

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON RESILIENCY AND WATERFRONTS

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B E F O R E: Justin L. Brannan  
Chairperson

COUNCIL MEMBERS: Costa G. Constantinides  
Ruben Diaz, Jr.  
Deborah L. Rose  
Eric A. Ulrich

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

Amy Peterson, Mayor's Office of Office of  
Housing Recovery Operations

Liz Greenstein, Mayor's Office of Housing  
Recovery Operations

Calvin Johnson, Assistant Director of Community  
Development Block Grant and Disaster, Office of  
Management and Budget, OMB

Christine Appah, Senior Staff Attorney, New  
York Lawyers for the Public Interest, NYLPI  
Environmental Justice Program

Mara Stevens, Staff Director of Clean Air  
Campaign



2 (sound check) (pause) (gavel)

3 CHAIRPERSON BRANNAN: Good morning. My  
4 name is Justin Brannan. I have the privilege of  
5 chairing the Committee on Resiliency and Waterfronts.  
6 I want to welcome you to our hearing today regarding  
7 an update on the Build-it-Back Program. This hearing  
8 today will provide our committee with an opportunity  
9 to hear from the city's Office of Housing Recovery  
10 Operations, and the Office of Management and Budget  
11 regarding the progress of the Build-it-Back program  
12 established after Super Storm Sandy. Our last Build-  
13 it-Back update was in 2017. So we look forward to  
14 hearing from HRO and OMB now that the program is  
15 nearing completion. In June 2013, about seven months  
16 after Super Storm Sandy hit, the city announced the  
17 Build-it-Back Program to help multi-family and  
18 single-family homeowners rebuild after Sandy. HRO  
19 administers the program with funding from the US  
20 Department of Housing and Urban Development's  
21 Community Development Block Grant Disaster Recovery  
22 Program. According to the proposed amendment to  
23 CDBGDR Action Plan released this past Friday,  
24 February 7<sup>th</sup>, Build-it-Back is expected to cost  
25 approximately \$2.65 billion. Depending on the

1 severity of damage to the home, the program gave  
2 homeowners, renters and landlords several options,  
3 which included repair in elevation or rebuilding  
4 their homes. Being reimbursed—reimbursed for work  
5 done by a contractor outside the program or selling  
6 their property to the state or city as part of the  
7 Buy-out and Acquisition Program. More than 20,000  
8 homeowners initially registered for Build-it-Back's  
9 Single Family Program. However, after one year only  
10 about 8,300 applicants were still in the program.  
11 Some applicants were deemed ineligible because they  
12 property was not their primary residence or they had  
13 not complied with flood insurance requirements, but  
14 many dropped out because of issues with completing  
15 the paperwork, and frustrating bureaucratic delays.  
16 HRO worked to improve its customer service to better  
17 assist applicants, and eventually worked out many of  
18 the problems with the program, and we commend HRO on  
19 that accomplishment. Today, 99% of all construction  
20 projects have been completed. However, many eligible  
21 homeowners who could have used assistance did not get  
22 it, and today some homeowners are still waiting to  
23 get back into their homes. For properties that were  
24 completely destroyed or determined to be  
25

1 substantially damage, the program provided a buyout  
2 and acquisition option. Properties purchased through  
3 this option were either acquired for redevelopment or  
4 will become permanent open space. Approximately 800  
5 homes were purchased for buyout or acquisition. On  
6 September 25, 2019, the Department of City Planning  
7 approved an application by the City Department of  
8 Housing Preservation and Development to construct  
9 resilient housing on 75 of the 141 acquired  
10 properties across Brooklyn, Queens and Staten Island.  
11 The other 66 lots will become permanent open space to  
12 help mitigate the impacts of future flood and rain  
13 events. We want to know what is being done with the  
14 properties purchased through the Acquisition and  
15 Buyout Program that are not part of HPD's recent  
16 application as well as why any of the properties are  
17 being redeveloped instead of being made into  
18 permanent open space for further mitigation. Does it  
19 really make sense for people to move back into these  
20 areas that were destroyed during Sandy. We also want  
21 clarification regarding the cost of the program.  
22 Build-it-Back, which was originally allocated \$1.7  
23 billion required \$2.2 billion in 2016, and now  
24 anticipates needing \$2.65 billion. The additional  
25

1 grant money is needed to pay contractors, close  
2 construction permits and deal with ongoing legal  
3 issues. Recent reports also found that some homes  
4 have cost the program \$700,000 to over \$1 million to  
5 repair and elevate, two to three times more than the  
6 value of the existing home, and in the past year  
7 contractors have put liens on homes for work done  
8 that has not been reimbursed by the program. Today,  
9 we'd like to know why there have been such  
10 significant cost overruns, and what's being done to  
11 assure homeowners that these liens will be removed as  
12 soon as possible. The Committee also wants to know  
13 if the program is going to need more money to close  
14 out, and if so, how much and why will this additional  
15 money be needed. Prior Build-it-Back hearings have  
16 looked at the initial challenges of the program, and  
17 what HRO and the city did to fix them. We don't want  
18 to concentrate on that in today's hearing. Today,  
19 the Committee really wants to learn what has been  
20 done since the Administration last testified in 2017,  
21 and what measures and programs are currently in place  
22 for when the next storm inevitably hits. We look  
23 forward to hearing the Administration's testimony  
24 today, and answering our questions about the Build-

1 it-Back Program, the highlights of the program, as  
2 well as issues the applicants have experienced such  
3 as construction delays and permitting problems. With  
4 Build-it-Back currently winding down the committee  
5 would like to know if the city and HRO have an action  
6 plan for when another storm like Sandy hits. We want  
7 to know what the action plan looks like and if it  
8 really makes sense for us to keep building back in  
9 these areas or if we need to start considering other  
10 options such as managed retreat. Before we begin I  
11 want to thank my Committee staff, Committee Counsel  
12 Jessica Steinberg Albin; Senior Policy Analyst  
13 Patrick Mulvihill; Senior Finance Analyst Jonathan  
14 Seltzer, and my Senior Advisor John Yedin for all  
15 their hard work in putting this hearing together  
16 today. I will now turn the floor over to Amy  
17 Peterson and Liz Greenstein from the Office of  
18 Housing Recovery Operations, and Calvin Johnson from  
19 OMB, but before we do that, please raise your hands  
20 so my Counsel can swear you in. Thank you.

22 LEGAL COUNSEL: Do you to tell the truth  
23 affirm to tell the truth in your testimony before  
24 this committee today, and answer Council Member's  
25 questions honestly?



2 AMY PETERSON: [off mic] I do.

3 LIZ GREENSTEIN: [off mic] I do.

4 CALVIN JOHNSON: [off mic] I do.

5 LEGAL COUNSEL: Thank you.

6 CHAIRPERSON BRANNAN: Thank you. Good  
7 morning. How are you?

8 AMY PETERSON: Good morning—good morning  
9 Chair Brannan and Counsel of the Committee on  
10 Resiliency and Waterfronts and members. I am Amy  
11 Peterson, Director of the Mayor's Office of Housing  
12 Recovery Operations. I'd like to acknowledge my  
13 colleague Calvin Johnson and Assistant Director of  
14 Community Development Block Grant and Disaster at the  
15 Office of Management and Budget. He is available to  
16 join me in answering your questions. Thank you for  
17 inviting me to testify today. Through the city's  
18 Hurricane Sandy Housing Recovery Program Build-it-  
19 Back the city has prioritized helping homeowners  
20 remain in their affordable longstanding waterfront  
21 communities ensuring that these New Yorkers have the  
22 resources necessary to recover, and make their homes  
23 and communities more resilient. Through its Single  
24 Family Program, Build-it-Back has helped 8,300  
25 homeowners and landlords and 1 to 4 unit homes

housing a total of 12,500 families. Build-it-Back rebuilt and elevated almost 1,400 homes to today's stringent regulations for flood compliances.

