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THE NEW YORK CITY COUNCIL

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SUBCOMMITTEE ON CAPITAL BUDGET

Hon. Vanessa Gibson, Chairperson

COMMITTEE ON RESILIENCY AND WATERFRONTS

Hon. Justin Brannan, Chairperson

January 30, 2020

**Oversight: Seven Years Later: Update on the Expenditure and Reimbursement of
Superstorm Sandy Federal Funding**

Introduction

On January 30, 2020, the Subcommittee on Capital Budget, chaired by Council Member Vanessa Gibson and the Committee on Resiliency and Waterfronts, chaired by Council Member Justin Brannan will hold a joint oversight hearing entitled, “Seven Years Later: Update on the Expenditure and Reimbursement of Superstorm Sandy Federal Funding.” Representatives from the Mayor’s Office of Resiliency (MOR), the Mayor’s Office of Management and Budget (OMB), the New York City Economic Development Corporation (NYCEDC) the Mayor’s Office of Emergency Management (OEM), the Department of Parks and Recreation (DPR), representatives from the Federal Emergency Management Agency (FEMA), advocates, community organizations, as well as other concerned community groups have been invited to testify.

Background

On October 29, 2012, Superstorm Sandy approached New York City from the southeast, causing high winds and a 14-foot storm surge.¹ Sections of Lower Manhattan, Staten Island, Brooklyn and Queens were inundated with seawater. The Superstorm flooded approximately 17% of New York City’s total land mass, or 51 square miles.² By the end of 2012, the Department of Buildings (DOB) identified approximately 800 buildings as damaged or destroyed and 70,000 housing units registered with FEMA were found to have some level of damage.³ Superstorm Sandy caused an estimated \$19 billion in losses in New York City.⁴ Along with damage to residential and commercial property, the storm damaged critical City infrastructure and services.

¹ Brian Kahn, "Sandy's Surge Was Extreme. It Could Become Normal" CLIMATE CENTRAL (October 10, 2016), <http://www.climatecentral.org/news/sandys-surge-climate-change-20776>

² James Barron, "New York's Next Nickname: The Big Sponge?" THE NEW YORK TIMES (September 27, 2018), <https://www.nytimes.com/2018/09/27/nyregion/new-york-flooding.html>

³ NYC Special Initiative for Rebuilding and Resiliency Report, A Stronger, More Resilient New York, Chapter 1, Sandy and Its Impacts, available at

http://www.nyc.gov/html/sirr/downloads/pdf/final_report/Ch_1_SandyImpacts_FINAL_singles.pdf

⁴ *See id.*

Federal Funding

Congress allocated over \$50 billion to fund recovery efforts for Superstorm Sandy, one of the costliest storms in the history of the United States (U.S.). Nearly \$17 billion of this funding has been earmarked for projects in New York City. Although some federally funded programs are administered directly by federal agencies, others are administered within the City of New York by local City agencies.⁵

Of the \$17 billion the City in federal funding, approximately \$15 billion is directly administered by the City for recovery and resiliency projects. These funds are distributed as grants from federal agencies. While the federal government ultimately finances these grants, in practice the City pays upfront for costs associated with grant funded activities and files for reimbursement afterwards. As a result, the City tracks "reimbursements" received as a key indicator for financial progress of a grant.⁶

The two categories of federal funding that comprise the vast majority of the federally funded programs administered by City agencies are the FEMA Public Assistance (FEMA PA) grants and the Community Development Block Grant – Disaster Recovery (CDBG-DR). The City administers \$9.9 billion and \$4.2 billion, respectively, between the two grant programs.⁷ In addition, the City administers \$321.4 million through the Federal Highway Administration's Emergency Relief Program, \$309.1 million through the Federal Transit Administration's Emergency Relief Program, \$176 million through the National Disaster Resilience Competition

⁵ See, Sandy Funding Tracker, Overview of Federal Funding, <https://www1.nyc.gov/content/sandytracker/pages/overview>.

