

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON PUBLIC HOUSING

Jointly with

COMMITTEE ON CIVIL SERVICE
AND LABOR

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April 20, 2023
Start: 1:12 p.m.
Recess: 4:52 p.m.

HELD AT: Chambers - City Hall

B E F O R E: Alexa Avilés Chairperson

Carmen N. De La Rosa
Chairperson

COUNCIL MEMBERS: Diana Ayala
Charles Barron
Darlene Mealy
Chi A. Ossé
Lincoln Restler
Rafael Salamanca, Jr.,
Pierina Ana Sanchez
Julie Won
Erik D. Bottcher
Tiffany Cabán

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

Eric Dinowitz
Oswald Feliz
Kamillah Hanks
Rita C. Joseph
Julie Menin
Francisco P. Moya
Sandy Nurse

Niani Taylor
Much Hours Inc.

Robert Wells
Section 3 Resident

Cornell Robinson

Daniel Barber
Jackson Houses President

Shanna Castillo
NYCHA Senior Director of Resident Initiatives

Sergio Paneque
NYCHA Chief Procurement Officer

Shaan Mavani
NYCHA Chief Asset and Capital Management Officer

Matthew Charney
NYCHA Vice President of Design and Construction

Kerri Jew
NYCHA Executive Vice President and Chief
Administrative Officer

Brian Honan
NYCHA

Brad Greenburg
NYCHA Compliance Officer

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

Katie Rodriguez

Janine Havins
President of Integrated Adolescent Sanctuary Inc.

Stephanie Klocke
Green City Force

Infinite George
Local 79

Arlene Sano Henry
Local 79

Jasmine Byrd
Local 79

Justice Favor
Local 79

Emanuel Martinez [sp?]

Shameka Shannon [sp?]

Darron Henry
Enrollment Manager with State of New York Brooklyn
Educational Opportunity Center

Mr. Torres

Diana Blackwell
Manhattan Solid Waste Advisory Board

Karen Blondel

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3 SERGEANT AT ARMS: Good afternoon and
4 welcome to today's New York City Council hearing for
5 the Committee on Public Housing joint with the
6 Committee on Civil Service and Labor. At this time,
7 please silence all electronic devices. If you wish
8 to submit testimony, you may at
9 testimony@council.nyc.gov. Just a reminder, no one
10 may approach the dais at any point during this
11 hearing. Chairs, we are ready to begin.

12 CHAIRPERSON AVILÉS: This meeting is
13 coming to order. Good afternoon everyone and welcome
14 to this joint hearing of the Committee on Public
15 Housing and the Committee on Civil Service and Labor.
16 I am Council Member Alexa Avilés and I Chair the
17 Committee on Public Housing. I'd like to thank you
18 all for attending this oversight hearing to examine
19 NYCHA's resident hiring programs and their compliance
20 with Section 390. We are joined by my colleagues
21 Carmen De La Rosa, Council Member Nurse, Council
22 Member Menin, and Council Member Hanks. So this topic
23 is one where we see the broad impact NYCHA has on our
24 city beyond the core mission of providing housing for
25 low-income New Yorkers. Under Section 3
requirements, NYCHA must direct economic opportunity

3 to low and very low-income persons to the greatest
4 extent possible. Under the current federal rules,
5 the aim is to have 25 percent of the project hours on
6 in hiring and contracting to be directed to a Section
7 3 worker. In the simplest terms, NYCHA is under
8 mandate from the Federal Government to direct jobs
9 and contracts to NYCHA residents and other low-income
10 New Yorkers. The reality of New York having the
11 largest public housing entity in the country means
12 that New York also has the ability to use the massive
13 buying power of NYCHA to take advantage of the skills
14 and talents of NYCHA residents and other low-income
15 New Yorkers. In the past it has become-- it has been
16 unclear how many NYCHA residents and other New
17 Yorkers have been able to take advantage of these
18 opportunities. In 2009, the last time the Council
19 held a hearing on this topic, we heard that there
20 were many success stories and over 5,700 NYCHA
21 residents had been helped through NYCHA's Section 3
22 programs. At the same time, numbers posted on NYCHA's
23 website and press reports featuring FOIL documents
24 NYCHA submitted to HUD shows that many years NYCHA
25 failed to meet the Section 3 goals in either hiring
or contracting. And most certainly over the years,

3 we have also heard from tenants on a range of
4 experiences, often showing first fired-- first hired,
5 first fired, seeing the lowest wage jobs, no
6 managerial opportunities, and actually very shady
7 contractor experiences. So these numbers were all
8 prior to the Trump Administration changes which also
9 lessened the requirements. All of this points to the
10 face that we need clearer and more definitive answers
11 on how NYCHA's using the jobs it hires for and the
12 money it spends to empower NYCHA residents and other
13 low-income New Yorkers. We are looking to learn how
14 many residents NYCHA's Section 3 programs are helping
15 and how many NYCHA resident-led businesses are being
16 given contract. While it is understandable that
17 these programs will not always succeed, we must only
18 strive to make them more accessible, more effective
19 and more used by NYCHA residents and other New
20 Yorkers. I'm particularly interested to know how
21 NYCHA is making sure that the large amounts of work
22 and not insignificant amounts of money are being
23 spent under the RAD/PACT and Comp Mod [sic] programs
24 are not simply being used to perform desperately-
25 needed repairs, but also that they're helping
residents and other New Yorkers build wealth and

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3 opportunities to provide for their families. I would
4 like to thank my staff Christina Bottego, Edward
5 Cerna, James Neimeister, along with the Public
6 Housing Committee Staff, Jose Conde, Ricky Chawla,
7 and Connor Mealey, as well as Madeline Martinez who
8 is interning with the Council from Brooklyn Law
9 School this semester, for all their work in putting
10 this hearing together. In keeping with the tradition
11 of this committee, before we hear from NYCHA, we
12 will hear first from a panel of residents, but
13 before that, I'm happy to turn it over to my
14 colleague, Chair Carmen De La Rosa of the Civil
15 Service and Labor Committee for her opening
16 statement. Thank you.

17 CHAIRPERSON DE LA ROSA: thank you so
18 much. Good afternoon. I am Council Member Carmen De
19 La Rosa, Chair of the Committee on Civil Service and
20 Labor. Thank you for joining today's hearing on
21 residential hiring and Section 3 requirements. At
22 today's hearing we will conduct rigorous oversight
23 over Section 3 resident hiring requirements and
24 examine what more can be done to ensure that NYCHA
25 residents receive the employment, training, and
contracting opportunities that they're entitled to

3 under federal regulation. I want to recognize we've
4 also been joined by Council Member Ari Kagan. Section
5 3 has its origins in the Housing and Urban
6 Development Act of 1968, an achievement of the civil
7 rights era. The law sought not only to provide low-
8 income people with housing, but to give them jobs
9 building and maintaining those homes, the key goal
10 enshrined in Section 3. As the City recovers from
11 the economic devastation of the pandemic, Section 3
12 should be utilized as a tool to aid public housing
13 residents in need. In 2021, the Community Service
14 Society estimated that some 22 percent of public
15 housing residents were unemployed, and in December,
16 we learned that 73,000 or 46 percent of the City's
17 public housing household are behind in their rent.
18 Section 3 hiring is urgently needed to help residents
19 find work and stable career paths. This is why I am
20 deeply disappointed that the numbers posted on
21 NYCHA's website and the documents NYCHA submitted to
22 HUD show that the agency has failed to meet their
23 Section 3 goals in both hiring and contracting. I am
24 also concerned how the Trump Administration's rule
25 change will impact the Agency's ability to meet their
hiring goals. My objective today is to learn how we

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3 can improve and promote NYCHA's employment training
4 programs including NYCHA's Resident Training Academy
5 and the Office of Resident Economic Empowerment and
6 Sustainability to successfully connect residents to
7 jobs. Additionally, I look forward to discussing
8 what more NYCHA can do to advertise union
9 opportunities to residents. At previous hearings
10 it's been unclear how residents and qualified New
11 Yorkers can take advantage of NYCHA's workforce
12 development programming. As the country's largest
13 public housing agency, NYCHA has the power to utilize
14 Section 3 hiring to set a national example by
15 ensuring that jobs they create go to deserving low-
16 income residents. Let's make sure we make the most
17 of this opportunity. I'd also like to take a moment
18 to thank committee staff for their hard work in
19 preparing for this hearing: Policy Analyst Elizabeth
20 Arzt, as well as my Chief of Staff, James Burke, and
21 Legislative Director Kiana Diaz, and Communications
22 Director Freynette Familia. Thank you.

23 CHAIRPERSON AVILÉS: Before we jump in

24 I'd like to acknowledge we've been joined by Council
25

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3 Member Barron and Council Member Moya online and
4 Council Member Ossé. Thank you.

5 COMMITTEE COUNSEL: We'll now call a pre-
6 panel of NYCHA residents with three in-person
7 witnesses and one on Zoom. If I call your name,
8 could you come up to the table to the right? Ms.
9 Niani Taylor, Mr. Cornell Robinson [sp?], and Mr.
10 Robert Wells, and we will have Mr. Danny Barber on
11 Zoom after the in-person witnesses complete their
12 testimony. Ms. Taylor, if you'd like to begin?

13 NIANI TAYLOR: Yes, thank you. Good
14 afternoon. Thank you for-- thank you for having me.
15 My name is Niani Taylor. I am a resident of Van Dyke
16 Houses in Brooklyn and I graduated from NYCHA REES
17 Food Business Pathways in August 2015. Through my
18 passion for cooking and wanting to change from a
19 corporate career, I started my catering company Munch
20 Hours Inc. in October 2015 after completing the Food
21 Business Program, Food Business Pathways Program, and
22 I received my first order for business in February
23 2016. Food Business Pathways helped support my idea
24 of being a food business owner by paying for my New
25 York State Business Registration, providing classes,
business coaching, and relevant resources. As a

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3 Section 3 business concern, I am a registered vendor
4 with NYCHA's I-supplier [sic], vender portal. I also
5 benefitted from the market access opportunities
6 offered by REES' Food Pathways Program which included
7 being a food vendor project-- being a food vendor at
8 Governor's Island, Brooklyn Navy Yard, Grow NYC. I
9 do Thanksgiving meals for NYCHA residents that are
10 without power. I am also-- wait. Funded by the
11 Mayor's Taskforce of Racial Inclusion and Equity that
12 hires Food Business Pathways graduates to provide
13 meals for residents without gas, yes. And because I
14 was a Governor's Island vendor, I was selected to
15 provide small plate dishes for the Friends of
16 Governor's Island fundraiser. That was in 2021. So
17 even now, after all these years post-graduation,
18 NYCHA's REES team still continues to provide me with
19 business resources, market access opportunities to
20 help me grow my business, and they also give me like
21 exquisite advertisement and marketing publicity. So,
22 I've been MWBE-certified since 2020, and I was one of
23 the meals selected to provide meals for workers at a
24 COVID site through Department of Health and Mental
25 Services-- Health and Mental Hygiene. Additionally,
the City can ensure the timeline to pay vendors

3 faster. While I appreciate the City's contract to
4 provide meals, it took a long time for me to be paid
5 and to get a loan to bridge the gap between providing
6 the meals, and waiting for the City to pay me set me
7 back financially in addition to COVID's quarantine
8 conditions. So one of the things that's been very
9 challenging for me is finding affordable commercial
10 kitchen space. New York City requires food business
11 owners to cook in a commercial kitchen that's been
12 approved and inspected by New York City Department of
13 Health and Mental Hygiene, and-- pardon me. I
14 received a kitchen scholarship when I started the
15 business and a commercial kitchen incubator space. It
16 was called Brooklyn Food Works, but then I moved the
17 kitchen in south Bronx, and that kitchen has been
18 under renovation, and so now I'm in a kitchen called
19 Mangrove in Brooklyn. And so I just-- I must do this
20 to find an affordable space so that I can make a
21 profit. And so many food vendors continue to cook
22 out of their homes, because for so many the rent, the
23 cost of rent commercial space, to pay for the
24 business and business insurance that requires the
25 cook to cook in the commercial kitchen is often too
costly for small businesses, and ours is a test to

3 that. That to be, I guess, behind on rent but trying
4 to keep up with the business cost is pretty much a
5 dichotomy that keeps me anxiety and worried. But
6 NYCHA has been very, very much supportive, and I
7 would like to continue their support and to keep
8 encouraging the program. So, thank you.

9 COMMITTEE COUNSEL: Next we'll have Mr.
10 Wells.

11 ROBERT WELLS: Hello, good afternoon.
12 Thank you for the opportunity. I'm a Section 3
13 resident from Ingersoll Housing. I got in the program
14 in 2016. And before I got in the union they was
15 paying me under the table, so I reported it to 250
16 Broadway, and right now, I really want to know what's
17 going on, because nobody is getting back to me.
18 Another thing, we don't have a lot of opportunities
19 for NYCHA residents. It's not fair to have a lot of
20 outsiders here coming to our neighborhood, and they
21 treating us like we-- never give us an opportunity.
22 So Section 3 put me in the program. I get hurt on
23 the job. I calls the union. I call NYCHA. Nobody
24 cares. Nobody know nothing. So, now I just don't
25 know what to do. Now the job forcing me to come back
to work. So, I'm not a company man. So I was a

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3 company man, you should have been called me back to
4 work. Don't wait seven to eight months to call me
5 back. So, it don't make no sense. Thank you.

6 COMMITTEE COUNSEL: Mr. Robinson?

7 CORNELL ROBINSON: Good afternoon. My
8 name is Cornell Robinson. I'm a resident of Forest
9 Housing in the Bronx. I graduated from NYCHA REES
10 Business [inaudible] program in 2016. My mom was a
11 senior cook at [inaudible] school. She was my first
12 real mother [sic]. After high school I joined the
13 military back in my home country, Jamaica. I
14 migrated in 2016 to be with my family. I started my
15 catering company in 2016. The first contract was for
16 300 people at the community event. The NYCHA REES
17 Food Business Program helped me to formally launch my
18 catering company and they provided support to help me
19 including paying for my business registration,
20 providing food business classes, business coaching,
21 and food industry resources. As a Section 3 business
22 concern, I am registered-- I'm a registered vendor
23 through NYCHA Supply Vendor Portal. I have also been
24 benefitted from market access opportunity offered by
25 NYCHA REES Program which has included being a food
vendor for the following projects coordinated by

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3 NYCHA REES, Brooklyn Navy Yard, Grow New York, NYCHA
4 Thanksgiving meals, Governor Island. the NYCHA Food
5 Expansion Program funded by the Mayor's Taskforce on
6 Racial Inclusive Equity, that hires for business
7 [inaudible] help me to earn revenue in my business by
8 selecting me as a food vendor for the meals program.
9 I have also been a New York City MWBE-certified
10 through this [inaudible] and this was selected [sic]
11 vendor provided meals for workers during COVID
12 [inaudible]. It was a good experience for me. It
13 also provided revenue during time when the country
14 was shut down during the pandemic. it would help--
15 it would helpful provide more opportunities to
16 connect through SVC [sic] food vendors, city
17 contracts, even provide contracts sometimes just
18 being able to bid for a contract, it's not enough.
19 There needs to be more direct access to contract
20 through SVC. One of the things that has been
21 challenging for me, affordable kitchen, kitchen
22 space. I started out in a commercial kitchen
23 incubator in East Harlem. I received scholarship from
24 NYCHA REES to pay for the kitchen space. Hybrid
25 [sic] kitchen moved out, a different kitchen take
over, and it was very expensive to provide meals in

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3 that kitchen. And if the City could provide cooking
4 space for NYCHA REES Food Business Pathway that would
5 be great. Thank you.

6 COMMITTEE COUNSEL: Thank you very much.
7 Mr. Barber, you should be receiving--

8 DANIEL BARBER: Yes. Hello all. My name
9 is Daniel Barber and I'm the President of the Jackson
10 Houses, as well as the Citywide Council of Presidents
11 Chairman. I'm honored to have the opportunity to
12 speak with the Chairs and the Committee Members of
13 Housing and Civil Service and Labor today on Section
14 3. For years, I've been an advocate for Section 3
15 along with my predecessor, the late John [inaudible]
16 of Mott Haven Houses as well as being trained by Mr.
17 Keith Swiney [sp?] of Motivation Inc. Section 3's
18 goals are applicable pursuant to 24CFR135 as dictated
19 [sic] by the United States Department of Housing and
20 Urban Development, HUD. Section 3 of the Housing and
21 Urban Development Act of 1968 ensures that employment
22 training and contracting generated by certain HUD
23 financial assistance feasible be directed to low/very
24 low income persons, and to business concerns which
25 provide economic opportunities to those persons.
Section 3 of Housing and Urban Development Act of

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3 1968 as amended by the Housing and Community
4 Development Act of 1992 requires public housing
5 authorities and their contractors/subcontractors make
6 their best efforts consistent with existing federal,
7 state, local laws as regulations to give low/very low
8 income persons training, employment, and economic
9 opportunities [inaudible] by development [inaudible]
10 pursuant to Section 1437C of Title 42, operating
11 grants provide-- operating assistance provided
12 pursuant to Section 1437G of Title 42, and
13 modernization grants provided pursuant to Section
14 1437I of Title 42. HUD must implement and enforce
15 Section 3 in accordance with this Act. The final
16 rule on Section 3 reg-- [inaudible] the new rule, was
17 published on September the 29th, 2020 and became
18 effective as of November 30th, 2020. The new rule
19 updated HUD's Section 3 regulations by reducing
20 regulatory burden and by incentivizing employees to
21 retain and invest in low/very low income workers.
22 7549 requirements, employment and training,
23 consistent with existing federal, state and local
24 law--

25 SERGEANT AT ARMS: [interposing] Time
expired.

3 DANIEL BARBER: and regulation of public
4 housing authorities [inaudible] or other residents
5 receiving public housing, financial assistance and
6 their contractors and subcontractors must make their
7 best effort to provide employment and training
8 opportunity generated by public housing financial
9 assistance Section 3 workers. PHA's or other
10 recipients in their contractors, subcontractors must
11 make their best efforts described in paragraph A1 of
12 this section in the following order of priority:
13 One, to residents of public housing projects for
14 which [inaudible] financial assistance [inaudible]
15 spending. Two, the residents of public housing
16 projects managed by PHA's that is providing the
17 assistance or for residents of Section 3 existing
18 [sic] housing managed PHA's. So with the part of the
19 Civil Rights Act-- so with this part of the Civil
20 Rights Act federal mandate and to ignore the
21 opportunity of black and brown has shown that New
22 York City Housing Authority has and is committed
23 [sic] to modern-day racisms has been in practices for
24 years. [inaudible] failed on its lack of oversight
25 [inaudible] complain since the removal of the 958

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3 compliance process. [inaudible] must be in the
4 union--

5 CHAIRPERSON AVILÉS: [interposing] Mr.
6 Barber?

7 DANIEL BARBER: to get work, and-- yes?

8 CHAIRPERSON AVILÉS: Mr. Barber, could
9 you wrap it up in a couple of seconds?

10 DANIEL BARBER: Hello?

11 CHAIRPERSON AVILÉS: Yes. We're beyond
12 time. Could you-- could you wrap up?

13 DANIEL BARBER: Okay. So, yes I'm
14 wrapping up now. So with this, I ask you guys at the
15 Council and committees to really look into the
16 practices that are not fair to the residents of
17 public houses. Thank you.

18 CHAIRPERSON AVILÉS: Thank you so much,
19 Mr. Barber. We would like to ask some questions to
20 the panelists. First, I'd like to acknowledge and
21 thank all the panelists for coming here today, and
22 I'm delighted to hear, Ms. Wells, your story and Mr.
23 Robinson in a successful food business and receiving
24 the support that you needed to grow your business. I
25 think this is what we want to see magnified. We want
to hear everyone having the same exact story. And I

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3 just want to acknowledge the challenge that both of
4 you put forward to this council for us to also
5 support your businesses is how do we ensure and help
6 you gain affordable commercial kitchen space. We
7 heard you loud and clear, and we're going to talk to
8 our other colleagues, and also the challenge with
9 procurement and payments on time. That is definitely
10 a citywide issue that needs to be addressed because
11 it is-- it puts businesses in very tenuous
12 situations. So I just wanted to say we heard you
13 loud and clear and we applaud your effort, and we
14 want your businesses to succeed, and we want to see
15 this story replicated a million times over, from
16 every NYCHA resident and that is the goal, to see
17 success across the board and to address where there
18 are gaps. So I just want to thank you for that. I
19 guess, would you like to ask a-- okay.

20 COUNCIL MEMBER OSSÉ: Excuse me, sir.

21 I'm so sorry, what's your name again? Yes. Mr.
22 Wells, I know that you haven't gotten an answer from
23 NYCHA or you would like some clarification from the
24 Administration, is that correct?

25 ROBERT WELLS: Yes.

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3 COUNCIL MEMBER OSSÉ: And the agency? I
4 know that the Administration is here in the room
5 today, right? Could you guys connect with Mr. Wells
6 to make sure that he gets clarification on some of
7 the questions that he is dealing with? Thank you.

8 CHAIRPERSON AVILÉS: Thank you, Council
9 Member Ossé. Mr. Wells, can you tell me how long has
10 your case been under investigation from when it
11 started?

12 ROBERT WELLS: 2016 with 250 Broadway.
13 That's when I first got into Section 3.

14 CHAIRPERSON AVILÉS: And that's when you
15 first reported receiving under payments?

16 ROBERT WELLS: Yes, 2016, but my
17 investigator passed away, so I don't know what's
18 going on.

19 CHAIRPERSON AVILÉS: Do you have a new
20 investigator?

21 ROBERT WELLS: Well, I've been calling
22 and calling and they keep telling me the same thing
23 on going on-- ongoing investigation, so I'm trying to
24 be patient, that's all. Because thank God I'm still
25 here to breathe and live, hopefully get some answers.

3 CHAIRPERSON AVILÉS: Got it. How much
4 contact have you had with NYCHA's departments outside
5 of your specific case? How much contact have you had
6 from REES or any of the-- any other department within
7 NYCHA around employment opportunities?

8 ROBERT WELLS: Well, actually, I was on
9 the phone with REES Janet Rivera two days ago, and
10 she asked me, "What you want me to do for you?" So I
11 really don't understand when she said that. I called
12 the union today. He telling me, when you pay your
13 book, then we could talk. So, it doesn't make no
14 sense, it really doesn't. You ain't got my back
15 anyway, so it doesn't make no sense.

