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COMMITTEE ON PUBLIC HOUSING

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON PUBLIC HOUSING

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Wednesday, September 18, 2024
Start: 11:11 a.m.
Recess: 1:14 p.m.

HELD AT: Council Chambers - City Hall

B E F O R E: Hon. Chris Banks, Chair

COUNCIL MEMBERS: Alexa Avilés
Erik D. Bottcher
Justin L. Brannan
Darlene Mealy
Chi A. Ossé
Rafael Salamanca, Jr.
Pierina Ana Sanchez
Julie Won

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COMMITTEE ON PUBLIC HOUSING

A P P E A R A N C E S

Eva Trimble,
Chief Operating Officer of New York City Housing
Authority (NYCHA)

Annika Lescott-Martinez,
Chief Financial Officer of New York City Housing
Authority (NYCHA)

Hannah Roth,
First Deputy General Counsel of New York City
Housing Authority (NYCHA)

Gillian Connell,
Managing Director of Strategic Operations For
Real Estate Development of New York City Housing
Authority (NYCHA)

Alex MacDougall,
Staff Attorney at the Legal Aid Society

Metin N. Sarci,
Public Housing Expert, Representing - self

Adam Roberts,
New York Apartment Association

Brianna Williams,
Senior Planner of Housing Justice Initiatives at
Center for Justice Innovation

Aixa Torres,
President at Alfred E. Smith Resident
Association

Sharon Brown Jeter,
Representing -Self

Manuel Martinez,
President of South Jamaica Houses Resident
Association, Queens South CCOP

Travis Bostik,
Director of Policy and Research at Association
for Neighborhood Housing and Development

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COMMITTEE ON PUBLIC HOUSING

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

Jack Underwood,
Deputy Director for the Preserving Affordable
Housing Program of Brooklyn Legal Services
Corporation

Teresa Scott,
Member of Save Section 9

Alix Cruz,
NYCHA Resident

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2 SERGEANT EDWARDS: This is a prerecording test
3 being done by Edwards for the Committee on Public
4 Housing being held on September 18, 2024.

5 SERGEANT AT ARMS: Good morning, and welcome to
6 the New York City Hybrid Hearing on the Committee on
7 Public Housing. Please silence all electronic devices
8 at this time. If you have any questions, please raise
9 your hand, and one of the Sergeant at Arms will
10 kindly assist you. Thank you very much for your kind
11 cooperation. Chair, we are ready to begin.

12 CHAIRPERSON BANKS: Alrighty, I am calling this
13 meeting to order, Good morning, everyone.

14 (GAVEL SOUND) (GAVELING IN)

15 I am Council Member Chris Banks, Chair of the
16 Committee on Public Housing, and I'm glad to be
17 joined by my colleagues on the Committee Council
18 Member Avilas, Pierina Sanchez, and nobody on Zoom,
19 right?

20 The COVID 19 pandemic and economic upheaval that
21 came with it changed our city. Four years after the
22 first wave of infections and the lockdowns, NYCHA
23 and NYCHA residents are still dealing with the legacy
24 of the pandemic in the form of over \$400 million in
25 rent arrears.

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2 While market rate rents were able to get
3 assistance through state emergency rental assistance
4 program, we call ERAP, in the initial rollout of the
5 program, NYCHA tenants were not immediately eligible
6 for assistance. Only after NYCHA and NYCHA tenants
7 advocacy in Albany were NYCHA tenants included in the
8 program. But even with this funding and other
9 sources, there is still a staggering amount of
10 arrears.

11 For many tenants, arrears have grown to a point
12 where they may feel overwhelmed, while the issue has
13 also impacted the daily operations for NYCHA, are
14 further impacting residents' quality of life.

15 Today, we are looking briefly to the past to make
16 a plan for the future. I want to know what NYCHA is
17 doing today, and what we should be telling NYCHA
18 residents with arrears to do, and what the plan is to
19 get back to pre-pandemic rent collection.

20 All of us in this room want the same thing, safe
21 and stable housing for NYCHA residents. To get that,
22 NYCHA has to be fiscally stable, and I want to hear
23 plan to get to that point today.

24 I would like to thank my staff and Michael
25 Lambert along with the Public Housing Committee staff

1
2 Jose, Connor, Dan, Nicholas, Christopher, Charles,
3 for all the work they've put in to this hearing.

4 And with that, we'll allow the NYCHA staff to
5 make their statement.

6 COMMITTEE COUNSEL: Please raise your right hand,
7 we can do it all at once.

8 Do you affirm to tell the truth, the whole truth,
9 and nothing but the truth, before this committee, and
10 to respond honestly to council member questions?

11 (PANEL AFFIRMS)

12 COMMITTEE COUNSEL: All right, you may begin.

13 CHIEF OPERATING OFFICER TRIMBLE: Chair Banks,
14 members of the Committee On Public Housing, other
15 distinguished members of the City Council, NYCHA
16 residents, community advocates, and members of the
17 public, good morning.

18 I'm Eva Trimble NYCHA's Chief Operating Officer;
19 I'm pleased to be joined by Chief Financial Officer,
20 Annika Lescott Martinez; First Deputy General
21 Counsel, Hannah Roth; Managing Director Of Strategic
22 Operations For Real Estate Development, Gillian
23 Connell, and other members of NYCHA's team. Thank you
24 for this opportunity to discuss the critical matter
25

1
2 of rent arrears, including its impact on the
3 authority and how we are working to address it.

4 NYCHA was founded nearly a century ago to serve
5 as a vital resource of truly affordable housing for
6 low income New Yorkers, and this mission remains the
7 same today. Our goal is to keep residents housed, and
8 that is why we have advocated vigorously for rental
9 assistance funding from the government and
10 implemented various supportive policies and programs
11 that assist residents who are having trouble paying
12 rent.

13 Rent payments constitute one-third of NYCHA's
14 operating budget, funding that is necessary to repair
15 and maintain our developments and promote residents
16 quality of life. This revenue is especially critical
17 considering that our aging buildings suffer from a
18 nearly \$80 billion in major capital needs, the
19 consequences of decades of federal disinvestment from
20 public housing. Unfortunately, we are currently
21 collecting only about 68% of the rent owed, and rent
22 arrears now stand at \$487 million, nearly four times
23 what it was in 2019 and well beyond the ERAP funding
24 we've secured for our residents.

1
2 All households must do their part in paying rent
3 so that we can provide the quality of life that
4 residents deserve. As the largest public housing
5 authority in the nation and the city's most
6 significant resource of affordable housing, we
7 recognize the ability of affordable housing to
8 stabilize and support and offer a pathway to
9 opportunity for the hundreds of thousands of families
10 we serve. As such, eviction rates at NYCHA are low,
11 substantially lower than at other public housing
12 authorities and substantially lower than the citywide
13 eviction rate. Eviction is always a measure of last
14 resort. After we have exhausted all other ways
15 resolved tenant issues, whether they are related to
16 egregious cases of nonpayment of rent or major
17 violations of lease.

18 After the nearly two year pandemic related
19 eviction moratorium was lifted in January 2022, NYCHA
20 executed only two evictions in all of 2022, 58 in
21 2023, and 174 this year as of September 1.

22 For context, NYCHA evicted 556 households in
23 2019, a 0.3% eviction rate compared to the 0.12%
24 eviction rate in the New York 2024 City fiscal year.
25

1
2 The majority of evictions for nonpayment of rent
3 involved extremely higher arrears where the household
4 owed tens of thousands of dollars, an average of more
5 than \$15,000 in 2024.

6 In most instances of rental arrears, we are able
7 to work collaboratively with residents to resolve the
8 matter with tenants paying their arrears and staying
9 in their apartments as a result.

10 Beyond evictions for nonpayment of rent,
11 evictions may also occur because of a serious lease
12 violation or when the resident is not authorized to
13 live in an NYCHA apartment.

14 To give you a sense of how dire and pervasive the
15 situation regarding arrears is, consider this: As of
16 September 1, there are nearly 70,000 households in
17 arrears, almost half of all households. And 20,000 of
18 those are senior headed households. The average
19 amount of rent arrears per household is \$6,915
20 representing an average of 14 months of arrears.
21 Twenty percent of households owe more than \$10,000.
22 The average rent billed is \$651.00, though the
23 average rent collected is only \$399.00.

24 There are several policies and programs in place
25 at NYCHA to assist residents who are falling behind

1 with paying their rent. At the beginning of the
2 pandemic, we launched a NYCHA-wide campaign to inform
3 residents of the various ways they can get help from
4 one time emergency assistance available from the
5 City's Human Resource Administration to financial
6 counseling opportunities from our partners. We work
7 with residents experiencing hardship developing
8 payment plans that will enable them to get caught up
9 on rent. There are more than 1,500 payment plans in
10 effect currently, and the vast majority of them were
11 executed this year alone. Significantly, rent is
12 calculated based on a household income. Residents
13 experiencing a loss in income can have their rent
14 reduced to as low as \$0.00. This is the case for
15 residents of our traditional public housing
16 developments as well as our PACT (Permanent
17 Affordability Commitment Together) developments, and
18 it is a demonstration of how NYCHA serves as a
19 powerful bedrock of stability in our communities.
20

21 There are also strong protections for residents
22 at our PACT developments in accordance with
23 applicable federal rules and regulations.

24 NYCHA requires our PACT partners to work with on-
25 site social service coordinators to conduct proactive

1 outreach to help connect families with resources such
2 as accessing public benefits or setting up
3 installment payment plans.
4

5 PACT partners must make every effort to avoid
6 initiating a formal eviction proceeding in housing
7 court, and NYCHA closely monitors these outreach
8 efforts.

9 In 2023, for instance, pre-eviction outreach was
10 provided to nearly 5,000 households and only 36
11 evictions occurred after this outreach representing
12 an eviction rate of 0.19%.

13 We are proud of our successful efforts to obtain
14 ERAP funding for NYCHA residents, a great example of
15 what we, NYCHA residents, elected officials, and
16 other advocates can achieve when we were together.

17 NYCHA has received a total of approximately \$159
18 million in ERAP funding, \$39 million more than we
19 initially expected. We have already applied over \$148
20 million to residents' accounts and will continue to
21 credit resident accounts as funds are received. This
22 funding has helped to bring down and stabilize rent
23 arrears.

24 Initially, NYCHA residents were going to receive
25 \$0 in ERAP funding, but thanks to NYCHA's tireless

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2 advocacy in collaboration with partners like Mayor
3 Adams, this council, Governor Hochul, and the state
4 legislature, NYCHA residents are receiving their fair
5 share of these vital funds. This victory is a
6 testament to our supporters' commitment to the well-
7 being of public housing residents and the strength
8 and future of this agency. However, because of the
9 delay, thousands of residents had ERAP applications
10 pending for three or four years. In that time, many
11 residents may have thought that their ERAP funding
12 would resolve all of the arrears accrued, but it only
13 provided a maximum of 12 months of assistance.
14 Additionally, while the ERAP application was pending,
15 NYCHA was precluded from bringing an eviction
16 proceeding on the basis of nonpayment of rent. These
17 factors led to a significant buildup of rent arrears.