Approximately 250 homes have been acquired through a combination of buyout and acquisition programs, and an additional 60-6,650 homeowners with moderate Sandy damage were assisted with repair and reimbursement helping neighborhoods that were not in the FEMA 100-Year Flood Plain with Sandy hit. We have distributed \$135 million in reimbursement checks to over 6,100 families. Additionally the Department of Housing and Preservation and Development, HPD has accelerated relieve to multi-family households. To date over 1,400 units across 287 developments have completed repairs or received reimbursements. Some of our hardest hit neighborhoods are now complete: Howard Beach, Hamilton Beach, Broad Channel, Breezy Point, Edgemere, Canarsie, Brighton Beach, Tottenville, Great Kills and New Dorp Beach are all construction complete. Funded by the U.S. Department of Housing and Urban Development, the Build-it-Back Single-Family Program accounts for \$2.2 billion of the total \$4.2 billion post Sand Federal CDBGDR dollars given to the city and overseen by HRO in coordination-

coordination with HPD and the Department of Design and Construction. CDBGDR funds provide assistance to homeowners after all other forms of disaster assistance have been exhausted. The Preliminary Financial Plan reflects \$42 million in city funds for the initial closeout, and the Build-it-Back Sandy Single Family Program spread across DDC \$17.5 million; HRO \$16 Million and HPD \$7.7 million. This additional funding will cover remaining payments for construction and other vendors and completion of disposition of acquisition and buyout properties. On Friday, the city issued an Action Plan Amendment outlining the reallocation of \$50 million in federal funding to the Single Family Build-it-Back Program. Increased costs, which will be covered by these funds include contractor insurance. Insurance programs were put in place to attract the widest pool of contractors, and establish program wide safety protocols and procedures. Insurance costs while high provide significant benefits to the city in the form of reduced overall claim risk. Costs associated with finding the best resilient neighborhood use for properties purchased through city acquisition and buyout programs, and New York public auction.

Closeout costs for construction, management, design and inspection including costs related to city regulatory requirements. As been—as has been reported recently, some contractors disputing payment amounts have placed liens on homes. I want to be clear that at no time has a contractor not been paid because of a funding issue. These payments are in dispute because of a standard auditing practice. Placing liens on homes is the contractor's tactic to apply pressure to the city. It is unacceptable and inappropriate for contractors to place liens on the properties of Sandy impacted homeowners. Build-it-Back was designed specifically so that payment obligations would run between the city and its construction managers limiting the risk to homeowners during payment disputes. As with any city contract, contractors have multiple legal remedies other than placing liens on homes and clear contractual procedures to dispute payment without burdening homeowners. As construction is completed and final closeout of the program continues, the city continues to focus on lessons learned. HRO is working with New York City Emergency Management, the Mayor's Office of Resiliency and other partners on what is required for

housing recovery preparedness, and how the city will respond to the next storm. I would encourage you to tour these neighborhoods if you haven't already. Two Queens neighborhoods that show the collaboration between our work and ongoing neighborhood planning and resiliency are Edgemere and Broad Channel. In Edgemere, Queens Build-it-Back undertook and extensive outreach campaign to help preserve and improve the affordable and Sandy damaged housing stock in the neighborhood focused on the elevation of attached homes. In 2016, HRO and HPD collaborated to pilot a relocation program for homeowners with substantially damaged homes in the most vulnerable portion of Edgemere's Bay Front. We worked with residents to facilitate relocation away from extreme flood hazard. The programs' acquisition of storm damaged property in Edgemere supports future development, open space and coastal project-protection features. A neighborhood like Broad Channel; Queens with its multiple marshland restoration projects by DEP and Parks; street raising and resiliency infrastructure projects by DDC; a new elevated and resilient school being built by SCA; a yard expansion program for neighbors of acquired

1 properties offered by HPD, and over 250 rebuilt or  
2 elevated homes through Build-it-Back shows the many  
3 ways we are ensuring our coastal communities are  
4 focused on resiliency. In conclusion, I would like  
5 to thank the Committee on Resiliency and Waterfronts  
6 for allowing me to testify here today, and I'm happy  
7 to answer any questions you may have at this time.

8  
9 CHAIRPERSON BRANNAN: Thank you.

10 AMY PETERSON: Thanks.

11 CHAIRPERSON BRANNAN: So, in 2016, HRO  
12 testified that the entire Build-it-Back program was  
13 going to be funded with the federal CDBGDR funds, and  
14 HRO repeatedly assured the Council that there were  
15 sufficient federal funds to serve everyone in the  
16 program, but in the '21 Preliminary Budget an  
17 additional \$42 million in city funds was added. Can  
18 you talk about why the federal funds weren't enough  
19 after all?

20 AMY PETERSON: Yes. So going back into  
21 the beginning of the program so, since this  
22 Administration so since 2014, we have really  
23 prioritized housing recovery and ensuring that our  
24 affordable longstanding communities can recover, and  
25 have taken the steps to make sure that that can

1 happen, and the way the program was designed was to  
2 have the—the city take on that burden, and to take on  
3 the responsibility for elevating and rebuilding these  
4 homes, which is different from other models that are  
5 used where people get homeowners checks, and then  
6 they're converting to figure out how to make it  
7 happen and how to—to-to deal with additional costs  
8 resides on the homeowner. So, in doing that, we made  
9 the commitment. We worked with our legislative  
10 partners the senators and with HUD, and with everyone  
11 to ensure that we could get the funding that we  
12 needed to do that. In 20—and that happened in 2014  
13 and into 2015. In 2016, when we had really gotten  
14 into the design, and understanding what it took to  
15 elevate and rebuild these homes, we realized that we  
16 needed additional funds to be able to do the work to  
17 elevate the homes. In these coastal communities  
18 there's a tremendous amount of work and it needs to  
19 be done. It's kind of an urban environment, small  
20 lots. If you look at a map that shows the kind of  
21 communities that were hit by Sandy and the  
22 communities we're serving and the—kind of the soil  
23 conditions in those communities you'll see that there  
24 is a tremendous need for very strong foundations to  
25

ensure that you will protect against storm surge.

The Building Codes were updated in 2014 for specific

requirements related to that. So, in 2016, we added

additional costs to the budget focused on the

additional work we needed to do adding fire

protection system, resilient foundations, all of

those things. We also added the cost for ensuring

that we could pay for the homeowners' rent when they

relocated so that homeowners who did not have the

financial means would not participate in the program

because we really wanted to prioritize elevation of

these communities, and we really wanted to prioritize

making sure that these communities remained

affordable for the people who lived there, right?

Which isn't always the result of a disaster recovery

program. And then we also launched the Acquisition

Program at that time. The—the city had been

funneling some properties to the state for

acquisition through the Build-it-Back Program, but we

realized that there were homes that we wanted to be

able to both purchase for acquisition, but also

purchase for buyout for converting to land uses, and

we offered incentives for the Acquisition program to

ensure that we understood that you might not be able



1 to buy a new property with the funding based on your  
2 kind of pre-storm value. So, we added incentives up  
3 to \$150,000 to encourage more homeowners to take  
4 advantage of the Acquisition Program. Since then  
5 we've-going to-continued to review the budget along  
6 the whole program. We put a lot of things in place  
7 to ensure that we were keeping costs within the-the  
8 cost reasonableness measure that HUD requires to  
9 ensure that we were elevating and rebuilding homes  
10 that should be elevated and rebuilt. We were buying  
11 out homes where that should not happen, and as we  
12 near the end of the program, and the initial  
13 closeout, we continue to review the costs, and so the  
14 three things if you look back to see what the  
15 difference in costs is that we're focused on right  
16 now, and you can see the difference between 2016 and  
17 now one is the contractor insurance. So, you know,  
18 the city engaged in about 5,000 construction  
19 projects, hundreds of contractors. As everyone know,  
20 construction insurance in New York City is-is quite  
21 expensive. This is in single-family homes. So, we  
22 put in place a contractor controlled insurance  
23 program on the DDC work, and it really enabled us to  
24 bring in a lot of small and MWBE contractors. It  
25

1 allowed us to put in place a safety protocol across  
2 all of that work, but the costs especially just for  
3 the initial claim risks are pretty high, and do that  
4 was an additional cost. You mentioned in your  
5 testimony the acquisition of the property so, we  
6 purchased about 120 properties. The—the city—through  
7 the City Acquisition and Buyout Program. We did not  
8 choose to take the route that the state took, which  
9 was to auction off those properties as is and have  
10 them rebuilt. We actually went through the ULURP  
11 process, and did, you know, the best resilient use  
12 whether it be affordable housing development, the  
13 Yard Expansion Program, turning properties over to  
14 marshland. So, those costs were in addition to what  
15 we had anticipated originally, and then, I would just  
16 say the kind of—the construction closeout costs. When  
17 you get to the end of a project HUD requires  
18 everything to be decent, safe and sanitary. The  
19 Department of Buildings requires everything to be  
20 safe, and so the closeout process has involved  
21 additional costs associated with upgrading utilities,  
22 upgrading water mains, upgrading electrical service  
23 even to homes that we rebuilt, and then homes that  
24 were elevated off and having to do work inside the  
25

2 home also. So, that's the--that's the additional  
3 cost.