16 CHAIRPERSON AVILÉS: Mr. Wells, in terms
17 of-- have you experienced Section 3 hires being the
18 first hired and the first fired on projects?

19 ROBERT WELLS: Yes, all them jobs I got,
20 I got on my own. The union never got me a job.
21 Section 3 never got me a job. So I shaped the jobs
22 on my own, because I know I'm qualified and then my
23 credentials. The most I've been on a job is three
24 months, and they get rid of you, and it's sad.

3 CHAIRPERSON AVILÉS: Thank you, Mr.
4 Wells. We will continue to have this conversation
5 and dive much deeper into the situation.

6 ROBERT WELLS: No problem.

7 CHAIRPERSON AVILÉS: Thank you for your
8 testimony. Thank you all for your testimony. Wish
9 you all continued success and real opportunities for
10 our residents. Mr. Barber, thank you for your
11 testimony, for all your work CCOP [sic] citywide. We
12 will continue this conversation and dig into these
13 issues that you noted.

14 DANIEL BARBER: Thank you.

15 COMMITTEE COUNSEL: Thank you very much
16 to the panelists. We'll now bring up the
17 representatives from NYCHA.

18 CHAIRPERSON AVILÉS: We'd like to
19 acknowledge we've been joined by Council Member
20 Cabán, Council Member Salamanca, and Council Member
21 Bottcher.

22 COMMITTEE COUNSEL: If the
23 representatives from NYCHA could raise your right
24 hand. Do you affirm to tell the truth, the whole
25 truth, and nothing but the truth in your testimony

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3 before this committee and to respond honestly to
4 Council Member questions?

5 UNIDENTIFIED: I do

6 COMMITTEE COUNSEL: If you all could
7 identify yourself and your title for the record, that
8 would be helpful.

9 MATTHEW CHARNEY: I'm Matthew Charney,
10 Vice President for Design and Construction in the
11 Real Estate Department at NYCHA.

12 SERGIO PANEQUE: Sergio Paneque, Chief
13 Procurement Officer for NYCHA.

14 SENIOR DIRECTOR CASTILLO: Shanna
15 Castillo, Senior Director of Resident Initiatives,
16 NYCHA.

17 SHAAN MAVANI: Shaan Mavani, Chief Asset
18 and Capital Management Officer at NYCHA.

19 COMMITTEE COUNSEL: You may begin your
20 testimony.

21 SENIOR DIRECTOR CASTILLO: Chairs Alexa
22 Avilés, Carmen De La Rosa, members on the Committees
23 of Public Housing and Civil Service and Labor, other
24 distinguished members of the City Council, NYCHA
25 residents, community advocates and members of the
public, good afternoon. I am Shanna Castillo,

3 NYCHA's Senior Director of Resident Initiatives. I am
4 pleased to be joined by Chief Procurement Officer
5 Sergio Paneque, Chief Asset and Capital Management
6 Officer Shaan Mavani, Executive Vice President and
7 Chief Administrative Officer Kerri Jew, Vice
8 President of Design and Construction Matthew Charney,
9 and other members of NYCHA's team. Connecting
10 residents to high-quality job training and employment
11 opportunities is an integral part of NYCHA's mission
12 to strengthen communities across the city. Thank you
13 for the opportunity to discuss these efforts, which
14 are so impactful to residents' quality of life.
15 NYCHA's Resident Economic Empowerment and
16 Sustainability Office, known as REES, helps residents
17 increase their income and assets through programs,
18 policies, and collaborations in the areas of
19 employment and career advancement, adult education
20 and vocational training, financial empowerment, and
21 business development in all five boroughs. The
22 results of our work are tangible. Since its
23 inception in 2009, REES has established over 80
24 economic opportunity partnerships and has launched
25 numerous initiatives tailored for NYCHA residents.
The NYCHA Resident Training Academy, NRTA, is a key

3 REES program that has provided residents with
4 employment-linked training in maintenance, painters'
5 apprenticeship, construction, janitorial services,
6 and pest control, equipping residents with the
7 knowledge, skills, and industry certifications they
8 need to succeed. Since its creation in 2010, 3,486
9 residents have graduated from the NRTA, 89 percent of
10 whom have gained employment at NYCHA or with NYCHA
11 vendors and other employers. NYCHA has worked
12 strategically to create career pathways opportunities
13 for NRTA graduates, navigating the civil service
14 system and receiving New York State Department of
15 Labor recognition as a direct entry provider for
16 construction training. We are proud that NYCHA's and
17 the NRTA's success in training and hiring have been
18 recognized by leading industry organizations. To
19 further our resident training and hiring efforts,
20 NYCHA and the nonprofit Fund for Public Housing
21 announced the NYCHA Clean Energy Academy last year,
22 securing State and private funding. The two-year
23 program will prepare 100 NYCHA residents for cutting-
24 edge clean energy careers while helping the Authority
25 achieve its sustainability goals. The first cohort
starts this spring. As part of our economic

3 empowerment work, REES connects residents to Section
4 3 employment opportunities. Section 3 is a HUD
5 regulation that requires recipients of HUD financial
6 assistance to generate jobs and other economic
7 opportunities for public housing residents and other
8 low-income members of the community to the greatest
9 extent feasible. From 2019 to 2021, NYCHA secured
10 3,070 Section 3 placements, of which 2,081 were
11 internal NYCHA hires and 989 were vendor hires. This
12 does not include Section 3 hires made by our PACT
13 partners. Additionally, during this same time
14 period, NYCHA and its partners secured 720 placements
15 outside of Section 3 obligations. Residents
16 interested in working on a Section 3 project can get
17 their skills, interests, and qualifications assessed
18 at a REES info session. Interested residents are
19 connected to partner providers for skills-based
20 training. Residents are added to REES's database,
21 which is used to make referrals to contractors.
22 Residents may also utilize Opportunity Connect, one
23 of NYCHA's self-service portals, to register their
24 interest in Section 3 with REES and to refer
25 themselves to vocational training services.
Importantly, residents may apply directly for work

3 with NYCHA contractors, as all vendors are
4 responsible under the regulation for performing their
5 own Section 3 workforce outreach. Section 3
6 requirements are applied to NYCHA's capital projects
7 and operations work. Our PACT construction work is
8 also subject to Section 3 requirements. In
9 accordance with HUD's previous Section 3 rule, NYCHA
10 has aimed to ensure that at least 30 percent of new
11 hires are Section 3 hires. HUD's new rule on Section
12 3 went into effect in November 2020; it updated the
13 Section 3 benchmark metrics and the applicability of
14 Section 3 across funding sources and contract types.
15 The new benchmarks require 25 percent of all labor
16 hours to be worked by Section 3 workers and five
17 percent of all labor hours to be worked by targeted
18 Section 3 workers, for contracts awarded after the
19 new rule went into effect. NYCHA public housing and
20 NYCHA Section 8 residents are included in the
21 definition of a targeted Section 3 worker. The
22 changes to HUD's new rule requires significant
23 changes to our internal policies, processes, and
24 systems. In recent years, NYCHA has undertaken
25 several internal enhancements to improve NYCHA's
Section 3 program and transition to the new rule.

3 That includes centralizing Section 3 compliance
4 tracking under the Procurement Department; launching
5 new technology to improve Authority-wide visibility
6 of contractor commitment and performance;
7 diversifying employment offerings by extending
8 resident hiring requirements to building management
9 post PACT conversion; implementing Other Economic
10 Opportunities requirements for professional services
11 vendors; and developing updated procedures and
12 training for staff across the Authority. In July
13 2022, NYCHA launched a new, vendor-facing software
14 solution to strengthen labor compliance. In the
15 first phase of the rollout, contractors subject to
16 prevailing wage requirements began submitting
17 certified payroll data online as part of their
18 invoice package. Through regular, required payroll
19 submissions, NYCHA has greater visibility into
20 contractors' Section 3 hires and labor hours. In
21 October 2022, NYCHA expanded the scope to capture a
22 broader range of Section 3 activities. Once fully
23 implemented, the system will enable NYCHA to set
24 Section 3 goals or commitments on individual
25 solicitations; allow proposers to submit Resident
Economic Opportunity and Other Economic Opportunity

plans online; and allow all contracted vendors to submit Section 3 labor hours, including for workers not in prevailing wage titles. Contractors will also be able to submit payments to subcontractors directly into the system. The technology will vastly streamline compliance activities for NYCHA and its vendors, improve visibility, and enable NYCHA to better track compliance and take action when contractors fail to fulfill their obligations. The system has other benefits, including robust reporting, flexibility to configure NYCHA-specific data fields, the ability to build and maintain a publicly available directory of Section 3 Business Concerns, and facilitation of more effective outreach. The expanded functionality will be introduced to all NYCHA contractors over the course of 2023. In 2022, NYCHA introduced two procurement policy changes to strengthen Section 3. The Section 3 and MWBE First policy gives first preference to Section 3 Business Concerns: S3BC's, businesses majority-owned or operated by Section 3 residents, and then to Minority and Women-Owned Business Enterprises, MWBE, for all procurements up to \$250,000. In addition, NYCHA began assigning value

to RFP proposal evaluation scores for the quality of
proposers' Section 3 and MWBE plans. To foster
equity and economic advancement, NYCHA regularly
promotes contracting opportunities for Section 3
Business Concerns and MWBEs. In February 2023, NYCHA
Procurement hosted NYCHA Connect, a Section 3 and
MWBE event at the Borough of Manhattan Community
College to connect S3BCs and MWBEs with NYCHA
departments so they could learn about micro and small
purchase opportunities. The speed networking event
enabled attendees from nearly 100 businesses,
including 36 S3BCs, to engage in brief conversations,
round-robin style, with NYCHA staff from various
departments, including Borough Property Management
teams, Central Operations which includes heating,
elevators, and waste and pest management, Asset and
Capital Management, and IT. Approximately 500 unique
conversations were facilitated between vendors and
NYCHA staff. Vendors also had the opportunity to
obtain additional resources from NYCHA's Procurement
Department, REES, NYC Small Business Services, the
Mayor's Office of Contract Services, and the Mayor's
Office of MWBEs. Procurement and Asset and Capital
Management are currently planning the next networking

3 event. From 2019 through 2022, nearly 8,500 micro,
4 small, and larger purchases worth about \$1.2 billion
5 were awarded to MWBEs as prime vendors; an additional
6 \$173 million was awarded to MWBEs as subcontractors;
7 and over 3,000 purchases worth more than \$80 million
8 were awarded to S3BCs. These S3BC figures will be
9 further refined as part of our technology
10 enhancements. In 2021, 314 hires or 20 percent of
11 hires under NYCHA's completed capital projects and
12 operations contracts subject to the old HUD rule were
13 Section 3 hires, an increase over 13 percent in 2019
14 and 14 percent in 2020, but falling short of the 30
15 percent benchmark for these contracts. However,
16 through 2022, all PACT projects subject to the old
17 Section 3 rule where construction is complete
18 exceeded the required benchmark of 30 percent, with
19 356 hires or 58 percent qualifying as Section 3 hires
20 in total across five completed projects. PACT
21 projects with construction work subject to the new
22 Section 3 rule are ongoing. NYCHA monitors and
23 manages Section 3 performance of capital projects and
24 operations contractors, and PACT partners, throughout
25 the period of work contracted, and works with these
contractors and partners to maximize Section 3

3 performance by the conclusion of construction. Iris
4 Collado, a 15-year-old resident of Ocean Bay
5 Apartments, is one of the many residents hired by our
6 PACT partners. She was originally hired to serve as
7 a Construction Administrative Specialist and Resident
8 Liaison for her development's conversion to Section
9 8. She has now been employed by MDG Design and
10 Construction for over six years, working on three
11 different PACT projects. Another MDG employee
12 started out on the painting team with a sub-
13 contractor working on comprehensive renovations at
14 Betances Houses and was later hired by MDG as a full-
15 time carpenter. He has also helped connect other
16 residents to hiring opportunities at Betances Houses.
17 A Hammel Houses resident graduated from the NRTA and
18 was referred by REES to work on comprehensive
19 renovations at Linden Houses; she was hired full-time
20 by the PACT partners' contractor and, thanks to the
21 partners' support, joined the Local 79 union last
22 summer. Additionally, our PACT partners have been
23 working with the YouthBuild program to provide
24 training and internship opportunities throughout the
25 city for Section 3 candidates, helping to create
meaningful jobs for young people and provide them

3 with the resources and support they need to succeed
4 in their careers. Hiring residents is not just a
5 mandate but is integral to the culture of our
6 organization. Residents make up about 20 percent of
7 NYCHA's workforce. Empowering residents with vital
8 economic opportunities is at the heart of our work,
9 and REES carries out this mission in various ways
10 beyond connecting residents to Section 3 job
11 opportunities through its partnerships with City
12 agencies and local service providers. For instance,
13 City and federal funding have enabled NYCHA, HRA, and
14 other City agency partners to launch and expand the
15 Jobs-Plus program, which is currently at 12 sites,
16 offering residents of 43 NYCHA developments life-
17 changing employment, education, and financial
18 empowerment services. Also, NYCHA has worked with
19 the NYC Health Department and various local
20 organizations to prioritize NYCHA resident hiring and
21 on-the-job training for new Community Health Worker
22 opportunities. Forty-six residents were hired to
23 support their neighbors at 43 developments by
24 connecting them to highly beneficial health and
25 social services. Additionally, REES's Food and
Catering Business Pathways, Childcare Business

3 Pathways, and Construction Business Pathways programs
4 for residents are helping budding entrepreneurs
5 launch or grow their businesses. And our partnership
6 with HPD, Enterprise Community Partners, and Brooklyn
7 Workforce Innovations is training NYCHA residents for
8 quality jobs in the affordable housing industry.
9 Providing residents with economic opportunities has
10 significant and lasting impacts on communities across
11 the city, and it's through partnership that we can
12 best foster these pathways for success and a brighter
13 future. We thank the Council and other partners for
14 their support with these efforts, and we look forward
15 to collaborating with you to identify additional ways
16 we can better serve NYCHA residents, as well as
17 further strengthen our organization. Thank you. We
18 are happy to answer any questions you may have.

19 CHAIRPERSON AVILÉS: Thank you so much,
20 Ms. Castillo, and thank you to the NYCHA staff that
21 is present here today. I will start with several
22 questions and then turn it over to my colleagues and
23 then resume afterwards, because it seems like we have
24 a lot of interest and a lot of questions to move
25 through. So, let's start with just overview of

3 Section 3. So, who within NYCHA is responsible for
4 overseeing Section 3 hiring?

5 SENIOR DIRECTOR CASTILLO: I can start
6 and then turn it over to my colleagues. So, Section
7 3 is a multi-department approach at NYCHA as stated
8 in the testimony. All of REES is there to support
9 residents with job training initiatives to get them
10 ready for work. REES will also work with vendors on
11 job orders and source candidates as appropriate. Our
12 Administering Departments play a large role in our
13 Section 3 process as well as Procurement.

14 CHAIRPERSON AVILÉS: So when you say
15 Administering Departments, what--

16 SENIOR DIRECTOR CASTILLO: Departments
17 that administer contracts. I can hand it over my
18 colleague Sergio in Procurement.

19 SERGIO PANEQUE: Thank you, Shanna. So,
20 when we issue contracts, those goals are set forth
21 for the vendors to meet those requirements under HUD,
22 and then as-- and those vendors are required to meet
23 those responsibilities and those outreach and
24 whatnot. And when they issue invoices back into NYCHA
25 for payment, they're required to present hiring or

3 labor summaries in support of their work to those
4 goals and efforts.

5 CHAIRPERSON AVILÉS: So, it's the
6 Procurement Department? I'm trying to get specifics
7 for the record, which-- who is in charge of these
8 hiring metrics? Where does it move? Residents don't
9 have any idea how to track any of this. So could you
10 help us walk through?

11 SERGIO PANEQUE: From a reporting and
12 compliance standpoint, Procurement is responsible for
13 reporting all vendor-related hires.

14 CHAIRPERSON AVILÉS: Great. So,
15 Procurement is the agency that'll approve the
16 contracts and that monitors the contracts over its
17 life?

18 SERGIO PANEQUE: Yes, that's correct. As
19 Ms. Castillo stated in her testimony, as part of our
20 re-engineering and our restructuring efforts and
21 transformation, those responsibilities were
22 consolidated within Procurement in order to meet
23 those goals.

24 CHAIRPERSON AVILÉS: Great. We
25 understand that that was an early recommendation
that-- the functions were distributed throughout

3 NYCHA and was very difficult to hold, but that has
4 since been corrected and is now sitting with
5 Procurement.

6 SERGIO PANEQUE: From a reporting
7 standpoint, correct, and as Ms. Castillo mentioned in
8 her testimony, now with e-comply and electronic tool
9 we're able to bring together and glue all those
10 respective functions that are obviously in the
11 programmatic areas under one-- one guise of control.

12 CHAIRPERSON AVILÉS: Great. The Trump
13 Administration rule change in 2020 loosened the
14 Section 3 hiring criteria. Can you specify exactly
15 what those changes are?

16 SERGIO PANEQUE: In particular, the
17 change is from reporting of new hires to that of
18 hours recording, the actual labor-related to the work
19 requiring performance. That is a huge distinction
20 between the two different goals programs.

21 CHAIRPERSON AVILÉS: And how does NYCHA
22 track? Is it-- is there a projected hour
23 stipulation at the front end when the contracts are
24 awarded. Does it modify during the life of the
25 contract? How do you know you're meeting that?

3 SERGIO PANEQUE: Correct. So, at the
4 point of solicitation, a vendor will provide an REO
5 plan, Resident Engagement Opportunity plan.

6 SENIOR DIRECTOR CASTILLO: Resident
7 Economic Opportunity.

8 SERGIO PANEQUE: Thank you. And at that
9 point then that establishes the-- again, either the
10 hiring plan under the old goals or the labor hours
11 under the new goals. And then again, as I mentioned
12 before, when invoices are presented, the vendor is
13 required to submit a summary of those outcomes to the
14 program develop-- to the programs who review those
15 invoices and then provide them to Procurement for
16 reporting purposes.

17 CHAIRPERSON AVILÉS: Got it. And Ms.
18 Castillo started to mention the new system that is
19 rolling in in terms of tracking. Are-- does the new--
20 - will the system be able to track all the hires, or
21 is that just-- is that an ongoing process? Is that
22 where-- is it all tracked in this new system, or is
23 that--

24 SERGIO PANEQUE: It really is. I mean,
25 we're excited about that, all compliance, frankly,
from prevailing wage which is where initially e-

3 comply has been implemented within the system in both
4 Operations and Capital Contracts, and then in regards
5 to Section 3 and MWBE. So, as it relates to
6 policies, the procurement, that's why that's really a
7 C [sic] change for NYCHA, having one centralized
8 technology platform that's going to capture that
9 information. At the point of solicitation and then
10 carrying that over to the Contract Management, we're
11 still in a double-state environment where we are
12 paper-driven, manual, e-mail, that type of
13 environment, especially given the size of our
14 organization, that's challenging. But moving that to
15 an electronic format is going to not only provide
16 compliance to these goals, but then also provide data
17 on the front end. From a procurement standpoint,
18 that then aligns with the pipelines and what we're
19 requiring under our necessary resources so we can
20 then communicate whether it be REES or the program
21 areas, what type of labor lines or titles that we're
22 seeing in these reports, and then how folks can be
23 more active in the way that we manage both
24 programmatically as well as how we engage with the
25 vendor community.

3 CHAIRPERSON AVILÉS: And when do you--
4 when do you expect to have it fully transitioned?

5 SERGIO PANEQUE: So, we're on schedule.
6 We're looking at a final roll-out. As you heard in
7 the testimony, we have a soft launch right now within
8 Capital Management and those contractors that are
9 already submitting reports under prevailing wage.
10 Fourth quarter of this year we will see an
11 implementation. So, full reporting into 2024 in the
12 system.

13 CHAIRPERSON AVILÉS: Got it. Oh yes, I'd
14 like to acknowledge we've been joined by additional
15 Council Members, Council Member Feliz, oh, Council
16 Member Restler, Council Member Joseph. Thank you.
17 Thank you for being here. What is the total reach of
18 Section 3 hires? How many were made in Fiscal 22 and
19 Fiscal 23 year-to-date? And how does that compare
20 against HUD goals for Section 3?

21 SERGIO PANEQUE: Chairwoman, we are
22 challenged with our Section 3 reporting for Fiscal
23 Year 22. As I mentioned, we are in a blended
24 environment right now with both a paper-driven manual
25 process as well as our roll out of e-comply. The
current data is not reliable to present to the

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3 committee at this time. We are working on that, and
4 by the end of the quarter we will have that
5 available, and we-- I look forward to presenting back
6 to the committee our report.

7 CHAIRPERSON AVILÉS: But the data within
8 this timeframe comes under the new rule set, right?

9 SERGIO PANEQUE: The new rule and the old
10 rule. We have a mixed portfolio of contracts subject
11 to both old rule and new rule, and that's really the
12 challenge as we're implementing the new system as
13 well as carrying for the existing reporting process.

14 CHAIRPERSON AVILÉS: So, from a
15 compliance perspective you're not able to report on
16 actual hires. However, how are you vetting contracts?

17 SERGIO PANEQUE: How we vet their
18 submissions as far as--

19 CHAIRPERSON AVILÉS: [interposing] Yeah,
20 how do you vet their submission and--

21 SERGIO PANEQUE: [interposing] Their
22 submissions still go through--

23 CHAIRPERSON AVILÉS: three compliance as
24 well?

25 SERGIO PANEQUE: through REES, and those
plans are then approved. Those all then roll into

3 the new awards as they're being approved and
4 executed. But again, the majority of our corpus of
5 our contracts is-- currently in the old rule as
6 things are migrating.

7 CHAIRPERSON AVILÉS: So, what's the
8 breakdown of the amount of contracts you're holding
9 under the old rule versus the new rule?

10 SERGIO PANEQUE: That's a good question.
11 I would have to get back to the committee on that
12 distribution between the two. Recognize that in FY22
13 those solicitations that were being issued in 21 and
14 obviously the time it takes to fulfill the contract
15 process were being awarded in 22 and then now we're
16 in a state where we're starting to report on those
17 things. So really the majority of the corpus of the
18 work is really in the old rule.