18 To help address this buildup of arrears, we are
19 implementing two additional rental assistance
20 programs that will provide much needed financial
21 relief to residents who were impacted by the pandemic
22 -the State COVID-19 Rental Assistance Program, and
23 the Federal Home American Rescue Plan program will
24 provide up to an estimated \$185 million to cover some
25 or all of the rent arrears of eligible residents.

1
2 We are soon launching a communications campaign
3 targeted to residents we've preliminary identified as
4 eligible to let them know how they can obtain these
5 critical funds.

6 Our primary mission is to keep residents housed.
7 As we have outlined, we are doing everything we can
8 to accomplish this goal, to promote the well-being of
9 NYCHA residents, while also ensuring that the
10 Authority has the funding to best serve NYCHA
11 families.

12 We look forward to additional conversations with
13 you about how we can advance this work in service to
14 the NYCHA community. Thank you, and we're happy to
15 answer any questions you may have.

16 CHAIRPERSON BANKS: Thank you.

17 We've been joined by Council Member Salamanca and
18 Council Member Mealy.

19 Thank you for your testimony. How many NYCHA
20 families have rent arrears as of today?

21 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: Thank
22 you for the question Council Member Banks. Close to
23 70,000 households have rent arrears, and those rent
24 arrears total \$487 million... \$487 million

1
2 CHAIRPERSON BANKS: \$487 million?

3 What percentage of the or amount of these arrears
4 from pre-2020 and from pre-2022 or from the last year
5 and a half?

6 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: So
7 that's a great question, Council Member.

8 If we look back prior to the pandemic, our rent
9 arrears balance in December 2019 was \$125 million,
10 and that's \$125 million since the beginning of NYCHA
11 back in 1935. So, as we mentioned, in the testimony,
12 since then, rent arrears was grown pretty
13 considerably. By the end of 2020, it was \$202
14 million, by the end of 2021 \$341 million, by the end
15 of 2022, \$467 million, and by the end of 2023 \$493,
16 million.

17 One thing that's important is that what you don't
18 see is that during the year, it ebbed and flowed. So
19 our arrears reached its highest of \$543 million just
20 last year before ERAP.

21 CHAIRPERSON BANKS: And how many of those
22 developments are RAD/PACT?

23 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: So,
24 this is just for...

25 CHAIRPERSON BANKS: This is just NYCHA?

1 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ:

2 Correct.

3
4 CHAIRPERSON BANKS: At your July 2020 board
5 meeting, rent collection was stated to be 71%. What
6 is the most recent rent rate of the rent collection?

7 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: Sure,
8 the most current rate of rent collection is 68%.

9 CHAIRPERSON BANKS: Sixty-eight percent?

10 How much additional funding would be needed to
11 bring the collection to 100%?

12 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: Well,
13 we would first need to be able to adjust all of the
14 arrears or at least a substantial amount.

15 So, we mentioned in the testimony two additional
16 forms of funding, the COVID Rental Arrears Program in
17 which we're expecting \$35 million from the state. And
18 the HOME-ARP Program, where we're expecting a \$150
19 million flowing through the City, but it is federal
20 funds. Even if we get the maximum amount in those
21 programs, our rent arrears would still be \$300
22 million.

23 CHAIRPERSON BANKS: Okay.

24 What ERAP or HOME-ARP funds are still left to be
25 distributed?

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2 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: Both of
3 those, the \$35 million and the \$150 million. We are
4 working to implement both of those programs
5 currently.

6 CHAIRPERSON BANKS: Okay.

7 And then what amount of the arrears will remain
8 after all the current funds are distributed?

9 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: \$300
10 million.

11 CHAIRPERSON BANKS: \$300 million?

12 What was the process for warning the ERAP and
13 the HOME-ARP funding?

14 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: Sure,
15 that's a great question. So I can speak to ERAP,
16 because it's a current program in progress.

17 So, tenants or applicants submitted their
18 application to the state. This state confirmed their
19 eligibility. NYCHA as a landlord confirmed the amount
20 of arrears the household owed us for the eligible
21 time period. Those applications were then approved by
22 the state based on their eligibility criteria. The
23 funds were given to NYCHA to apply to the tenant
24 accounts.

1
2 CHAIRPERSON BANKS: Just let me... we are also
3 joined by Council Member Bottcher.

4 Was there any prioritization based off of the
5 size of the areas and the timing when ERAP
6 applications were submitted or any other any reason?

7 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: Sure.
8 So, the eligibility criteria came from the state.

9 CHAIRPERSON BANKS: Right.

10 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: We were
11 not in charge of that, so we could only apply what
12 was approved. So if a tenant put in their application
13 during the eligibility period, and from our
14 understanding, the state started by going through,
15 you know, from a first come, first serve basis until
16 they exhausted the fund.

17 CHAIRPERSON BANKS: Has there been any
18 conversation with HUD about the Hardship Exemption
19 Program, Rental Forgiveness Program, or any
20 extraordinary measures? Because the New York State
21 ERAP program initially excluded NYCHA residents.

22 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: That's
23 right.

24 CHAIRPERSON BANKS: So, has there been any
25 conversations?

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2 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: We
3 continue to have conversations with our federal
4 partners. The stated excluded the public housing and
5 subsidized residents, not the federal government. But
6 we do continue to, you know, flag for HUD on a
7 monthly basis what our arrears balance is, uh, that
8 our residents are struggling but we do not have any
9 authority to forgive rent.

10 CHAIRPERSON BANKS: Okay. What are the current
11 impacts of the rent arrears on the ongoing operations
12 of NYCHA?

13 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: Well,
14 it's really difficult to operate when a major source
15 of our funding is not available. So, if you think
16 about the rent arrears in very basic terms, we should
17 have \$487 million that we don't have. And even if we
18 want to be conservative and just consider the rent
19 arrears that built up during the pandemic, we should
20 have over \$300 million that we don't have over the
21 last four years.

22 So, it has been very difficult for us to keep up
23 with the maintenance, the repair needs, all the
24 special programs that we'd like to run for the
25

1
2 residents. And it has necessitated, you know, various
3 tightening of our belts at NYCHA.

4 CHAIRPERSON BANKS: When it comes to rent
5 collection and recertification, how is NYCHA
6 currently conducting its rent collection? And have
7 there been any major changes since COVID and NYCHA's
8 rent collection policies that affect the present
9 operations?

10 CHIEF OPERATING OFFICER TRIMBLE: Thank you,
11 Council Member.

12 So, we collect rent through a variety of outreach
13 efforts. Residents receive their rent bill on a
14 monthly basis, and they have different ways they can
15 pay their rent. But, our housing assistance, in each
16 and every management office, are required to track
17 rent payments and see which residents aren't paying
18 on a monthly basis or who have late payments. We
19 conduct various outreach efforts such as door knocks,
20 letters, phone calls, reaching out to residents to
21 see how we can help.

22 So, we have a variety of resources that we can
23 connect our residents to, whether it's financial
24 counseling, training, and employment opportunities.
25 We want to make sure they're aware of opportunities

1 through the Human Resource Administration who's been
2 a fantastic partner for us in reaching out to do One
3 Shot deals. And then, of course, we have payment
4 plans where we encourage residents to come into the
5 office and, you know, work with us on a payment plan
6 so that they can get back on track to a steady
7 monthly payment.

8
9 In addition, we also, as I mentioned in my
10 testimony, really encourage residents to let us know
11 as soon as they have a change in their income. We are
12 able to do a run hardship and interim
13 recertifications to recalculate their rent based on
14 changes in their income. And as soon as they know we
15 can do that, we, you know, the recertification will
16 be retroactive based on the date of the supporting
17 documentation that they provide.

18 So even if someone is out there right now
19 listening and has not yet come in, just, you know,
20 make an appointment, meet with your housing assistant
21 to come in and talk about your rent and your income
22 so that we can make those adjustments, so that the
23 rent is rightsized to what they can pay.

24 CHAIRPERSON BANKS: How many residents have
25 actually opted to do rent payments?

1
2 CHIEF OPERATING OFFICER TRIMBLE: We have
3 currently 1,522 active payment plans right now.

4 CHAIRPERSON BANKS: And what does the income
5 recertification process look like, and who's
6 eligible, and how does this interact with the rent
7 collection process?

8 CHIEF OPERATING OFFICER TRIMBLE: So, the interim
9 recertification is similar to the annual review that
10 residents do every year. An interim recertification,
11 we'll just look at the income, and we can take a look
12 at income documentations and process a change in the
13 rent calculation based on what we're seeing in
14 income.

15 CHAIRPERSON BANKS: Okay.

16 And how does NYCHA do their outreach when it
17 comes to rent collection, particularly for rental
18 arrears?

19 CHIEF OPERATING OFFICER TRIMBLE: So for arrears,
20 we look for residents that have missed payments, and
21 we'll make phone calls, again, see what kind of
22 connection we can do for our residents with different
23 resources. For example, with the Human Resource
24 Administration, who's been a great partner, they

1
2 actually created a dedicated team to just process
3 NYCHA One Shot deals.

4 In addition, they've created events with us where
5 they actually come on-site to our development and sit
6 with residents and help them apply for One Shot
7 deals. We've had a 110 events in 2024 to date. And so
8 far, with the Human Resources Administration, we've
9 done over 6,600 One Shot deals for residents this
10 year.

11 CHAIRPERSON BANKS: Are there any community based
12 organizations that you work with?

13 CHIEF OPERATING OFFICER TRIMBLE: Yeah, we will
14 make references, uh, referrals to a variety of
15 community based organizations focused on, you know,
16 financial counseling, any type of support that a
17 resident needs. That's why it's really important to
18 sit with the housing assistant, so we can make a
19 determination on what kind of resources would be best
20 for each individual family.

21 CHAIRPERSON BANKS: Okay. And this also,
22 obviously, when it pertains to out reaching out to
23 tenants for income certification, same process?

24 CHIEF OPERATING OFFICER TRIMBLE: Yes.
25

1
2 CHAIRPERSON BANKS: Okay. How many times do and
3 what method does NYCHA staff reach out to the tenants
4 about income certification and rent arrears?

5 CHIEF OPERATING OFFICER TRIMBLE: We use a variety
6 of channels to do our outreach. Again, phone calls,
7 door knocks, letters, these events that I mentioned
8 with Human Resources. And again, the monthly rent
9 statement every month will show each resident what
10 their current balance is and any arrears balance that
11 they may have.

12 CHAIRPERSON BANKS: And who at NYCHA is
13 responsible for this process, uh, rent collection,
14 income recertification, is there is there...