⁶ See *id.*

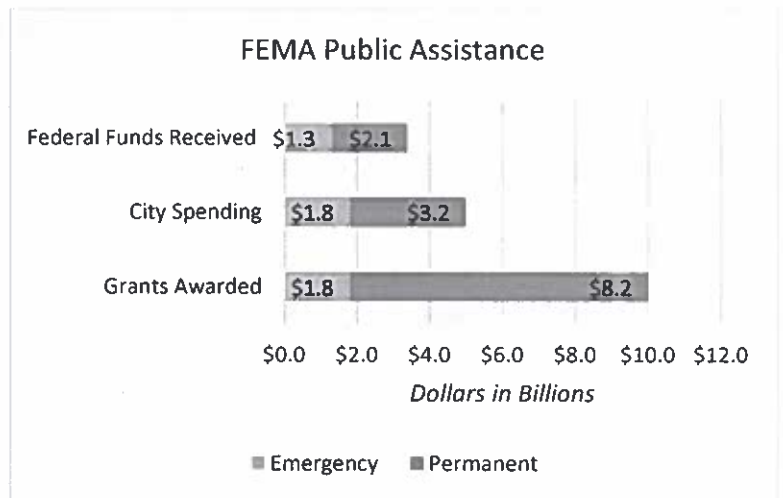
⁷ See *id.*

provided by the U.S. Department of Housing and Urban Development, and \$79.4 million in other grants issued through the Disaster Relief Appropriations Act of 2013.⁸

FEMA Public Assistance Grants

The FEMA PA program provides supplemental federal disaster grant assistance for debris removal, emergency protective measures, and the repair, replacement, or restoration of disaster-damaged, publicly owned facilities and the facilities of certain private non-profit organizations. The FEMA PA grant includes funding dedicated for hazard mitigation to increase the resiliency of City assets.⁹

As of December 31, 2019, FEMA-PA grants awarded to the City are \$9.9 billion, with \$8.2 billion for permanent work and \$1.8 billion for emergency response and protective measures.¹⁰ Of these awards, the City has spent \$5.0 billion and been reimbursed \$3.4 billion



by the federal government.¹¹ The FEMA PA grant reimburses 90 percent of what the City spends, and there is no deadline or clock for drawdowns.

The largest recipients of the FEMA PA funding include: \$3.1 billion for the New York City Housing Authority (NYCHA), \$1.8 billion for Health + Hospitals (H+H), \$1.1 billion for DPR, \$1.1 billion for the Department of Environmental Protection (DEP), and \$829 million for

⁸ See *id.*

⁹ See, Sandy Funding Tracker, FEMA-PA and Other Grants, <https://www1.nyc.gov/content/sandytracker/pages/fema-pa-and-other-grants>.

¹⁰ See *id.*

¹¹ See *id.*

the Department of Education (DOE) and the School Construction Authority (SCA).¹² See the below table for a breakdown of the FEMA PA award amount, the amount the City has spent, and the amount of federal reimbursement by agency, as of December 31, 2019.¹³

Agency Name	Grants Awarded	City Spending	Federal Funds Received
Administration for Children's Services	\$723,606	\$655,635	\$351,026
Board of Elections	\$5,404,189	\$5,404,189	\$4,863,770
Brooklyn Borough President	\$9,594	\$9,594	\$8,635
Brooklyn Bridge Park	\$1,373,988	\$73,482	\$11,904
Brooklyn Navy Yard Development Corporation	\$74,376,272	\$5,823,937	\$2,946,278
Brooklyn Public Library	\$4,152,563	\$0	\$50,893
Campaign Finance Board	\$59,164	\$60,181	\$53,248
City Council	\$11,761	\$11,703	\$10,585
City University of New York	\$25,406,376	\$2,276,823	\$2,435,120
Civilian Complaint Review Board	\$146,368	\$145,115	\$69,624
Deferred Compensation Plan	\$19,681	\$19,681	\$17,713
Department for the Aging	\$498,171	\$477,204	\$448,354
Department of Buildings	\$4,668,212	\$4,664,518	\$4,201,390
Department of Citywide Administrative Services	\$18,924,744	\$24,142,975	\$16,242,358
Department of Consumer Affairs	\$21,245	\$21,721	\$19,120
Department of Correction	\$88,840,333	\$17,413,014	\$10,536,991
Department of Cultural Affairs	\$191,337,332	\$91,748,027	\$10,525,667
Department of Design and Construction	\$12,817,970	\$10,507,286	\$10,843,741
Department of Education	\$37,497,527	\$32,988,528	\$29,014,825
Department of Environmental Protection	\$1,175,287,394	\$693,832,581	\$587,141,475
Department of Finance	\$271,842	\$252,797	\$244,657
Department of Health and Mental Hygiene	\$12,220,191	\$6,651,251	\$3,256,340
Department of Homeless Services	\$22,729,075	\$16,537,827	\$13,293,956
Department of Information Technology and Telecommunications	\$8,733,053	\$8,292,425	\$7,050,543
Department of Investigation	\$76,474	\$77,461	\$68,826
Department of Parks and Recreation	\$1,113,198,756	\$626,028,288	\$445,171,088
Department of Probation	\$104,954	\$105,419	\$94,458
Department of Records and Information Services	\$7,692	\$8,866	\$6,922