19 CHAIRPERSON AVILÉS: And so are you
20 tracking-- under the new rule, are you using other
21 tracking metrics, or?

22 SERGIO PANEQUE: Largely, the-- it is the
23 old paper, email submissions to Procurement put into
24 what's called our CTS system, Contract Tracking
25 System.

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3 CHAIRPERSON AVILÉS: Okay. So what is the
4 budget for Section 3 outreach and operations?

5 SERGIO PANEQUE: Within Procurement?

6 CHAIRPERSON AVILÉS: Sure.

7 SERGIO PANEQUE: Within both Section 3
8 and MWBE, we have one and a half FTE's in support of
9 the program.

10 CHAIRPERSON AVILÉS: I'm sorry, say that-

-

11 SERGIO PANEQUE: [interposing] We have one
12 and a half fulltime employees in support of both MWBE
13 and Section 3. The leader of that area is both from
14 a performance management analysis standpoint that is
15 responsible in Procurement for Section 3, MWBE. Our
16 performance metrics are implementation and
17 optimization of our Oracle system and what have you.
18 But specifically to Section 3 and MWBE.

19 CHAIRPERSON AVILÉS: This includes
20 compliance as well?

21 SERGIO PANEQUE: This is strictly
22 compliance within Procurement. I defer to my
23 colleagues for other areas programmatically speaking.

24 SENIOR DIRECTOR CASTILLO: Sure. So,
25 from a programmatic perspective for resident outreach

3 and supports including job training supports, REES
4 has about 55 staff.

5 SHAAN MAVANI: So, I would just add in
6 addition to staff, obviously we do outreach work and
7 events and have various programs that were mentioned
8 by my colleague Shanna in the testimony around race
9 programs. We also allocate-- you know, we do regular
10 MWBE and Section 3 events with vendors, and we also
11 allocate funding to programs specific-- in the
12 capital side that I oversee, outreach programs around
13 Section 3, around resident training. I think we
14 would have to pull all of that information together
15 to give you answer to your question around the total
16 budget that we allocate across the different business
17 units.

18 CHAIRPERSON AVILÉS: I'm actually quite
19 surprised that you only have one and a half fulltime
20 persons for compliance. I mean-- yeah?

21 SERGIO PANEQUE: It's a challenge. We've
22 seen reductions in staff since I came onboard in
23 2020, obviously because of the circumstances and
24 budgetarily [sic] speaking and whatnot. Our focus at
25 this stage is-- and why it's so critical that we move
to an electronic process for reporting. It's that

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3 the manual process within Procurement is just not
4 sustainable. I do believe that with the e-comply
5 system and the commitments that have been made by our
6 Finance Office to that effort, we will be able then
7 to fully be able to report on those systems, on those
8 goals given the capability of the system and really
9 be able to take out even more capability out of even
10 just those one and a half FTE's.

11 CHAIRPERSON AVILÉS: And what's the
12 amount of contracts that this one and a half FTE
13 would actually oversee?

14 SERGIO PANEQUE: With respect to Section
15 3, I-- if it's a-- just sub 800 contracts.

16 CHAIRPERSON AVILÉS: 800 contracts.

17 SERGIO PANEQUE: 800 contracts subject to
18 Section 3 goals, and if you think about that from an
19 invoice and a reporting standpoint, and even if you
20 multiply 800 times 12, there's a volume, but there's
21 even instances where contracts have multiple task
22 orders per contract.

23 CHAIRPERSON AVILÉS: Sure, sure.

24 SERGIO PANEQUE: And each of those TOs,
25 then would have goals related to it. So it is a
significant--

3 CHAIRPERSON AVILÉS: [interposing] So, at
4 800 contracts, what is-- what would be the dollar
5 value of-- a rough estimate of 800 contracts?

6 SERGIO PANEQUE: I would have to get back
7 to the committee.

8 CHAIRPERSON AVILÉS: Probably billions of
9 dollars. One person and a half is overseeing--

10 SERGIO PANEQUE: [interposing] Given the
11 procurement--

12 CHAIRPERSON AVILÉS: 800 contracts,
13 potentially billions of dollars of procurement.

14 SERGIO PANEQUE: But again, this is from
15 a reporting standpoint. There's still a significant
16 amount of work programmatically throughout the
17 agency.

18 CHAIRPERSON AVILÉS: From a reporting
19 standpoint, one person.

20 SHAAN MAVANI: If I could add to my
21 Procurement colleague's answer. In terms of staff
22 time dedicated to a short compliance on contracts,
23 right, for within NYCHA's overall budget, obviously
24 is significant and the majority portion of these
25 contracts that are subject to Section 3 are capital
work, right? And so as a, you know-- each of our

3 capital projects overseen by a team of project
4 managers and assistant project managers as part of
5 their role they are the ones who are reviewing each
6 invoice that comes in from the vendor, working with
7 the vendor to check Section 3 compliance, if they're
8 not meeting Section 3 compliance, problem solve how
9 they could do that better, or connect them with REES,
10 do other things. So each of those employees in my
11 area is also spending a portion of their time on
12 invoice processing which includes Section 3
13 compliance work, right? And so, you know, as an
14 indication, right, on my side the folks managing
15 capital projects where that's part of their role,
16 right, that's over 70 or 80 people who are allocating
17 a portion of their time to this. So as an
18 organization we do have within our, what we're
19 calling our Program units or our Business Units, a
20 responsibility to also allocate staffing focused on
21 Section 3 compliance.

22 CHAIRPERSON AVILÉS: And so when your
23 team has a problem with a contract, how does it
24 interface with a 1.5 and the other team?

25 SHAAN MAVANI: Sure. So, where there is
repeated non-performance or we don't think that a

3 vendor may be making best efforts, we will escalate
4 that to the central team. We have a process for
5 several years now where we may share formal kind of
6 non-compliance letters with vendor, have sessions
7 with vendors, work with them. So we'll pull in our
8 procurement function, our REES colleagues and others
9 to engage on that process of, you know, working with
10 a vendor or sanctioning a vendor for
11 underperformance, or again, where we feel they're not
12 making best efforts to meet the goals.

13 CHAIRPERSON AVILÉS: Got it. I have a
14 vision of a football schematic with like X's and O's
15 and squiggly lines, and no one knows where to go for
16 what. I'm going to trust that you have a better
17 system than what I'm understanding. Given the
18 skilled trades work is desperately needed on NYCHA
19 campuses where residents live, what Section 3
20 pathways are focused on the skilled trades?

21 SENIOR DIRECTOR CASTILLO: Sure. Can I--
22 so I can start by talking about the various types of
23 job training opportunities that we connect residents
24 to. So, primarily that's the NYCHA Resident Training
25 Academy. Annually we are training for a janitorial
training class, which will connect to employment at

3 NYCHA on the apprenticeship union trade side. We're
4 also training for construction cohort for NYCHA
5 residents, and that has a State-level direct entry
6 approval status, and so that creates a pathway for us
7 to then upon graduation connect those residents to
8 the trades for interviews and testing for union
9 apprenticeship. Outside of that we are working with
10 a network of partners who also are skilling up NYCHA
11 residents and may also connect them to construction
12 trade training. One example would be St. Nick's
13 [sic] Alliance, CUNY City Tech University. There are
14 a number of other partners that we have. And those
15 are pathways to also connect residents to skilled
16 trades opportunities.

17 CHAIRPERSON AVILÉS: And does NYCHA track
18 unemployment at NYCHA developments?

19 SHAAN MAVANI: Yes, we do have
20 centralized data around employment status of
21 residents. We don't have that with us today, but we
22 can share that after the hearing.

23 CHAIRPERSON AVILÉS: Sure. I'd love to
24 know the frequency with which you're tracking the
25 data. I'd see the data. Is that a factor in how you
assess where to spend HUD funding? The unemployment

3 rate, is that a factor when NYCHA's assessing where
4 to spend HUD funding?

5 SENIOR DIRECTOR CASTILLO: To clarify the
6 question, on training programs?

7 CHAIRPERSON AVILÉS: Yep.

8 SENIOR DIRECTOR CASTILLO: okay. And to
9 also further clarify, NYCHA residents are filling out
10 an annual certification. There are opportunities
11 where they fill out an interim certification, if
12 there's a change in income. So that is by which we
13 are collecting data around either self-employment or
14 the types of income that households are receiving,
15 whether that's from employment or otherwise. So that
16 is distinct from State-level unemployment data. I
17 just want to make that clarification. But certainly
18 we do connect with our performance and tracking
19 Analytics Department to understand where we're at in
20 terms of NYCHA residents and the amount that, for
21 example, are not reporting income from work, but are
22 non-disabled and within the general working ages of
23 18 to 61 years old. In order to acquire HUD funding
24 for a job training or similar related initiatives, we
25 must apply for competitive grants. Generally during
the competitive grant application process we're

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3 pulling on that data in addition to doing local
4 resident surveying.

5 CHAIRPERSON AVILÉS: How often do you do
6 local resident surveys?

7 SENIOR DIRECTOR CASTILLO: We have an
8 annual survey that went out in 2022. This was
9 distinct from surveying that we had to do for HUD
10 grants in 2022, and we have a 2023 survey that will
11 go out this late spring and will go out annually from
12 there.

13 CHAIRPERSON AVILÉS: What's the rate of
14 response on the surveys?

15 SENIOR DIRECTOR CASTILLO: We had over
16 6,500 resident responses in about a month time.

17 CHAIRPERSON AVILÉS: So, 6,000 of 523,000
18 residents responded.

19 SENIOR DIRECTOR CASTILLO: That's
20 correct.

21 CHAIRPERSON AVILÉS: I'd like to--
22 Council Member, would you like to jump in, and then
23 I'll return back to some basic questions. I want to
24 give my colleagues an opportunity to ask because they
25 have commitments.

3 CHAIRPERSON DE LA ROSA: Thank you. I'll
4 also ask a few and then turn it back. I wanted to ask
5 about project labor agreements. NYCHA's project
6 labor agreement expired on June 30th, 2018. At the
7 last hearing on this topic in 2019, NYCHA said that
8 it was in the process of renegotiating a project
9 labor agreement with the Building Trades Construction
10 Council. Is the City planning on developing a new
11 project labor agreement with the Building Trades
12 Council?

13 SERGIO PANEQUE: Thank you for the
14 question, Council Member. Yes, we've had several
15 rounds of kind of starts and stops on that
16 negotiation process. We have been extending the
17 existing project labor agreement in the interim. We
18 have very active negotiating process going on right
19 now, and I believe that we're making good progress
20 and, you know, are aiming to be able to have an
21 updated project labor agreement in the near future.

22 CHAIRPERSON DE LA ROSA: thank you. With
23 PACT and RAD guidelines still include Section 3
24 resident hiring requirements. How has PACT and RAD
25 conversion impacted Section 3 resident hiring?

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3 SENIOR DIRECTOR CASTILLO: I'll turn it
4 to my colleague Matt from Real Estate.

5 MATTHEW CHARNEY: Hi, thanks for the
6 question. So, back projects are the work which is
7 defined by HUD as the construction work that is
8 subject to Section 3 under the RAD notice. To-date
9 for the five completed PACT projects, we've made 356
10 Section 3 hires.

11 CHAIRPERSON DE LA ROSA: How many?

12 MATTHEW CHARNEY: 356 Section 3 hires for
13 the five completed projects, out of 618 total hires
14 across those five projects which is about 58 percent.
15 We've got more projects under the old rule ongoing
16 and then we have five projects under the new rule
17 [inaudible].

18 CHAIRPERSON DE LA ROSA: And for the five
19 projects that are ongoing or they're new projects, or
20 this is included in the total that you just gave me?

21 MATTHEW CHARNEY: yeah, so the number I
22 just gave is the five completed projects.

23 CHAIRPERSON DE LA ROSA: Okay.

24 MATTHEW CHARNEY: So we're also tracking
25 for ongoing old rule projects, and now we have--
excuse me. Now we have ongoing new rule projects as

3 well. So, with the old rule projects we've made over
4 500 Section 3 hires to-date and those projects are
5 still ongoing, and then with the new rule projects,
6 even though the new Section 3 rules are more focused
7 on labor hours and not hiring, we still require our
8 PACT partners to put together a hiring plan, work
9 with REES, provide training opportunities, give REES
10 all the job order forms when new jobs come available.
11 So there's been-- those projects are, you know, have
12 all started basically within the last year, and
13 they've made 72 additional hires for those new
14 projects.

15 CHAIRPERSON DE LA ROSA: Do you know 72
16 out of what? What's the--

17 MATTHEW CHARNEY: [interposing] I don't
18 have that number.

19 CHAIRPERSON DE LA ROSA: Okay.

20 MATTHEW CHARNEY: It's-- we're tracking
21 labor hours for strict Section 3 compliance now.

22 CHAIRPERSON DE LA ROSA: Okay. Can you
23 explain how NYCHA coordinates both Section 3 and
24 union hiring requirements on their capital projects?

25 SHAAN MAVANI: Sure, and I can take that
as I oversee the capital work. So, you know, while

3 our capital work largely happens underneath the
4 project labor agreement, Section 3 requirements are
5 also part of our contracts with our vendors. So
6 they're legally required, as you heard earlier, to
7 make their best efforts and to work with us on
8 meeting those specific targets whether they're under
9 the old rule or under the new rule. So, under the
10 existing PLA that we're utilizing as you highlighted
11 earlier, there are different ways that the vendor can
12 meet Section 3 requirements at the same time, right?
13 The most basic way is if the referrals that come from
14 local unions are also Section 3 workers, then
15 obviously, that is a way that the vendor can start to
16 meet Section 3 requirements. There are also pathways
17 where non-union staff who may be Section 3 workers
18 can be part of a capital contract and can work on
19 that contract, right? There are specific clauses
20 within the PLA that allow both MWBE and non-MWBE
21 vendors to bring a portion of employees from outside
22 the union system. They can utilize those spots to
23 meet Section 3 requirements. The PLA also ensures
24 that if a local union has not provided enough female
25 or minority applicants equal to our workforce
participation goals in our contracts with our

3 vendors, then the vendor can look outside the union
4 referrals to look for those candidates including
5 Section 3 hires. One of the clauses in most of the
6 PLA's in the City is what's called the 48-hour rule.
7 If a local cannot provide qualified candidates within
8 48 hours of a vendor's request, they can also hire
9 outside the referral system, and again, we ask them
10 to prioritize Section 3 candidates under that
11 pathway. And then there are certain types of work
12 under capital contracts that are excluded from the
13 PLA, typically called excluded employees. So things
14 like superintendents, engineers, guards, technicians,
15 and a range of other roles that are not covered under
16 the PLA and that can be hired outside, and we
17 encourage our vendors to focus on Section 3 hires
18 under those type of rules as well.

18 CHAIRPERSON DE LA ROSA: How does NYCHA
19 determine whether a job is appropriate for a Section
20 3 hire or the unionized worker?

21 SHAAN MAVANI: So, I think there's two
22 parts to that question. In general, determining what
23 individual is qualified and most-appropriate for a
24 specific role under a capital contract is the
25 responsibility of that specific vendor, the way they

3 may have planned the work, the types of roles they
4 need, the means and methods of the construction, and
5 so therefore that's really something that's suited
6 for the vendor, but that is obviously subject to
7 their contractual requirement with us to meet Section
8 3 goals with their best efforts, as well as what you
9 heard earlier which is the initial Section 3 plan
10 that they provide an don the basis of which we've
11 basically awarded the contract to them. And so we
12 have an ongoing process highlighted with every, you
13 know, invoice which would be monthly or could be
14 quarterly to review their progress against their
15 Section 3 performance, and to work with them to
16 understand how to ensure that they can best meet the
17 goals by the end of the contract.

18 CHAIRPERSON DE LA ROSA: If NYCHA
19 determines that a vendor isn't, you know, working in
20 good faith to meet the goals, what are the
21 interventions available?

22 SHAAN MAVANI: So, currently, you know,
23 if we see that performance is not moving in the right
24 direction and we're moving through, you know, let's
25 say we're later into a contract and they're not
realizing that plan, and our efforts as a business

3 unit is not sufficient to move them in that
4 direction, as I briefly explained earlier, we would
5 escalate that case through our reporting and would
6 work with our procurement colleagues who would send
7 out a non-compliance letter to the vendor. If that
8 happens more than once in the course of a contract
9 which is typically multiple years, that you know,
10 there would be also a live discussion with the vendor
11 about those non-compliance issues, what else we think
12 they could do, how else they could coordinate with
13 REES from other parts of NYCHA to ensure that they're
14 better able to meet the goals.

15 CHAIRPERSON DE LA ROSA: But are there
16 any consequences?

17 SHAAN MAVANI: Currently, our contractual
18 terms and conditions do not lend themselves to kind
19 of, I think what you're alluding to, to financial
20 consequences or-- you know, we do not under current
21 policy stop a construction job because we're not
22 certain if they're going to be able to meet the goals
23 or not by the end of the contract.

24 CHAIRPERSON DE LA ROSA: Okay. Does
25 NYCHA's office-- well, does REES promote union
apprenticeship programs to residents and how?

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3 SENIOR DIRECTOR CASTILLO: Yes, we do.

4 So we are regularly promoting a variety of economic
5 opportunity programming for residents. We do so
6 through a variety of methods. Notably, we send out a
7 biweekly e-newsletter to NYCHA residents with email
8 addresses on file. That reaches about 50,000 emails
9 on a biweekly basis, and that is advertising job
10 training opportunities, any open hall [sic]
11 opportunities information of that sort. That's in
12 addition to particular events that we are hosting,
13 both virtually and on NYCHA campuses. Those events
14 may be program-specific. So it may be an event just
15 to learn more about the NYCHA Resident Training
16 Academy, for example, or they may be event that are
17 more resource-fair based. In 2022, we held over 400
18 virtual and in-person activities.

19 CHAIRPERSON DE LA ROSA: How closely does
20 NYCHA work with the city unions in order to provide
21 training and employment opportunities for NYCHA
22 residents?

23 SENIOR DIRECTOR CASTILLO: So, as stated
24 earlier, the NYCHA Resident Training Academy does
25 have New York State direct-entry status, and so we
work with union partners that have signed on to

3 recognize the NRTA program and have updated their
4 affirmative action plans with the State of New York,
5 recognizing the NRTA. We'll also be able to leverage
6 that recognition we-- which when we launched new pre-
7 apprenticeship training program like the NYCHA Clean
8 Energy Academy. Some of our notable apprenticeship
9 partners are IBW Local Three Electricians. For
10 example, in our partnership with us we are informing
11 NYCHA residents about what it is to work in this
12 particular trade. At times we can have trade
13 representatives, whether it's from that union or from
14 a different union, speak to the classroom, and then
15 we are assisting residents in preparing for the next
16 step with that trade, which in this particular
17 example would be an academic exam, and we do provide
18 preparation session for residents to help them best
19 prepare.

20 SHAAN MAVANI: If I could add to that.

21 In addition to the work that's done through REES and
22 the NRTA program around the construction pathways,
23 where we have significant or very large capital
24 programs and we know that there's going to be a
25 significant amount of work across our portfolio out
of those. We've also done one-off efforts in the

3 last 10 years to really work with unions to place
4 residents. If I give you an example, our Sandy
5 program which was obviously very large, several
6 billion dollars of funding, because it was FEMA
7 funding it's not technically subject to Section 3,
8 but we applied our Section 3 policies to it anyway.
9 In that program we did a couple of things. We set up
10 a dedicated pre-apprenticeship program where we were
11 able to allocate \$1.4 million dollars of disaster
12 recovery funding, and through that program over five
13 years we had taken 250 residents: 226 graduates and
14 138 were successfully placed into union roles. And
15 so that's a, you know, a high rate of 56 percent, and
16 so we were able to do that because we had a large
17 program in that funding certainty. We're now doing
18 something similar for our comprehensive modernization
19 program where we again have about a billion dollars of
20 funding across several projects, and we know that we
21 can utilize those opportunities, and so we are
22 shaping a very similar pre-apprenticeship program
23 that's specifically focused on working closely with
24 several unions. Not only will it have pre-
25 apprenticeship training, we'll also be working
specifically with Local 78 targeted training and

3 other locals who are interested to work with us to
4 create those pathways into these union careers.

5 CHAIRPERSON DE LA ROSA: So, one of
6 things that has been-- we've been talking about as a
7 Council is the number of NYCHA residents that are
8 unfortunately behind right now in paying their rent
9 and are in arrears. Is there some sort of comparison
10 or targeted mailing or outreach that can be done to
11 NYCHA residents who are currently unemployed or in
12 arrears to see if there's a match here?

13 SENIOR DIRECTOR CASTILLO: So, that's a
14 good question, and we'll you know, take it back.
15 There definitely has been communication to residents
16 on the ERAP side. That communication did include a
17 mention of REES, but I'd want to provide more
18 specific information to see if your particular
19 suggestion was addressed with that communication and
20 if not, we'll take it under advisement.

21 CHAIRPERSON DE LA ROSA: Just more
22 proactive. And then, you know, you have folks like
23 Mr. Wells who I think testified in the pre-panel who
24 was apparently a part of some sort of Section 3
25 program and then kind of fell off from what I
understood. If there are residents in that way where

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3 they're-- you know, they participated in Section 3,
4 but they've had a hard time either staying in or
5 finding stable employment. Is there a proactive
6 communication that NYCHA does with some of these
7 residents that say, hey, we know you had maybe a bad
8 experience or were unable to keep the job more than
9 three months, but here's another opportunity that
10 could fit better.

11 SENIOR DIRECTOR CASTILLO: So, we'll
12 definitely take his information and look into that
13 particular case, but generally, we are connecting
14 with residents of the past. They stay in our
15 database. We have their emails. We have their phone
16 numbers. We're emailing them. We're phone-banking
17 them. We have staff that are going out to their
18 developments, and so that is something. And then
19 we're also encouraging residents to continue to
20 access us for services to let us know when they have
21 contact information that needs to be updated by
22 filling out a new intake form.