15 CHIEF OPERATING OFFICER TRIMBLE: It's primarily
16 the responsibility of our Housing Assistance within
17 our Property Management Office.

18 CHAIRPERSON BANKS: So, strictly the Housing
19 Assistance?

20 CHIEF OPERATING OFFICER TRIMBLE: They're the
21 first line of contact with our residents. They help
22 residents with their interim and annual
23 recertifications, and they would be the ones reaching
24 out and talking to residents and really getting to
25

1
2 know what the family needs in order to make sure we
3 have the right matching of resources to help them.

4 CHAIRPERSON BANKS: If the responsibility is
5 housed at the NYCHA development, how do you check
6 whether such processes, including proper outreach or
7 follow-up of being conducted? Is there some way to
8 make sure that... is there a system put in place of
9 quality assurance?

10 CHIEF OPERATING OFFICER TRIMBLE: Sure, so we are
11 tracking rent collection on a monthly basis where we
12 meet with the boroughs that manage the properties and
13 review their rent collection status. We talk with
14 them about the challenges they may be facing on
15 talking with residents. We're working to improve our
16 data collection of the types of referrals and
17 outreach that we make. So, I don't have specific
18 numbers of how many referrals we've made to different
19 organizations, but we are tracking, through our
20 conversations and oversight of our property
21 management offices, on a regular basis of how we're
22 doing on rent collections. But more importantly, we
23 rely on the properties to really develop the
24 relationship with the residents and, you know, work
25 with them directly to do this work.

1
2 CHAIRPERSON BANKS: On NYCHA housing assistance,
3 are they still doing building meetings?

4 CHIEF OPERATING OFFICER TRIMBLE: As needed. As I
5 said, we will have these events with HRA and other
6 resources. And then I also want to add in that we do
7 have a quality assurance team that reviews rent
8 calculations. So that is central so that we do have
9 some central oversight over what's happening at the
10 management office. So we have a quality assurance
11 team that's conducting audits of rent calculations in
12 order to check for consistency and quality. This...
13 in fiscal year 2024, so far to date, they've done
14 over 2,200 audits of rent calculations.

15 CHAIRPERSON BANKS: And what role does NYCHA play
16 when it comes to assisting tenants, when it comes to
17 the PACT developments? What's your role with that?

18 DIRECTOR CONNELL: So, Gillian Connell, from the
19 Real Estate Development Department.

20 So when it when it comes PACT, the support that's
21 offered is very similar to the support that Eva was
22 describing on the Section 9 side. So when tenants
23 fall into arrears, the PACT partners, along with
24 their on-site social services providers, so that's
25 organizations like Bed-Stuy Restoration, Mi Casa

1
2 (phonetic), and others who've built relationships
3 with residents and can have those sensitive
4 conversations, are able to connect them with
5 resources like HRA One Shot deals, help them
6 facilitate things like repayment plans, and really
7 understand the reason that they're in arrears to help
8 get them the support they need to stay in compliance.

9 CHAIRPERSON BANKS: Who is hiring? I know in a lot
10 of the PACT developments, some of them, I know my
11 district, who selects the CBO to assist with these
12 types of services?

13 DIRECTOR CONNELL: So, the organizations are part
14 of the...

15 CHAIRPERSON BANKS: Is that left up to the
16 developer, or?

17 DIRECTOR CONNELL: So, it's part of the team that
18 comes in when... with the original PACT partner. So,
19 when they are originally selected, they are part of
20 the team then.

21 CHAIRPERSON BANKS: And the funding for that
22 particular CBO, it comes from the PACT...

23 DIRECTOR CONNELL: Through the partner...

24

25

1
2 CHAIRPERSON BANKS: How do you verify whether PACT
3 partners are assisting the tenants? What's done to
4 track that?

5 DIRECTOR CONNELL: Thanks for that question. So a
6 couple of different things we actually monitor that
7 very closely. Our partners are required to report to
8 us on a monthly basis. All of the different outreach
9 that they have to residents who are in arrears or
10 have another...

11 CHAIRPERSON BANKS: You said you monitor that
12 very closely?

13 DIRECTOR CONNELL: We do. We monitor it very
14 closely. We collect information (INAUDIBLE)... CROSS-
15 TALK)

16 CHAIRPERSON BANKS: Can you tell me Linden House?
17 How many tenants or residents you have assisted?

18 DIRECTOR CONNELL: Let's see at Linden Houses, I
19 don't have the information specifically about pre-
20 eviction outreach...

21 CHAIRPERSON BANKS: So, I would appreciate that...

22 DIRECTOR CONNELL: We can follow up with that
23 information.

24 CHAIRPERSON BANKS: Do you, uh, have any dedicated
25 staff, frankly, to check on the tenants at the PACT

1
2 resident developments? Is there a consistent...
3 Because you say you monitor it really close, so are
4 these NYCHA employees that are going into the
5 developments, uh, working with the, uh, the new
6 organizations or new groups to assist or monitor
7 what's being done?

8 DIRECTOR CONNELL: So, we have a team within NYCHA
9 that is monitoring the reports the partners send and
10 the outreach that they are doing specifically
11 regarding arrears. We also have within NYCHA a
12 specific outreach team that is on the ground and is
13 regularly meeting with resident leadership to discuss
14 the issues.

15 CHAIRPERSON BANKS: So, the CBOs that, uh, are
16 providing these services to the NYCHA... to the
17 RAD/PACT residents, were these CBOs a part of the
18 transition as soon as the conversion took place?

19 DIRECTOR CONNELL: Yep, they're in place when the
20 conversions happen.

21 CHAIRPERSON BANKS: Okay. And getting back to the
22 actual numbers, are you looking at the amount of
23 money that they're receiving and (INAUDIBLE) how many
24 residents they're serving on those numbers, can you
25 provide those numbers to us too?

1
2 DIRECTOR CONNELL: Yeah, so (INAUDIBLE)... (CROSS-
3 TALK)

4 CHAIRPERSON BANKS: And what the scope of work
5 that they're doing?

6 DIRECTOR CONNELL: For the social services
7 providers specifically or just that PACT partners are
8 having with, uh, (INAUDIBLE)... (CROSS-TALK)

9 CHAIRPERSON BANKS: Yeah, the social service
10 providers.

11 DIRECTOR CONNELL: We can follow up with that
12 information. I don't have that... (CROSS-TALK)

13 CHAIRPERSON BANKS: You're supposed to provide
14 oversight over those particular... right...

15 I noticed some of the CBOs that have... are part
16 of the RAD/PACT conversions or who was supposed to
17 be providing on the social services, what exactly is
18 the scope? Is there, like, a scoping that's done?
19 Because I know in one particular development, you
20 have a CBO that is providing services, but when you
21 look at the services they're providing, it's not
22 meeting the need of the development, particularly if
23 you have a development that has a high unemployment,
24 but yet you're focusing on doing jazz parties and
25 things that, you know... I want to know exactly

1
2 where's the money going, and they're really providing
3 the services to really help these residents? Because
4 as we've seen over the years, since a lot of the
5 conversions have taken place, we've seen a lot of
6 aggressive, aggressive behaviors by a lot of the
7 developers and some of these groups that have taken
8 over the RAD/PACTs.

9 DIRECTOR CONNELL: So the social services provider
10 scopes are initially built based on surveys of
11 residents' needs. So if over the course of, you know,
12 the project as it moves forward, if those needs
13 change, there should be reassessed and the scope can
14 be adjusted as well.

15 CHAIRPERSON BANKS: Okay.

16 I just want a little dive a little deeper into
17 that, and hopefully, we'll get some clarity as to
18 what these CBOs are doing, and if they're really
19 meeting the need of the residents.

20 And, you know, I know a particular development,
21 Linden Houses, where I think it's a University
22 Settlement that is actually the CBO, and it's... I'm
23 a little confused as to the services they are
24 providing. And I reached out to them and asked them
25 you know, I had a meeting with them, I asked them,

1
2 you know, did they do a... some type of needs
3 assessment before they came into the development? And
4 their focus have been doing Sip & Paint and all these
5 other things, but when I asked them about the, you
6 know, the issues with doing the One Shot deals,
7 things that (INAUDIBLE) assisting folks would rent
8 issues or unemployment or workforce development, I
9 was told that that's not in their work scope, well,
10 particularly workforce development. So that
11 definitely is problematic when you have high
12 unemployment in a lot of these public housing
13 developments, especially throughout the entire city.

14 So it's just good to know where monies are going
15 and are they really being utilized to help the
16 residents? And if you know, if they're part of this
17 get rich scheme of the RAD/PACT program, then that
18 needs to be, you know, that needs to be made clear.

19 We are now going... I'm gonna move to allow my
20 colleague, Council Member Sanchez, to give her
21 questions.

22 COUNCIL MEMBER SANCHEZ: Thank you so much, Chair.

23 Good morning, everyone. So I want to just focus
24 in on impartial hearings and actually this bleeds

25

1
2 over to the Section 8 side, if that's if that's
3 alright.

4 My office has been receiving a lot of
5 constituents in the past weeks who have
6 recertifications that are due in three or four
7 months, and they're getting termination letters
8 because they have not yet submitted documents, but
9 they're not due yet.

10 So, my first question is just what is the
11 process? I don't know if we have the right set of
12 people here, but what is the process for, you know,
13 in the timeline for when constituents should be
14 getting this information or these notices?

15 And I think... thank the (INAUDIBLE) Gov team
16 Brian, for always solving all of our issues, but if
17 there's a better way to go about it... So that's one.

18 And, then, two, honing in on the Office of
19 Impartial Hearings, so can you share whether you have
20 the ability to audit the Office of Impartial Hearings
21 to check whether procedures are properly being
22 followed? And if so, how do audits occur?

23 And I have a couple more on that front.

24 FIRST DEPUTY ROTH: Good morning, Council Member.
25 The Office of Impartial Hearings is a separate entity

1 from the Law Department. So knowing that, we can get
2 back to you a little bit about the details of audits
3 or other things going on there. I know that we
4 regularly do have impartial hearings both on the
5 Section 8 side, and on the termination of tenancy,
6 and for remaining family member grievances and other
7 grievances before them. So we can get back to you a
8 little bit more about that.

9
10 COUNCIL MEMBER SANCHEZ: You'll go back to me?

11 And then on the recertification side, for Section
12 8, do you have that information on timelines... the
13 process?

14 CHIEF OPERATING OFFICER TRIMBLE: We will have to
15 get back to you, Council Member on that as well,
16 unfortunately. We don't have the Section 8 team here
17 with us today.

18 COUNCIL MEMBER SANCHEZ: Okay, thank you.

19 Since I have a couple minutes left, just
20 following up on resources that we have today, it's
21 great news that we're going to be seeing \$185
22 million, but that's still only covering about half of
23 the arrears that NYCHA is facing.