¹² See Testimony of John Grathwol, Deputy Director of the Office of Management and Budget, June 3, 2016, <https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=2733679&GUID=489F55D7-023F-4E72-820C-87B6BC9B8774&Options=&Search=>.

¹³ See New York City Sandy Funding Tracker, FEMA PA Funding, <https://www1.nyc.gov/content/sandytracker/pages/fema-pa>

Department of Sanitation	\$216,105,814	\$192,406,291	\$116,566,806
Department of Social Services (Human Resources Administration)	\$13,668,863	\$12,910,065	\$9,984,859
Department of Transportation	\$146,213,721	\$61,597,679	\$25,754,793
Department of Youth and Community Development	\$233,564	\$177,339	\$33,031
District Attorney - New York County	\$7,612,863	\$4,583,157	\$3,121,954
District Attorney - Richmond County	\$12,537	\$12,803	\$11,283
Economic Development Corporation	\$143,205,190	\$9,310,381	\$6,204,892
Financial Information Services Agency	\$112,350	\$111,801	\$81,481
Fire Department	\$229,135,618	\$68,059,877	\$50,434,029
Health and Hospitals Corporation	\$1,863,198,068	\$463,093,301	\$271,389,608
Housing Preservation and Development	\$9,473,363	\$8,940,717	\$8,398,859
Law Department	\$149,697	\$151,536	\$134,727
New York City Housing Authority	\$3,178,513,032	\$1,678,566,268	\$1,021,416,149
New York City Taxi and Limousine Commission	\$132,606	\$103,421	\$119,346
New York Public Library	\$4,436	\$0	\$3,992
Office of Administrative Trials and Hearings	\$31,726	\$14,194	\$28,553
Office of Collective Bargaining	\$6,030	\$6,269	\$5,427
Office of Emergency Management	\$14,778,948	\$13,659,250	\$8,953,961
Office of the Mayor	\$212,983,470	\$162,258,379	\$129,464,465
Office of the Public Advocate	\$1,114	\$898	\$1,002
Police Department	\$284,520,911	\$231,209,896	\$183,806,302
Queens Borough Public Library	\$6,281,003	\$3,624,315	\$839,311
School Construction Authority	\$791,921,368	\$565,760,020	\$386,015,051
Teachers' Retirement System of NYC	\$255,562	\$254,293	\$214,296
Trust for Governors Island	\$15,431,600	\$3,191,187	\$700,336
Total	\$9,932,901,975	\$5,028,233,863	\$3,372,664,019

In order to receive funding dedicated from the City's FEMA PA award amount, a jointly developed Project Worksheet (PW) details the scope of work and cost estimates for the project. These are written in 'versions' with the initial one as version 0. According to testimony provided by OMB to the City Council in June 2016, as of the date of that testimony, the City had written over 700 version 0 PWs and over 200 additional versions.¹⁴ According to OMB, in order for funding to be committed from FEMA to New York State, each PW is thoroughly vetted by Federal

¹⁴ See Grathwol testimony, *supra* fn. 12.

and State agencies and reimbursement is provided once invoices are submitted and approved. Additional approval of the funding may be necessary from the State Comptroller; compliance with environmental and historic preservation (EHP); or legislative review (congressional briefing).

According to data provided by OMB to the Council's Finance Division, as of December 31, 2019, the City had approved PWs for all \$9.9 billion in awarded FEMA PA grants and had begun spending funds on 601 of the 736 total PWs. However, even where spending had been initiated, spending varied between PWs with some spending equaling over 100 percent of the award amount and some as little as 0.01 percent.