23 CHAIRPERSON DE LA ROSA: Thank you.
24 Thank you so much.

25 CHAIRPERSON AVILÉS: Yeah, we're going to
pass it along to Council Member Kagan.

3 COUNCIL MEMBER KAGAN: Thank you, Chairs.
4 Thank you for this important hearing. So, I proudly
5 represent the south side of Brooklyn. I have Coney
6 Island and Marlboro Houses in my district, and I deal
7 with discretion [sic] all the time. before I even
8 became Council Member I worked for New York City
9 Comptroller's Office for many years, and I recall
10 several audits observed by several comptrollers,
11 specifically of Section 8-- Section 3, sorry. So,
12 it-- and I still see a lot of issues, you know, like
13 over the years. It's not just like last month's. So
14 you mention issue is paperwork and electronic
15 records, but still like-- talking about promotions
16 and information. A lot of NYCHA residents still don't
17 know about openings, about vacancies, about the
18 process, about how Section 3 works. So what does
19 your effort in general and specifically in south
20 Brooklyn I would say, just to promote existing
21 opportunities for NYCHA residents to get those jobs.
22 And not just maintenance workers, not just like
23 cleaning up-- clean up stuff, but even other
24 professions and carpenters, electricians, maybe
25 engineers. You know, like we have a lot of talented
people in our community.

3 SENIOR DIRECTOR CASTILLO: SO, I can
4 answer. Thank you for question. Communication and
5 outreach is incredibly important and vital and we can
6 never do enough of it. We do have systems that we
7 have outlines in place where we are promoting to
8 local communities, but often times residents will
9 need to see or hear a piece of information multiple
10 times, and sometimes, you know, they may-- they miss
11 it. They may miss it. So we definitely would
12 appreciate partnering more closely with your office,
13 with other Council Members' office in promoting
14 opportunities to NYCHA residents. And we're also--
15 just to speak to your other point about white collar
16 careers. We do have a number of partnerships that
17 extend in trainings and information technology and
18 healthcare, in administrative careers, and so those
19 are opportunities that we want to continue to expand.
20 We know that this is an area of interest for many
21 NYCHA residents as well.

22 COUNCIL MEMBER KAGAN: And related
23 question about job fairs again, and job
24 opportunities, first of all, in Coney Island for
25 example, we have Workforce1 development. We have job
fairs by lands [sic] of Coney Island. And my office

3 also partner in these many organizations and Brooklyn
4 Chamber of Commerce and many other. We have several
5 job fairs over the years. I would like to see NYCHA,
6 each one of them, you know, like to offer
7 opportunities to residents. Talking about Marlboro,
8 last year I secured funds of \$8 million dollars from
9 New York City Council to Marlboro Community Center.
10 The work has not even started, but my point is, if it
11 started for renovations and repairs, I would like
12 more Marlboro residents to have an opportunity to
13 participate in making their own community center
14 better. Is it possible?

15 SENIOR DIRECTOR CASTILLO: I can speak to
16 the tabling pieces on the fairs opportunities. So,
17 certainly if we receive invites from elected
18 officials' office, we almost always will have a REES
19 presence there. Sometimes those invites go through
20 our-- directly to us or through our intergovernmental
21 team who sends it along. So, absolutely next events
22 that you have, we would appreciate partnering and
23 being able to showcase our resources there. I'll
24 connect-- I'll ask my colleague Shaan if there's
25 anything else he'd like to add.

3 SHAAN MAVANI: Sure. Thank you, Council
4 Member Kagan. Just on your second part of your
5 question. Yes, for any capital project that we
6 undertake and very much appreciate your allocation of
7 that funding to help the residents at Marlboro. We
8 work closely with the Tenant Association leadership
9 there to understand the job opportunities that are
10 coming up on the work and where there may be
11 qualified residents at the site, given that the
12 Section 3 rule also give a preference to residents of
13 the specific site where the funding is being
14 utilized.

15 COUNCIL MEMBER KAGAN: That's good to
16 know. And please start doing this [inaudible]
17 allocated [sic] loss here in July, and work has not
18 been started.

19 CHAIRPERSON AVILÉS: thank you. Just to
20 follow up on Council Member Kagan's questions which
21 is one we have heard quite a lot of. Could you for
22 the record, Ms. Castillo, send the Council a list of
23 all the management level job training that is offered
24 through Section 3? Or what kinds-- what kinds of
25 management job opportunities are available?

3 SENIOR DIRECTOR CASTILLO: I just want to
4 make sure that I'm understanding your question
5 clearly. So would you like for us to send a list of
6 all of our service opportunities which are job
7 training related?

8 CHAIRPERSON AVILÉS: Yes, and where you
9 have been able to see success in the placement of a
10 Section 3 candidate in a managerial position. What
11 we've heard anecdotally from residents is those are
12 very far and few in between. Where you're seeing
13 most placements is on what they're considering the
14 lowest wage jobs, entry-level jobs, but in terms of
15 managerial positions, administrative positions, those
16 seem more far and few in between. So any way that we
17 can see the data around what is the opportunities
18 that exist for managerial training and pathways and
19 where there have been actual placements and
20 opportunities. That would help for us to get the
21 information out to residents, because what we're
22 hearing from residents is they don't see it, and they
23 don't see where those opportunities actually
24 materialize in jobs.

25 SENIOR DIRECTOR CASTILLO: Okay, thank
you for clarifying. I can certainly work with my

3 colleagues to get you the appropriate write-up. We
4 are seeing that Section 3 job opportunities tend to
5 be entry to mid-level. This does include a lot of
6 what's been called blue collar labor, but certainly
7 does include other job titles such as outreach
8 workers, resident associates, administrative titles,
9 security, surveyors, etcetera. And then of course,
10 REES is working on programming that is outside of
11 Section 3. So in the testimony we referenced
12 connecting nearly 50 residents to community health
13 worker positions. That is an entry-level title, but
14 it does create a great pathway to a healthcare
15 career. I do-- I would like to use this opportunity
16 to just make sure the numbers are accurate on the
17 REES survey data that I referenced. So, in 2022, we
18 surveyed 4,618 residents in about a month time
19 period, and that was across a couple of different
20 surveys that went out during that time period. Our
21 outreach method included e-mail, door knocking, phone
22 banking, and we will again do a 2023 survey. We can
23 absolutely make sure that your offices receive a copy
24 of that survey as well so that you could, you know,
25 help promote it in its circulation to NYCHA
residents. Obviously, the more information on data

3 we can get residents' interest, their perceived
4 barriers, the areas of support that they identify for
5 us, then that's quite helpful in developing our
6 programming.

7 CHAIRPERSON AVILÉS: Thank you. Noted
8 for the record. And next I'm going to turn over to
9 Council Member Bottcher.

10 COUNCIL MEMBER BOTTCHER: Good afternoon.
11 Could you talk about your engagement with the Tenant
12 Association Presidents, what role they play in the
13 employment programs, how often you communicate with
14 them? I had a conversation with one of the Tenant
15 Association Presidents in my district in Chelsea, and
16 he was expressing some frustration with the program
17 about the difficulty in getting his tenants hired for
18 the projects that are happening on his campus. So I
19 was curious about your interactions with the Tenant
20 Association Presidents and how you work with them.

21 SENIOR DIRECTOR CASTILLO: sure. I can
22 start and then my colleague Shaan could add if-
23 needed. So, my office sits under a larger division
24 that has very close engagement with resident
25 leadership. For REES in particular we are engaging
with our resident leaders on a frequent basis. We

3 have staff that are attached to certain geographic
4 areas of the City. So they're attached to certain
5 resident leaders, so to speak. They are required to
6 ensure that resident leaders are aware of upcoming
7 REES opportunities, offering and providing an
8 opportunity for partnership whether it's in virtual
9 or in-person resident-facing activities.
10 Particularly on the Section 3 side of the house, REES
11 generates a letter that will go out to resident
12 associations when we are aware of upcoming job
13 opportunities in the Section 3 sectors. So that's
14 specifically a Section 3 job opportunity connected to
15 a project at their development, and when our
16 administering departments, most notably our Asset and
17 Capital Management Teams, are conducting pre-start
18 and progress meetings on-site at developments as it
19 relates to these contracts. There's a REES
20 representative at the table.

21 SHAAN MAVANI: So, I can just add to
22 that. And I think Council Member Bottcher, you're--
23 when you refer to projects, probably capital projects
24 or potentially the work we do on the PACT side, and I
25 can pass it to Matt afterwards, as I oversee both of
those programs.

3 COUNCIL MEMBER BOTTCHE: One example he
4 gave was a camera installation, how he attempted to
5 get some of his tenants hired for the camera
6 installation, but he said that they were only hiring
7 union members or folks on the Section 3 list.

8 SHAAN MAVANI: So, yeah, that would be
9 either a capital project or our Office of Safety and
10 Security may have been enhancing the cameras, right?
11 But if there's any type of vendor work involved in
12 either of those scenarios, it is subject to our
13 Section 3 requirements, and you know, you mentioned
14 the unions. It was larger contract, it may be
15 subject to our Project Labor Agreement as well. But
16 the way we work as Shanna started to highlight, is we
17 engage with tenant leaders at the beginnings of those
18 projects. In the case of a camera installation,
19 there isn't a significant architecture phase, but
20 there's a process with the tenant leader to agree the
21 placement of cameras, you know, the lay out of the
22 cameras. We do not move forward with that work until
23 we have a specific sign-off from the resident leader
24 in addition to the property manager on exactly how
25 that should be. And from that point, can start to
collaborate on many employment opportunities and if

3 there are any residents that are qualified at the
4 site who then could be taken on by a vendor to meet
5 Section 3 requirements. And so just the last point
6 you made, I'm not sure what the Section 3 list, per
7 say, was. We do maintain through the REES team, you
8 know, residents who are interested in looking for
9 employment opportunities and are qualified can put
10 themselves on a list so that they're easily matchable
11 [sic] to an opportunity, and maybe the TA leader was
12 referring to that, but that wouldn't restrict other
13 residents at the site who are qualified to be able to
14 join a job. So, I can definitely follow up or have
15 my team follow up in that specific case and
16 understand what might have been either a blocking
17 issue or a point of miscommunication. So we can
18 clarify that.

19 COUNCIL MEMBER BOTTCHER: Thanks. He--
20 my Tenant Association President did acknowledge that
21 they get the emails when there's training opportune--
22 there's an info session or opportunities coming, but
23 he said that at his development there were relatively
24 few opportunities in his memory that were filled. I
25 might suggest in a more systemic way calling through
the resident leaders and really getting--

3 troubleshooting the areas where you're getting that
4 kind of feedback.

5 SENIOR DIRECTOR CASTILLO: Thank you for
6 the suggestion. I just want to further clarify in
7 terms of a resident list. So residents absolutely
8 should connect with REES. Entering our database is
9 one way for access, but it's not the only way for
10 access. So, we want to make sure that it's clear
11 that the list is not a screener, there isn't a list,
12 right? There are multiple access points. Vendors
13 are responsible for their own Section 3 outreach.
14 REES is there to support. Residents may also apply
15 or approach a trailer or a vendor on their own, so
16 there are multiple pathways that should exist for
17 residents to connect to an opportunity.

18 COUNCIL MEMBER BOTTCHE: Thank you.

19 CHAIRPERSON AVILÉS: Thank you, Council
20 Member Bottcher. In terms of just building off of
21 that one, you know, the TA's have a varying strengths
22 and ability to communicate with residents when you
23 see that there may not have the capacity for broad
24 dissemination which is essentially what we're asking
25 them to do. What does the-- what does NYCHA do in

3 order to ensure that, these opportunities are fully-
4 communicated to residents?

5 SENIOR DIRECTOR CASTILLO: sure. Thank
6 you. So resident associations are incredibly
7 important. They really are a great pulse on their
8 local community, but certainly NYCHA is also
9 conducting outreach and making sure that
10 communication is shared to residents. as I
11 referenced earlier, on the REES team we have staff
12 members that are assigned to certain developments in
13 neighborhoods, and so part of their assignment is to
14 go to their developments, build a great relationship
15 with NYCHA operations such as Housing Assistance,
16 Property Management staff, a great relationship with
17 their resident association leadership, with the
18 community centers on NYCHA campuses which might be
19 operated by a DYCD vendor, etcetera, and to provide
20 information. And so if this is printed material,
21 then they are posting them and placing them at these
22 community spaces at NYCHA developments, and then
23 again, they are also offering opportunities for
24 resident leaders to partner with them on on-ground
25 events. Additionally we have found that virtually
works very well for many people, and so we are

3 continuing to host a number of virtual events, and
4 advertising that information through partnership with
5 our Communications Team to send out social media
6 information, and also utilizing our e-newsletter, the
7 NYCHA Journal, to showcase some of our opportunities
8 and participant successes.

9 CHAIRPERSON AVILÉS: So, what's the--
10 what's the budget? What's REES's total budget?

11 SENIOR DIRECTOR CASTILLO: I don't have
12 the total budget on-hand. We can get that to you
13 very shortly, but we are about 55 staff. Some of the
14 staff is grant-funded. We don't have a OTPS budget
15 that is not based on grants. So in terms of
16 services, specific programming that we're providing,
17 for example the NYCHA Resident Training Academy
18 that's privately funded. It comes from a foundation.
19 Those dollars go straight to the training partners.
20 NYCHA support is in-kind. So our budget is really
21 our headcount and does include currently one HUD
22 grant which funds a few staff lines, for example, but
23 our program budget is really based on private funding
24 which we can do directly ourselves or sometimes do
25 through the Fund for Public Housing, as I referenced
earlier in the testimony.

3 CHAIRPERSON AVILÉS: So, in terms of how
4 REES is structured, you talked about in terms of like
5 zones, geographic zones, how many zones are there?
6 And I'm trying to understand more specifically the
7 size of the team that is responsible for all this
8 outreach and communication with residents where we
9 have so much challenge, because residents often claim
10 they don't hear. The mailing list is teeny tiny.
11 Clearly, people are not responding to the survey. So
12 can you explain to me, like, what the zone team
13 covers? How many-- if it's distributed that way, to
14 understand better?

15 SENIOR DIRECTOR CASTILLO: sure. So
16 you're right, we are operating a zone model. We
17 currently have 15 zones throughout New York City, and
18 it is a large area to canvas. We have probably-- we
19 have about 11,000-- 7,000 to 11,000 households per
20 zone. It really depends on the concentration of
21 public housing in a certain neighborhood. Our zone
22 coordinators are a staff of 15, again, one per zone.
23 However, they are not the only REES point of contact.
24 We do have an information line which is operated by
25 four staff receiving calls from residents citywide.
And then we are leveraging our greater division that

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3 we're under, which has a total of 250 employees to
4 share information.

5 CHAIRPERSON AVILÉS: So, for a zone is
6 there a team allocated to the zone? How many people
7 constitute a team that work that zone?

8 SENIOR DIRECTOR CASTILLO: Sure. On
9 REES's end, it is one zone coordinator. However, we
10 are leveraging our division RSPI staff as well. So
11 for example, if we have a citywide initiative that
12 we're helping to support recruitment for, not only
13 will REES staff give out that information, but also
14 members under our division that might be part of,
15 let's say, our Resident Participation and Civic
16 Engagement Department. So, there are 15 zone
17 coordinators at REES. There is a central office
18 operation at REES which consists of an information
19 lien that's operated by a staff of four. REES's
20 headcount is 50-- about 55. But we are also able to
21 leverage our staff of our entire division as we need
22 to, which is about 250 staff members at NYCHA.

23 CHAIRPERSON AVILÉS: And that division is
24 the Resident Engagement Division?
25

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3 SENIOR DIRECTOR CASTILLO: Well, we have
4 a name change, so our division name is Resident
5 Services Partnerships and Initiatives, RSPI.

6 CHAIRPERSON AVILÉS: But under the old
7 name, that would have constituted what?

8 SENIOR DIRECTOR CASTILLO: Oh, the old
9 name was Community Engagement and Partnerships.

10 CHAIRPERSON AVILÉS: Great. I'm going to
11 ask again my favorite person in the whole wide world,
12 Mr. Honan [sic] to get me an organizational chart
13 with the staff breakdown. Thank you. Council Member
14 De La Rosa?

15 CHAIRPERSON DE LA ROSA: I did have one
16 question. In Fiscal 2017, the Council secured
17 funding for Painting Apprenticeship Programs at
18 NYCHA. The program trained over 100 NYCHA residents,
19 and the Council's Fiscal 2024 Preliminary Budget
20 response called for \$8.5 million in Fiscal 24 to
21 restore the Painter Apprenticeship Program at NYCHA.
22 Does NYCHA support the Council's call to restore the
23 Painter Apprenticeship Program, and has it discussed
24 it with OMB? And do we know how many of those
25 painting apprenticeships are now master painters or
continue to work in the trade?

3 SENIOR DIRECTOR CASTILLO: So, I'd have
4 to seek assistance from my colleagues, Kerri Jew,
5 perhaps Brian Honan [sp?] on a response.

6 COMMITTEE COUNSEL: If-- so I'll just ask
7 you quickly, could you raise your right hand? Do you
8 affirm to tell the truth, the whole truth and nothing
9 but the truth in your testimony before this committee
10 and to respond honestly to Council Member questions?
11 And if you could just identify yourself and state
12 your title.

13 BRIAN HONAN: Sure, my name is Brian
14 Honan. I'm Senior Vice President for
15 Intergovernmental Relations. So, the Painter
16 Apprentice Program that we had was very successful,
17 and the council funded it under Speaker Quinn.
18 That's how far away we go back. It is something that
19 was relatively-- I would say-- I remember we had
20 over-- in the first class we had over 100 trainees,
21 and I think like over 90 percent of them made it
22 through the entire class. So I don't have the final
23 numbers on, you know, where they are, but we can
24 definitely get you them, but it was-- what was good
25 about it is there was a lot of residents who had
interest, they signed up, and they found the-- even

3 though it was a-- it was a program that was very
4 rigorous, but it came with a stipend, which was the
5 most important thing about it. So residents were
6 getting paid while they were learning, and then it
7 led to automatic not only union placement but also
8 job placement as well.

9 CHAIRPERSON DE LA ROSA: Yeah, it seems
10 like a win/win situation. So we'll follow up
11 offline, but I think this is a-- this is a good one.

12 BRIAN HONAN: Yep, I think so, too. It
13 was really good.

14 CHAIRPERSON AVILÉS: Thank you. Thank
15 you, Council Member. So what is the Section 3
16 reporting timeline to HUD for the Public Housing
17 Authority and other residents-- recipients of public
18 housing financial assistance?

19 COMMITTEE COUNSEL: If you could just
20 raise your right hand? Do you affirm to tell the
21 truth, the whole truth and nothing but the truth in
22 your testimony before this committee, and to respond
23 honestly to Council Member questions? And if you
24 could just state your name and your title for the
25 record.

3 BRAD GREENBURG: Sure. I'm Brad
4 Greenburg. I'm our Compliance Officer at NYCHA. So,
5 it's a great question. So, the rule was finalized in
6 September 2020 with a July 2021 compliance date, and
7 HUD originally in 2022 said that the first reporting
8 would be due for NYCHA around now, and that's spring
9 2023, but then in December 2022, HUD indefinitely
10 delayed reporting under the new rule, mostly because
11 there's going to be a new system in place for us to
12 deliver that reporting to HUD in new portal that is
13 not ready for Public Housing Authority yet. So, right
14 now, they've delayed it indefinitely and said that
15 they'll notify PHA with a new timeframe for when to
16 start reporting, and we haven't gotten that from HUD
17 yet. So we don't know actually when we're going to
18 be starting reporting under the new rule to HUD.

19 CHAIRPERSON AVILÉS: What are you
20 tracking specifically in the meantime?

21 BRAD GREENBURG: So, we're obligated to
22 still maintain records like Sergio talked about.
23 We're obligated to maintain records about our labor
24 and our hires under the old rule, so both the old
25 rule and the new rule. We have to maintain records
around our-- whether or not we're meeting the

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3 benchmarks. We just can't do the reporting to HUD
4 through their system. So we're still obligated to
5 maintain all the information.

6 CHAIRPERSON AVILÉS: How often were you
7 required to report to HUD?

8 BRAD GREENBURG: In the past-- in the old
9 rule it was annual.

10 CHAIRPERSON AVILÉS: Annual, okay. So
11 we'll see what the new rule.

12 BRAD GREENBURG: It'll be annual in the
13 new rule, too.

14 CHAIRPERSON AVILÉS: Okay.

15 BRAD GREENBURG: They just haven't put up
16 the portal yet.

17 CHAIRPERSON AVILÉS: Great, thank you.
18 Does NYCHA plan to make their Section 3 data public?

19 BRAD GREENBURG: Not a question for me,
20 but I don't know.

21 CHAIRPERSON AVILÉS: Who is the question
22 for? Who can answer the question?

23 BRAD GREENBURG: We'll have to get back
24 to you on that. I'm not sure.

25 CHAIRPERSON AVILÉS: Anyone else? Maybe
the CEO. Okay. We'll circle back on that. Does

3 NYCHA anticipate that HUD will make any new reforms
4 to the Section 3 benchmark requirements?

5 BRAD GREENBURG: I don't think so. This
6 is a pretty-- I mean, like Sergio mentioned earlier,
7 this is a very comprehensive set of reforms that they
8 did in the last rule in 2020. So, I wouldn't
9 anticipate too many changes from HUD, but you never
10 know.

11 CHAIRPERSON AVILÉS: Were you consulted
12 with NYCHA or any public housing authority consultant
13 prior to the HUD rule change?

14 SENIOR DIRECTOR CASTILLO: Yes, through
15 public notice we were invited and did provide a
16 response to their proposed new rules in coordination
17 with the City and HPD.

18 CHAIRPERSON AVILÉS: Thank you. In 2022,
19 was NYCHA in compliance with Section 3's 25 percent
20 benchmark, and can you provide the council with a
21 breakdown of NYCHA's Section 3 hiring or contracting
22 for 22?

23 SERGIO PANEQUE: As I mentioned before,
24 we're not in a position to report at this point.
25 We're working on that, and we look forward to coming
back to the Council with that information.

3 CHAIRPERSON AVILÉS: Thank you. Where do
4 Section 3 employees go to file a labor violation
5 complaint, and what is the process for handling such
6 complaints?