4 CHAIRPERSON BRANNAN: Does the  
5 Administration anticipate further contributions from  
6 the city moving forward?

7 AMY PETERSON: We're continuing to review  
8 the budget, and the closeout is a really complicated  
9 process. So, we're keeping an eye on that.

10 CHAIRPERSON BRANNAN: I--I completely  
11 appreciate that this a unprecedented undertaking. I  
12 guess my concern is understanding why--how to explain  
13 or how to account for a program that is \$592 million  
14 over budget now looking for more money.

15 AMY PETERSON: Yeah. So, I wouldn't say  
16 it's \$592 million over budget. The--the way that the  
17 program works, and the way that HUD action plans work  
18 is you--you understand where the initial need is and  
19 you are able to allocate funds towards that, and then  
20 as the need is more clearly understood. So, in 2013  
21 before anyone had any idea what it meant to elevate  
22 or rebuild homes, FEMA in partnership with the city  
23 did a study, and so the results of that study showed  
24 that you didn't need all of the things that we put in  
25 place within the \$500 million. So, I would say that

2 that's kind of just additional cost to actually do  
3 the work that the city committed to doing. The—the  
4 idea that you kind of at the end of a program have  
5 closeout costs that, you know, kind of on a 2.2  
6 billion program—billion dollar program less than 10%  
7 isn't something that I think is unusual and kind of a  
8 housing recovery program more. You know, kind of what  
9 you see in Build It Back is kind of what you see in a  
10 lot of capital projects just magnified in—in a way.

11 CHAIRPERSON BRANNAN: In the Preliminary  
12 MMR it said approximately 800 homes have been  
13 purchased by city and state, but I think just now you  
14 said 120 homes have been purchased by the city. So,  
15 were the remaining home bought by the state?

16 AMY PETERSON: Yes. So there's—and  
17 we're—we're reviewing like the exact numbers in  
18 partnership with the state. So, the state did a  
19 buyout program on Staten Island, which I think is,  
20 you know, in terms of forward facing and really  
21 thinking about the future, it's something to—to—  
22 really take a good look at. So the state purchased I  
23 think about 500 properties, and we can give you the  
24 exact numbers by program.

25 CHAIRPERSON BRANNAN: 500? Buyout Program

2           AMY PETERSON: I think about 500 through  
3 the Buyout Program in Staten Island. Additionally,  
4 we referred properties to them in the initial two  
5 years of Build It Back for acquisition. So they  
6 purchased about I'm going to say again I'll give you  
7 exact numbers, about another \$120 million--\$129  
8 million, 120 properties or so in acquisition. The  
9 vast majority of them were auctioned off and are  
10 being rebuilt as--by private owners as resilient  
11 housing, and then we put in place our own acquisition  
12 and buyout program and that we think is about another  
13 120 programs. So, it gets you a little less than 800  
14 now. I think we're at about 750. USDA originally  
15 anticipated purchasing properties. We also have the  
16 Resilient Property Purchas Program that the city is  
17 doing for other purchases.

18           CHAIRPERSON BRANNAN: So, how do we  
19 determine which homes--as far as that we have a whole  
20 new sort of housing typography here, how do we  
21 determine which is which? Which people are we  
22 putting back in their homes? Which are we looking  
23 for open space--

24           AMY PETERSON: Yes.

2 CHAIRPERSON BRANNAN: --managed retreat?  
3 How do we--how do we square all that?

4 AMY PETERSON: Yeah, so I would say, you  
5 know that is something that we had no understanding  
6 of I would say prior to Sandy, and certainly in the  
7 initial years of Sandy, and so the--the move  
8 originally for it, and, you know, I wasn't involved  
9 in 2013, but I think all--most elected officials was,  
10 you know, get people back in their homes, rebuild  
11 their homes and, you know, I think our commitment in  
12 every stage of this is these are, you know,  
13 longstanding communities where people have lived for  
14 generations, and where first time buyers buy homes.  
15 You know, we saw all of those that are all  
16 neighborhoods. You know, New York is kind of a  
17 diverse city of many, many neighborhoods, and so the--  
18 the intention certainly is to keep these coastal  
19 communities in place, but we did learn a lot about  
20 what--where you could rebuild and not rebuild  
21 properties, and started both kind of an unbuildable  
22 process, and the Buyout Program ourselves because we  
23 certainly wanted to be able to do that. I think it's  
24 worth kind of sitting down and talking through some  
25 of the lessons we've--we learned through that. The

1 Mayor's Office of Resiliency is kind on of continuing  
2 that work and really thinking about what an  
3 acquisition program would look like. Going forward,  
4 I would say it's very—in New York City it's now  
5 nearly as, you know—you know in some communities you  
6 can say, okay, we're not going to—you know, we're  
7 going to draw a line here, and we're not going to  
8 build. In Edgemere we did just that. In Edgemere  
9 there was kind of the—the hazard risk zone where we  
10 made the decision we wouldn't rebuild, and we  
11 actually relocated people from than area to another  
12 area in Edgemere, but in most neighborhoods it's—it's  
13 not as simple as that. The typography of the city  
14 and the—the way neighborhoods have been built you can  
15 be on one side of the street and have it be kind of a  
16 park completely and the other have it be perfectly  
17 buildable. So, it really you have to look at the  
18 communities in partnership with the communities I  
19 would say, too. You know, these—these communities  
20 know the kind of daily risks that they face, and  
21 understand where—where housing should be built and  
22 where we should consider kind of the buyout process  
23 that we went through.

2 CHAIRPERSON BRANNAN: I'm just trying to  
3 figure out the top line or the overarching theme for  
4 what differentiates a property that's going to be  
5 dedicated open space to what's going to be  
6 redeveloped. Is there—is there one?

7 AMY PETERSON: No, there's a bunch of  
8 criteria that we put in place, and I think we  
9 outlined in one of our reports and we can get to you,  
10 but it really looks at kind of the—the city  
11 infrastructure that supports that. It looks if it's  
12 in the, you know, the Blue Belt. If it's in a  
13 wetland. It looks at flood—flood risk, and it looks  
14 at other considerations in terms of whether it—it—  
15 it's feasible to rebuild there.

16 CHAIRPERSON BRANNAN: In your testimony  
17 you mentioned, you know, talking about contractors  
18 placing liens on homes, and you attribute it to the  
19 payments are in dispute because of a standard  
20 auditing practice. Can you explain the process when  
21 HUD audits the city's spending and how—what's the  
22 hold up?

23 AMY PETERSON: Yeah, yeah, so--

24

25



2 CHAIRPERSON BRANNAN: I mean if a  
3 contractor is approved to rebuild, what happens then  
4 when the work is done that they're not getting paid?

5 AMY PETERSON: Yes, so-so I think, you  
6 know, we-we all understand that the costs in this  
7 program are-are something that needs to be audited,  
8 and taken very seriously, and we have a  
9 responsibility to the city, to the taxpayers, to HUD,  
10 to all of-to everyone to make sure that the money  
11 we're paying is-is what's due to these contractors.  
12 The contractors have been amazing. We've brought  
13 contractors in from kind of, you know, we have union  
14 contractors and housing--affordable housing  
15 contractors, and we have contractors from out of  
16 state who do this work other places. We've brought  
17 in hundreds of contractors to actually do this work,  
18 and we really worked throughout the program to  
19 advance funds, you know to make sure the contractors  
20 were getting paid as they were doing this work, and  
21 did some innovative things. In the DDC model there's  
22 kind of contractor payment fund so that they didn't  
23 have to wait through the long process that the city  
24 sometime takes to release payments. So, when you get  
25 to the end you're like 80% or 90% you've paid out to

2 these contractors, you need to look at a lot of  
3 things, right, and so you need to make sure that they  
4 have completed the work that there's no outstanding  
5 punch list work or large warrant work. You need to  
6 make sure that all of the permits are closed out, but  
7 you also need to look at like change orders they have  
8 submitted. You need to look at what credits there  
9 are potentially that are owed, and that is a process  
10 that takes on any work, and certainly takes time on  
11 this. Everything as—as much as it's a large program  
12 it's also kind of a home by home program, and so  
13 that's a process that takes time to ensure that we  
14 are paying. And so, we've paid up to what we are  
15 sure we can pay to the contractors, and then are  
16 going through the city's process to ensure that we  
17 are auditing and looking at everything, and I want to  
18 be clear. You know, the risk is on the—the city and  
19 the contractor relationship. The homeowner is out of  
20 it. The homeowner should not be—nobody should be  
21 placing liens on the homeowners. They're—they're,  
22 you know, back in their homes. It's—they—they are  
23 not responsible for the funding. Contractors in New  
24 York City, you know, part of doing anything in New  
25 York City is there's a lot of—a bid process in place,

2 and so there is a three-step process. Not only does  
3 the city, our office or DDC or HPD kind of review all  
4 of the work. We have an Engineering Audit Office  
5 that we've staffed in a way to make sure that we can  
6 do this as quickly as possible, but then if they  
7 dispute what we're agreeing to pay, they can go to  
8 the agency head. Then they go to the Comptroller,  
9 and then there is a Contract Dispute Resolution  
10 process. They're trying to--some contractors, and--and  
11 it's not a lot of contractors that are trying to kind  
12 of put pressure on the city to kind of release funds  
13 in advance of going through all those steps.