HUD's Community Development Block Grant – Disaster Recovery

CDBG-DR funding is used to rehabilitate and rebuild safe and resilient housing, assist displaced tenants, provide financial and technical assistance to impacted businesses, enhance business and community resiliency, bolster coastal defenses, and reconstruct or reinforce vulnerable infrastructure.¹⁵

Under the Disaster Relief Appropriation Act, Congress appropriated \$16 billion, later reduced to \$15.2 billion after sequestration, in CDBG-DR funding to the U.S. Department of Housing and Urban Development (HUD) for relief from Superstorm Sandy and other disasters occurring between 2011 and 2013.¹⁶ HUD then allocated portions of this money to grantees, including both the State and City of New York, with the City receiving \$4.2 billion.¹⁷ The State and the City allocate CDBG-DR funds through a series of public Action Plans that describe the

¹⁵ See, Sandy Funding Tracker, CDBG-DR Funding, <https://www1.nyc.gov/content/sandytracker/pages/hud-cdbg-dr>.

¹⁶ See, Written Testimony of Shaun Donovan, Secretary, United States Department of Housing and Urban Development, Hearing before the Subcommittee on Housing, Transportation and Community Development, Committee on Banking, Housing, and Urban Affairs, United States Senate, March 12, 2014, available at: <https://www.banking.senate.gov/imo/media/doc/DonovanTestimony31214HTCD.pdf>

¹⁷ See *id.*

planned projects, including timeline and scope, and must be approved by HUD.¹⁸ Substantial amendments to Action Plans require at least one public hearing and a 30-day public comment period, which is announced on the City's website and in newspapers.¹⁹ The approved plan may differ from the proposed one after public comment has been incorporated. Including both substantial and technical amendments, the City's Action Plan has been amended 23 times.²⁰

Like the FEMA PA grants, CDBG-DR funds are a reimbursement grant. First, funds allocated by HUD to the City are committed through signed Grant Agreements between the City and HUD. Each agreement has a timeline of two years from signing, within which the funds in that agreement need to be drawn from the Federal Treasury. After funds are expended, then reimbursement can be sought from the Federal Treasury. Since it is a reimbursement grant, City spending must precede Federal repayment. Hence, this recovery work variable is referred to as a lagging indicator, since before City spending can occur vendors must submit bills to the City. The City has submitted timeline extension requests to HUD, which have been approved, so the new date by which CDBG-DR must be drawn down is no later than September 30, 2022.²¹

The City's first Action Plan was approved in May 2013 and outlined how the City planned to spend its first allocation of \$1.77 billion in CDBG-DR funds (which were allocated in March 2013). The City's Amendment 5B was approved by HUD in July 2014 and incorporated the City's second allocation of \$1.45 billion in CDBG-DR funds (which was allocated in November 2013). The City's Amendment 8B was approved by HUD in April 2015 and incorporates the third allocation (which includes Rebuild by Design funds) of \$994 million in CDBG-DR funds (which

¹⁸ See CDBG-DR Action Plan Incorporating Amendments 1-20, Effective January 8, 2020, at pg. 14, https://www1.nyc.gov/assets/cdbgdr/documents/amendments/CDBG-DR_Action_Plan_Amendments_1-20.pdf

¹⁹ See, NYC Recovery Website, Community Development Block Grant Disaster Recovery, available at: <https://www1.nyc.gov/site/cdbgdr/action-plan/amendments.page>

²⁰ See *id.*

²¹ See CDBG-DR Action Plan Incorporating Amendments 1-20, *supra* fn. 18 at pg. 14.

was allocated October 2014), bringing the total CDBG-DR allocation directly to the City to \$4.2 billion. CDBG-DR funds have been allocated to five program areas, as outlined in the City's most recent Action Plan:²² Housing, Business, Infrastructure and Other City Services, Coastal Resiliency, and Planning and Administration.

As of December 31, 2019, the City has been reimbursed \$3.5 billion, or 82 percent, of its CDBG-DR allocation.²³ While the City has made significant and increasing progress in spending and reimbursing of grant funds overall, there are variations between programs. Many housing, business, and infrastructure programs are at or near completion, but the resiliency programs, designed for long-term development, are currently in the planning stages and have not yet seen significant reimbursement.²⁴ See the table below for a breakdown of the CDBG-DR award amount, the amount the City has spent, and the amount of federal reimbursement by program as of December 31, 2019.²⁵

²² See CDBG-DR Action Plan Incorporating Amendments 1-20, *supra* fn. 18.

