman (PLEASE PRINT)

Address: 184 Dean Street Bklyn, 11217

I represent: Gowanus In Unity Tutoring

Address: Wyckoff Gardens C.C. 280 Wyckoff
St 11217

◆ Please complete this card and return to the Sergeant-at-Arms ◆