24 With half the tenants, really half of the units
25 are facing... have arrears today, that is quite

1 shocking. So speaking of City resources, can you
2 explain how you work with HRA to connect residents to
3 One Shot deals? Does HRA give NYCHA any sort of
4 special treatment or anything like that?
5

6 CHIEF OPERATING OFFICER TRIMBLE: Thank you,
7 Council Member.

8 We have an excellent relationship with our
9 partners at the Human Resource Administration. As I
10 said, we did work with them to stand up a special
11 team that's doing just the One Shot applications for
12 NYCHA so that we can make sure that those
13 applications are expedited and handled as efficiently
14 as possible.

15 In addition, they've been joining us at our
16 developments on-site doing special sign up events. So
17 residents can just go down to the Property Management
18 Office and complete the paperwork with an HRA staff
19 member to really assist them in doing that. And so
20 far this year, we've done a 110 of those events and
21 had over 1,300 engagements with residents.

22 COUNCIL MEMBER SANCHEZ: That's great.

23 But there are tenants that... NYCHA tenants that
24 go through the One Shot deal process, it's just like
25 any other New Yorker?

1
2 CHIEF OPERATING OFFICER TRIMBLE: Yes, going
3 through the process.

4 COUNCIL MEMBER SANCHEZ: Okay, but you're doing a
5 lot of outreach, okay, that's helpful.

6 And then last question, is regarding your opening
7 testimony, you said that NYCHA collections today are
8 at 68%. And I know you spelled out some numbers, but
9 how does 68% compare to pre pandemic levels of rent
10 collection?

11 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: Sure,
12 thank you for the question, Council Member.

13 So prior to the pandemic, just to sort of connect
14 the arrears balances that I mentioned before in the
15 collections, so in December 2019, when we had \$125
16 million owed, our collection rate was 90%. And now
17 we're at \$487 million owed and 68%. And that is
18 preliminary as of August 2024.

19 COUNCIL MEMBER SANCHEZ: And are you seeing.. Are
20 more residents submitting financial hardship forms?
21 Is there a correlation there ? Because I know that
22 you can freeze rents when... if incomes go to zero.
23 And does the (TIMER CHIMES) rate of financial
24 hardship claims compare to the rate of collections?
25

1
2 CHIEF OPERATING OFFICER TRIMBLE: Thank you. So,
3 we did have a spike in rental hardships as you can
4 imagine during the COVID era, back in 2020 we
5 processed over 32,000 interim recertification. In
6 2021, we have over 23,000, and 2022 we had 17,000,
7 and 2023 we had 13,000, and this year, to date, we
8 have done just over 11,000.

9 So, the numbers have decreased over time. I am
10 hoping that means that residents' incomes have
11 stabilized. But, again, if there are any residents
12 out there have a change in income, the sooner the
13 better, we can recalculate their rent.

14 COUNCIL MEMBER SANCHEZ: And pre pandemic numbers
15 on hardships?

16 CHIEF OPERATING OFFICER TRIMBLE: I don't have the
17 preacademic numbers unfortunately, but we can pull
18 that and send it to you.

19 COUNCIL MEMBER SANCHEZ: Okay, thank you so much,
20 Chair.

21 CHAIRPERSON BANKS: Thank you.

22 Council Member Mealy?

23 COUNCIL MEMBER MEALY: Thank you.

24 I only have a few questions in regards to how
25 many One Shots that you have produced, is it 66,000?

1 CHIEF OPERATING OFFICER TRIMBLE: It's 6,600.00.

2 COUNCIL MEMBER MEALY: So, 6,600.00? Okay.

3 How many of those have you declined, that the
4 tenants did not receive? And on what basis do you
5 deny them a One Shot?
6

7 Since our tenants get so much education on it,
8 they put all their information in, and, then, at the
9 end of the process, you deny or whatever organization
10 denied them the One Shot. How many...

11 CHIEF OPERATING OFFICER TRIMBLE: So, the 6,600
12 are One Shots awarded by HRA...

13 COUNCIL MEMBER MEALY: Rewarded...

14 CHIEF OPERATING OFFICER TRIMBLE: So, those are
15 the ones awarded. I don't have the numbers from HRA
16 on how many have applied and did not get, uh, did not
17 receive assistance for whatever reason...

18 COUNCIL MEMBER MEALY: Why wouldn't you have that
19 information? Isn't that important? That will let us
20 know how many people are going to be homeless. So, do
21 you not think that's important?

22 CHIEF OPERATING OFFICER TRIMBLE: We will work
23 with our partners at HRA to pull that information for
24 you.

1
2 COUNCIL MEMBER MEALY: Okay, because I'm getting a
3 lot of calls in my office now. And I know I will meet
4 with you. Now it is imperative that we sit down and
5 meet. We have to know why HRA is denying them. This
6 could be just a way to get our tenants out of NYCHA.
7 So, I have to do due diligence just as well in this
8 administration and hold some people accountable.
9 Because, it's, like, to me, you just turned over all
10 of the PACTS into an organization who never did this
11 before. And now they're making... They're just
12 finding their way how to get things done, and then,
13 in the process, our people are being hurt - they are
14 being displaced, homeless.

15 So, could you tell me how do your... how do you
16 connect with SNAP that when tenants have hardship,
17 and you should know that SNAP could stop their rent
18 from going up. How many of those do you have? Do you
19 have statistics on those? How many SNAP tenants do
20 you have that their rent stop due to your referring
21 them to SNAP knowing that they are eligible for SNAP?

22 CHIEF OPERATING OFFICER TRIMBLE: I don't have
23 that data with me, but we will follow up with the
24 Human Resource Administration who handles those
25 benefits and get back to you.

1
2 COUNCIL MEMBER MEALY: But, you do know if a
3 tenant is in hardship, and they are of a certain age,
4 you can refer them to SNAP, that their rent could be
5 stopped, and that's all they should have to pay until
6 God calls them home? You know that, right?

7 CHIEF OPERATING OFFICER TRIMBLE: We ,you know,
8 work with (TIMER CHIMES)... with our residents to,
9 uh, understand whatever resources they need, and we
10 help connect them with those agencies that can
11 provide those benefits for them.

12 COUNCIL MEMBER MEALY: Chair, could I ask...

13 CHAIRPERSON BANKS: Yes, you may.

14 COUNCIL MEMBER MEALY: I don't know if it's...
15 It's not... But the last hearing we had, someone from
16 the Administration said that a tree stump was
17 removed. So, I went and started telling people that
18 this tree stump was removed, and, then, like, two
19 weeks later, I'm driving by going to work, and I see
20 the tree stump is still there. So, how could someone
21 on your panel tell me one thing and it really was not
22 done?

23 CHIEF OPERATING OFFICER TRIMBLE: I'm not certain
24 what situation you are referring to, but we will...

25 (CROSS-TALK)

1
2 COUNCIL MEMBER MEALY: The tree stumps at
3 (INAUDIBLE)...

4 CHIEF OPERATING OFFICER TRIMBLE: We will get back
5 to you.

6 COUNCIL MEMBER MEALY: That's what... I've been
7 getting that message for a minute now. But, I just
8 want to know how could somebody on the panel, the
9 last hearing we had, said that the tree stump was
10 removed, and I find out it was not? I feel someone
11 should be held accountable, because you can't say
12 that it was done and it was not done... And told this
13 whole body here.

14 And I have one more other question. What
15 assistance can the Council offer to address the rent
16 arrears crisis?

17 CHIEF OPERATING OFFICER TRIMBLE: Thank you for
18 that question and for that offer of assistance. I
19 think it's really important for us all to work
20 together to support our residents and make sure
21 they're stabilized and safely housed. As I mentioned,
22 evictions and termination actions are definitely a
23 last resort for us. We care deeply that our residents
24 stay house and are stabilized. So helping with
25 referrals, helping understand that we need rent in

1
2 order to provide the services that we do for our
3 residents. So it's really crucial that we give our
4 residents the resources they need in order to
5 continue to pay rent on a monthly basis.

6 COUNCIL MEMBER MEALY: Is there any future
7 legislative acts either from federal, state, or city
8 government to address the rent arrears? Any other
9 entity?

10 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: We are
11 working through the COVID rental arrears, that's a
12 current Act... (CROSS-TALK)

13 COUNCIL MEMBER MEALY: That's running out, though.

14 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: Well,
15 there's \$35 million that we're going to be working
16 with the state, and we are hoping to stand up that
17 program this year. So, that was legislated previously
18 and is being implemented. There is also the HOME-ARP
19 program, which is the \$150 million also legislated
20 previously through the federal government.... (CROSS-
21 TALK)

22 COUNCIL MEMBER MEALY: Federal?

23 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: Yes,
24 ma'am, federal. And we are work... The funds came to
25 the city of New York, and we are working with the

1
2 City to implement that program - also focused on rent
3 arrears.

4 So, those are the two sort of in progress that
5 should see ,you know, starting this year and into
6 next year for the tenants.

7 COUNCIL MEMBER MEALY: Could you estimate about
8 how much of that is going to go rent arrears?

9 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: Sure...
10 (CROSS-TALK)

11 COUNCIL MEMBER MEALY: Thank you.

12 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: So all
13 but \$1 million.

14 COUNCIL MEMBER MEALY: How much?

15 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ:
16 Everything but \$1 million.

17 COUNCIL MEMBER MEALY: Everything?

18 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: Yes,
19 ma'am.

20 COUNCIL MEMBER MEALY: A \$150 million?

21 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: A
22 maximum of (INAUDIBLE)... (CROSS-TALK)

23 COUNCIL MEMBER MEALY: (INAUDIBLE)

24 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: \$184
25 million with \$1 million going to support door

1
2 knocking, campaigns, and the actual process of
3 getting the residents to apply. So, that is the
4 maximum that we are eligible for between those two
5 programs.

6 COUNCIL MEMBER MEALY: So, are they those jobs
7 coming from NYCHA tenants?

8 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: The
9 outreach?

10 COUNCIL MEMBER MEALY: Yes.

11 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: I'm not
12 certain who the outreach contractor is.

13 (INAUDIBLE)... (CROSS-TALK)

14 COUNCIL MEMBER MEALY: Why not?

15 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ:
16 (INAUDIBLE) been done yet.

17 COUNCIL MEMBER MEALY: NYCHA tenants are being so
18 shafted with these jobs. Million dollar contracts are
19 coming in to NYCHA and half of them are not getting
20 any, not one job.

21 So, Chair, I think we really should start
22 addressing that. And, then, you say \$1 million, who
23 better to be in these positions to do door knocking
24 and getting the right tenants to pull other tenants
25 to these meetings to get them empowered and informed.

1
2 Chair, I really think we should kind of almost
3 demand at least a percentage of this \$1 million goes
4 to tenants. That's Chapter 3 jobs?