²³ See, *supra*, fn. 15.

²⁴ See *id.*

²⁵ See Sandy Funding Tracker, CDBG-DR Funding, *supra*, fn. 15.

CDBG-DR Programs

Program Category	Action Plan Allocation	Adjusted City Spending	Federal Reimbursement
Housing	\$2,967,173,230	\$2,758,149,240	\$2,695,781,522
Build It Back Single-Family	\$2,213,056,000	\$2,154,445,463	\$2,101,630,081
Build It Back Multifamily	\$426,000,000	\$352,685,331	\$337,013,741
Build It Back Temporary Disaster Assistance Program	\$8,581,270	\$8,570,310	\$8,570,310
Build It Back Workforce Development	\$2,535,960	\$2,533,243	\$2,533,243
Public Housing - NYCHA	\$317,000,000	\$239,914,894	\$246,034,145
Business	\$91,000,000	\$75,107,030	\$73,961,947
Hurricane Sandy Business Loan and Grant Program	\$56,000,000	\$56,980,894	\$56,980,894
Resiliency Innov. for a Stronger Economy (RISE:NYC)	\$30,000,000	\$16,540,305	\$15,479,658
Business PREP	\$3,000,000	\$1,585,831	\$1,501,396
Infrastructure and Other City Services	\$417,820,586	\$402,504,691	\$402,364,108
Public Services	\$223,107,101	\$223,107,101	\$223,107,101
Debris Removal/Clearance	\$6,654,039	\$6,654,039	\$6,654,039
Rehabilitation/Reconstruction of Public Facilities	\$90,930,000	\$75,614,106	\$75,473,523
Interim Assistance	\$97,129,355	\$97,129,396	\$97,129,396
Coastal Resiliency	\$473,237,000	\$79,770,986	\$79,871,280
Raise Shoreline	\$7,700,000	\$2,857,378	\$2,857,378
Coney Island Resiliency Improvements	\$15,000,000		\$0
Breezy Point Risk Mitigation	\$14,537,000	\$298,250	\$298,250
Sheepshead Bay Courts Infrastructure	\$20,000,000	\$11,634,571	\$10,459,571
Resiliency Property Purchase Program	\$5,000,000		\$0
Staten Island University Hospital	\$23,000,000	\$1,203,141	\$4,000,894
Rebuild by Design - East Side Coastal Resiliency	\$336,000,000	\$60,003,120	\$56,611,835
Rebuild by Design - Hunts Point Lifelines	\$45,000,000	\$3,774,025	\$3,642,851
Planning and Administration	\$264,645,184	\$204,283,664	\$213,678,321
Planning	\$73,017,325	\$78,017,325	\$78,017,325
Administration	\$186,627,859	\$126,266,339	\$135,660,996
Total	\$4,213,876,000	\$3,519,815,611	\$3,465,657,178

Other Federal Funding Sources

In addition, to the FEMA PA grants and the CDBG-DR funding, the City was awarded grants from other federal sources. Except for the City's NDR award, OMB does not actively manage these projects, but works with the City agencies that receive the funding to ensure compliance and track expenditures and reimbursements. The award, City spending, and federal reimbursement of some of the other grants include:

- Federal Highway Administration:²⁶ \$321.4 million awarded, \$208.9 million spent, \$123.3 million reimbursed;

²⁶ The Federal Highway Administration Grant is for the repair or reconstruction of federal-aid highways and roads on federal lands which have suffered serious damage as a result of (1) natural disasters or (2) catastrophic failures from an external cause. This program, commonly referred to as the emergency relief or ER program, supplements the

- Federal Transportation Administration:²⁷ \$309.1 million awarded, \$119.1 million spent, \$66.8 million reimbursed; and
- CDBG-NDR:²⁸ \$176 million awarded, \$1.3 million spent, \$1.3 million reimbursed.