7 BRAD GREENBURG: it really would-- I was
8 talking to Mr. Wells earlier. It would depend on the
9 nature of the complaint. So, if it's a complaint
10 regarding underpayment related to prevailing wage,
11 there's folks that you can file that with. There's
12 other types of complaints you can do obviously around
13 safety on a construction job. So, depending on the
14 nature of the complaint. Like always, folks should
15 feel free to report it through our Compliance Portal
16 if they issue. We can direct people to the right
17 place, and I told-- I gave Mr. Wells my number
18 myself. So we are always happy to take a complaint
19 and try to refer people to the right type of
20 investigator, but it does depend on the nature of the
21 complaint that the person has, like any person that
22 works in the NYCHA setting.

23 CHAIRPERSON AVILÉS: So you'd recommend
24 tenants, the first place is to go to NYCHA
25 Compliance?

3 BRAD GREENBURG: no, I mean, if it's a
4 particular resident that's participating in the
5 Section 3 program, they might be able to speak with
6 REES first, but I'm saying in general the nature of
7 the complaints dictates kind of like who investigates
8 it.

9 SENIOR DIRECTOR CASTILLO: So, I can just
10 add to that. The process, if there's a wage issue
11 complaint, is to start with NYCHA's DEO Office.
12 Their hotline number is listed on our website and is
13 also-- if in a situation REES were to be made aware
14 of that resident's complaint, we would route it
15 there, but also encourage that resident to call that
16 number and file there.

17 CHAIRPERSON AVILÉS: Do you have a sense
18 of how many complaints have been filed related to
19 Section 3 anything?

20 SHAAN MAVANI: So, the prevailing wage
21 complaints that we were speaking about where we have
22 our DEO Office and a Prevailing Wage Unit, the last
23 four years we had between five and 10 a year.

24 CHAIRPERSON AVILÉS: And have you seen--
25 is there an average time for resolution of those
complaints, or?

3 SHAAN MAVANI: We can try to put that
4 together, that data, and come back to the Council
5 after the hearing. I don't have that with me.

6 CHAIRPERSON AVILÉS: Why do you think a
7 case would take so long since 2016 in the example of
8 Mr. Wells?

9 SHAAN MAVANI: That is a good question.
10 I was wondering myself. I don't think in general
11 there is any reason that that should happen,
12 particularly because prevailing wage complaints would
13 be raised in the context of an ongoing job with
14 invoicing, and both, you know,-- we would be-- we
15 would want to resolve that as quickly as possible,
16 and typically even a vendor who's involved in that
17 case would want to respond-- resolve that as quickly
18 as possible, and therefore when we look into these
19 numbers that you've requested, I don't expect there
20 to be long kind of duration cases like that.

21 CHAIRPERSON AVILÉS: Great, we look
22 forward to receiving the information to ensure that
23 this is an anomaly and not something that seems to be
24 lingering on for multiple cases. And you mentioned
25 earlier that contractors haven't really been

3 terminated. Have we seen resolution of these cases
4 where residents are made whole?

5 SHAAN MAVANI: So, my comment was in
6 relation to a contractor that may not be, you know,
7 may not by the end of a contract meet, you know, with
8 best efforts to kind of 25 percent or 30 percent
9 benchmarks.

10 CHAIRPERSON AVILÉS: Got it. Got it.
11 But in terms of labor-- in terms of labor complaints,
12 have we ever-- has their contract ever been
13 terminated because they did not-- they violated an
14 agreement in terms of prevailing wage or anything
15 like that nature?

16 SHAAN MAVANI: So, I don't have that
17 specific information available, but obviously, you
18 know, we talk prevailing wage violations very
19 seriously, and there would be a number of different
20 avenues to address those, you know, as part of the
21 resolution. We can provide more information on that
22 as a follow-up.

23 CHAIRPERSON AVILÉS: Great. And in terms
24 of other forms complaints, you mentioned it depends
25 on the nature of the complaints, are you seeing other

3 trending complaints happening around Section 3, or
4 maybe the top three that you have seen?

5 SHAAN MAVANI: So, it's a bit of
6 difficult question, because I'm trying to just make
7 sure I'm thinking through properly, when you say
8 complaints related to Section 3. What my colleague
9 Brad was referring to is when we have a Section 3
10 worker who may be working on a job with us or with a
11 vendor, you know, the different types of complaints
12 that may come up. So we talked about prevailing
13 wage. We talked about maybe they have a complaint
14 around safety, right, or generally that a vendor is
15 not following, you know, DOB rules and regulations
16 around different aspects, and whether that is a
17 Section 3 worker or it's anybody who notices those
18 type of things, we have standardized ways to have
19 those reported to address them for them to be
20 investigated by DOI and others if need be. And so
21 those complaints are not specific to that worker
22 being a Section 3 worker, right? I think some of
23 the, you know, complaints you've heard today around
24 Section 3 is more around being matched to those job
25 opportunities and, you know, enhancements people

3 think that we can make to maybe make that work better
4 as we've discussed throughout this hearing.

5 CHAIRPERSON AVILÉS: Yeah, thank you for
6 that. I mean, I think what I'm getting at here is to
7 see how we are monitoring the level of complaints
8 that are rising, and if there are particular trends
9 that we're seeing as it relates to Section 3 in
10 particular, because we do hear from the Council's
11 perspective, right, we hear when residents are-- when
12 things are not working, and so what I'm trying to get
13 at is if it was safety or prevailing wage, if you're
14 seeing a trend of a particular form of complaint that
15 is coming, specifically as it relates to residents
16 who are our primary focus here.

17 SHAAN MAVANI: I don't think we're seeing
18 any particular trend. Even the prevailing wage
19 numbers I mentioned are relatively small in the five
20 to ten per year, given the amount of workers and jobs
21 that we have. I would clarify my earlier comment
22 that, you know, something like prevailing wage. You
23 had asked me if we would take action with a vendor.
24 Obviously, if there's an ongoing investigation we
25 would be withholding payment to that vendor until
it's resolved anyway, right? And so when a

3 prevailing wage case is being investigated, payments
4 related to any issues raised are not made to the
5 vendor during that period. But no, on your question
6 around trends, again, I think the feedback that we're
7 getting is very useful around better communicating
8 Section 3 opportunities, ensuring people have clarity
9 on how the Section 3 requirements interface with the
10 PLA and aspects like that, and around that we're
11 making a lot of effort to improve our communication
12 where we can or improve education or other aspects.

13 CHAIRPERSON AVILÉS: Thank you. in terms
14 of-- in 2016 and 17, NYCHA reported that virtually
15 all of the workers it hired for repairs qualified
16 under Section 3, and in 2018 as overall hiring
17 jumped, the Section 3 share plummeted to 16 percent
18 and continued to decline through 2020. How do you
19 explain the drastic decline in Section 3 hires in
20 2018?

21 SENIOR DIRECTOR CASTILLO: I think that we
22 would need to do that analysis and get back to you.

23 CHAIRPERSON AVILÉS: In terms of-- has
24 NYCHA conducted an assessment of whether the Section
25 3 hiring opportunities have turned into long-term

3 employment opportunities for residents, and whether
4 there were-- or were they one-time projects?

5 SENIOR DIRECTOR CASTILLO: So,
6 traditionally, our Section 3 reporting has been based
7 on the particular placement, not retention over time.
8 However, with that said, anecdotally we know that
9 residents have been able to secure various Section 3
10 opportunities. Some of those have been able to
11 transfer those opportunities into a career. So as my
12 colleague referenced, that may mean a vendor or
13 developer partner then sponsoring a resident into a
14 union, which obviously then provides a longer career
15 trajectory. But where we are tracking retention is
16 through the direct training programs that we
17 administer, so again, through the NRTA is a place
18 where we would track retention for up to one year for
19 the placements that are on the construction side of
20 the house and for any NYCHA direct hires such as
21 through our janitorial or pest control training
22 program. In program year 11 of the NRTA, for example,
23 63 percent of the graduates that were placed were
24 still employed at the 12-month mark.

25 CHAIRPERSON AVILÉS: That's great. It
would be really helpful to know if beyond a year's

3 time like what you see of the trajectory. Obviously,
4 I know it's a labor-intensive, but an important one
5 around all workforce programming and placement. And
6 also potentially, I think what you heard from the
7 resident here which I've heard from residents across
8 New York City, they often feel like the jobs are very
9 temporary. They're employed for three, five months,
10 and then they're gone and they don't see other
11 opportunities. So, we'd like to see broader
12 assessment on retention.

13 SENIOR DIRECTOR CASTILLO: Thank you for
14 that comment. I would just add to that that this is
15 why we wanted to be doing more ample expansive
16 resident economic opportunity programming that
17 prioritizes and focuses on Section 3, but also sits
18 outside of that, because Section 3 is contract to
19 contract, but here there is an opportunity to build
20 whether it's a construction trades career or whether
21 it's a career on the administrative side of the
22 affordable housing industry, or even if it's a career
23 in areas where NYCHA is not often contracting such as
24 healthcare. So, Section 3, of course, is important
25 and we need to focus on that. But our intention
around REES and resident programming is that we have

3 a more expansive set of industries that we're looking
4 at so that for those who do want long-term
5 opportunities there is an opportunity to connect with
6 them.

7 CHAIRPERSON AVILÉS: Yeah, thank you for
8 that. In terms of with the rule change for-- with
9 the HUD rule change, what percentage of the Section 3
10 hires are public housing residents? Do you know
11 that, given that it removed the residency tracking
12 and expanded it?

13 SENIOR DIRECTOR CASTILLO: so, under the
14 new rule, 25 percent of labor hours should go to
15 Section 3 workers, and five percent should go to
16 targeted Section 3 workers. NYCHA public housing and
17 NYCHA Section 8 residents are now considered within
18 that five percent of targeted Section 3 worker.

19 CHAIRPERSON AVILÉS: Right, and we'll-- I
20 guess we don't have the data on that, so to be
21 determined. In terms of-- how has the new definition
22 of Section 3 hire impacted NYCHA's ability to recruit
23 people for Section 3 jobs?

24 SENIOR DIRECTOR CASTILLO: The new rule
25 definition in terms of targeted Section 3 workers has
provided us with an opportunity to expand access to

3 our NYCHA Section 8 portfolio of residents. These
4 residents were always able to access services through
5 REES and its partners and for sure were considered a
6 Section 3 resident under the old rule definition.
7 However, their priority status under the old rule was
8 at a third tier, whereas under the new rule for
9 targeted Section 3 workers, they are included as
10 equal and priority status to NYCHA public housing
11 residents.

12 CHAIRPERSON AVILÉS: Got it. In terms
13 of-- excuse me. For the record, could you tell us,
14 do contractors receive any benefit or incentives for
15 hiring Section 3 workers?

16 SERGIO PANEQUE: No particular incentives
17 for hiring Section 3 workers. We have now
18 incorporated within our RFP process a diverse-- a
19 point associated with a diversity goal plan in
20 regards to MWBE and Section 3. So in that sense,
21 they are being-- there is a criteria advantage in
22 their submittals to an RFP.

23 CHAIRPERSON AVILÉS: Has that always been
24 the case, or is that a new--

25 SERGIO PANEQUE: [interposing] No, that's
a new implementation this last year.

3 CHAIRPERSON AVILÉS: Got it. And is
4 there going to be a back-end requirement that the
5 project end with the same number it started with?

6 SERGIO PANEQUE: That's correct, and
7 that's part of the challenge in the reporting of new
8 contracts, it's-- the commitment is actually measured
9 at the tail end of a contract's term. With the new
10 e-comply system we'll be able to constantly be
11 reporting back to the vendors where their commitments
12 are so that we're not waiting until the tail end of a
13 contract to see that they've met the requirements.
14 Hope that explains the question.

15 CHAIRPERSON AVILÉS: So there will be
16 reporting at the end of a contract?

17 SERGIO PANEQUE: Well, at the end of the
18 contract and then contemporaneously with the
19 performance of the contract.

20 CHAIRPERSON AVILÉS: Great, because
21 there's definitely-- I've heard many anecdotes of
22 residents thinking that contractors will fill out and
23 meet the REES requirements of the diversity
24 requirements and then are let go mid-way, and that
25 there's no recourse. That is a consistent anecdote
I've heard in the community.

3 SERGIO PANEQUE: The level of
4 accountability and compliance that the system will
5 provide I think will be very clear to the vendor
6 community exactly what their expectations are in this
7 program, and we look forward to that.

8 CHAIRPERSON AVILÉS: Got it. And then
9 beyond weighted, there is no incentive, no bonus?

10 SERGIO PANEQUE: No, it-- Chair, the--
11 much of our contracting when it comes to construction
12 and things of that nature's under sealed bid. So
13 it's very clear specifications and then it's a matter
14 of price and deliverables, that-- but within RFP we
15 have a significant more amount of flexibility in
16 establishing the criteria for review. And we've
17 employed that.

18 CHAIRPERSON AVILÉS: Yeah, and just for
19 clarity, we heard in your testimony earlier that
20 RAD/PACT-- we just want to be sure, RAD/PACT
21 conversions are not exempt from Section 3, is that
22 correct?

23 MATTHEW CHARNEY: The RAD notice, HUD RAD
24 notice that is basically the program rules for RAD
25 establishes that the requirement that any work, which
is the capitalized term in the RAD which is basically

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3 the construction work that's associated with the RAD
4 program subject to Section 3.

5 CHAIRPERSON AVILÉS: Yeah, can you speak
6 a little--

7 MATTHEW CHARNEY: [interposing] Sure.

8 CHAIRPERSON AVILÉS: closer to the mic?

9 MATTHEW CHARNEY: Yeah, HUD RAD notices
10 establishes that any work which is essentially the
11 construction work that follow-- that is facil-- you
12 know, made possible by the RAD conversion is subject
13 to Section 3.

14 CHAIRPERSON AVILÉS: Will RAD/PACT
15 conversions-- do they participate in providing job
16 opportunities beyond the construction work to NYCHA
17 tenants?

18 MATTHEW CHARNEY: Yeah, they do. I think
19 in addition to what the HUD requirements are for
20 Section 3 compliance, especially with the change to
21 labor rules and away from the hiring focus of Section
22 3, we do require our PACT partners to provide the
23 same plan Section 3 and resident economic opportunity
24 plan that REES uses. So there's a focus on that not
25 just in the labor hour and Section 3 strict
compliance, but also hiring opportunities and

3 training opportunities for residents, hiring
4 opportunities both for construction jobs, but also
5 long-term jobs.

6 CHAIRPERSON AVILÉS: Will this also apply
7 to-- oh, my gosh.

8 MATTHEW CHARNEY: The Trust?

9 CHAIRPERSON AVILÉS: Yes. What is
10 happening to my brain?

11 MATTHEW CHARNEY: I'll let somebody else
12 answer but I can't imagine that we wouldn't apply
13 Section 3 to the Trust.

14 CHAIRPERSON AVILÉS: I think, for the
15 record, we just want to be clear that this applies to
16 the-- will apply to the trust.

17 MATTHEW CHARNEY: Yes, it will apply to
18 the trust.

19 CHAIRPERSON AVILÉS: Okay, thank you.

20 And I guess with that, we'll be happy to receive the
21 breakdown of the reporting around what it looks like
22 across all the forms of Trust, RAD, and regular
23 Section 9. In terms of-- would you like to jump in
24 at all? I just wanted to go-- jump to the
25 contractors for a second where we hear a lot of
feedback. So can you tell us for the record what are

3 the Section 3 record-keeping requirements for
4 contractors and subcontractors?

5 SERGIO PANEQUE: Record-keeping on their
6 part, or as it relates to them reporting to us?

7 CHAIRPERSON AVILÉS: Yeah, what you're
8 reporting.

9 SERGIO PANEQUE: SO, again, you know,
10 once a vendor has submitted their REO and what their
11 commitment is either from hiring or a labor hour
12 standpoint, they're required at each point of
13 invoice, again whether that's monthly or whatever
14 frequency that might be, to provide where in that
15 last period their performance to those goals.

16 CHAIRPERSON AVILÉS: And is this-- is the
17 system separate from Maximo, the new system that
18 you're using or is it integrated?

19 SERGIO PANEQUE: It is separate. E-
20 comply, though, when we do implement that will be
21 integrated into our financial system as well to
22 assure that there's edits between payment and
23 sufficiency of submission. There is an integration
24 with e-builder as well. Do you want to--

25 SHAAN MAVANI: Yeah, just clarify, Maximo
is not a system that we use for vendor management or

3 contract management. The e-comply implementation
4 will integrate with our systems that relate to vendor
5 and contract management to ensure that we can join
6 up, you know, invoice processing, prevailing wage
7 compliance, Section 3 compliance and other areas.

8 CHAIRPERSON AVILÉS: And how often does
9 NYCHA audit the records?

10 SERGIO PANEQUE: Our Office of-- defer to
11 our Compliance Officer.

12 BRAD GREENBURG: So, we have a team in
13 Compliance that we call our Transaction Monitor Unit.
14 They have an on-site monitoring program where they
15 routinely try to pull records around Section 3
16 compliance. They also will start doing that in the
17 capital program. Last year and the year before that
18 and the year before that also pulled a sample of
19 records to see if people were adequately using the
20 then paper-based process and reporting out their
21 labor hour summaries and other elements of Section 3
22 program. And so we do that on a relatively routine
23 basis to see if we have gaps in the process.

24 CHAIRPERSON AVILÉS: I'm sorry, I didn't
25 hear you. What was the frequency when you do that?

3 BRAD GREENBURG: So, we do it every time
4 we go to a site for our on-site monitoring program
5 which is every two to three weeks for smaller
6 purchases and micro-purchases. We also will start
7 doing as part of our capital monitoring program which
8 we'll be rolling out this year. that will be
9 happening also about every month or so, and then
10 every year in the last three years compliance has
11 also done just a very specific Section 3 look which
12 is to say, okay, let's pull a bunch of contracts
13 across different parts of the Authority and see if
14 people are properly reporting their labor hour
15 summaries and see if we see gaps in the process. So
16 we kind of do it in multiple venues.

17 CHAIRPERSON AVILÉS: In terms of that,
18 pull a bunch of contacts, there's 800. What does
19 that mean?

20 BRAD GREENBURG: We try to-- we try to
21 mix it up. So we'll take a couple of capital
22 contracts, a couple operations contracts that's at
23 centrally, a couple that's in the borough, and really
24 what we're testing is we talk to contractors. We
25 also talk to operations staff and capital staff and
see, and then also pull the documents from the

3 various systems, and we see if people are actually
4 going through the process correctly or not. So, it's
5 less about hitting numbers, and more about making
6 sure we see what each person's business process is in
7 different units around Section 3.

8 CHAIRPERSON AVILÉS: Right, it sounds
9 like you probably have a good distribution of
10 contracts, but I think what I'm getting at is, is it
11 statistically significant to be able to actually find
12 things, or is it wide enough where you just kind of
13 fall through the cracks?

14 BRAD GREENBURG: I think our goal is
15 really to see if the business process is working. So
16 that's why we try to look at it from a business
17 standpoint of whether particular units are doing it.
18 I mean, there's other ways, also obviously at the
19 invoicing stage that we're supposed to be looking at
20 labor hour summaries. So there's lot of other folks
21 who look at the documentation other places. So we
22 want to see if the business [inaudible] that's our
23 perspective and compliance.

24 CHAIRPERSON AVILÉS: We need a longer
25 table.

3 SHAAN MAVANI: Chair, [inaudible] If you
4 don't mind me adding on that point. You know, as
5 Brad mentioned, obviously from a business process
6 audit perspective, the compliance team comes in, but
7 maybe it's helpful just to understand how this work
8 operationally on a capital contract, right? So when
9 a vendor submits an invoice for work that's done in
10 the last month, the first round of review of that
11 invoice is by a field staff member or an independent
12 construction manager that we employ who's there at
13 the site every day. So they're verifying, you know,
14 are the folks listed in the invoice? Did they really
15 do the work they did? Did they expend the hours they
16 did? Now in our system we know each of those
17 employees is a Section 3 worker or not, right? And
18 so that's established up front. So really it's a
19 question of do those labor hours match what we're
20 being billed for? And so our construction management
21 staff take the first pass of that, because they're on
22 site they have the best visibility of that, but then
23 the project manager who manages the project does
24 another review of that to ensure that they're
25 comfortable. They're the fundamental contract
officer or contract administrator, so they're also

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3 making sure that they as a second layer believe that
4 the invoice is appropriate, the labor hours are
5 appropriate, the staff listed are appropriate. And
6 then there's another level of check-in or payment
7 processing within our own division as well our
8 interaction with our central finance function. So,
9 just to make it clear, you know, an invoice comes in.
10 There is several levels of quality control, quality
11 assurance that happens within the Business Unit, and
12 then we have units like Brad's who comes in and says
13 do we feel that business process itself is robust and
14 are there any enhancements we can make around that.

15 CHAIRPERSON AVILÉS: Thank you for
16 walking us through that. That is very helpful.
17 Excuse me. In terms of-- how many active contracts
18 are currently eligible for Section 3?

19 SERGIO PANEQUE: As I mentioned earlier,
20 I think it's approximately around 800 contracts, but
21 we will be getting you that information, both the
22 distribution as you asked.

23 CHAIRPERSON AVILÉS: Okay, so that's the-
24 -

25 SERGIO PANEQUE: [interposing]
Eligibility.

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3 CHAIRPERSON AVILÉS: 800 potentially is
4 the amount that might be eligible for Section 3.

5 SERGIO PANEQUE: Well, all contracts are
6 eligible for Section 3.

7 CHAIRPERSON AVILÉS: All.

8 SERGIO PANEQUE: There is no-- there is
9 no threshold. For reporting, the reporting threshold
10 is 250,000 and above.

11 CHAIRPERSON AVILÉS: Got it. So they'll
12 be a subsection within that 800 for reporting
13 purposes.

14 SENIOR DIRECTOR CASTILLO: I can just add
15 to that by stating as Shaan referenced with the FEMA
16 funds and Matt referenced with the developer PACT
17 project post-construction. NYCHA is also applying or
18 in the case of FEMA, ensuring that there is a Section
19 3 trigger there to those allocations. So there are--
20 I think like Sergio said, we'll need to get back with
21 the right number for you, but there are contracts
22 that where the dollars that are flowing into it are
23 Section 3 dollars, and therefore it's a Section 3
24 contract, but then there are also contracts or other
25 opportunities like PACT development work post-

3 construction in which NYCHA is still applying the
4 spirit of the Section 3 regulation.