5 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: Section
6 3, yes.

7 COUNCIL MEMBER MEALY: Section 3 jobs? Is that...
8 Could that be in this proposal or this (INAUDIBLE)

9 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: I will
10 clarify that the full million is not just for the
11 contracts. That is a part of it, but we can certainly
12 talk to our procurement team and confirm how many
13 Section 3 jobs would come from those contracts. So,
14 we can get that... (CROSS-TALK)

15 COUNCIL MEMBER MEALY: We really should have a
16 database on that. Maybe we should do something in
17 regards to... And I just want to thank... I have tell
18 people when they can hear it, I've been saying his
19 name wrong all this time, Holden. Thank you, and I am
20 looking forward to hearing from him more. And, like
21 my colleague said, whenever you call, he tries to get
22 things done. And the majority of the time, he does.
23 So, you have an asset there. But, I know I have
24 another problem that we are going to address maybe
25 after this meeting. So, thank you, Chair.

1 CHAIRPERSON BANKS: Thank you, Council Member.

2 We have been joined by Council Member Brannan,
3 and we will now move to Council Member Bottcher for
4 his questions.

5 COUNCIL MEMBER BOTTCHEER: Hi, what are the latest
6 numbers... what are the latest numbers with respect
7 to the number of NYCHA apartments that have either
8 undergone conversion to the RAD/PACT program, and how
9 many are in the process of being converted?
10

11 DIRECTOR CONNELL: So, right now we have just over
12 21,000 apartments that have converted to PACT. And we
13 have 37,000 apartments overall that are at some stage
14 of the process, including planning and engagement.

15 COUNCIL MEMBER BOTTCHEER: Is there a difference in
16 the percentage of tenants experiencing rent arrears
17 in RAD/PACT developments versus traditional public
18 housing? Is it a higher percentage, a lower
19 percentage, or is there no difference?

20 DIRECTOR CONNELL: Yeah, we can speak to the
21 collection rate at PACT sites. So we look at the rent
22 collection rate at PACT sites on an annual basis, and
23 in 2023, uh, it's 92%.

24 COUNCIL MEMBER BOTTCHEER: What percentage?

25 DIRECTOR CONNELL: It's 92%.

1
2 COUNCIL MEMBER BOTTCHEER: So, there was a 92%
3 collection rate at the existing RAD/PACT
4 developments? What's the collection rate at the
5 tradition public housing NYCHA managed developments?

6 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: It's
7 68% currently.

8 COUNCIL MEMBER BOTTCHEER: What accounts for the
9 difference?

10 DIRECTOR CONNELL: So, yep, so at the PACT site,
11 there's robust outreach that happens. As mentioned,
12 there's a set of housing and stability and retention
13 guidelines that NYCHA has issued to all of our PACT
14 partners, which sets clear expectations about the
15 outreach that they need to do when tenants are both
16 in arrears and when there's another lease issue that
17 needs to be addressed.

18 So the outreach includes things like door
19 knocking, in person meetings by the PACT partner, as
20 well as also connecting them to resources like the
21 HRA One Shot Deals, opportunities to set up repayment
22 agreements to get them current on arrears.

23 COUNCIL MEMBER BOTTCHEER: So, there's
24 expectations set for the RAD/PACT partners? There's
25

1 guidelines that are issued that they have to meet?

2 That is what has resulted in a 92% collection rate?

3
4 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: I would
5 add one other thing, Council Member, if I may. Upon
6 conversion, there are opportunities for the
7 developers to forgive rent in a way that public
8 housing authorities cannot. So, we have seen as
9 developments go through conversions, they might
10 forgive a 100% of the rent. They might forgive a
11 partial amount of the arrears. And public housing
12 authorities under the Section 9 program, we don't
13 have any authority to forgive rent arrears.

14 COUNCIL MEMBER BOTTCHE: So, there's two factors
15 in the... that explain the difference in the
16 collection rate between 92% in (TIMER CHIMES) in
17 RAD/PACT and...

18 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ:
19 Eight...

20 COUNCIL MEMBER BOTTCHE: 68% in traditional
21 public housing. One is the fact that in... the during
22 the conversion process, some of the RAD/PACT
23 partners have amnesty, so to speak, for the
24 incoming... during the transition. And the other

1
2 factor is that there's robust outreach and counseling
3 and such in the RAD/PACT program?

4 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: I would
5 say the first is probably more significant...

6 COUNCIL MEMBER BOTTCHEER: Okay.

7 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: than
8 the second. Because if you're starting from a place
9 of low arrears or no arrears, it's a lot easier to
10 keep at that same level particularly if you are
11 talking about wiping out ,you know, millions of
12 dollars of pandemic arrears.

13 COUNCIL MEMBER BOTTCHEER: Okay. Because you know
14 what my next question is going to be. If there's a
15 higher collection rate due to the robust outreach
16 counseling, etcetera, in the RAD/PACT partners, why
17 isn't... why can't we say that about NYCHA's
18 outreach?

19 CHIEF OPERATING OFFICER TRIMBLE: I would say that
20 about NYCHA's outreach, Council Member. You know, I
21 think we... We're happy that the PACT developers have
22 that level of outreach, and we wanted to share that,
23 that they are doing what we hoped that they would as
24 far as engaging residents. But, that doesn't discount
25 the work that we're also doing in that area as far as

1
2 ,you know, I've laid out in our testimony and in our
3 Q & A today - all of the outreach efforts we are
4 making with our residents. I do think the larger part
5 is that ,you know, the impact of not having that
6 arrears bill in continuing to pay your rent is really
7 important.

8 COUNCIL MEMBER BOTTCHEER: And that makes sense to
9 me if there are some of the toughest cases with the
10 with the largest amount of rent arrears, sometimes
11 tens of thousands of dollars, if, in some instances,
12 those were wiped away, then you're gonna have a
13 higher collection rate going forward.

14 One last question, Chair, forgive me.

15 CHAIRPERSON BANKS: You may.

16 COUNCIL MEMBER BOTTCHEER: One of the fears that
17 we... that we all had about RAD/PACT is that when
18 there was a transition to a public-private
19 partnership that there'd be a high eviction rate,
20 what have you found in the 21,000 apartments that
21 have transitioned to RAD/PACT with respect to the
22 eviction rate?

23 DIRECTOR CONNELL: So, the eviction rate at
24 RAD/PACT sites is point 1.9, and I think Hannah can
25 talk about how that compares to the Section 9 side.

1
2 FIRST DEPUTY ROTH: Yeah. And first, Section 9 in
3 the City's fiscal year, the last fiscal year, NYCHA's
4 was about 0.12%, so it is slightly higher than the
5 PACT NYCHA comparison. But both are also
6 significantly lower than the citywide average
7 eviction rate.

8 And when you look at evictions before the
9 pandemic, citywide NYCHA and the City generally has a
10 much lower rate still than we did before the
11 pandemic.

12 So in 2019, NICA had 563 evictions, I believe,
13 which was about a 0.3% eviction rate. And now today,
14 we have a 0.12%. So we do expect that that rate will
15 continue to increase a little bit over the coming
16 couple of years as we work through a backlog of cases
17 that built up after the two years of moratorium.

18 COUNCIL MEMBER BOTTCHEER: And how many evictions
19 were there in the complete RAD/PACT portfolio last
20 year, the 21,000?

21 DIRECTOR CONNELL: Sure, so year to date in 2024,
22 we've had 52, and in 2023 it was 36.

23 COUNCIL MEMBER BOTTCHEER: Thank you.

24 CHAIRPERSON BANKS: Thank you, Council Member.
25

1
2 We're gonna go back to NYCHA, and then we'll come
3 back to some questions on RAD/PACT

4 Can you tell us about NYCHA's a pre-eviction and
5 eviction process in relation to nonpayment cases?

6 FIRST DEPUTY ROTH: Sure. As Eva described, before
7 we get to an eviction case, that's always our last
8 resort. Our property staff does outreach, door
9 knocks, phone calls, and all of those different
10 resource connection attempts that you heard.

11 When it does get to an eviction proceeding, NYCHA
12 and the PACT partners follow the same core law that's
13 governed by city housing courts and state law.

14 So there's a series of notices that go out to
15 tenants. It starts with something that we now call a
16 30 day notice, and the local (INAUDIBLE) it's
17 sometimes called a 14-day notice, that lets the
18 resident know that we are about to file an eviction
19 case against them.

20 After that, there's a petition and Notice of
21 Petition which is filed in the housing court, and
22 then the case proceeds from there.

23 What we see is a lot of times cases are resolved.
24 So getting that 30 day notice, the start of the
25 eviction case, encourages tenants sometimes to come

1
2 in, work with us. There's also now the universal
3 Right to Counsel, which we've seen has been really
4 helpful for tenants to make sure that they're coming
5 in, and getting their rent adjusted if needed, and
6 working with NYCHA to clarify if there's any rent
7 issues and to help connect our residents with
8 different rental assistance programs also.

9 CHAIRPERSON BANKS: Thank you. How many tenants
10 have received pre-eviction outreach related to rent
11 arrears?

12 FIRST DEPUTY ROTH: I don't know the number of
13 pre-eviction outreach. That is happening on an
14 ongoing basis by our property staff every day. But
15 the eviction... we currently have active in Housing
16 Court about 3,000 cases, and of those about 2,700 are
17 nonpayment cases specifically.

18 CHAIRPERSON BANKS: How many of the nonpayment
19 eviction cases in NYCHA are currently being
20 litigated?

21 FIRST DEPUTY ROTH: The nonpayment cases, about
22 2,700.

23 CHAIRPERSON BANKS: The non... 2,700, okay.

24 FIRST DEPUTY ROTH: And, it's... The number is
25 always in flux, of course.

1
2 CHAIRPERSON BANKS: And how many evictions have
3 been conducted year to date?

4 FIRST DEPUTY ROTH: NYCHA in 2024, NYCHA public
5 housing has had a 174 eviction.

6 CHAIRPERSON BANKS: Can you repeat that number?

7 FIRST DEPUTY ROTH: It is 174.

8 CHAIRPERSON BANKS: How many more do you plan to
9 execute?

10 FIRST DEPUTY ROTH: I can't say for certain for
11 the rest of the year, but I think they'll be about on
12 pace of what we've seen so far. So it'll be... you
13 don't want the lawyer to do math on the fly, but
14 we're approximately at pace for the rest of the year.

15 CHAIRPERSON BANKS: How was NYCHA... how do you
16 use the marshals in the eviction process? How's that
17 being done?

18 FIRST DEPUTY ROTH: Yeah, so, the marshals are
19 required to be used as part of the eviction process.
20 An eviction warrant can only be requested by someone
21 who is a formal marshal from the housing court, and
22 then they are responsible for executing the warrants
23 of eviction, so they are formally required at the
24 end. We also rely on the marshal service to do a lot
25 of the service of process. So when we serve residents

1
2 those preliminary notices, the marshals serve those
3 on our behalf.