14 CHAIRPERSON BRANNAN: My concern is I saw  
15 a story on New York One about a family in Coney  
16 Island who's been out of their house for four years  
17 and there is still no end date in sight.

18 AMY PETERSON: So, there's end dates in  
19 sight on all of these homes, and so two different  
20 things, right so, contractors. We--we have about 75  
21 homeowners that are at the final stages of getting  
22 back into their homes and there is--

23 CHAIRPERSON BRANNAN: (interposing) So,  
24 75 families that are still since Hurricane Sandy not  
25 back in their home?

2           AMY PETERSON: Well, some weren't out  
3 since Hurricane Sandy because some people were back  
4 in their homes after Sandy and then moved out, but we  
5 have 75 resilient homes that we're completing. About  
6 half of those were Sheepshead Bay courts where we  
7 worked with the Council Member Deutsch, and we worked  
8 with the community. We've created a homeowners  
9 association to ensure that the properties that are in  
10 the courts, which is so they're not on a street.  
11 They're kind of behind the other homes, have new  
12 infrastructure because that was a huge—it's a huge—  
13 huge risk to the community, and—and it was just  
14 completely made worse by Sandy, and to be able to  
15 continue to have people living there, we went through  
16 that process, and so they're getting infrastructure  
17 all installed underground, and so those homeowners  
18 are in the final stages of sign-offs and completing  
19 the infrastructure hookups and all of that, and then—  
20 -

21           CHAIRPERSON BRANNAN: (interposing) How  
22 many—how many of the homes are Sheepshead Bay?

23           AMY PETERSON: About 30—about half of  
24 them about 35.

2 CHAIRPERSON BRANNAN: And the rest are  
3 where, spread out?

4 AMY PETERSON: Spread out. So there's a  
5 bunch of kind of different reasons why homes are in  
6 the final stages. There's a few homes that needed  
7 additional water main hookups that went through  
8 properties that had easements and were completely  
9 complicated. There are some homeowners who tried to  
10 do the work themselves, and we either kind of gave  
11 them extension after extension to allow them to do it  
12 themselves or took over the work on their behalf, and  
13 so there's a lot of kind of—kind of hardest issues to  
14 solve that are the ones that are remaining.

15 CHAIRPERSON BRANNAN: Do you have an idea  
16 of how many homes have liens on them from the  
17 contractors?

18 AMY PETERSON: So, about 90 homes had  
19 liens placed on them, and 30 of those have been  
20 lifted already.

21 CHAIRPERSON BRANNAN: Okay.

22 AMY PETERSON: And again, that's an  
23 unacceptable practice. We reach out to all the  
24 homeowners.

2 CHAIRPERSON BRANNAN: So, why do you said  
3 that a few times. I understand, but why-why is that-  
4 why are the contractors doing that then? If they  
5 have other legal recourse, why is that the one that  
6 they go for?

7 AMY PETERSON: Because it's the one--

8 CHAIRPERSON BRANNAN: That's the one that  
9 you guys--

10 AMY PETERSON: --that's the one that gets  
11 the attention.

12 CHAIRPERSON BRANNAN: But how come-yeah,  
13 but then how come the other things don't get  
14 attention?

15 AMY PETERSON: But they do get attention.  
16 We're going through the steps to pay the contractors,  
17 and we're doing that--

18 CHAIRPERSON BRANNAN: (interposing) But I  
19 feel like the contractor wouldn't be doing the liens  
20 if they felt the other stuff got your attention.

21 AMY PETERSON: The contractors have been  
22 working closely with us to close the liens, and to  
23 get paid the amount.

24 CHAIRPERSON BRANNAN: Yeah, but I mean  
25 it's a-it's a tough situation. I mean I hear from

2 the contractors, too. I want the contractors to get  
3 paid. I also want the people to get back in their  
4 homes, but it's all has to through you guys, right?

5 AMY PETERSON: Yeah, I mean this is an  
6 important—the Build It Back Program is unprecedented,  
7 right, and was set up in a way--

8 CHAIRPERSON BRANNAN: Yep.

9 AMY PETERSON: --that we didn't give the  
10 money to the homeowners to do the work themselves.  
11 You see in those instances where contractors go  
12 bankrupt and people can't even like sue the  
13 contractors, right? So, you can see examples across  
14 other housing recovery efforts. So, what the risks  
15 are associated with that. We wanted to minimize the  
16 risk to the homeowners, and to the contractors, and  
17 to the city certainly by taking on that  
18 responsibility, by ensuring that we're going through  
19 the process to make sure that what we are paying is  
20 what they are owed, and that we're being responsible  
21 in auditing what the final payments will be to these  
22 contractors.

23 CHAIRPERSON BRANNAN: So, what—what are  
24 some of the—I mean I guess my concern, too, is that  
25 not—not only is the homeowner homeowner waiting to

2 get back into their house for something that is a  
3 distant memory to most people, but now their credit  
4 is screwed up. I mean, you know, having a lien  
5 placed on your home is a real—is not an easy thing.

6 AMY PETERSON: Yeah, so the--

7 CHAIRPERSON BRANNAN: (interposing) But  
8 I'm trying—but I'm trying to figure out what are the  
9 other legal recourses that—are the contractors is  
10 that their last resort placing a lien? What else  
11 have—can they do get your attention before that?

12 AMY PETERSON: So, the way the city's  
13 contracting process works is they have multiple  
14 recourses, right? So, we agree to pay them for the  
15 work that is complete, and we do and they are fully  
16 paid for that. We then have to review at the end of  
17 the job the change orders or credits and everything  
18 that's due. We have an Engineering Audit team that  
19 does that. You know, one of the things that is good  
20 about this project and this program is there's a lot  
21 of eyes on it, right? So, it's really important that  
22 the--

23 CHAIRPERSON BRANNAN: (interposing) So  
24 the change orders aren't approved as it goes along?



2           AMY PETERSON: They are, but at the—at  
3 the end is when kind of you might have been saying to  
4 the contractor all along that you're not going to get  
5 paid for this or at the end, you kind of make those  
6 determinations. The contractor then has the ability  
7 to say: Okay, I am in agreement. That's fine. Or  
8 the contractor can do—ask for an agency head  
9 determination. That's the first step. So, then the  
10 agency head depending on which agency it is—it's  
11 either DDC or myself or HPD, reviews what happened  
12 and makes an agency head determination, and this is—  
13 this isn't like—this isn't unusual to Build It Back.  
14 This is what any contractor can do any city capital  
15 project, and then there's a claim process. So, you  
16 send the claim to the Comptroller's Office. We've  
17 had that happening all along right. We've had that  
18 happening back in our case management contracts, and  
19 on our environmental contracts, and other contracts  
20 throughout. Then, the Comptroller goes through that  
21 process and reviews the claim, and then if they're  
22 still not paid what they think they're owed, and they  
23 haven't been successful in convincing anyone along  
24 the way, there's even a Contractors Dispute  
25 Resolution Board where they can take the dispute.

2 So, there's multiple ways to dispute how much they're  
3 being paid.

4 CHAIRPERSON BRANNAN: I know it's been  
5 reported that Build It Back has spent significantly  
6 more to repair and elevate homes than the homes are  
7 worth. I know there was a story about a home in  
8 Staten Island that was elevated and repaired. It cost  
9 the program more than \$770,000 even though the home  
10 was valued at most \$275,000. Do we have an  
11 understanding of why it's costing close to a million  
12 dollars to fix these homes?