5 CHAIRPERSON AVILÉS: Right. And in terms
6 of the-- how many would you say, what percentage of
7 the contracts have been audited? I understand that
8 you're doing a random audit sample, but given a scale
9 of 800, how many have been touched by some sort of
10 audit?

11 BRAD GREENBURG: I'd have to get back to
12 you on that. I mean, like Shaan said, there's many
13 different possible entities that could be auditing it
14 for the program, and also like Shaan has said, it's--
15 you know, some-- some contracts come to the section
16 universe because of the HUD obligation based on the
17 source of funds and the amount of funds being
18 expended to Section 3 contracts. Sometimes NYCHA
19 will put Section 3 obligations into the contract eve
20 when it's not a HUD obligation and we're never going
21 to have to report against it. So, it's kind of hard
22 math problem to do, so we'll try to-- we'll have to
23 try to get back to you on that.

24 CHAIRPERSON AVILÉS: Got it.

25 SERGIO PANEQUE: And Chair, if I can
clarify an earlier point. I apologize.

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3 CHAIRPERSON AVILÉS: Sure.

4 SERGIO PANEQUE: Section 3 is applicable
5 to service contracts, not commodity contracts. I want
6 to be very clear. Material--

7 CHAIRPERSON AVILÉS: [interposing] Say
8 the-- say the second half of what you just said. If
9 you could speak closer to the mic.

10 SERGIO PANEQUE: Oh, I apologize.

11 CHAIRPERSON AVILÉS: No worries.

12 SERGIO PANEQUE: I don't like my voice
13 much. Section 3 is not applicable to materials
14 contract. So, where I made the statement that it was
15 subject to all contracts, that was incorrect.
16 Subject to services contracts, services that are not
17 professional services as well. A&E is subject to OEO
18 under our policies but not directly Section 3.

19 CHAIRPERSON AVILÉS: Correction noted.

20 SERGIO PANEQUE: Okay, thank you.

21 CHAIRPERSON AVILÉS: In terms of-- have
22 you ever chosen not to hire a contractor due to non-
23 compliance with Section 3 requirements on the front
24 end in terms of denying them a potential bid?

25 SERGIO PANEQUE: Not that-- not that I'm
aware of in my time at NYCHA. I will say that we

3 are-- we did just revise our standard procedure
4 around responsibility, and we are currently also
5 revising or creating or revising also our standard
6 procedure around disqualification. And that is in
7 light of all of our policies and our promises within
8 our contracts to ensure that as we're ensuring
9 compliance. If I may, the way that we've approached
10 procurement re-engineering and our transformation is
11 to really look at things from a policy practice,
12 outreach and compliance element, and those two key
13 elements are key in making sure that vendors
14 responsible. Now we've aligned our standard
15 procedures to ensure that when a vendor has not
16 complied, we are able to effectively hold them
17 accountable to that, and at that point then also have
18 it be an impact to them either on a subsequent
19 proposal that they might submit or whatnot, and those
20 are teeth that I think are definitely the key towards
21 effective contract management.

22 BRAD GREENBURG: and one thing I'd add to
23 that, what we have done is in a case where there was
24 a Section 3 violation with a contractors, sometimes
25 we would say, okay, we could deny you future contract
opportunities, or we might ask you. In this case we

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3 settled with them for a cash payment that would go to
4 REES for the Energy Academy. so, sometimes the way
5 we'll settle a violation filed Section 3 is to say,
6 okay, you know, you have to basically make it right
7 and put that money towards employment or training
8 opportunities at REES or programming that REES might
9 have, too. so there's I think a lot of different
10 tools in our toolbox to make sure people understand
11 that there's teeth, and we mean and always say you
12 have to meet the obligation.

13 CHAIRPERSON AVILÉS: So have you used the
14 teeth?

15 BRAD GREENBURG: Yeah, that case I'm
16 talking about-- I mean, that Clean Energy Academy
17 funding came out of a Section 3-- partly came out of
18 a Section 3 violation with a contractor. We asked
19 them to pay a certain amount of money towards that
20 program.

21 CHAIRPERSON AVILÉS: I mean, how many
22 times have you-- have you had this instance?

23 BRAD GREENBURG: I'm not sure. I think
24 some of us--

25 CHAIRPERSON AVILÉS: [interposing] In the
last couple of years?

3 BRAD GREENBURG: Some of us are too new
4 to know historically. This is something that we've
5 done in the last couple of years, but we do want
6 their-- one of the reasons we want automated
7 reporting and the ability to track compliance so
8 closely on a particular vendor so that we can start
9 to use that information to either disqualify vendors
10 like Sergio said in the future for not meeting their
11 prior obligations, or seek a settlement from them, a
12 momentary settlement. We want there to be teeth to
13 this when we put it in the contract. So, that's the
14 goal of automated reporting. It's the goal of making
15 sure that we have information flowing, that we have
16 in a system that we can pull easily so that before we
17 contract with you again, or if we're in the middle of
18 a contract with you, we want to be able to make sure
19 there's teeth to it. So that's the program we want
20 to build.

21 CHAIRPERSON AVILÉS: Yeah, I'm delighted
22 to hear there's teeth and that they're going to be
23 used, because quite frankly we haven't seen a lot of
24 that and seen much evidence of it.

25 BRAD GREENBURG: I don't think we
disagree, but yeah.

3 CHAIRPERSON AVILÉS: Hopefully not, but
4 when we need to we should.

5 BRAD GREENBURG: That I agree with.

6 CHAIRPERSON AVILÉS: Particularly because
7 it's public dollars and the impact on the residents
8 is quite profound. Let me just double-check here.
9 Council Member?

10 CHAIRPERSON DE LA ROSA: it was a lot of
11 questions in this package, but I do have one question
12 about your definition of quality jobs. So it says,
13 in April 2021, NYCHA reported that over 2,800
14 residents have graduated from the Resident Training
15 Academy with 90 percent going out to quality jobs.
16 What does NYCHA consider quality jobs?

17 SENIOR DIRECTOR CASTILLO: So, in this
18 case for the training academy, employment at NYCHA we
19 view as a quality job. The NRTA is a great pipeline
20 for residents to enter into employment at NYCHA where
21 they would not only receive a wage but also receive
22 fringe benefits such as access to a pension. On the
23 construction side of the house, which is the other
24 part--
25

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3 CHAIRPERSON DE LA ROSA: [interposing] Can
4 you tell me the-- some of the titles within NYCHA
5 that you've historically placed people in?

6 SENIOR DIRECTOR CASTILLO: Sure. Well,
7 for the NRTA in particular, we're placing individuals
8 into Caretaker J which is part of our janitorial
9 training program. That is an entry-level title.
10 With our pest control track, we are placing
11 individuals into the City Pest Control Aid title, and
12 after one year of appointment as a City Pest Control
13 Aid, if that individual completes about 12 additional
14 hours of training, they're eligible for an
15 Exterminator title. And I'll leave it there.

16 CHAIRPERSON DE LA ROSA: Say some
17 [inaudible].

18 SENIOR DIRECTOR CASTILLO: I was. Thank
19 you. So on the construction side of the house which
20 is the other training cohort that we're generally
21 operating, then more and more that is connecting to
22 union apprenticeship programs which are also on the
23 job paid with fringe benefits employment
24 opportunities for residents, and so that would meet
25 our definition of a quality job. I also wanted to
correct the record on a good note. It's 163,000

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3 residents' email addresses that are part of the REES
4 biweekly e-newsletter. We've grown it from 50,000
5 which was-- I may have dated myself. So we started
6 there and we've grown it to 163,000 emails. Thank
7 you.

8 CHAIRPERSON AVILÉS: We're glad to hear
9 that, glad to hear the growth. Ways to go. I'm
10 sorry, Council Member.

11 CHAIRPERSON DE LA ROSA: I was going to
12 ask also about Section 3 placements for residents who
13 live in the community where construction is taking
14 place and how that match sort of occurs. Is that
15 like a-- if you're considering a candidate, is that
16 an eligibility requirement? Like you can say-- or a
17 consideration in placement, like they should be
18 working in the community where they live or they have
19 the opportunity to if they wish to do so?

20 SENIOR DIRECTOR CASTILLO: So, if I'm
21 following your question correctly, we're working with
22 NYCHA public housing and NYCHA Section 8 residents.
23 Under the rule HUD is still outlining priority
24 categories around localities. So there's different
25 funding sources, but generally residents where the
work is taking place should be prioritized, but

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3 residents of other local development or other NYCHA
4 residents are also eligible and open to apply. Our
5 practice when REES is involved in resident sourcing
6 and referrals is to, of course, look first to see
7 where most locally we have residents that are
8 interested and qualified and direct the contractors
9 who again have their own outreach obligation to do so
10 and to prioritize those individuals. NYCHA also,
11 though, has various and city-wide contract type
12 models, which means that one contract will cover--
13 may cover multiple developments under the contract,
14 in which case you would see a movement of individuals
15 from various developments or even from various
16 boroughs that might have that priority opportunity.

17 CHAIRPERSON DE LA ROSA: In the previous
18 question you talked about some of these entry-level
19 positions like caretaker, pest control, exterminator,
20 etcetera. What are some of the wages? What are the
21 salaries associated with some of these types for
22 entry-level?

23 SENIOR DIRECTOR CASTILLO: so, I can try
24 to pull that up. I'll also pivot to my colleague,
25 Kerri.

3 COMMITTEE COUNSEL: Just briefly before
4 you begin, could you raise your right hand? Do you
5 affirm to tell the truth, the whole truth and nothing
6 but the truth in your testimony before this committee
7 and to respond honestly to Council Member questions?
8 And if you could just hit the little red button and
9 just identify your name and title for the record,
10 please.

11 KERRI JEW: I'm Kerri Jew. I'm the Chief
12 Administrative Officer of NYCHA.

13 CHAIRPERSON DE LA ROSA: so the question
14 was around entry-level salary wages for some of these
15 entry-level positions. Some that were mentioned is
16 pest control, exterminators. Like, what are the
17 ranges of entry-level salaries for some of these
18 workers?

19 KERRI JEW: I don't have all of the
20 salaries off-hand. The salary ranges are all
21 governed under Civil Service Law. So, you know, we
22 don't have a whole lot of discretion with that, or we
23 don't have any discretion beyond that, but the
24 generally salary ranges are competitive.

25 CHAIRPERSON DE LA ROSA: Okay, it would
be great if you could give us sort of a breakdown as

3 a follow-up. We'd just like to take a look to see
4 what it looks like.

5 KERRI JEW: Sure, absolutely. Are there
6 any particular titles specifically that you're
7 looking for?

8 CHAIRPERSON DE LA ROSA: No, I kind of
9 just want to see the spectrum from like entry-level,
10 you know, throughout. Like, a Section 3 worker would
11 have the potential of elevating, right, to certain--
12 different levels of management, I hope, if they make
13 this a long-term career. What do those wages look
14 like in terms-- after the passage of time, right?
15 What are they entering in, when they get to the
16 middle, when they get to the end of their careers,
17 what are the sort of variation in those wages?

18 KERRI JEW: Okay, so that's all going to
19 depend on the title that they start in, but I think
20 if we can give you a trajectory of someone who starts
21 in as a caretaker, because those are the candidates
22 who we receive the NRTA referrals, and then they
23 naturally progress upwards to supervisory positions
24 and then to supervisory positions that could-- or
25 maintenance positions depending on their own

3 individual skillsets. Perhaps if I give you
4 something like that, that would give you a picture.

5 CHAIRPERSON DE LA ROSA: Yeah.

6 KERRI JEW: Otherwise, like extremely
7 wide universe.

8 CHAIRPERSON DE LA ROSA: No, I could
9 imagine. I just want to kind of just see-- get a
10 sense.

11 KERRI JEW: Sure.

12 BRAD GREENBURG: I will say, we do have--
13 we have senior directors at NYCHA who are former
14 NYCHA residents. Yeah, there's definitely a pathway.

15 KERRI JEW: Including me. Absolutely,
16 and there's actually a Vice President of Employee
17 Engagement who reports to me who was a NYCHA resident
18 growing up, and her parents still in NYCHA.

19 CHAIRPERSON DE LA ROSA: Great. That's
20 good to hear. Thank you so much for sharing that
21 information. I don't know, Chair, if you have--

22 CHAIRPERSON AVILÉS: Yeah, in terms of
23 Section-- we know Section 3 jobs tend to be
24 concentrated in the construction trades, which tends
25 to employ men in higher numbers. What are you doing
to attract more women into Section 3 jobs?

3 SENIOR DIRECTOR CASTILLO: So, I can
4 speak again to data from the NYCHA Resident Training
5 Academy, and we actually have about 39 women that
6 participate in the construction training cohort of
7 the NRTA. Our numbers under janitorial and pest
8 control are also quite large, and I can pull those
9 up. NYCHA is mostly female headed households, so we
10 do have a really unique opportunity to connect women
11 to industries that might not be traditionally thought
12 of for women in the workforce.

13 CHAIRPERSON AVILÉS: That's great to
14 hear, because that's exactly what I was I going to
15 ask given the demographic. In terms of older seniors
16 in NYCHA housing, how does NYCHA do any kind of
17 enforcement around ageism, and are there any targeted
18 programs to provide offerings for our seniors? And I
19 will add also our disabled community members.

20 SENIOR DIRECTOR CASTILLO: So, I can
21 partly answer, but would probably need support in
22 details. So, in our division RSPI, we do have a
23 Family Partnerships Team. They are a staff that is
24 really covering some social service aspects of NYCHA
25 and providing support to NYCHA seniors. There is a
grant-funded program, for example, that they

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3 administer that happens on a number of NYCHA
4 campuses, and provides case management support to
5 seniors. Additionally, we of course have a number of
6 senior centers which are operated by the Department
7 of Aging and intend to work with them closely on
8 services and programming. Specifically--

9 CHAIRPERSON AVILÉS: [interposing] So,
10 I'm talking about specifically employment, not--

11 SENIOR DIRECTOR CASTILLO: [interposing]
12 Okay.

13 CHAIRPERSON AVILÉS: case management
14 support.

15 SENIOR DIRECTOR CASTILLO: Yeah, so
16 specifically for employment we are providing the same
17 level of support throughout the age groups to NYCHA
18 residents that are interested in connecting to work
19 opportunities. Generally, that is 18 to 61 years
20 old, but could extend beyond that. And I'll leave
21 that there, because I'm trying to see if I have
22 numbers on 60+ which I don't have on-hand.

23 CHAIRPERSON AVILÉS: Yeah, no, I would
24 just say-- you know, I think obviously, 60+ community
25 is vibrant and will probably need-- would like
employment opportunities and may need unique

3 programming, right, to service their particular needs
4 to help create pathways. So, love to hear if NYCHA's
5 considering that and how it addresses that.

6 Similarly, with our disabled residents, are there
7 specific programs targeting this community to offer
8 them employment opportunity?

9 SENIOR DIRECTOR CASTILLO: Thank you for
10 the suggestion. We will definitely take that back.
11 I do have more information on women in the NRTA. So,
12 for example, for program years 11 and 12, 68 percent
13 of the total enrollees were women. Again, 39 percent
14 of that was construction training, 75 percent of that
15 were enrolled in our pest control training
16 programming, and 71 percent in our janitorial track
17 who are women.

18 CHAIRPERSON AVILÉS: Thank you. Thank
19 you for the breakdown. And just-- we're going to
20 wrap up because I actually have a ton more questions,
21 but I don't want to keep you here all night. Are
22 trainings for the Section 3 jobs held at different
23 developments, and how do you manage, or is there a
24 rotation schedule to make sure that residents are
25 getting equal access across the City? Obviously,
there are many developments. How do you manage that?

3 SENIOR DIRECTOR CASTILLO: That's a great
4 question and it's, you know, certainly-- there can be
5 transportation hurdles. So, through the NRTA
6 specifically I mentioned that it is privately funded.
7 That provider, the Robin Hood Foundation, has
8 generously funded the Academy for 13 years. It also
9 selects the training providers that we worked with
10 based on their past experience with that particular
11 funder and their continued outcomes, their annual
12 outcomes under the NRTA. And so NRTA training
13 programming is happening in downtown Brooklyn, which
14 works out well because the majority of NYCHA
15 residents are Brooklyn. However, of course, we have
16 large amounts of NYCHA residents in other
17 developments as well. In 2022, we operated an
18 expansion of our construction training program under
19 the name Hire NYCHA, and that allowed us to have two
20 training-- construction training cohorts that were
21 actually housed at Hostos Community College providing
22 a better opportunity in terms of travel for certain
23 Manhattan and Bronx residents. Another way that we
24 tried to alleviate travel burden is when we can,
25 really include stipends and metro card assistance in
programming through Hire NYCHA. We had the funding

3 to do so through the NYCHA Clean Energy Academy, and
4 that training program model will be hybrid. So Clean
5 Energy Academy will both be online and in-person in
6 East Harlem actually when it's in-person. That
7 particular program as my colleague Brad mentioned has
8 dome funding coming from our vendor non-compliance
9 issuance, but also is funded through multiple private
10 and state funding sources. With that said, we
11 advocated and were awarded enough dollars so that the
12 NYCHA Clean Energy Academy carries a stipend with it
13 and which includes, you know, travel assistance for
14 residents.

15 CHAIRPERSON AVILÉS: That's great. We're
16 very excited about the Green Energy Academy and the
17 opportunities it will provide given where our economy
18 is going and honestly where we need to go if we
19 expect to survive on the planet. In terms of-- are
20 residents involved in any way in creating
21 opportunities to meet the needs of residents or
22 outreach? At REES, like do you have a Resident
23 Advisory Board or is there any opportunity for
24 residents to weigh in on what's being created and
25 responded to?

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3 SENIOR DIRECTOR CASTILLO: Sure. Before
4 I add to that, I would just also add for-- as my
5 colleague Matt mentions, for our PACT developer
6 partners that are also doing training, those
7 trainings are shorter term typically, certification-
8 based trainings, and those are typically happening
9 on-site at those campuses. So just wanted to
10 reference that. And also to add to considerations
11 that we should give around residents that have other
12 needs or disabilities, we do have an active
13 partnership with AHRC, but certainly could grow the
14 support that we provide there by seeking out other
15 partners. So--

16 CHAIRPERSON AVILÉS: [interposing] I'm
17 sorry, can you expand. I don't know--

18 SENIOR DIRECTOR CASTILLO: [interposing]
19 Sure.

20 CHAIRPERSON AVILÉS: what AHRC is.

21 SENIOR DIRECTOR CASTILLO: Sure. So AHRC
22 is a nonprofit organization that assists young adults
23 with disabilities with training and employment, and
24 we do have a REES partnership with them that I failed
25 to mention earlier when you asked about employment
support for residents with disabilities.

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3 CHAIRPERSON AVILÉS: And your partnership
4 with them offers residents what?

5 SENIOR DIRECTOR CASTILLO: It's centered
6 around connecting them to AHRC-operated trainings.
7 In the vocational training sector space and case
8 management support that that organization provides.

9 CHAIRPERSON AVILÉS: And are they-- have
10 they been successful in placing people in employment,
11 or are they simply just the training and then they
12 hand folks off [inaudible].

13 SENIOR DIRECTOR CASTILLO: I would have
14 to get back to you on specific outcomes with AHRC,
15 but generally we intend to have a rigorous process in
16 selection of our partnerships. These are non-
17 monetary agreements that we have with organizations,
18 but we still want to require and see that they are
19 producing good work. So typically that starts with a
20 Zone Partner Application process in which we vet
21 certain data that they provide to us, of course,
22 voluntarily that really speaks to the work that they
23 do and the outcomes that they see, and the longevity
24 of their engagement with an individual. And so we
25 certainly seek to partner with organizations that are
not only providing the training, but are also

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3 providing the employment assistance, support, and
4 case management support.

5 CHAIRPERSON AVILÉS: Yeah, and the scope
6 of service. I'd imagine one organization probably a
7 very large community. I'd be curious what their
8 capacity is at the end of the day.

9 SENIOR DIRECTOR CASTILLO: Yes, we do ask
10 on our application about capacity. We also ask about
11 their ability or their commitment to prioritize NYCHA
12 resident slots in their programming.

13 CHAIRPERSON AVILÉS: Thank you. Lastly,
14 in the resident engagement aspect here, are residents
15 ever brought to the table for contract review
16 compliance? And/or-- I'd like to review, again, what
17 the resident engagement process is like when Section
18 3 arises. I know you-- you said email list, but I
19 just want you to walk through one more time for the
20 record.

21 BRAD GREENBURG: I'll answer a question
22 about the resident engagement contract compliance,
23 and Mandy's [sic] back there, Ms. Martinez [sp?].
24 When we were writing our new standard procedure
25 around Section 3 we had a number of resident
leadership participated in a working group that met

3 every week. I think it was a good experience for all
4 of us, and Ms. Martinez, I'm sure will confirm that
5 or not. But we do definitely want to make sure that
6 resident voices are heard in the process of setting
7 up our compliance reviews and also our policy writing
8 and procedure writing around the new rule. So we
9 did-- we met many, many times every week. Oh, and
10 Brian can talk about the Trust.

11 BRIAN HONAN: I don't want to miss an
12 opportunity to talk about the Trust. So, under the
13 Trust in the legislation, residents will have an
14 opportunity to be involved with contractor selection
15 from day one. They will be part of the Selection
16 Committee, and then after that, a quality assurance
17 committee must be set up, you know, if the residents
18 are interested to make sure that the contractors are
19 meeting the goals that they stated first. So, if a
20 contractor comes in and they're asked how many are
21 you going to hire for this job, they say 10, 20,
22 whatever is. If they're not meeting that goal, that
23 is something they're going to be called out, you
24 know, publicly. And again, if ultimately if they're
25 not meeting their goals, they can go to the board and
ask for that contract to be, you know, reviewed.

3 CHAIRPERSON AVILÉS: Brian, isn't that
4 what should be happening right now?

5 BRIAN HONAN: Well, it is something I
6 think that as an organization we, you know, we saw
7 that was really important and that's something that
8 we fought for to make sure that was put, you know, in
9 the Trust legislation. We do have a new team both at
10 Compliance and in Capital, and it's something that
11 we, you know, we've talked to ultimately doing it
12 throughout the organization, but this was something
13 that we knew from day one that we could start.