4 CHAIRPERSON BANKS: And what recourse is available
5 for those who find themselves being mistreated by the
6 marshals?

7 FIRST DEPUTY ROTH: The Department of
8 Investigation oversees the marshal service for the
9 City, so they can certainly file a report or do
10 outreach on that end. If there's something that
11 happens in a NYCHA related eviction, we encourage
12 tenants to let us know. They can always reach out to
13 the Law Department or their property staff and let us
14 know if there's something that they're seeing.

15 CHAIRPERSON BANKS: Does NYCHA have the ability to
16 hold the marshals accountable?

17 FIRST DEPUTY ROTH: Yes, we...

18 CHAIRPERSON BANKS: Can you explain that
19 (INAUDIBLE)...

20 FIRST DEPUTY ROTH: Yeah, so the marshals... for
21 all the service of process, those components are done
22 by contract with NYCHA. So if we have a marshal... if
23 there was a marshal who there were concerns about, we
24 could certainly talk to them and try to resolve those
25 issues on an ongoing basis.

1
2 CHAIRPERSON BANKS: Do you use the sheriff's
3 office for evictions also?

4 FIRST DEPUTY ROTH: We do not.

5 CHAIRPERSON BANKS: Okay. Are there any plans or
6 discussions to come up with alternative methods to
7 address the rent arrears besides evictions?

8 FIRST DEPUTY ROTH: To come up with, I'm sorry, I
9 didn't...

10 CHAIRPERSON BANKS: I said, are there discussions
11 to come up with any other alternatives to deal with
12 the arrear issue instead of evictions?

13 FIRST DEPUTY ROTH: Yes. So, as we've mentioned,
14 we are working through the various rental assistance
15 programs that will significantly help reduce the
16 amount of arrears...

17 CHAIRPERSON BANKS: What programs are those...

18 FIRST DEPUTY ROTH: The HOME-ARP, the COVID rent
19 arrears, so both of those programs, which we will be
20 doing over the course of this year and the next.

21 CHAIRPERSON BANKS: Okay.

22 FIRST DEPUTY ROTH: In addition to all of the
23 outreach that Eva mentioned.

24 CHAIRPERSON BANKS: The public housing community
25 (INAUDIBLE) aims to support NYCHA and its residents

1
2 by raising private funds for programs focused on
3 community health, financial empowerment, leadership
4 development, and work training.

5 Have NYCHA and Public Housing Community Fund had
6 any discussions about establishing a payment program
7 to help tenants who did not apply for the ERAP?

8 CHIEF OPERATING OFFICER TRIMBLE: Thank you,
9 Council Member.

10 I don't believe we've had conversations in
11 regards to partnering with, you know, to develop
12 programming in regards to our rent arrears. I'm not
13 in every conversation with the fund, but we can find
14 out and get back to you.

15 CHAIRPERSON BANKS: Well, I mean do you believe
16 there is a role for the Public Housing Community Fund
17 to help what the NYCHA arrears?

18 CHIEF OPERATING OFFICER TRIMBLE: I think the
19 arrears problem is larger than the scope that they
20 have right now in their fundraising efforts. I think
21 we've been partnering with them on a variety of
22 opportunities, so they've helped support some of our
23 economic opportunity programs, business development,
24 and job programs, and that's certainly a really
25 powerful way to help residents stabilize and then...

1
2 in order to pay rent. So focusing with them on those
3 workforce development programs is a really key
4 opportunity for us.

5 CHAIRPERSON BANKS: Okay. And now we're going move
6 to PACT developments and rent arrears. Even though we
7 touched on that at some of the early questioning, I
8 just want to know, what is the process for rent
9 arrears and recertification and evictions in the PACT
10 developments? And are the development partners solely
11 responsible for tenant outreach and coordination
12 around rent arrears?

13 DIRECTOR CONNELL: Great, so you're asking a
14 little bit about recertifications?

15 CHAIRPERSON BANKS: Correct.

16 DIRECTOR CONNELL: Yes. So, engaging with
17 residents to understand sort of the source of what's
18 causing them to be in arrears is an important first
19 step that the partners take. And one of the options
20 that they can pursue is a recertification, you know,
21 if that's appropriate, if there's been a change to
22 their household's income or if there's been a change
23 to their household's income or if there's been a
24 change to their household composition. They're able
25 to come into the management offices and work with

1
2 staff there to do an interim recertification that
3 would help adjust their rent accordingly.

4 CHAIRPERSON BANKS: Okay. Do you do you know
5 whether the tenants are informed or educated about
6 how PACT developments handle these processes,
7 especially when they are deciding whether the vote to
8 transition into a PACT (INAUDIBLE) those
9 conversations?

10 DIRECTOR CONNELL: Yeah, so discussion about
11 resident rights are... do happen prior to conversion.
12 So, residents are made aware that, you know,
13 following conversion, they will have the right to
14 recertify, that they'll have the right to continue to
15 have their rent set based on their income. They
16 continue to have the ability to file a grievance,
17 whether that's with NYCHA regarding their Section 8
18 benefits or with the PACT partner... (CROSS-TALK)

19 CHAIRPERSON BANKS: Okay, can you provide the
20 Committee with materials that will prove that?

21 DIRECTOR CONNELL: We can follow up on that.

22 CHAIRPERSON BANKS: Okay. How do PACT developments
23 interact with the officers when it comes to... sorry,
24 I'm reading my... wrong question.

1
2 How do PACT developments interact with the Office
3 of Impartial Hearings?

4 FIRST DEPUTY ROTH: As a general matter, they
5 don't usually, the Office of Impartial Hearings does
6 hear Section 8 grievances, so with certain matters
7 related to subsidy. But for... on the PACT side, one
8 difference in the process of eviction is for NYCHA
9 on the Section 9 side if a resident has an alleged
10 violation of their lease other than nonpayment of
11 rent they go through an administrative termination
12 before the Office of Them Partial Hearings. But the
13 PACT side, there is not the same OIH interaction.

14 CHAIRPERSON BANKS: If there is no connection, do
15 PACT developments have an equivalent entity for PACT
16 tenants?

17 FIRST DEPUTY ROTH: There's not an equivalent
18 entity, but they have a similar process and the same
19 underlying lease obligations and lease breaches that
20 could lead to terminations.

21 CHAIRPERSON BANKS: What oversight, if any, is
22 being conducted around rent arrears, income
23 recertification, and evictions for the PACT
24 developments?
25

1
2 DIRECTOR CONNELL: So, as I was mentioning
3 earlier, we do collect information on a monthly basis
4 from our PACT partners about the pre-eviction
5 outreach that they're doing every month and about the
6 status of various legal proceedings that they have,
7 whether that's nonpayment cases or whether that's
8 holdovers. And we're tracking to ensure that they're
9 doing outreach every step of the way, and that
10 evictions remain the last resort.

11 CHAIRPERSON BANKS: I know earlier when we were
12 talking about collection of rent arrears, and
13 particularly when it comes to the PACTS, we know that
14 the, as I stated earlier, that the management
15 companies or the developers do have the ability to
16 forgive rent or do some type of amnesty. Can you give
17 us some numbers... And we also do know that there's
18 been agreements with NYCHA and some of the developers
19 to with some of the PACTs to collect rent, and I
20 believe a percentage goes to NYCHA and a percentage
21 goes back to the to the PACT. What... do you have
22 numbers for the developments where this has been
23 done? And what has been the, I would say, use the
24 word profit, or what what has been collected thus far
25 from some of the PACT developments?

1
2 DIRECTOR CONNELL: Yeah, so just to be clear,
3 after conversion the PACT partners and the property
4 management are fully responsible for collecting rent
5 from residents.

6 CHAIRPERSON BANKS: No, I'm aware of that. My
7 question is, I was told at one of the hearings before
8 that agreements have been made with some of the PACT
9 developments and NYCHA when they're collecting some
10 of the arrears or existing arrears to actually get a
11 percentage of what is collected.

12 So, I'm asking you what developments have those
13 particular agreements and what is the percentage that
14 has been collected from those developments?

15 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: We can
16 get back to you, Council Member, with the specifics.

17 I believe the program that you're referring to is
18 when the RAD/PACT... when the development converts
19 through RAD/PACT, the developer may pay NYCHA for
20 some of the arrears. So if their arrears balance is
21 like, a \$100.00 (sic) they might pay NYCHA \$80
22 million, I'm just throwing out a number these are
23 not...

24 CHAIRPERSON BANKS: Is that an agreement or is
25 that at... (CROSS-TALK)

1 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ:

2 (INAUDIBLE)

3 CHAIRPERSON BANKS: at their discretion?

4 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: It
5 would be in the agreement and the terms of the action
6 deal. So, I believe... is this what you're asking
7 about?
8

9 CHAIRPERSON BANKS: Correct.

10 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: Yeah.

11 CHAIRPERSON BANKS: But, I'm asking what... Can
12 you give us those developments... give us the numbers
13 for those developments where those agreements exist?

14 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: Yes.

15 CHAIRPERSON BANKS: And, to date, how much has
16 been collected?

17 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: We can
18 follow up with you on the specifics.

19 CHAIRPERSON BANKS: Okay. What oversight, if any,
20 is being conducted around rent arrears, income
21 recertification, any evictions for the PACT
22 development?

23 DIRECTOR CONNELL: So, we've got information about
24 interim recertifications that we can share today. So
25 at the PACT side, there have been just over 5,300

1
2 interim recertifications requested this year to date,
3 and last year it was approximately 5,200.

4 In terms of outreach more broadly, this year to
5 date, there's been about 4,000 touchpoints with
6 residents for pre-eviction outreach that have been
7 made and only 899 eviction cases filed.

8 CHAIRPERSON BANKS: Okay.

9 Do you know... I know that that there are in some
10 of the RAD/PACT conversion developments, there are
11 residents who have not signed over to this Section 8
12 lease. Do you have the numbers of those that have
13 resulted in litigation or being dragged into court?

14 DIRECTOR CONNELL: So don't have that information
15 here about the number of cases that specifically
16 result from a lease that hasn't been signed. But, we
17 can tell you that currently there are 440 active
18 holdover cases in court.

19 CHAIRPERSON BANKS: And, this is due to not
20 signing the lease?

21 DIRECTOR CONNELL: Not limited to not signing the
22 lease...

23 CHAIRPERSON BANKS: So my pointed question is, but
24 specifically to residents that have not signed a
25 lease, have chosen to opt out of, uh, it's

1
2 transferring over to the Section 8 lease, how many of
3 those residents have been dragged into court?