13 AMY PETERSON: Yes. So I would say most  
14 importantly our priority has been to the homeowners  
15 and the communities, that and the people who live  
16 there, right, and so you can—you can take the  
17 approach that you are going to only—only invest in  
18 homes that are worth a lot of money, or that you are  
19 not going to invest the money that you need into  
20 every person's home. But we took the approach that  
21 we wanted the people who lived in these longstanding  
22 and affordable communities to be able to stay in  
23 these longstanding and fertile communities and keep  
24 them affordable, keep the homeowners who live there  
25 there and not have it turn into a place where only

2 millionaires can come and like develop coastal homes,  
3 right? So, to do that you have to do the same thing  
4 for every house, right? Whether it's an old beach  
5 bungalow or whether it's a, you know, a-a much nicer  
6 developed home, you still have to take the steps to  
7 elevate the home, and ensure that it will be  
8 protected from the risks that we now face in these  
9 communities. The biggest one and the-the kind of  
10 highest cost is the storm surge, and ensuring that  
11 the foundations are-are-protect against that, and I  
12 would say that, you know, if you look at the value of  
13 properties in these communities I-I don't think you  
14 can buy property for \$255,000 either. I mean these  
15 are-these are communities that just like anywhere in  
16 New York City if there's that--

17 CHAIRPERSON BRANNAN: (interposing) Do you  
18 know the home I'm talking about?

19 AMY PETERSON: I don't know which one,  
20 but we can--

21 CHAIRPERSON BRANNAN: Okay.

22 AMY PETERSON: --we can get back on that.

23 CHAIRPERSON BRANNAN: I mean can you give  
24 me an idea or an example of an elevation that had  
25 average costs verse higher costs. I understand this

2 all unprecedented. Just trying to figure out how one  
3 elevation goes according to plan, and the next one is  
4 two times as much as the house is worth.

5           AMY PETERSON: So, I would say that, you  
6 know, the—so—so one, a lesson learned is whether you  
7 should elevate or rebuild or do a modular program and  
8 what you should do with these properties, and so, we  
9 certainly move towards the Modular Program, and in  
10 terms on—of the impact on the community, there's a  
11 much less impact on the community. In elevating a  
12 home, and sometimes elevation is—is kind of still  
13 less than rebuilding, you—you are basically lifting a  
14 home that and you don't—you don't know what—as much  
15 as you can do kind of some investigative stuff you  
16 have no idea kind of what's under the home, and you  
17 have no idea the work that needs to be done within  
18 the home to bring it up to code. So certainly some  
19 of our earlier elevations should have been rebuilt  
20 should have gone through the Modular Program, and  
21 that's something that I think in terms of really  
22 focusing on future storms, focusing on mitigation  
23 pre-future storms. It's really to think about what's  
24 the best way to—to prepare these communities and  
25 these homes. And so then once you kind of lift the

2 home, you're—you basically understand more of what's  
3 going on with the—the property itself, and the home  
4 itself, and the structure of the home. So, some  
5 homes you—we literally need is to kind of rebuild the  
6 home in the air, and again, we got much better at  
7 understanding kind of that difference, and then, you  
8 know, there's a lot of dewatering at the site and  
9 things that need to happen to be able to install the  
10 foundations, and then the foundations themselves.  
11 Homes in all of these neighborhoods are in fire  
12 districts. So depending on when you elevate them and  
13 you have the—the—the specific height you need to put  
14 sprinklers and fire protection in the homes. Many of  
15 the homes because of the strapping and other things  
16 once you're kind of lifting it, you understand you  
17 need a new roof, and you need new siding, and there's  
18 a lot of work that goes into kind of upgrading the  
19 home with—within the home.

20 CHAIRPERSON BRANNAN: In relation to  
21 property tax obligations, what impact do these  
22 repairs have on a homeowners' property tax bill?

23 AMY PETERSON: Okay. I am not the expert  
24 in that, and the Department of Finance and we can get  
25 back to you, but there was, and again, I'm not the

2 expert, but there was a local law that was passed for  
3 people who were impacted by Sandy that there the work  
4 that we did to upgrade their homes and make them more  
5 resilient and rebuild them would not impact their  
6 property tax. There were some questions about that,  
7 and people who think that it has impacted should  
8 certainly call the Department of Finance. Reach out  
9 to the Department of Finance about that.

10 CHAIRPERSON BRANNAN: I want to  
11 acknowledge my colleague Councilman Costa  
12 Constantinides is here. Getting back to the  
13 auditing, you know, the city has said that that  
14 there's an engineering auditing office that—that—  
15 well, you just mentioned, too, that it's got to  
16 review each piece of work for the homes in every  
17 stage of the way. Certainly, the most important part  
18 when it's done and ready to be signed off on. But my  
19 understanding is that the staff has five people  
20 working there for the entire city. Is that true?

21 AMY PETERSON: No, no. There's an  
22 Engineering Audit Office at HRO, which had more than  
23 five before. We recently brought more resources in.  
24 It had about I would say like 12 previously. We  
25 brought in more resources, and we've also added

2 resources at DDC. So there's—we can get you the  
3 exact count of staff.

4 CHAIRPERSON BRANNAN: I'm just worried  
5 that—

6 AMY PETERSON: And that's just one part of  
7 the process, right? So there's the Construction Team  
8 that reviews what happened, and meets with the  
9 contractors and talks about that. There's a Payment  
10 Audit Review Team, and then there's the Engineering  
11 Audit Office, and that's a—that's a requirement of  
12 the Comptroller and the City of New York for all  
13 capital projects.

14 CHAIRPERSON BRANNAN: I'm just trying to  
15 figure out what there might be such a backlog. I know  
16 that there's—people have told us there's backlogs of  
17 payments going back to 2016.

18 AMY PETERSON: We have the resources to  
19 do that, and we expedite all payments.

20 CHAIRPERSON BRANNAN: Costa, do have  
21 something?

22 COUNCIL MEMBER CONSTANTINIDES: Yes.

23 CHAIRPERSON BRANNAN: Okay, I'm going to  
24 give it to Costa.

2 COUNCIL MEMBER CONSTANTINIDES: Thank  
3 you, Chair Brannan. So, much of this question has  
4 been asked already, but, you know, we are still 7-1/2  
5 -7 plus years later dealing with the impacts of  
6 Sandy, which have been so devastating for the  
7 families involved. What are we thinking about if  
8 another storm hits? You know, how we—and displaces  
9 families and—and sort of puts families in a very  
10 similar place, which, you know, is because climate  
11 change is—is prevalent. You know, we're living in  
12 climate change and that could potentially happen. We  
13 have to sort of be planned for the next one. How do  
14 we sort of thinking through how we would deal? What  
15 lessons have we learned here? What can we sort of  
16 think about for the next time around if God forbid  
17 there is one. We hope that there isn't, but we have  
18 to be prepared, and so how—how do we sort of  
19 structure a process differently next time that would  
20 work a little bit more seamlessly?

21 AMY PETERSON: Yeah. So, Thank you and  
22 thank you for—for that question. It's incredibly  
23 important to—to all of us who have been doing the  
24 Sandy work to the communities who have been engaged  
25 in it since—since Sandy hit to make sure that all of



1 the lessons we've learned, and we've learned a lot of  
2 lessons are carried forward in planning for the  
3 future and then understanding what to do better, and  
4 we've had a lot of work that we're doing towards that  
5 goal. We've been working closely with the New York  
6 City Emergency Management, and the Mayor's Office of  
7 Resiliency (coughing) and City Hall and other  
8 partners to really talk about this, and also kind of  
9 on the ground in the communities talking to people  
10 about things. I would say the priorities are around  
11 three goals for me. One is to maximize resources to  
12 homeowners. If—if you look at who was served by  
13 Build It Back and who did not need Build It Back, you  
14 know, if you're—if you have the right insurance, and  
15 I know flood insurance is an issue, but if you have  
16 access to resources you're better able to—to respond.  
17 So, for us prioritizing both the work that the  
18 Mayor's Office of Resiliency is doing on reforming  
19 flood insurance is really important, but for us it's  
20 about making sure that homeowners get flood  
21 insurance, and really pushing that we did an ad  
22 campaign around the last hurricane season to really  
23 focus on people in our coastal communities, and to  
24 make sure they get that, and I would encourage you  
25

1 and us to figure out ways to make sure that is the  
2 best piece, and if you got federal—federal benefit  
3 after Sandy, and you don't have flood insurance, you  
4 won't be eligible for any federal benefits in the  
5 future. So, it's—it's even more important than just  
6 being prepared on your own. So, everyone knows that  
7 after Sandy what happened to SBA loans. Should I get  
8 them? Shouldn't I get them. I'm an advantaged or  
9 disadvantaged. There's been a lot of work  
10 legislatively since then and future storms about what  
11 SBA loans impact will have on future benefits, but  
12 that's something that we all need to have a clear  
13 both understanding what's going on in the federal  
14 government, and a clear plan for what the city wants  
15 to put in place moving forward, and we are—we're  
16 working on—on that. We're working in partnership  
17 with other impacted communities like Texas and  
18 Florida and Louisiana. Everyone is facing this, and  
19 they face it more regularly in terms of how to make  
20 the federal benefits work. The other piece is kind  
21 of the ongoing mitigation and resiliency and making  
22 sure that the—the questions that I was just asked  
23 about what it means to elevate a home, the questions  
24 I was just asked about buyout versus acquisition.