14 CHAIRPERSON AVILÉS: But for the record,
15 is this a process that the organization is holding
16 across the board, or is that specific to the Trust?

17 BRIAN HONAN: right now, it's specific to
18 the Trust. However, I will tell you just in my
19 experience that under the team that Shaan has built,
20 that they are involving residents now earlier in the
21 process than ever before. In fact, under his
22 leadership they-- even they just built out a new team
23 that is dealing with resident leaders. So they're
24 involved with contractors right away. And Shaan, I
25 don't know if you want to talk about that a little
bit.

3 MATTHEW CHARNEY: I'll also add that
4 resident review-- resident participation is a big
5 part of the PACT program, and I think over the past
6 few years we've really increased resident
7 participation. I think a lot of it-- due to the
8 encouragement of City Council and other stakeholders,
9 residents-- the Resident Review Committees do
10 interview development team PACT partners. They're
11 highly involved in the selection process. Section 3
12 is a part of that review. So, similar to the Trust,
13 that's already-- you know, that's already happening
14 for the PACT program as well.

15 SHAAN MAVANI: So, sorry, there's a few
16 different points we've discussed, but we are
17 definitely making enhancements around resident
18 engagement for capital work. That process started a
19 few years ago, and as we've learned what's worked and
20 what hasn't there, we're continuing to improve that.
21 As a standard, residents are involved throughout the
22 capital projects. There are specifics points that,
23 for example, Shanna mentioned earlier. Let's say
24 we're moving to construction in a capital project.
25 There are biweekly meetings where the resident leader
is invited. If they have concerns around the work or

3 any aspect of the work, they can raise those there so
4 they can be addressed real-time rather than, you
5 know, after the contract's completed or something
6 like that. For large projects and projects that we
7 procure underneath an RFP method, as Sergio
8 mentioned, where we have more flexibility in how we
9 select the vendor, rather than a lowest-cost bid
10 method, in particular like our Comprehensive
11 Modernization Program, we are in similar involving
12 like the Trust model residents in the selection
13 committee, and you know, from day one through
14 engagement and other ways that they input to the
15 scope of work, the design and the construction
16 project. doing that across, you know, the 700 active
17 projects we have today on the capital side, some of
18 which could be, you know, very small items or
19 something in a back room boiler system or something
20 like that, we don't currently involve residents in
21 something like vendor selection largely because it's
22 typically a sealed bid procurement in any case which
23 is a procurement model that's driven by the lowest
24 cost. But as Brian mentioned, we've done a number of
25 other things. The new team he mentioned is a-- what
we call property liaisons that focus only on capital

3 projects, and they work with our colleagues on the
4 resident engagement side and REES to provide more
5 continuity of communication to each property and TA
6 leader. So they're similarly organized in a kind of
7 zone model where we have a capital projects property
8 liaison assigned to a number of properties, and their
9 mandate is to go to the property several times a year
10 and discuss issues related to capital planning,
11 capital prioritization, ongoing capital projects with
12 the property manager the resident leader to understand
13 what type of concerns or priorities they have and
14 ensure that our project delivery is actually meeting
15 those.

16 CHAIRPERSON AVILÉS: Got it. Thank you.
17 in terms of the developments that don't have TA's--
18 we know quite a few that do not-- what does NYCHA do
19 then?

20 SHAAN MAVANI: So where we're running a
21 capital project in that kind of context, we would
22 find other ways to engage residents and even on a
23 standard site where there is a TA leader will maybe
24 ask to join broader [sic] resident meetings, present
25 on the projects, field questions, and other ways that
we can engage more broadly. Obviously, depending on

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3 what we're doing we using flyering [sic] and signage
4 and other ways to let residents know about what's
5 happening, in particular where there's any impact on
6 the campus or on the property.

7 CHAIRPERSON AVILÉS: Thank you. So I
8 think with that we'll wrap up and go to public
9 testimony.

10 SENIOR DIRECTOR CASTILLO: Chair, if I may
11 add--

12 CHAIRPERSON AVILÉS: [interposing] Yeah.

13 SENIOR DIRECTOR CASTILLO: I just have
14 information that you asked about the REES budget.

15 CHAIRPERSON AVILÉS: Oh yes, great.

16 SENIOR DIRECTOR CASTILLO: Fiscal Year
17 23, almost \$7 million in PS and \$300-- about \$352,000
18 in OTPS.

19 CHAIRPERSON AVILÉS: Has that-- do you
20 know, has that been consistent over a number of
21 years? And this is just Fiscal 23, is that correct?

22 SENIOR DIRECTOR CASTILLO: That's right.
23 I would need support in doing an analysis to see if
24 that's been consistent, but our headcount has been
25 fairly consistent.

3 CHAIRPERSON AVILÉS: Thank you. Thank
4 you for following up on the question.

5 COMMITTEE COUNSEL: Thank you to the team
6 from NYCHA. We'll now move on to public testimony.

7 If there are individual's in-person who wish to

8 testify and you have not already filled out an

9 appearance card and handed to the Sergeant at Arms,

10 please do so now. We also encourage anyone who is

11 testifying in-person today to also submit their

12 testimony through the Council website. We'll start

13 with the first panel. I will call up a group of

14 names. If you could come to the table in the front,

15 we'll go through individually. Katie Rodriguez

16 [sp?], Janine Gavins [sp?], I believe-- my apologies--

17 - and Stephanie Klocke as well. If you could come up

18 to the front. After we're done with the in-person

19 testimony, we'll move to the Zoom testimony. Ms.

20 Rodriguez, you could start. We'll be using three

21 minutes, and we appreciate if you can stay within the

22 time limit, but obviously you can always submit

23 testimony up to 72 hours after today if there are

24 points you're not able to get to.

25 KATIE RODRIGUEZ: Good afternoon everyone

and thank you all for the opportunity on behalf of

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3 NYCHA and the REES program. My journey goes far, but
4 in the end, like my mom always stated, it's not where
5 you start--

6 COMMITTEE COUNSEL: [interposing] Ms.
7 Rodriguez, could you move a little closer to the mic
8 just so we can make sure it catches. Thank you so
9 much.

10 KATIE RODRIGUEZ: Okay. Maybe I should
11 angle it like this. Good? Okay. Sorry, guys. Good
12 morning and thank you all for the opportunity to be
13 in here on behalf of NYCHA and the REES program. My
14 journey goes far, but in the end, like my mom always
15 stated, it's not where you start but how you finish.
16 Though my journey is nowhere near finished, I'm glad
17 to say mentally and financially I am happy and
18 comfortable now than before. I would like to say
19 first thanks to the New York City Housing Authority
20 for implementing the REES program, giving individuals
21 as myself the opportunity to work in the construction
22 field. I would also like to thank Ms. Janet Rivera
23 [sp?] in assisting me with job placement assistance,
24 and making sure that my resume and job skills were
25 exactly what I was looking for. Thank you, Ms.
Rivera. I would also like to thank the company of

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3 JCC for allowing me, the only woman in my crew of
4 construction, to work besides men with no
5 discrimination. Within the few months that I have
6 worked with JCC, JCC has opened my physical ability
7 to do things that I never thought I was capable of. I
8 really do appreciate Chris Hedrick [sp?], Peter
9 Carpensky [sp?], my Field Supervisors, for allowing
10 me on board. Thank you to the REES program. Thank
11 you-- which-- the REES program was created to show
12 resilience, and by far I'm walking testimony. Thank
13 you NYCHA, Ms. Rivera, Peter, Chris and the Company
14 of JCC.

15 COMMITTEE COUNSEL: You can go ahead, Ms.
16 Gavins, Ms. Havins? Oh, my apologies. You can go
17 ahead. And again, if you just hit that button on the
18 mic until the red light comes on and speak into the
19 microphone, that'd be great.

20 JANINE HAVINS: The red light's on?
21 Okay. My name is Janine Havins and I am President of
22 IASI, which is Integrated Adolescent Sanctuary Inc.,
23 which was-- began in 2021, sole proprietor of Coco's
24 Holistic Specialties and Apothecary, LLC initiated in
25 2020. I wished to contract to NYCHA as-- [inaudible]
to negotiate [inaudible] civil rights, the civil and

3 inalienable rights of juveniles and the non-offending
4 parent within the juvenile system. A huge swath of
5 said parents are survivors of DV and become homeless
6 as a result of complications of the emotional battle
7 involved in the juvenile custody cases. IASI seeks
8 to remove all single DV survivors from out of micro
9 shelters to transfer into initial intake transitional
10 and permanent end phase housing, beginning to end
11 phase housing, safe house based assistance for single
12 DV survivors. Presently this system is very broken.
13 Assistance is targeted to family DV survivors and
14 there is no grant funding for single DV survivors
15 such as myself. I am kind of hallmark of this whole
16 demographic, not that I fit into all the different
17 ways that things have happened to individuals such as
18 us, but they're-- we're a huge swath that aren't
19 being taken care of. So, we are funneled into MICA
20 shelters, which is the acronym for Mentally Ill
21 Chemically Addicted, where everyone are threatened--
22 like-- excuse me, are treated like animals and
23 extreme predatory behaviors, attacks on us by
24 homicidal-- excuse me, but frequently homicidal,
25 schizophrenic individuals. People within this
population, we're just so-- we're place in, just like

3 right on top of each other. DV survivors are
4 misplaced into such places using disabilities
5 acquired directly as a result of surviving childhood
6 and adult DV. We're being further victimized through
7 such exposure a homicidal population of extremely
8 mentally-ill individuals. So, what's going on--

9 CHAIRPERSON AVILÉS: Ms. Havins, you
10 actually-- your time is up, and we would be happy to
11 receive testimony and follow up with you for further
12 conversation. Thank you for your testimony.

13 COMMITTEE COUNSEL: Ms. Klocke, you can
14 go ahead.

15 STEPHANIE KLOCKE: Good afternoon,
16 Committee on Civil Service Labor Chair De La Rosa,
17 Committee on Public Housing Chair Avilés. My name is
18 Stephanie Klocke. I'm the Director of Career Services
19 for Green City Force, or GCF. Thank you for the
20 opportunity to speak with you today about the
21 importance of resident hiring and Section 3
22 requirements in NYCHA and low-income housing
23 communities. GCF has proud and thankful to receive
24 funding from the Council. We have a Speaker
25 initiative for Green Jobs Corps as well as
discretionary support from other Council Members,

3 many of whom are here today. For the past six years,
4 I have worked at GCF in partnership with NYCHA and
5 NYCHA's Resident Economic Empowerment and
6 Sustainability Team as well as a citywide range of
7 employers and workforce training partners in order to
8 position 18 to 24-year-old NYCHA residents to qualify
9 and be competitive for Section 3 job opportunities.
10 Green City Force's mission is to train young leaders
11 to power a green and inclusive economy through
12 service. Through our innovative holistic Americorps
13 [sic] Service learning model, we have trained and
14 prepared over 600 graduates who have gone on to work
15 in various roles in the green economy, including
16 energy efficiency, green infrastructure, urban
17 agriculture, green construction, community health,
18 and zero waste. GCF's inaugural and strongest
19 ongoing partner has been the New York City Housing
20 Authority. In April 2010, GCF began partnership with
21 NYCHA's REES office to recruit our first cohort of
22 participants. Fast-forward 13 years to today and our
23 partnership has strengthened and continued. We are
24 currently working with our 25th cohort of 60+ members
25 recruited in partnership with REES in preparing them
for jobs tied to Section 3 opportunities as well as

3 long-term careers in sustainability. We work across
4 many divisions of NYCHA, but our REES-specific
5 partnership has included pilot construction training
6 opportunities via NYCHA's Resident Training Academy,
7 design of an energy efficiency career track model
8 under our partnership project with Jobs First NYC, as
9 well as a variety of recruitment initiatives and
10 upscaling opportunities for our graduates following
11 their initial term of service at GCF. The best
12 illustration of why Section 3 is beneficial and why
13 we value our partnership with NYCHA is through the
14 stories of our graduates. Matthew Lahara [sp?] of
15 Wagner Houses in Manhattan graduated from Green City
16 Force knowing only that he wanted to work with his
17 hands within the sustainability sector. By
18 continuing his career exploration through GCF social
19 enterprise, he worked on energy efficiency and HVAC
20 retrofits within NYCHA developments. When an
21 opportunity came through REES to interview for the
22 Brick Layers and Allied Craft Workers Local Number
23 One, Matthew's experience working on Section 3
24 projects within NYCHA helped him realize what he
25 wanted to pursue which is where he is today, a union
apprentice. My entire written testimony has been

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3 submitted for the Council's review. Thank you for
4 your time.

5 COMMITTEE COUNSEL: Thank you very much
6 for all your testimony. I'll call the next panel up.
7 Thank you so much. I'm going to call a group of
8 names, if you could all again come up to the table
9 and we'll go through one-by-one. Infinite George,
10 Arlene Sano Henry [sp?], or Sano Henry, my apologies,
11 Jasmine Byrd [sp?], and Justice Favor, if you could
12 all come to the table up front? You can start on the
13 end there, sir.

14 INFINITE GEORGE: Good afternoon, now.
15 My name is Infinite George. I want to thank you for
16 the opportunity to testify. I'm a 16-year member of
17 Local 79, and I want to just say this before I
18 finish. Under the current NYCHA plan, PLA, my life
19 has changed. I've been a union construction member
20 for 16 years. Born and raised in Queensbridge
21 Houses. I've been living here for over 30 year, and
22 that PLA has given me a clear path to the middle
23 class. I'm proud to still be involved in my
24 neighborhood of Queensbridge, like I said, where I
25 lived for over 30 years. I worked non-union
construction, and I know there's still a lot of

3 people from my community that are being exploited due
4 to their upbringing and lack of knowledge of these
5 rights as workers. Union training and attending
6 school for labor-- I'm currently in school at SLU,
7 School of Labor and Urban Studies. I understand the
8 rules better than these contractors try to avoid
9 paying marginalized residents of NYCHA their correct
10 wages. It's important that all contractors doing
11 work at NYCHA development be in Section 3 compliance.
12 This helps residents by employing them at a living
13 wage with benefits in a career as opposed to a job.
14 Local 79 has helped changed my living conditions for
15 my family that is different between working a union
16 Section 3 job as opposed to a non-union Section 3.
17 In conclusion, no one should be exploited in a
18 dangerous NYCHA job. Every NYCHA resident deserves a
19 chance at full employment and a career when the
20 contractor [inaudible] work in a development because
21 this has helped me provide better for my family.
22 Thank you.

23 ARLENE SANO HENRY: Okay. Hello, I'm
24 Arlene Sano Henry. I started out my construction
25 career in Section 3 in 2002. I'm in Grant Houses.
That's where I did my first contract with Section 3.

3 I've been 21 years Section 3 worker. I've been in
4 housing 28 years, and it better my life. It better
5 everything about it, you know what I mean? I was
6 struggling before I got to-- before I got to housing
7 I was struggling. Section 3 helped me and Local 79
8 just ensured me that I was doing the right thing, and
9 from them on, ever since then I've been doing real,
10 real good, real good. That's all I want to say. It
11 helped me a lot.

12 CHAIRPERSON AVILÉS: Thank you. Always
13 happy to hear that. Thank you.

14 JASMINE BYRD: Hello, good afternoon. My
15 name is Jasmine Byrd. I live in Grant Houses. I've
16 been living there all my life for 39 years. I've been
17 with-- I started a program Section 3 eight years ago
18 which led me into the union for Local 79. It's been
19 great for me. It helped me provide for my family and
20 the benefits include like the health benefit. I'm a
21 diabetic and it's hard for me to get my supplies. So
22 ever since I've been with Local 79, the benefits gave
23 me that I don't have to pay too much out of my pocket
24 for my device because I'm on an insulin pump and I
25 have the Dexcom also to control my sugar.
Furthermore, the benefits are great. We have pension

3 which was-- helped me provide for my-- in my future
4 when I stop working and to help benefit my family,
5 and it helps for schooling. Like, if you want to go
6 to school, you have an opportunity to go to school
7 also. For me, it's been great ever since then, and I
8 will continue to work for Section 3. Thank you.

9 JUSTICE FAVOR: Good afternoon. Thank
10 you guys for your time. My name is Justice Favor.
11 I'm the Director of Strategic Partnership at the
12 Laborers. I'm a product of NYCHA, born and raised
13 over 40 years as we all here. I'm a testimony. I'm a
14 testament that how having the unionized construction
15 job has transformed my life. Chair, I would like to
16 also give you some backgrounds from the union
17 perspective in terms of the young man that was here,
18 or any other questions. I have been the Section 3
19 person on the ground for the past 10 years working
20 directly throughout the five boroughs with NYCHA,
21 working with their REES program, working with them
22 where they was the Trust. And just speaking to the
23 experience of what it's like, when we talk about
24 uplifting marginalized people, when my grandparents
25 migrated from the south and my grandmother scrubbed
floors, and my mom battled with drug addiction and,

3 you know, crime-ridden in my community and my friends
4 and family, some that never made it out and some
5 still stuck. When I look back, being a father of
6 seven, I'm about to be a grandfather, too, y'all.
7 But you know, I think about what has enabled me to
8 propel me to be able to be successful to achieve
9 higher education and also to achieve, you know, a
10 stable career, and it's been the union. It's been
11 that. And I look at the lives that I'm impacting an
12 the lives that I'm helping to transform by uplifting
13 folks that oftentimes would have been overlooked and
14 marginalized going to these community. And
15 currently, the NYCHA Trust right now and as it stands
16 has enabled that, right? I know I there's some areas
17 to improve, but the laborers don't struggle, and you
18 can ask anyone, Local 79 does more than the lion
19 share of impact, and we're the largest construction
20 union in New York City. We the most diverse. Over
21 10,000 members, over 85 percent of women and people
22 of color, over 80 percent live in New York City, and
23 we continue to be socially and economically
24 entrenched in our community. We stand on the side of
25 many different fights, social fights, things that
don't equal-- don't lead to man hours, but we vest it

3 because this is our community. And you know, like I
4 said, there's some questions I have specifically for
5 NYCHA. I would have-- you know, I expressed that to
6 them, and you know, most notable is the RAD stuff
7 that's really not truly transparent, but I don't want
8 to bash them, you know, being that, you know, we do
9 have a way of communicating with one another, but
10 I'm-- and I would have loved for you to kind of like
11 extrapolate a lot more with the RAD stuff. So, I'll
12 yield my time. Thank you. But I'm available with
13 any question that you need or you would like to know.

14 CHAIRPERSON AVILÉS: Yeah, definitely. I
15 just have a quick comment first. Thank you all for
16 sharing your stories and experience. Clearly, New
17 York City is a union town, and we are happy to hear
18 that. And you know, I think-- I just wanted to say
19 two things. Yeah, NYCHA's lucky that I'm chairing
20 this hearing and not Manny Martinez [sp?] or possibly
21 you, but we would love to-- I would love to follow up
22 because there are many gaps still in eh ways we need
23 to pursue and uncover what is happening, because
24 clearly the reporting and the reality are still too
25 far apart, right? And that's what we're trying to
bring together. So, I'd love to follow up with you

3 some more on RAD-- certainly RAD and PACT and where
4 the gaps are. And it is your questions and your
5 guidance and the experience of residents good or bad
6 that help drive the questions that we are trying to
7 get at here, because it is a State authority. It is
8 actually not a city agency. It is a State agency
9 that we get to ask questions to, but we need to do
10 this on both levels. So I'd love to follow up with
11 you and thank you for the work that you've done in
12 Local 79 with our community members. It is so
13 important, and we want to see more of these success
14 stories, because it tells us we are going in the
15 right direction. So, thank you so much.

16 JUSTICE FAVOR: And as far as Local 79
17 concern, we all are not anomalies up here. You know,
18 we invite anyone to visit us, our training fund, our
19 union meeting, and you know, although we speak for
20 that, but it's-- we're not one-offs. You know, many
21 of us that are, you know, that could speak truth to
22 power about coming up in NYCHA and what the union has
23 done for them.

24 CHAIRPERSON DE LA ROSA: Thank you Chair.
25 I also want to thank this panel for coming out and
Local 79 for the continued partnership and advocacy

3 across the City. I do have one question. In your
4 opinion-- and I'm glad to hear that the partnership
5 with NYCHA is going well, because that's a goal,
6 right? What-- if there were-- if there are things--
7 if there were things that we could do to continue to
8 support access for NYCHA residents, is there anything
9 in your experience that you could say changing this
10 or transforming this or, you know, doing more of this
11 could help more people?

12 ARLENE SANO HENRY: Okay, personally, me
13 feel that if y'all have like a panel that can come
14 out and do, you know, hand to hand, face to face talk
15 to the residents of housing and let them know what's
16 the benefit of all this, you might can get more
17 people to come out, but if you don't give them the
18 benefits and what's going to bring for the future for
19 them, they're not going to come out, because that
20 street money is faster than the process. You know
21 what I mean? So, we go out, foot, walking, talk to
22 the people, we can do this. They will come out
23 because they see us making the money and see how
24 we're living. Then they're going to want to live the
25 same way. But we got to be one-on-one, you know, we
got to be face to face. We can't do the on the wall,

3 put a sign there and say that this is that and that--
4 somebody's going to rip that off. Then nobody will
5 know nothing. Yeah, we have to go out in the
6 community.