4 DIRECTOR CONNELL: So we can follow-up with that
5 information.

6 CHAIRPERSON BANKS: Right. I think that's very
7 important because, you know, I don't believe
8 anybody's tenancy should be determined based off of
9 not signing a lease onto a program that definitely
10 has shown that, you know, has not been working for
11 the residents in these RAD/PACT conversions.

12 Do you know how many evictions have occurred at
13 PACT developments and whether they're related to rent
14 arrears?

15 DIRECTOR CONNELL: Yes, so overall we have had 78
16 evictions at PACT sites that resulted from
17 nonpayment.

18 CHAIRPERSON BANKS: Do you know any evictions that
19 have occurred because of residents either not
20 signing over to the RAD/PACT program or a Section 8
21 lease?

22 DIRECTOR CONNELL: So evictions would not happen
23 because a resident has lost their rights. So they
24 have the right to legal counsel as they're
25 contemplating signing their lease, and we encourage

1
2 them to work with legal counsel, including with Legal
3 Aid to understand all the nuances of the lease before
4 they sign.

5 CHAIRPERSON BANKS: What level of oversight is
6 being provided by NYCHA in these type of
7 controversies when they do come up? Because, you
8 know, we were sold that NYCHA is supposed to provide
9 oversight, and it's supposed to be a referee when
10 these type of controversies come up between a tenant
11 and a RAD/PACT.

12 DIRECTOR CONNELL: So we do closely monitor the
13 evictions proceedings, as I had previously mentioned,
14 and so we're ensuring that partners are taking all of
15 the steps possible to ensure that evictions do not
16 happen.

17 CHAIRPERSON BANKS: Does NYCHA get notified prior
18 to a PACT tenancy eviction? And do you have any
19 opportunity to intervene?

20 DIRECTOR CONNELL: So we are kept apprised of the
21 status of legal proceedings as they advance. And
22 additionally, partners are required per consent
23 decree to notify NYCHA when they're initiating a
24 legal proceeding, when there's an issue regarding
25 Section 8 subsidy.

1
2 CHAIRPERSON BANKS: So you should have the numbers
3 of every eviction that has taken place since
4 conversion?

5 DIRECTOR CONNELL: Right.

6 CHAIRPERSON BANKS: What intervention is done?

7 DIRECTOR CONNELL: So, along... (CROSS-TALK)

8 CHAIRPERSON BANKS: By NYCHA?

9 DIRECTOR CONNELL: So, what intervention is... So,
10 the PACT partners are responsible for engaging
11 directly with the residents and connecting them to
12 the resources.

13 CHAIRPERSON BANKS: So, if it is an issue of
14 composition or ,you know, who is on the lease, who is
15 not on the lease...

16 DIRECTOR CONNELL: Understood. So, that's a good
17 (INAUDIBLE)... (CROSS-TALK)

18 CHAIRPERSON BANKS: Where do you come in? Who ,you
19 know, because I'm trying to gauge NYCHA to see what
20 is the role, what is this...

21 DIRECTOR CONNELL: Yes, yes...

22 CHAIRPERSON BANKS: You know, we hear oversight or
23 being a referee, what is the level of engagement in
24 these RAD/PACTs? Or do you just let them run rogue?

1
2 DIRECTOR CONNELL: No. No. So, yes, you're right,
3 there is oversight with regard to recertifications,
4 and if there's a change to a household composition
5 they are able to file that change through their
6 resident portal, and that gets worked on directly
7 with other teams at NYCHA who manage the Section 8
8 program.

9 CHAIRPERSON BANKS: Can you cite any specific
10 incidences or interventions where NYCHA has stepped
11 in and had to intercede because the RAD/PACT is just
12 wrong in pursuing an eviction of some sort - or any
13 controversy that may come up pertaining to any issues
14 the tenant may have?

15 DIRECTOR CONNELL: So just referring back to the
16 interim recertifications, because I know that's an
17 important step in the process, there's been over
18 5,000 requests and touch points with NYCHA on interim
19 recertification that have been in progress this year
20 alone.

21 CHAIRPERSON BANKS: Most of the RAD/PACTs have
22 also stated that they are that... well, I've heard...
23 so some of the RAD/PACT state that NYCHA is supposed
24 to provide oversight. Are the levels of engagement,
25 does it even resort down to TA meetings? Are you

1 still actively engaged in some of the local TA
2 meetings? Are you attending those meetings? Because,
3 you'll get a lot of those meetings where you'll have
4 a lot of these concerns being brought up.
5

6 DIRECTOR CONNELL: Yeah, we do have staff that
7 attends various resident meetings, both during the
8 construction process and even after construction is
9 completed.

10 CHAIRPERSON BANKS: Okay. It would be good to get
11 a little more information on how that is done,
12 because I've seen some developments where NYCHA just
13 handed the keys over and ran out. And we're hoping
14 that, you know, with the NYCHA developments that are
15 in the pipeline, I think another 60,000 units, on the
16 pipeline to go RAD, that is not the case, because I
17 don't trust these developers. I don't trust them at
18 all. So we want to make sure that NYCHA is engaged in
19 that process, and we, you know, there's constant
20 engagement on NYCHA's part.

21 Let me go move on to future advocacy and plans.
22 What lessons has NYCHA taken from the experience with
23 the ERAP program?

24 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: Well, I
25 think we've learned and probably have always known

1
2 the power of advocacy and the power of using our
3 residents and their voices to help support much
4 needed funding. The ability for the state to
5 ultimately change the ERAP rules to prioritize the
6 tenants of NYCHA and other subsidized tenants was due
7 to residents coming out with NYCHA and advocating for
8 that. So we're really thankful for that partnership.
9 We've certainly seen that at play in the past, and we
10 continue to lean on those strong voices for
11 additional funding.

12 CHAIRPERSON BANKS: Okay. And has the city, state,
13 and federal government committed any additional funds
14 to help NYCHA with its arrears and evictions?

15 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: Not
16 beyond the \$35 million COVID rental arrears and the
17 \$150 million (INAUDIBLE)

18 CHAIRPERSON BANKS: Have there been any talks of
19 some other type of programs or larger investments in
20 other programs? And what is the likelihood of the
21 state giving another... some more aid when it comes
22 to the arrears in the next budget?

23 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: So, I
24 certainly couldn't speculate, but we do continue to
25 work with our state partners and our federal partners

1
2 to continue to advocate for operating funding for
3 NYCHA as well as much needed capital funds.

4 CHAIRPERSON BANKS: And what would be the cost to
5 the City and the State if NYCHA was forced to evict
6 tenants?

7 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: I'm
8 sorry, can you repeat the question?

9 CHAIRPERSON BANKS: What would be the cost to the
10 city and the state if NYCHA was forced to evict
11 tenants?

12 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: I'm not
13 sure how we would quantify that.

14 CHIEF OPERATING OFFICER TRIMBLE: I think that,
15 you know, we want to emphasize the importance of
16 NYCHA as the largest public and affordable housing
17 resource in the city of New York. So we provide a
18 critical resource for the city of New York in our
19 public housing, uh, one in 17 New Yorkers are our
20 residents.

21 And, so, as I've said, evictions are absolutely
22 the last resort option for us. It is you know, we
23 know that it's far more costly to run a homeless
24 shelter system than to keep people in our housing. So
25 that's our goal.

1
2 And to our, you know, we work tirelessly to
3 connect residents with resources that they need,
4 whether it's financial counseling, job opportunities,
5 One Shot Deals, payment plans, interim
6 recertifications, anything we can do to help
7 stabilize our residents.

8 CHAIRPERSON BANKS: If the arrears crisis is not
9 addressed, how would it impact NYCHA's ability to
10 address the pillar areas and the HUD agreement?

11 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: So as
12 we mentioned, rent collection is a primary source of
13 revenue for us. It makes up about a third of our
14 budget.

15 Without rent, we cannot keep pace with the needed
16 compliance requirements, with the needed repairs and
17 maintenance to upkeep the developments to a good
18 standard.

19 So it's really imperative, as we mentioned, for
20 residents to continue to pay their rent. And if they
21 have issues or hardships to come in and speak to the
22 housing assistant so that we can connect them to the
23 appropriate services.

24 CHAIRPERSON BANKS: Okay. And I guess we'll have a
25 clearer view as a committee once we get those numbers

1
2 as to how many folks are coming for plans and a
3 little more extensive explanation on how residents
4 are being educated about what is available to the
5 system. I think that would go a long way with helping
6 to close the gaps.

7 What is the plan for any future legislative ask
8 either from the federal, state, or city government to
9 address rent arrears?

10 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: So, we
11 continue to advocate. We are not shy about telling
12 our city, state, and federal partners about the
13 arrears crisis. We continue to request additional
14 funding for our operating needs and for our capital
15 needs. Our intergovernmental team, I'm sure, will be
16 up in Albany and in D.C. continuing to advocate for
17 us.

18 CHAIRPERSON BANKS: Okay.

19 And what is the aim for rent collection in the
20 next year, and how do you plan to reach that?

21 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: So we
22 are required to collect 100% of the rent that we
23 charge. So that is always our goal. We certainly fell
24 short of that goal even in the pandemic. So we would
25 like to see the rent collection number continue to

1
2 increase. I think our primary goal is to get it back
3 to where we were before. So about 90%, but the
4 ultimate goal and our and our charge is to collect a
5 100% of the rent.

6 CHAIRPERSON BANKS: How long ago were you at 90%?

7 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: In
8 2019.

9 CHAIRPERSON BANKS: 2019?

10 What are the steps NYCHA residents with rent
11 arrears can take today?

12 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: Eva?

13 CHAIRPERSON BANKS: Outside of just saying, pay
14 your rent?

15 CHIEF OPERATING OFFICER TRIMBLE: Thank you.

16 Residents should come into our property management
17 offices and meet with our housing assistants. The
18 housing assistants are trained, again, to connect
19 them to resources, to talk about their income, family
20 composition, and any of the needs they have as a
21 family in order to make the match to the right
22 resources that we can get them in order to bring them
23 back to a state of good standing with their lease -
24 meaning they are either paying rent on time on a
25

1
2 regular basis or in a payment plan to start paying
3 back their arrears.

4 CHAIRPERSON BANKS: Okay.

5 Would you agree that NYCHA also plays a role,
6 too, hopefully in bettering services to the
7 residents? And ,you know, seeing the stories of some
8 of the conditions that some of the tenants are living
9 in, and it's not from their own doing. It's solely
10 because of NYCHA's terrible job at maintaining these
11 properties.

12 So, what role are you doing to build the
13 confidence, uhm, that folks should pay their rent? I
14 know there are a lot of good folks in NYCHA, a lot of
15 good folks in NYCHA who want to pay their rent, but
16 they are possibly withholding rent because NYCHA has
17 been giving them the, uh, for lack of better words,
18 shitty end of the stick when it comes to services.

19 So, what role do you play in making sure that
20 services are being rendered at a better... a level
21 that really meets the need of ,you know, this idea of
22 being a customer in a sense, and good customer
23 service to the folks that pay your salaries?