Recent Reporting on the Pace of Spending

New York City Comptroller Report

On May 9, 2019, New York City Comptroller Scott Stringer released a report entitled “Safeguarding our Shores” which concluded that the City has made halting progress in spending federal funding appropriated for Superstorm Sandy recovery and recommended that the City accelerate the pace of investment in resiliency projects.²⁹ The City Comptroller noted that, using data as of March 31, 2019, the City had spent only 43.9 percent of available FEMA grants intended for Sandy-related repairs to City assets and infrastructure. The City Comptroller further noted that at certain agencies, spending is behind relative to other agencies. For example, at H+H, the City has spent only 19.9 percent of the dollars intended to reconstruct facilities and improve mitigation, with the agency not even expected to complete FEMA-supported projects until October 2021. The Department of Sanitation, in contrast, has spent 85.7 percent of its awarded funds.³⁰

Similarly, although there was been a higher rate of CDBG-DR funding spent, reported by the City Comptroller at 79.5 percent, only 14 percent has been spent towards large-scale coastal resilience projects like the East Side Coastal Resiliency plan, the Hunts Point Lifelines plan, and

commitment of resources by States, their political subdivisions, or other federal agencies to help pay for unusually heavy expenses resulting from extraordinary conditions. In New York City, only the Department of Transportation receives funds from this source.

²⁷ The Federal Transit Administration's Emergency Relief program helps States and public transportation systems pay for protecting, repairing, and/or replacing equipment and facilities that may suffer or have suffered serious damage as a result of an emergency, including natural disasters such as floods, hurricanes, and tornadoes.

²⁸ The NDR competition awards disaster recovery funds to eligible states, counties, and cities nationwide to help them recover from natural disasters while also improving their ability to protect against such disasters in the future. In the City, the awarded CDBG-NDR funds will be directed towards the completion of the Two Bridges resiliency project.

²⁹ See, Report of the New York City Comptroller, “Safeguarding Our Shores” at pg. 15, May 9, 2019, <https://comptroller.nyc.gov/reports/safeguarding-our-shores-protecting-new-york-citys-coastal-communities-from-climate-change/>

³⁰ *Id.* at pg. 15-16.

raised shorelines in Coney Island, Breezy Point, and Sheepshead Bay, with several City initiatives with planned completion dates far into the future.³¹

Local Reporting

On October 29, 2019, an article in THE CITY highlighted the slow pace of spending federal Sandy recovery funding at NYCHA in particular.³² A review by the news organization found that seven years after Superstorm Sandy damaged 200 buildings in 35 developments along the City's waterfronts, work has been completed in just two complexes, with a third development nearly done.³³ Further, they found that construction projects at 31 of the 35 damaged developments missed their original start dates, in some cases by a few months, but in most instances by a year or more, that in 2018 NYCHA forecasted spending \$825 million, but wound up spending only \$556 million, and that some of the temporary boilers put in place after the storm hit are still in place today.³⁴

Sandy Funding Tracker

In December of 2013, the City Council passed legislation that became Local Law 140, creating a database to track the expenditure of funds in connection with recovery efforts in the wake of Superstorm Sandy.³⁵ Referred to as the Sandy Funding Tracker, the database was to improve transparency, accessibility of information and accountability for how Sandy funds are

³¹ *Id.* at pg. 16-17.

³² *See*, THE CITY, "NYCHA's Post-Sandy Rebuild Mired in Delays and Dubious Contracts," October 29, 2019, <https://thecity.nyc/2019/10/nycha-post-superstorm-sandy-public-housing-recovery-delayed.html>

³³ *See id.*

³⁴ *See id.*

³⁵ *See*, The New York City Council Website, available at:

<https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=1419832&GUID=5902C0D5-CDF7-492C-AD73-DFA089487BCC&Options=Advanced&Search=>

used.³⁶ Additionally, the database was to be used to track key performance measurements such as jobs created and maintained.³⁷

The legislation required the City to establish a searchable, interactive online database to be updated monthly that includes summaries of the administration of Superstorm Sandy funds (defined as local, State, or federal funds in excess of \$100,000 provided to a recipient to recover or rebuild from Superstorm Sandy).³⁸ For each project (and construction, services or programs paid for with Sandy funds) the database should include: (1) the name of the contractor and subcontractor if known; (2) a description of the project including physical address, block and lot numbers, estimated dates of start and completion; (3) the purpose of the project in relation to the City's recovery and rebuilding efforts; (4) the value and type of funding provided, including but not limited to grants, loans, contracts, or other such forms of financial assistance, and the total number of jobs at the time of award of Superstorm Sandy funds; and (5) the total number of additional jobs to be created and retained over the life of the Superstorm Sandy funded project. The data provided for such projects was required to be aggregated by zip code.³⁹