1 They Mayor's Office of Resiliency and City Planning  
2 and all of our partners are really thinking about  
3 kind of long-term acquisition programs and ways to  
4 ensure that, you know, kind of in Houston they have  
5 an ongoing acquisition program that's in place. The  
6 storm happens and they're able to ramp that up using  
7 federal dollars. That's exactly what we're working  
8 towards here, but also ensuring that when we're doing  
9 sustainability work right, we're installing fuel  
10 pumps in people's home that that's being done in a  
11 resilient way. One of the—the things that happened  
12 after Sandy was Rapid Repairs. That's an incredibly  
13 important program that we put in place in partnership  
14 with FEMA using STEP Funding, FEMA PA funding. That  
15 is something that right now FEMA is saying they will  
16 not do again. That is a huge risk to the city. If  
17 that's not allowed, it's something we did, and then  
18 other places did. It's the best way to provide  
19 shelter in place for people in an urban community.  
20 So, that's something that we should be working in  
21 partnership with FEMA. And then additionally, it's  
22 about operational readiness and making sure that the  
23 expertise and the staff and the people that we—that  
24 we've developed internally, and the expertise in the  
25

2 communities with our community partners isn't lost in  
3 making sure that that carries forward.

4 COUNCIL MEMBER CONSTANTINIDES: And do we  
5 have enough resources because, you know, we saw the  
6 IPCC Report, the—even the federal government's own  
7 report that they tried to hide the day after  
8 Thanksgiving last year. While we were digesting our  
9 turkey the were trying to, you know, released that  
10 report. Even our city's own report talks about the  
11 possibilities of certain neighborhoods being possibly  
12 wiped from the map in the next 50 to 75 years. How  
13 do we—what are the conversations are we having around  
14 those very frightening realities, and like how are  
15 we—you know, do we have enough staff to sort of work  
16 on these issues to sort of combat those really  
17 serious resiliency challenges?

18 AMY PETERSON: Yeah. I would say that  
19 the city has really committed to both use the—the—the  
20 kind of—use the disaster of Sandy to both really  
21 think about housing recovery and recovery operations,  
22 but then resiliency moving forward, and has really  
23 built out a strong team across multiple agencies. I  
24 mean City Planning did their Neighborhood Resilience  
25 Studies. Certainly the Mayor's Office of Resiliency,

2 but across all agencies really thinking about this.

3 So, you know, we are—we are working to ensure that -  
4 that this isn't, you know, kind of included in every  
5 part of city government and really focused on  
6 ensuring that the expertise that we now have related  
7 to recovery specifically, not talking about  
8 resiliency, but recovery specifically is, you know,  
9 kind of part of the city fabric moving forward.

10 COUNCIL MEMBER CONSTANTINIDES: Alright.

11 Thank you, Chair Brannan.

12 CHAIRPERSON BRANNAN: Thank you, Costa.

13 One of the things that is concerning is I understand  
14 that unfortunately no area of our government is  
15 immune to bureaucratic morass, but I under—I can  
16 understand when there's delays or there's—there's  
17 hang-ups with building a new school, building a new  
18 park, you know putting in a new playground or  
19 something like, you know people just have to kind of  
20 grin and bear and wait. But—but to sort of shrug our  
21 shoulders and say, well, you know, this happens when—  
22 when it comes down to someone getting back into their  
23 home seems—it just seems really, really callous, and  
24 I don't know—I—I guess my concern is that the further  
25 and further away Sandy gets, the further away it is

1 in our rear-view mirror, the more people aren't even  
2 thinking about there could be some people who are  
3 still looking to get back into their homes. What are  
4 we doing so that the bureaucratic mess that we deal  
5 with, with parks and schools and all this stuff is-is  
6 sort of not happening here when it comes to getting  
7 people back into their home. I can understand. You  
8 know, I have to tell people in my district if we're  
9 building a playground I'll be lucky if the playground  
10 is built by the time the kids are in college, right?  
11 That's one thing, but-but when we're talking about  
12 getting people back into their homes it seems like  
13 there should be a different level of empathy and  
14 urgency.

16           AMY PETERSON: So, our commitment has  
17 always been for the homeowners. Our commitment has  
18 always been for these communities, and for ensuring  
19 that these people are safe in their homes, and so any  
20 work that we're continuing to do to get people  
21 returned to their home is to make sure those homes  
22 are safe, and they'll be protected from the future  
23 storm, and that they're able to stay in their  
24 communities, right? So, you know, we have a  
25 committed group of people who work daily to cut

1 through whatever the last thing is that needs to  
2 happen, but to be clear, you know, upgrading  
3 someone's water supply to ensure that they have the  
4 ability to have the sprinkler system that they need  
5 to protect their home, and doing that through kind of  
6 neighboring properties and easements is a complicated  
7 process that we developed—devote all of our resources  
8 to on a daily basis to make it happen. We have kind  
9 of a team at the Department of Buildings. We have an  
10 expedited process at BSA. We've worked really hard to  
11 make sure that all of this happens, and all of this  
12 happens for the homeowners. Kind of on the flip side  
13 of what you would call callous the—some of the  
14 homeowners who are finishing are people who, you  
15 know, some programs and we were told kind of early on  
16 you have to kind of say no. If they can't get X done  
17 by X day, you say no. We said, okay you wanted to  
18 build this home on your own, and you couldn't build  
19 this home on your own. We will now build it for you.  
20 So, we have actually taken extra steps in every part  
21 of this program to make sure that we finish the work  
22 and finish the work for the homeowners, and if you  
23 look at our program compared to other disaster-  
24 disaster recovery programs where you just send out a  
25

2 check or you just allow people to try to figure this  
3 out on their own, that's not what we're saying.  
4 We're saying we're going to do everything we can  
5 regardless of this—whatever is happening in your  
6 property had anything to do with Sandy that it has  
7 something to do with us making sure you get returned  
8 to a safe home. We will do that work, and that is  
9 what are doing.

10 CHAIRPERSON BRANNAN: What—what do you  
11 think is—is the biggest lesson we've learned for when  
12 the next Sandy comes? How would—would we do this  
13 again, and if we did, how would we do it differently?

14 AMY PETERSON: So, that's a big—there's a  
15 lot of lessons learned, and I think that, you know,  
16 it's incredibly important to ensure that people who  
17 are living in coastal communities can make decisions  
18 for themselves about whether they want to stay in  
19 those coastal communities and whether or not they can  
20 return to safe housing. And obviously as you  
21 mentioned there is kind of some places where that it  
22 kind of impossible, but what we've found after Sandy  
23 and what we, you know, believe is these are important  
24 coastal communities we need to return people to. The  
25 program as designed was designed pre-made, previous



1 administration after Sandy with this idea towards  
2 kind of one size fits all. You come in, you apply.  
3 We'll look at what's going on, and-and-and help you  
4 recover. That's not the answers. There were two  
5 vastly different groups of people who were impacted  
6 by Sandy. There were people who had flooding in  
7 their basement. There were people who never had  
8 flooding before, and had damage. Those people needed  
9 the resources to be able to do the work themselves,  
10 and we developed a lot of programs along the way:  
11 The Reimbursement Program, the Direct Grant Program  
12 to allow working with nonprofits to have nonprofits  
13 do repairs for people who couldn't do it themselves.  
14 So this is a whole process and a program that needs  
15 to be developed for those people, and there will be  
16 those people again, and then there's people who have  
17 substantial damage to their home, and there's a lot  
18 of lessons learned in terms of how you better kind of  
19 understand who those people are, and respond to their  
20 individual needs, how you look at communities and  
21 work on the ground with communities. The biggest  
22 lesson I learned when I first got here was that this  
23 all needed to be done from the community in  
24 partnership with the local elected officials. We

2 were in everyone's office by hearing what they wanted  
3 to have happen. The kind of first year I was here I  
4 went to everyone community and heard things, and  
5 every single community wanted something different.  
6 Every single community had a different need, and you  
7 need to be able to adapt the program to respond to  
8 what the community needs, and it needs to be kind of  
9 built out of the community, but there's a lot more  
10 there. I'm happy to kind of talk and meet with you  
11 guys to really talk about the lessons learned, and  
12 we're already doing that with kind of other elected  
13 officials and community groups.