7 JUSTICE FAVOR: The one thing I wanted to
8 add, when we speak about retention, retention is
9 important, right? So currently, you look at the
10 current NYCHA PLA which to me it works great, right?
11 There's always room for improvement but it works
12 great. We absorb. We bring in a new person that has
13 zero construction experience, whether it's through
14 our apprenticeship program or direct entry. When
15 that NYCHA project and that development finish, that
16 person still has a union book and they can go work
17 for 17 other contractors throughout the City, right?
18 That's currently what it is. you look at some stuff
19 now where the work is being allocated to contractors
20 that are not union-friendly, right, that, you know,
21 there's some concerns with some of the wages, and I'm
22 speaking where I'm a little-- we're a little
23 skeptical about the RAD and PACT stuff in terms of
24 the contractors. Some have done it correctly. I
25 don't want to dismiss and forget about those, right?
The L&M's of the world and Monadnock's of the world

3 have done that and unionized those guys. But let's
4 take-- you're awarded to, you know, most recently a
5 developer was awarded a recent project in Staten
6 Island, right? And if I can mention, I will mention,
7 but they have a track history of not paying--
8 exploiting workers and not paying livable wage. So
9 let's say they go into that area, and let's say they
10 do hire those guys-- guys and girls that live in that
11 area. Once the work is done, they rent jumped up
12 because of the money that they made, but now there's
13 no more work to go. Where do those folks go? So
14 that's why the union connection is important because
15 that's the retention and how they're able to sustain
16 the lifestyle that they had. You come in there one
17 time, and they only paying that "prevailing wage" is
18 because they mandated those develop-- some of those
19 developers, but after that project is done, where do
20 those-- where do those folks go and work at? So what
21 I will say is, you know, what encouraged them to
22 partner with folks that are union-friendly, though,
23 because that's the retention in construction, right?
24 And I know the gentleman mentioned about three
25 months, that's an occupational hazard that exists in
the industry. It's unfortunate, right? Because

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3 construction workers work to get laid off. It's the
4 only job that you work yourself out of a job, right?
5 And that-- you have weather, you have different
6 reasons on why sometimes there may be a work
7 shortage. But it's not for everybody, but everybody
8 can do it.

9 CHAIRPERSON DE LA ROSA: Thank you.

10 CHAIRPERSON AVILÉS: Yeah, thank you for
11 that. I would just say I hear you about the working
12 yourself out of a job. I think what I have seen is
13 that the job continues, and the brown workers
14 disappear.

15 JUSTICE FAVOR: Right, so--

16 CHAIRPERSON AVILÉS: [interposing] That's
17 what we're seeing that is a problem.

18 JUSTICE FAVOR: So, I just want to put
19 some context to that.

20 CHAIRPERSON AVILÉS: Yeah.

21 JUSTICE FAVOR: There's a degree of some
22 truth to that, but there's different scopes of work
23 that may be, right? So, if you look at it, we're
24 laborers, right? So if the labor portion of the work
25 is actually done, right, it's messed up but there's
no need for us at that point. But you may be like a

3 plumber or a carpenter, and your jurisdiction of work
4 is maybe inexistent at that time, so that is why you
5 might see them work. So that's-- it's nuanced, but
6 you're only going to understand it if you're in the
7 industry, thought, right? Looking outside of it,
8 often times, it can confuse you, but it's a lot of
9 nuance to that, and I'm not dismissing, you know,
10 what you say. My degree is in labor studies, so I
11 know the history of how black and brown workers have
12 been marginalized, and even in the union world,
13 right? It's no secret to the history. There's a
14 past to that. But to be fair, we have to just put
15 things in context.

16 CHAIRPERSON AVILÉS: One hundred. Thank
17 you.

18 COMMITTEE COUNSEL: Thank you very much
19 for your testimony. I'm going to call the next
20 panel. If I-- I'm going to call up a group of names.
21 If you all could all come up to the table, Emanuel
22 Martinez, Darren Hems [sp?], I believe-- my apologies
23 if I mispronounce your name-- and then Shameka
24 Shannon [sp?] could also come up. And if there's
25 anyone else in-person who wishes to testify, please
fill out an appearance card and hand it to the

3 Sergeant at Arms, and we could have you come up and
4 testify. We always encourage anyone to submit
5 written testimony within 72 hours through the Council
6 website. I think we can start with Mr. Martinez and
7 then go down the table if that's alright.

8 EMANUEL MARTINEZ: Great. There we go.
9 So sorry. Good afternoon Honorable Council Member
10 Avilés, Chair and colleagues. I'm really grateful to
11 be here and for this opportunity to speak. With
12 regards to Section 3, just want to give it-- just
13 would like to preface Section 3 and why it is
14 different in New York City than it is anywhere else
15 in the country. Section 3 has problems working in
16 other places in the country because Public Housing
17 Authorities, 70 percent of them are less than 1,000
18 units throughout the country. NYCHA's the only one
19 that's at this level that's getting this amount of
20 funding. Oh, I'm sorry, excuse me. So now the other
21 thing is for clarity of Section 3 there is no
22 economic threshold for Section 3. That means that if
23 a project that's receiving Section 9 financing, if
24 it's partially funded, the whole project is Section
25 3, which means that even city or state jobs that
happen on NYCHA grounds is a Section 3 project and

3 should be expanded. What's happening now is that
4 those city and state jobs are being struck, and those
5 monies are not being redistributed inside
6 communities. I have some numbers here that'll patch
7 up some of what NYCHA was discussing. I was in a
8 Section 3 working group with NYCHA in which I was
9 able to get some numbers. So as far as May 2022
10 there was 75,000 working age, non-disabled residents
11 that were not reporting employment income, and REES
12 through their partners only addressed in 2021 312
13 members, and in 2022, May 2022-- I'm sorry, July
14 2022, 209 members-- residents. We are not making a
15 significant-- we're not significantly impacted the
16 population that can be affected by Section 3. And
17 we've already seen how well Section 3 in unions work
18 and how much that changed the lives of these
19 households. We also have to understand that Section
20 9, a large determinant of Section 9 is flat rent and
21 getting as many households to flat rent as possible.
22 When you have 50 percent of collections that are \$500
23 average rent, reaching a billion dollars in 2018,
24 that means that if we were able to get more of that
25 population to a flat rent we would be able to get
more money than the government would ever supply any

3 federal subsidy, be it Section 8 or Section 9 just
4 through the rent program, and Section 3 is the path
5 for us to do that. We have issues with the fact that
6 REES does not have any Section 3 compliance, even
7 though Section 3 is heavily focused in REES and REES
8 does not have the capacity nor the responsibility to
9 make sure that Section 3 is working. What's
10 happening is that these contracts their contractors
11 are giving a static number which should be
12 fluctuating with the 30 percent newly-generated hires
13 for legacy contracts and now 25 percent of labor
14 hours, but they're not doing that. They're saying we
15 need three people and then that would be the number
16 for the entire job, three people or five people. And
17 if you don't have persons who understand that
18 dynamic, then you don't have people challenging that
19 dynamic. Another thing is contractors are telling
20 the community that it has to be 100 percent union.
21 That is a problem, because it doesn't have to be 100
22 percent union. The Project Labor Agreement does not
23 mandate that. They spoke about the 48-hour rule here
24 in the Project Labor Agreement, and contractors are
25 the ones who are responsible for the hiring and also
the promoting of Section 3 projects. So, you have

3 currently right now NYCHA has-- forgive me, not now.

4 In January of 2023, NYCHA had roughly 1,600 contracts

5 at a total value of \$12 billion dollars, \$6 billion

6 of those-- \$6 billion dollars' worth of those

7 contracts, roughly just under 900 contracts were

8 Section 3 and \$4 billion of that are legacy contracts

9 meaning that you have-- it's the-- it's under the

10 Part 135 which the old regulation. What's

11 significant about that is that under Part 135 there's

12 a 10 percent subcontracting mandate for Section 3

13 business concerns. Now, NYCHA went from six-page

14 Section 3 business concern list in 2017 to a 62-page

15 Section 3 business concern list, and it's still at

16 zero percent subcontracting with Section 3 business

17 concerns. That's relevant because these business

18 concerns tend to be from the community-- have a

19 understanding of the community's culture, because

20 they may come from another public housing state. So,

21 we need to enforce that Section 3 business concerns

22 in our community because they work better with our

23 community. We see a lot of contractors who come into

24 our communities with a lot of members who do not look

25 like us, nor do they respect us, and they are

literally walking around with our jobs. The last

3 thing, the last thing that I also want to mention is
4 the City Council's investment into these projects.
5 So, in 2016, I know that you spoke of the 100 jobs
6 for the apprenticeships. Now that \$26 million
7 dollars that was given in 2016 by Ritchie Torres for
8 a 100 jobs-- for 100 apprenticeships. So, that's
9 260,000 per apprentice. I think that we can expand
10 that and invest that a whole lot better than, you
11 know, \$26 million for 100, especially when we got
12 75,000 people that need employment and training. And
13 so with that, I thank you all for allowing me to
14 speak, and thank you.

15 COMMITTEE COUNSEL: Ms. Shannon?

16 SHAMEKA SHANNON: Good afternoon
17 everybody. Thank you for giving me the opportunity
18 to speak. My name is Shameka Shannon and as most
19 people here I've lived in NYCHA all my life. I have
20 over the years many mediocre jobs which nothing came
21 out of it, not no work day at all. Sorry, my machine
22 went off. One day during the height of the pandemic,
23 I received an email from the REES program introducing
24 the CHW program. I said, hey, let me give it a try.
25 I trained for the CHW program with LaGuardia
Community College for three months. After completing

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3 the program and receiving my CHW certificate, I got
4 hired as a CHW for NYU Langone in Public Health for
5 one year. While working for NYU I received many
6 certificates in the Health and Wellness sector. When
7 the grant funding program came to an end at NYU, I
8 was hired with ACCI as a CHW Supervisor and recently
9 as of last month I got promoted to Program Manager
10 while supervising two supervisors in 10 CHW's, was
11 making an annual salary of \$80,000 a year. In
12 October of this year I will receive my Bachelor's
13 Degree in Business Administration, and then I will
14 continue to pursue my Master's Degree. The REES
15 program has given me, a NYCHA resident with only a
16 GED, an opportunity to finally obtain a career and
17 I'm so thankful. Thank you. Thank you.

18 CHAIRPERSON AVILÉS: Yes,
19 congratulations.

20 SHAMEKA SHANNON: Thank you.

21 COMMITTEE COUNSEL: Sorry. Mr. Hems? My
22 apologies, Mr. Henry. You can go ahead. If you just
23 hit the button right in front of you so the red light
24 is on.

25 DARRON HENRY: There we go. Thank you.
My name is Darron Henry. I'm the Enrollment Manager

3 with the State University of New York Brooklyn
4 Educational Opportunity Center. After this, I think
5 we could all go home. Congratulations to you. That
6 was awesome. So, I'm the Enrollment Manager with the
7 State University of New York. We provide tuition-
8 free training for eligible New Yorkers, ESL, medical
9 billing, patient care technician, GED preparation,
10 and we're an official GED test site. We've been
11 working with REES for as long as I've been here, and
12 I've been here a long time. one of the most defining
13 moments in working with REES was we were preparing
14 students with the training for building maintenance
15 or pest control, and they needed a test prep for the
16 group. That was the weekend of Sandy. The group
17 started that Monday. We had 29 students, 21 attended
18 the class, 17 finished the class, and 14 made it into
19 the academy. So we were very, very proud of that.
20 We've also worked with them as well in recent years--
21 recently. We were just at the Whitman Houses
22 recruiting for our tuition-free programs as well, and
23 then beginning next month we will begin in-person
24 activities again with REES where we'll go on site and
25 actually help individuals with their applications to
the institution. For the last two years, obviously

3 the sessions have been on Zoom, but this will give us
4 that face to face interaction. REES has allotted
5 their computer lab for us. So, once the session is
6 done, we will actually go through the application
7 process with the individuals and try to get them
8 enrolled in the program. And just to give you a
9 couple of numbers: in 2018 of our 1,082 students
10 enrolled, 18 percent were NYCHA residents. The
11 number jumped in 2020 and it went up to 1,400
12 students of which 20 percent of those students were
13 NYCHA residents, but we're looking to grow this
14 relationship. Often, you don't hear free and
15 university in the same sentence, right? Even when I
16 interviewed here, I was like, okay, I'm not
17 registering this, right? And we want to get this
18 information out to more residents. As one of the
19 individuals said earlier, she said you put the sign
20 up and someone's going to take the sign, and it's
21 maybe for their own use or their own family, but then
22 that does limit someone else. So when she said that
23 I was like, yeah, we need to be present more on-site,
24 face to face, grassroots effort. I really applauded
25 and reflected on that, and I think if we can do that
we can get more people into our programs. We can

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3 accommodate 1,600 students every year. We do OSHA.

4 I heard individuals talking about their experience in

5 construction. We do OSHA, security guard training,

6 medical billing and medical assisting, and college

7 prep which is a CUNY-approved program. So, I'm just

8 here today I've been working with REES a long time

9 and it has been a great experience, and the

10 resilience of the students is second to none. So,

11 thank you for having me.

12 CHAIRPERSON AVILÉS: Thank you so much,

13 Mr. Henry, and I would love to invite you to Red Hook

14 so we can do some more outreach, but absolutely, we

15 must meet people where they are, and just not a

16 flyer.

17 DARRON HENRY: Yeah.

18 CHAIRPERSON AVILÉS: And it's not even an

19 email, it is actually on the ground--

20 DARRON HENRY: [interposing] On the

21 ground.

22 CHAIRPERSON AVILÉS: boots to the ground

23 talking to people.

24 DARRON HENRY: Yeah.

25 CHAIRPERSON AVILÉS: So, thank you for

that.

2 DARRON HENRY: Yeah, no problem.

3 COMMITTEE COUNSEL: Thank you all for
4 your testimony. So we'll now move-- having no other
5 in-person testimony-- to the folks on Zoom. When I
6 call your name you should be receiving an invite to
7 unmute yourself. So, the first name, Ms. Torres, you
8 should be receiving an invite to unmute yourself
9 shortly. Good afternoon Ms. Torres. You can go
10 ahead.

11 MS. TORRES: Good afternoon. Thank you
12 both Chairs for holding this joint hearing and the
13 importance of what Section 3 means to the residents
14 in public housing. I don't think that people
15 understand the significance and the changes that can
16 be made in a person's life when they feel secure
17 economically. As a person who raised my children
18 alone, unions precious to me. I am a union person,
19 but when we deal with Section 3, right, that
20 opportunity is not given to the residents from
21 Section 3 and the contracts. Right now I have a
22 contract going and REES is saying, oh, but they have
23 to go through the unions. That's not what the 964
24 says, and I would love to know how we bridge this
25 bridge between Section 3 and resident associations,

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3 and know that all residents will be served. And the
4 other-- for the two people that spoke about they
5 needed space, right now I have a rental space, a
6 restaurant space in Alfred E. Smith. They should
7 contact Capital, and Capital because they are
8 residents should maybe give them an opportunity to
9 rent the restaurant so that they can continue the
10 business with the opportunity of having, you know, a
11 financial backing in terms of having a fair rent,
12 right? And so I say all this to thank you for being
13 on top of issues that are an everyday issue for the
14 residents of public housing, for the leadership. Mr.
15 Martinez, thank you. Mr. Barber, thank you. Both of
16 them have talked about the 964, and you should ask--
17 you should ask NYCHA what they know about 964
18 regulations and how that is supposed to be part of
19 Section 9. And so I thank you for your time.
20 Everyone have a good evening. I yield.

21 CHAIRPERSON AVILÉS: Thank you so much,
22 Ms. Torres.

23 COMMITTEE COUNSEL: Ms. Blackwell, Diana
24 Blackwell, should be receiving an invitation to
25 unmute yourself shortly.

3 DIANA BLACKWELL: Thank you. good
4 afternoon and thank you, Chair Avilés and Chair De La
5 Rosa, and the members of the Public Housing Committee
6 and Civil Service and Labor Committee for holding
7 today's oversight hearing on resident hiring and
8 Section 3 requirements. My name is Diana Blackwell
9 and I am Co-Chair of the Manhattan Solid Waste
10 Advisory Board's NYCHA Recycling Committee. We
11 appreciate the opportunity to provide testimony
12 today. I would like to comment on the current
13 benefit and great potential of resident-led
14 initiatives and job hires as part of NYCHA's
15 sustainability agenda. NYCHA's sustainability agenda
16 seeks to bring clean energy, waste diversion and
17 greener infrastructures to its campuses. The agenda
18 has created an opportunity for a double gain by
19 bringing in NYCHA residents to help with the green
20 transition on the campuses they call home. Resident
21 participation in implementing this agenda has and
22 will help the Housing Authority complete its capital
23 projects by instilling a sense of ownership in
24 residents as they actively create positive changes
25 that are sustainable and achieve sustainability at
developments like their own. We would like to

3 underscore that today NYCHA currently contracts with
4 three sustainability organizations that are either
5 Section 3 businesses, hire Section 3 employees, or
6 both. First and the largest, Green City Force who
7 has graduates over 600 local young leaders from low-
8 income housing to train them in solar panel
9 installations, sustainability food systems, and other
10 green careers. Today, their work has positively
11 impacted the lives of over 50,000 NYCHA residents.
12 The second is Inner City Green Team, a resident-owned
13 recycling initiative employs five residents to
14 collect and process NYCHA resident recycles. The
15 small but mighty team has increased recycling
16 participation from zero to 335 households in only 18
17 months. They are now recycling an average of 485
18 pounds of residential recycles per week. And the
19 third is Compost Power, a food waste processing
20 organization now bringing thousands of pounds of
21 hyper [sic] local food scraps composting to-- I'm
22 sorry-- to over seven NYCHA campuses-- partners with
23 Green City Force to train residents in composting
24 organic waste. The benefit of just three programs
25 that empty and engage-- I'm sorry, employ and engage
residents in NYCHA sustainability project are far

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3 more than the completion of a work order. Like many
4 New Yorkers, NYCHA's residents would like-- they want
5 to participate in recycling, be part of clean energy
6 transmission and live in a healthy environment
7 including NYCHA residents--

8 SERGEANT AT ARMS: [interposing] Thank you
9 so much, your time has expired.

10 DIANA BLACKWELL: Okay, I will conclude.
11 Just to let you know this will bring a great impact.
12 The NYCHA swap [sic], New York, the Manhattan swap
13 [sic], [inaudible] Clean Committee urges Council
14 Members and city agents to take green jobs hiring
15 into consideration as they review and improve NYCHA
16 Section 3 program. Thank you.

17 CHAIRPERSON AVILÉS: Thank you so much,
18 Ms. Blackwell. We will absolutely pay attention to
19 that. We agree.

20 COMMITTEE COUNSEL: Lastly, we'll have
21 Ms. Karen Blondel, and again, we encourage everyone
22 to submit any written testimony through the Council
23 website within 72 hours of this hearing. Ms.
24 Blondel?

25 KAREN BLONDEL: Good evening. Good
afternoon everyone. Thank you, Council Member Alexa

3 Avilés for having this hearing today. I want to
4 agree that with Manny Martinez who I did spend about
5 eight months in a Section 3 working group with. And
6 there are 75,000 able-bodied residents who don't have
7 work. We have a half a billion dollar job going on
8 in Red Hook, a resiliency job that did not have
9 Section 3 attached. A half a billion dollars and
10 there was no Section 3. That's heartbreaking for my
11 community that now has some residents who applied for
12 ERAP who will not-- you know, are having a difficult
13 time and can't pay their rents. The fact that I've
14 held Section 3 jobs in the past, Section 3 allowed me
15 to become a computer-aided drafter and designer back
16 in 2008. I went through the Non-traditional
17 Employment for Women which I separate from New York
18 City Housing Authority, but from that program, I then
19 went through the Joint Urban Manpower Program which
20 is a state program, and then I winded up working for
21 NYCHA as a Section 3 engineer assistant. And the
22 importance of that job-- it is really important that
23 these opportunities stay open, Council Member, for
24 our residents, and the fact that we had to have a
25 billion dollars and I look out the window and see
absolutely very few people from this community

3 working. I've had several young men and women
4 approach me and ask me I could help them. Some of
5 them went through the apprenticeship-- the pre-
6 apprenticeship trainings, and they're still not
7 working. So we've made a lot of great recommendations
8 during the time that I spent with Manny Martinez and
9 Brad Greenburg and the others in the working group,
10 but I'm not sure if CCOP has reviewed those findings
11 and if those will be ratified. So I'm asking that
12 CCOP take a look at the suggestions that we made,
13 that New York City Housing Authority looks at it, and
14 that you yourself look at it Council Member. I think
15 that those were really great points about it. If a
16 contractor says they can't, that there's no one in
17 the neighborhood trained, then they should have to
18 support the training of those residents in that area.
19 And there were other things that we said in there.
20 So, I'll yield my time, and thank you so much.

21 CHAIRPERSON AVILÉS: Thank you so much,
22 Ms. Blondel. Before you leave, can I ask you a
23 question? You have been an incredible champion
24 around Section 3 and employment opportunities for Red
25 Hook residents. For the record, can you tell us what

3 are some of the recommendations that you have in
4 terms of improvements to REES and just in general?

5 KAREN BLONDEL: Well, one of the things
6 is I wanted REES to better monitor its vendors and
7 partners, whether they were nonprofits in my
8 community or not. A lot of times, the vendors may
9 get money from REES to hire residents, and then when
10 we ask them to disaggregate the numbers, they may say
11 that they service citywide, when we're really trying
12 to figure out how many people they're servicing in
13 their own geographic location. So specifically I
14 speak for mostly for Red Hook West, Red Hook East,
15 and South Brooklyn which is Gowanus. And so really
16 knowing and also having a Zone Coordinator there. We
17 have a good one there now, Savannah Hoffman [sp?], but
18 there were times when the money and the RFPs were
19 going on, we didn't have anybody in that seat for two
20 years because the person was a city employee, of
21 course, and they were out sick. And so for a whole
22 year-- it took them a year between the person being
23 sick and the replacement to come, and so that was a
24 whole year that we didn't get services in regards to
25 somebody really helping us to get jobs for the young
people and adults in Red Hook.

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3 CHAIRPERSON AVILÉS: Thank you. That's
4 very helpful, and thank you for all your work and
5 advocacy. We're lucky to have you.

6 KAREN BLONDEL: Thank you. Thank you.

7 COMMITTEE COUNSEL: I believe there's no
8 one else online, and having no other witnesses in
9 person, turn to the Chair for a closing statement.

10 CHAIRPERSON AVILÉS: I just want to thank
11 everyone. Thank you to the NYCHA residents who
12 participated and who participated today. Thank you
13 to the NYCHA staff, to the Council staff and our
14 teams for this incredible hearing. There is much
15 obviously to follow up on, and I think as we've seen
16 with the statement of Mr. Martinez that there's
17 enormous opportunity that we should be ensuring
18 materializes for NYCHA residents and leveraging our
19 dollars, and ensuring that the residents get the
20 support. We should not have 75,000 residents without
21 employment when we have billions of dollars of
22 contracts materializing. So, thank you all. With
23 that, we will close the hearing.

24 [gave]
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C E R T I F I C A T E

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



Date April 30, 2023