In order to track the companies earning money from the rebuilding effort and whether local companies and workers are being included in the process the legislation required various reporting on contracts and subcontracts. For each executed City procurement contract associated with Superstorm Sandy funding data should be provided on: (1) the name of the contract vendor; (2) contract identification number; (3) the purpose of the contract or grant; (4) original contract value in dollars; (5) revised contract value in dollars, if applicable; (6) whether the bid was subject to public bidding; (7) original contract start and end date, if applicable; (8) revised contract and end

³⁶ *Id.*

³⁷ *Id.*

³⁸ *See* Administrative Code §6-138(a)(1).

³⁹ *See* Administrative Code §6-138(b)(1).

date, if applicable; (9) contract or grant status; (10) grant name; (11) information on the contract or grant recipient's qualification for receipt of Superstorm Sandy funds for a Superstorm Sandy funded project; and (12) the total number and type of jobs to be expected to be created and retained over the life of the Superstorm Sandy funded project.⁴⁰

The Sandy Funding Tracker was to provide data that would allow an analysis of job retention relating to the rebuilding and resiliency effort. It required the database to provide extensive information relating to job creation and retention. Local Law 140 requires the database to include the total number of jobs at the time of award of Superstorm Sandy funds and the total number of additional jobs to be created and retained in each Superstorm Sandy funding program (in the case of CDBG-DR assistance) or for each agency (in the case of FEMA). The data must be aggregated by zip code and be based upon the best practicable methodology for calculating such number over the life of the Superstorm Sandy funded project. The data must be broken down by: (1) the number of permanent full-time employees, (2) the number of temporary full-time employees, (3) the number of permanent part-time employees, (4) the number of temporary part-time employees, and (5) the total number of contract employees.⁴¹

Additional reporting requirements included estimates of income ranges and whether employees are receiving health benefits.⁴² To know if the local residents are being hired for rebuilding jobs in their own neighborhoods, data is required comparing the zip code of the employee with the zip code of the project on which they are working.⁴³

Data is required on whether the recipients of grant money have ever violated laws relating to occupational safety, health, unemployment, workers compensation, employee misclassification,

⁴⁰ See Administrative Code §6-138(b)(2).

⁴¹ See Administrative Code §6-138(c)(1).

⁴² See Administrative Code §6-138(c)(2) and (c)(3).

⁴³ See Administrative Code §6-138(c)(4).

employment discrimination, employment disability or other labor laws.⁴⁴ Further reporting requirements include information on whether a union construction apprenticeship program and/or other local workforce development program are being used, whether any of the contracts require prevailing wage laws, and whether the project is subject to and in compliance with Section 3 of the Housing & Urban Development Act of 1968.⁴⁵ Section 3 requirements are designed to provide employment and economic development opportunities from projects funded by HUD to low- and very low-income people to the “greatest extent feasible.”⁴⁶

A review of the Sandy Funding Tracker reveals that some of the elements required by Local Law 140 appear to be missing from the online database. For example, it does not appear that each Sandy-related project includes the start and completion date, the name of the contractor or subcontractor, or the number of jobs related to each project. In addition, not all of the required contract information or aggregate job data appears to be available. Lastly, although Local Law 140 requires the database to be updated monthly, at least some portions of the data have not been updated since September 30, 2019.

Conclusion

At today’s hearing the Committees expect to receive testimony from the City’s Housing Recovery Office, Office of Resiliency, and Office of Management Budget, as well as from members of the public. The Committees intend to explore the City’s progress in drawing down the federal funding allocated to it through the various grant programs in the aftermath of Superstorm Sandy and the variances in City spending between various City agencies and between the different

⁴⁴ See Administrative Code §6-138(c)(5).

⁴⁵ See Administrative Code §6-138(c)(8).

⁴⁶ See HUD’s website, Frequently Asked Questions (FAQs) Section 3 of the Housing & Urban Development Act of 1968, available at <http://portal.hud.gov/hudportal/documents/huddoc?id=11secfaqs.pdf>.

recovery programs. The Committee also hopes to hear testimony on any impediments or issues regarding the Sandy Funding Tracker.