14 CHAIRPERSON BRANNAN: How-how are we  
15 balancing sort of the program winding down? It's--  
16 it's an interesting moment here because the program  
17 is winding down, and preparing to close out, but at  
18 the same time, the people that are still, you know,  
19 we're now dealing with the hand full of folks who are  
20 still waiting, which is really could be argued the  
21 most important.

22 AMY PETERSON: It is the most important.  
23 No question.

24 CHAIRPERSON BRANNAN: So--

25 AMY PETERSON: It's the most important.

2 CHAIRPERSON BRANNAN: --where I go are we  
3 down to bare bones skeleton crew at this this point?

4 AMY PETERSON: No, I mean we're—we're a  
5 much smaller staff than were in our peak, but we  
6 still have a large staff. We've—we've adapted  
7 throughout this program based on what the need of the  
8 program. So, while we've increased staffing for  
9 auditing and payments and all the contract close-out  
10 stuff, we still have our core team of construction  
11 people. We still have our core team of customer  
12 service, and we still have the people who are really  
13 working everyday to—to get those homeowners home and  
14 to—to make sure we can close out the HUD Grant, and  
15 then to really think about the future.

16 CHAW PETERSON: The people that are still  
17 waiting do they have one point of contact that they  
18 deal with?

19 CHAIRPERSON BRANNAN: Generally, yes.  
20 When—when does the program have to be fully closed  
21 out?

22 AMY PETERSON: So, the funding for the  
23 program and then September 20, 2022. You know, HUD  
24 closeout is something that is a complicated process.  
25 We've closed about all—about 10% of our work, but I

2 think that, you know, kind of the-the-the  
3 Administrative tale for a \$2.2 billion as part of a  
4 \$4.2 billion HUD Grant is a-is a process that goes  
5 on.

6 CHAIRPERSON BRANNAN: Is there any-is  
7 there any support given-I'm assuming homeowners have  
8 asked for it. Was there any support or anything that  
9 the Administration can offer for homeowners who might  
10 be worried that the liens are going to ruin their  
11 credit?

12 AMY PETERSON: Yeah, so we have reached  
13 out to each of the individually, and we have legal  
14 counsel team to talk to them if there's an issue that  
15 they have.

16 CHAIRPERSON BRANNAN: Okay. (background  
17 comments) I guess I want-I just-I want to finish on  
18 preparing for, you know, for when the next Sandy is  
19 going to hit, and some of the-what-what-some of the  
20 things we may have learned in the contractors that  
21 picked for elevating the homes were-were they picked  
22 because they had prior experience in doing this or  
23 what? Did we consider prior experience before we  
24 awarded bids?

1  
2           AMY PETERSON: So, we have engaged with a  
3 vast, vast group of contractors, right. There aren't  
4 a lot of homes, single home-family home builders in  
5 New York City, right. So, we had working with us a  
6 group of people who were kind of single family home  
7 builders. We added through the Department of Design  
8 and Construction in partnership with the Building and  
9 Construction trades Project Labor Agreement to vastly  
10 expand the contractor pool. We did attract a lot of  
11 contractors who had done work previously in Texas and  
12 Louisiana, and other places. So, kind of we-we ended  
13 up with a really good combination of people who knew  
14 the three things we needed to know, right? How you  
15 do work with the city; how you do single-family  
16 housing work in these communities, and how you do  
17 kind of resilient housing in disaster recovery. So,  
18 we ended up with a lot of different kind of  
19 partnerships among groups that focused on ensuring  
20 they had all of that knowledge, and we do, you know  
21 to and to kind of think moving forward one of the  
22 things that's important is to how we don't lose that  
23 contractor base. The work that HPD is doing with  
24 their Resilient Properties for Affordable Housing.

2 It's kind of going to continue some of that work  
3 moving forward.

4 CHAIRPERSON BRANNAN: I know the New York  
5 Rising Program that was used on Long Island the  
6 average cost of elevations was \$175,000. Build It  
7 Back costs nearly three times this amount. Do we  
8 have an idea why?

9 AMY PETERSON: So, the—the program that  
10 you're talking about is one of the programs where  
11 they gave money to contractors to—to homeowners to do  
12 the work, and so they're paying for the kind of—the—  
13 the simple part of the elevation, which is kind of  
14 lifting the home and some work related to the  
15 foundations. We do the full work that's required.  
16 So they're not paying for any upgrades you need to do  
17 within the home. They're not paying for replacing  
18 the siding and the roofing and all of the things that  
19 need to happen. Additionally working in the city is  
20 a much more kind of dense urban environment is an  
21 understatement for these communities, and so just the  
22 complications of working in these communities and the  
23 work that needs to happen. Also, you know, I think  
24 that in other places they've struggled with what  
25 Building Code requirements are and things like that

2 and has struggled to get permits closed and things  
3 like that, you know, while we have a very strong  
4 Building Code, which is incredibly important if  
5 you're going to be building, we also have one that's  
6 consistent across the city, but there's costs  
7 associated with ensuring that we can comply with the  
8 Building Code.

9 CHAIRPERSON BRANNAN: So, considering  
10 this was, you know, an unprecedented storm, an  
11 unprecedented program, aside from the people who got  
12 back into their homes, does anyone consider Build It  
13 Back a success?

14 AMY PETERSON: So, I think when you look  
15 at housing recovery, disaster housing recovery  
16 programs, this is a model that other places are  
17 looking at in terms of how you work in a dense urban  
18 environment; how you preserve affordable communities  
19 for the people who live there; how you balance the  
20 needs of having people who want to do it themselves  
21 through like a direct grant or reimbursement, the  
22 Modular Program how you come in and do innovative  
23 things. So, I think there's a lot of things that  
24 we've done with our program that are lessons learned  
25 for both New York City but for other people who are

2 facing this sort of disaster and we've worked in  
3 partnership with other groups to kind of talk about  
4 the--the lessons we've earned--we've learned and the  
5 things we've done.

6 CHAIRPERSON BRANNAN: Yes, I mean I'd  
7 love to talk to you more offline about--I mean I'm  
8 assuming there's a checklist of things we would do  
9 differently next time.

10 AMY PETERSON: Yes, yes.

11 CHAIRPERSON BRANNAN: Um, and I think a  
12 lot of us like to, you know, we use the phrase: It's  
13 not if, but when. But really understanding that it  
14 is when--

15 AMY PETERSON: Yes.

16 CHAIRPERSON BRANNAN: --the next one is  
17 going to happen knowing how we would do this  
18 differently I think would be--would be very helpful.  
19 You know, keeping in mind that telling someone who is  
20 still waiting to get back into their home from a  
21 storm that people barely remember, telling them that  
22 this was an unprecedented thing doesn't--doesn't give  
23 them much solace, right? I think we both agree on  
24 that. (background comments/pause) Okay, thank you so  
25 much.



2 AMY PETERSON: Great. Thank you.

3 CHAIRPERSON BRANNAN: Okay, we will call  
4 up the first panel Marcy Benstock from Clean Air and  
5 Christine Appah from NYLPI. (pause) Okay, just say  
6 your name and then start whenever—whoever wants to go  
7 first. (pause)

8 CHRISTINE APPAH: Greetings Chairman  
9 Brannan. My name is Christine Appah, and I'm a  
10 Senior Staff Attorney at New York Lawyers for the  
11 Public Interest appreciates the opportunity to  
12 present testimony at this oversight hearing. We are  
13 here to share our views on the importance of  
14 bolstering preparation in Environmental Justice  
15 communities for severe weather events and to offer  
16 some ideas on how to better assist these communities  
17 in the rebuilding process. NYLPI works to alleviate  
18 the disproportionate impact of environmental burdens  
19 on lower income communities and communities of color  
20 across the city. A significant part of NYLPI's work  
21 focuses on preventing and mitigating the effects of  
22 climate change on Environmental Justice communities.  
23 NYLPI also serves an integral role in the campaign  
24 that passed the Climate Leadership and Community  
25 Protection Act. We have participated in workshops to

1 support communities and neighborhoods that have been  
2 adversely impacted by severe weather events like  
3 heavy storms and extreme heat. We have also worked  
4 on issues that affect homes in the aftermath of  
5 storms like mold and limited accessibility for people  
6 with disabilities. Overall, we believe that  
7 supporting communities well in advance of sever  
8 weather events is the most effective way to mitigate  
9 the damage and put neighborhoods back on the road to  
10 recovery. My testimony today will focus on community  
11 organizing as part of the resiliency planning  
12 toolkit. Seven years and three months ago, Super  
13 Storm Sandy bore down on the East Coast of the United  
14 States. The storm was the fiercest that many had ever  
15 experienced. I'm a native New Yorker, and I had  
16 recently started practicing law at the time, and I  
17 can truly say that really shaped my view of how to  
18 work with communities and the importance of our  
19 community lawyering and getting results for people.  
20 It cost precious lives and community integrity and  
21 billions of dollars in damage. It made apparent the  
22 dire need for resiliency planning for everyone, not  
23 just major cities, but in every town and  
24 neighborhood. The pace of a community's recovery is  
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1 easily correlated with the availability of resources.  
2 Communities that were able to buy food ahead of time  
3 used technology to back up important documents and  
4 even relocate ahead of the severe weather event, when  
5 the best position to begin and complete and complete  
6 recovery efforts. Communities that had already begun  
7 with limited resources and reduced access to reliable  
8 and accessible infrastructure spent years navigating  
9 the complex recovery landscape. This was apparent as  
10 most of New York City went back to business in a  
11 relatively shorter time after the storm. But the  
12 most affected and vulnerable communities did much to  
13 rebuild themselves back through support systems that  
14 grew organically from networks of civic organizations  
15 and local leadership. These local grass root support  
16 systems were integral to their unique recovery  
17 processes. The city can foster greater resiliency in  
18 these communities by supporting the continuation and  
19 development of these informal locally rooted  
20 networks. The city should connect with and designate  
21 a core of community organizers, local houses of  
22 worship, civic associations and local organizations  
23 that can help make information of resiliency and the  
24 recovery processes available to families long before  
25

1 severe weather events. The Lower Eastside Long-Term  
2 Recovery Group is a helpful example of a core group  
3 of local organizations that have formed to facilitate  
4 the discovery-disaster recovery process among  
5 neighbors. The city can use this as a model for  
6 other neighborhoods to help connect people before and  
7 during their time of need. Waiting until the  
8 aftermath of a storm to establish these connections  
9 wastes valuable time and can increase the time it  
10 takes for families to navigate the city's  
11 programming. This is particularly important for New  
12 Yorkers with disabilities. The city should also  
13 consider outreach to support minority owned small  
14 businesses that were instrumental in providing  
15 resources and access in the immediate aftermath.  
16 Studies with the city's funded responses have  
17 revealed several layers of management issues. The  
18 city Comptroller for example issued a report in 2015  
19 showing that the city's Build It Back program  
20 suffered from various financial and initiative  
21 issues. The city should also aim to push-establish  
22 procedural clarity and offer primers (sic) to  
23 homeowners and renters with available assistance  
24 programs to establish community partners in the  
25

1 months prior to hurricane season and at the start of  
2 winter. We also suggest that the city gather census  
3 information to ensure adequate language access. New  
4 York City's great public information infrastructure  
5 helps keep people aware of various city sponsored  
6 programs and policies. The city must continue in its  
7 efforts to obtain maximum participation in the  
8 upcoming census to ensure that we have an accurate  
9 accounting of the city's population and can also be  
10 well versed in preparing language access programs.  
11 This is critical in the Environmental Justice  
12 communities as it will help the city to properly  
13 deploy resources including adequately translated  
14 forums and interpreters. The city should also  
15 endeavor to liaise for the Department of Cultural  
16 Affairs with the City's Office of Long Term  
17 Sustainability planning to create culturally relevant  
18 programming around the topics of climate change and  
19 disaster preparedness. We also encourage the city to  
20 create jobs that would help to promote resiliency and  
21 focused infrastructure. Environmental Justice  
22 communities can also benefit from increased access to  
23 job training that helps to support more sustainable  
24 neighborhoods. The goal of resiliency planning  
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2 should also be to help communities to reduce  
3 joblessness, and to promote stable wages that are  
4 essential to help people to withstand the financial  
5 stressors that severe weather events cause on  
6 families. In conclusion, NYLPI looks forward to  
7 working with the City Council and the Administration  
8 to strengthen resiliency planning for Environmental  
9 Justice communities located on the waterfront and  
10 throughout the city to ensure a safe and sustainable  
11 future for all of its residents. Thank you.

12 CHAIRPERSON BRANNAN: Thank you. (pause)

13 CHAIRPERSON BRANNAN: You can begin when  
14 you're ready.

15 MARA STEVENS: (off mic) Oh, me. Good-  
16 good morning.

17 CHAIRPERSON BRANNAN: Just make sure your  
18 mic is on.

19 MARA STEVENS: (off mic) Oh. Can you  
20 hear me? Is it--? No. This is--thank you. (laughs)

21 CHAIRPERSON BRANNAN: There you go.

22 MARA STEVENS: Good morning. I'm Mara  
23 Stevens, Staff Director of Clean Air Campaign.  
24 Friends of the Earth joins us in the four points at  
25 the end. Some Build It Back and other funds are

being misallocated to in-water projects off shore.

The Council should end this whenever these funds help subsidize new development at the worst possible disaster prone locations off shore especially in the Lower Hudson River. The stretch of the Hudson River up to West 59<sup>th</sup> Street is the designated top risk hurricane evacuation zone. The water in this habitat is also one of the most important marine habitats on the whole Atlantic Coast. That means everything possible should be kept out of these new shore waters as the Federal Clean Water Act requires including both real estate development sites and so-called resiliency projects. Spending significant Build It Back or other funds on redevelopment or resiliency projects in the Hudson River would create potentially catastrophic public safety, environmental, financial, and other risks. Risks that are completely avoidable if the Council insists that available funds be spent on more essential high priority projects. Pier 76 is a good example of both good and bad spending proposals. Funding Sandy related roof boiler and electrical repairs for the city's tow pound on Pier 76 makes sense for now, at least until the category 5 hurricane that the Lower Hudson River is overdue for

1 hits the river. Streetsblog.com explained why  
2 forcing the tow pound off of the Pier 76 too soon  
3 would be ill advised. Spending far more at Pier 76  
4 to subsidize the alternative some people support  
5 pushes subsidizing a high-end office building, a  
6 hotel or other non-water dependent uses would not  
7 make sense. That would put thousands of people in  
8 harm's way for the 157 mile an hour winds or higher  
9 that come with category 5 hurricanes. It would  
10 hasten the piecemeal destruction of a prime fisheries  
11 habitat of immense national importance in the lower  
12 Hudson River, and it would risk saddling New York  
13 taxpayers with billions of dollars worth of storm and  
14 hurricane damage and liability costs for something  
15 that's not even there now. Habitat threatening  
16 coastal resiliency projects should also be ruled out  
17 when they're in the water. Some projects being  
18 marketed as resiliency would not, in fact, work, and  
19 most would be environmentally destructed if they're  
20 sited in the water. Better spending alternatives  
21 include replacing defective NYCHA boilers not just  
22 with temporary boilers, but good permanent ones and  
23 expanding optional buyout programs for disaster prone  
24 areas with the sites maintained as open space in  
25



perpetuity. There's a night and day difference between land and water. It's much more costly, risky and destructive to build in the water. Experts say the only measure that has proved 100% effective for minimizing harm to people and property in coastal areas is shifting new development away from the water. Subsidizing development not just along the water, but right in it, moves in exactly the wrong direction. The 1972 Clean Water Act, the Federal Law was enacted in part to safeguard public waterways for navigation, and for sustaining fisheries and other living marine resources. U.S. District Court Decisions on the West Way Case reaffirmed this, the very same policy that would keep the most people out of harm's way in the Lower Hudson River is the policy that would uphold the Clean Water Act by keeping habitat altering development and "resiliency" projects out of the river. We urge the Council to respect the Federal Clean Water Act and protect and preserve the near shore habitat in the Lower Hudson River when considering disaster prevention policies and public spending priorities. We'd be happy to respond to any questions you may have. Thank you.

2 CHAIRPERSON BRANNAN: Thank you so much.

3 Is there anyone else who wants to testify? Okay,

4 thank you both very, very much.

5 CHRISTINE APPAH: Thank you.

6 CHAIRPERSON BRANNAN: Thank you. Okay and

7 with that we are adjourned. (gavel)

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C E R T I F I C A T E

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



Date February 21, 2020