24 CHIEF OPERATING OFFICER TRIMBLE: Absolutely,
25 Council Member. We play a critical role in providing

1
2 services to our residents. The ,you know, the last
3 few years, we have made tremendous strides in
4 changing our entire business processes in order to
5 improve those services to the residents. So, our
6 transformation plan, our workorder form efforts have
7 drastically changed how we respond to workorders. The
8 amount of work we are doing now on preventative
9 maintenance of our major systems far outweighs the
10 work we are doing of corrective maintenance. So, we
11 are spending more time preventing failures of
12 critical heating and elevator systems than we are of
13 correcting those failures.

14 However, the truth is, we have an \$8 billion
15 capital gap, and that is really the core of the
16 conditions that you're seeing at our sites.

17 So, we are working our best to improve day to day
18 operations, we are closing... (CROSS-TALK)

19 CHAIRPERSON BANKS: But, this over the course
20 of... This is over the course of years...

21 CHIEF OPERATING OFFICER TRIMBLE: The course of...
22 (CROSS-TALK)

23 CHAIRPERSON BANKS: This just...

24 CHIEF OPERATING OFFICER TRIMBLE: of many years,
25 but, we're closing...

1
2 CHAIRPERSON BANKS: That didn't just pop up
3 yesterday...

4 CHIEF OPERATING OFFICER TRIMBLE: more work
5 tickets with work performed. We're staying on top of,
6 uh, our annual demand... (CROSS-TALK)

7 CHAIRPERSON BANKS: So, then, you... you would...
8 (CROSS-TALK)

9 CHIEF OPERATING OFFICER TRIMBLE: (INAUDIBLE)...
10 (CROSS-TALK)

11 CHAIRPERSON BANKS: agree that NYCHA needs to do
12 more and need to do a better job?

13 CHIEF OPERATING OFFICER TRIMBLE: And we are.
14 Working every... Year over year our workorder...
15 (CROSS-TALK)

16 CHAIRPERSON BANKS: But, I said...

17 CHIEF OPERATING OFFICER TRIMBLE: performance has
18 been...

19 CHAIRPERSON BANKS: Would you agree that NYCHA
20 needs to do a better job?

21 CHIEF OPERATING OFFICER TRIMBLE: We are
22 continuing to do a better job every day.

23 CHAIRPERSON BANKS: Thank you.

24 Council Member Mealy?
25

1
2 COUNCIL MEMBER MEALY: I have just two follow-up
3 questions.

4 You said the tenants could file a grievance for
5 NYCHA's rent. Right? Could you give me one
6 explanation how NYCHA intervened? And was there any
7 cases where the tenant... you saved the tenant from
8 being evicted? Because in here, do you say that you
9 could be like the mediator? Do you have any cases
10 that the new tenant... the new landlord from PACT was
11 about to evict someone, and a NYCHA tenant called
12 you, and you were able to convene and saw a medium
13 (sic) and let them... handled their rent arrears
14 problem?

15 Did you give them a resource? Because sometimes
16 they can wave their arrears, right? I know the last
17 hearing, they said some developers will pay their
18 rent arrears and let it go. Right?

19 DIRECTOR CONNELL: So, if I'm understanding the
20 question correctly, you're asking the way that NYCHA
21 might have intervened in it (INAUDIBLE)... (CROSS-
22 TALK)

23 COUNCIL MEMBER MEALY: Yes, and helped the tenant.

24 DIRECTOR CONNELL: Right, yes. So... (CROSS-TALK)
25

1
2 COUNCIL MEMBER MEALY: Do ya'll have a case
3 scenario?

4 DIRECTOR CONNELL: Yeah, so I don't... I don't
5 have a specific case, but as I had mentioned, there
6 are over 5,000 interim recertifications that were
7 filed just this year by residents at PACT sites. And
8 any of those could have been at any... (CROSS-TALK)

9 COUNCIL MEMBER MEALY: Okay

10 DIRECTOR CONNELL: part of the eviction process
11 and could have prevented an eviction from being...
12 (CROSS-TALK)

13 COUNCIL MEMBER MEALY: All right, I didn't hear...

14 DIRECTOR CONNELL: continued... (CROSS-TALK)

15 COUNCIL MEMBER MEALY: Thank you.

16 So, going back to the \$1 million. How many of
17 those positions will be MWBEs (Minority and Women
18 Owned Business Enterprises)? Do you have a percentage
19 for that \$1 million, where it's going?

20 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: We
21 haven't started the program yet. We have not received
22 any of the funding yet. So, we are still standing up
23 the HOME-ARP program... (CROSS-TALK)

24 COUNCIL MEMBER MEALY: When do you expect the
25 funding? \$150 million...

1
2 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: I
3 would... (CROSS-TALK)

4 COUNCIL MEMBER MEALY: (INAUDIBLE)

5 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: I would
6 love for that funding... (CROSS-TALK)

7 COUNCIL MEMBER MEALY: \$35 million...

8 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: Yes,
9 ma'am. We would love for that funding to start
10 flowing as soon as possible. But, it is not
11 necessarily up to us. We do have to work through
12 grant agreements with the various partners.

13 COUNCIL MEMBER MEALY: Okay, so, since we don't
14 have it... but, you will start preparing to make...

15 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: Yes,
16 ma'am.

17 COUNCIL MEMBER MEALY: to make sure that MWBEs,
18 Section 3 jobs for the tenants will be in this \$1
19 million?

20 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: We will
21 follow all of... (CROSS-TALK)

22 COUNCIL MEMBER MEALY: And, that is so small to
23 this big city in which so many NYCHA tenants live in,
24 and they are only getting \$1 million.

1
2 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: We will
3 follow up... (CROSS-TALK)

4 COUNCIL MEMBER MEALY: Not even that, really. So,
5 please, let's try to carve out some funding for MWBEs
6 and, uhm, the Section 3 jobs.

7 CHIEF FINANCIAL OFFICER LESCOTT-MARTINEZ: We will
8 follow all of the required Section 3 rules (TIMER
9 CHIMES) regarding those contracts when they are
10 awarded.

11 COUNCIL MEMBER MEALY: Thank you.

12 CHAIRPERSON BANKS: Thank you.

13 Thank you to the NYCHA panel, we appreciate you
14 for your responses, and hopefully we will get that
15 information that you promised us, thank you.

16 PANEL: Thank you.

17 (PAUSE)

18 CHAIRPERSON BANKS: Thank you, okay, now I am
19 going to the hearing for public testimony. I remind
20 members of the public that this is a government
21 proceeding and that decorum shall be observed at all
22 times. As such, members of the public shall remain
23 silent at all times.

24 The witness table is reserved for people who wish
25 to testify. No video or audio recording or

1 photography is allowed from the witness table.

2 Further, members of the public may not present audio
3 or video recordings as testimony, but may submit
4 transcripts of such recordings to the Sergeant at
5 Arms for inclusion in the hearing record.
6

7 If you wish to speak at today's hearing, please
8 fill out an appearance card with the Sergeant at Arms
9 and wait to be recognized. When recognized you will
10 have two minutes to speak on today's hearing topic:

11 *Rent Arrears and Evictions (Resulting from*
12 *Underfunding ERAP)*

13 We will now have Adam Roberts come to the panel,
14 Metin N. Sarci, Alixa Cruz, Alex MacDougall, and
15 Brianna Williams, and we will begin to my left. You
16 may start your testimony.

17 ALEX MACDOUGALL: Good morning, my name is Alex
18 MacDougall and I am a staff attorney at the Legal Aid
19 Society.

20 So the impact of the state's decision to
21 deprioritize tenants with income based subsidies for
22 ERAP was devastating for NYCHA tenants. I, you know,
23 I agree with you, Council Member Mealy, that they
24 were shafted. And we know that many collateral
25 consequences have flowed from that decision,

1 including the accrual of arrears beyond what ERAP
2 would have covered.
3

4 I do want to acknowledge NYCHA's efforts,
5 particularly those of Brian Honen (phonetic) in
6 Albany to push the state for additional funds to pay
7 arrears. And we call on all levels of government to
8 step up, to ease the burden, to ease the burden of
9 these arrears on night attendants.

10 So in the interest of time, I just want to raise
11 a couple of issues.

12 We run a helpline at Legal Aid that's available
13 for all NYCHA and PACT tenants. And, you know, we
14 hear about a ton of issues, and the first I want to
15 talk about is the process for applying for arrears
16 from HRA, and we spoke about this a little bit
17 earlier. People are needlessly denied, they're sent
18 back and forth for documents, there are unnecessary
19 delays in processing.

20 You know, in my own experience assisting clients,
21 I get asked, you know, to produce rent ledgers from
22 NYCHA in multiple formats. I'll give... I'll hand one
23 in, they'll say, no, we need a different one, and I
24 don't have that experience when I'm working with
25 clients in private housing.

1
2 So, you know, NYCHA and HRA entered into a
3 memorandum of understanding in 2018. We're going to
4 attach that with our testimony. And the sole purpose
5 of this memorandum was to facilitate payment of
6 rental arrears for NYCHA tenants facing termination
7 or eviction. So it clearly lays out a system for the
8 exchange of information between NYCHA and HRA. And,
9 again, this is solely for the purpose of facilitating
10 the payment of arrears... facilitating HRA's payment
11 of arrears for NICA tenants.

12 (TIMER CHIMES) So I just want to wrap this up.

13 I just... we strongly encourage that the system
14 actually be used, because it doesn't seem like it is
15 being used too frequently, and it seems like the
16 infrastructure, the plan is there, uh, and it would
17 just go such a long way in helping people get access
18 to funds that they need without, as I said, being
19 needlessly denied, getting awards that don't cover
20 what they actually need, and being sent back and
21 forth, and having days lost, just trying to apply for
22 a One Shot Deal.

23 Sorry, can I just very, very quickly...

24 CHAIRPERSON BANKS: Ten more seconds...

1
2 ALEX MACDOUGALL: I think it's been important to
3 have this on the record.

4 The second issue is that we hear from PACT
5 tenants that they were approved for ERAP that, you
6 know, that the arrears or the funds are not credited
7 to their accounts. So they get the approval, they see
8 that they've been approved, and when they go to their
9 PACT landlord, the PACT landlord doesn't really know
10 what's going on. They can't give them a clear answer,
11 and then there's not really easy access to NYCHA on
12 that subject. So we know that the money was paid,
13 it's there, that's not the issue. It's just it needs
14 to be credited to them. Thank you so much.

15 CHAIRPERSON BANKS: And that's true. I know a
16 couple of tenants at Boulevard Houses who have gone
17 through that all or just the lack of transparency
18 that exists with notification of how much money was
19 given for ERAP residents, you know, still in... the
20 left in the dark.

21 ALEX MACDOUGALL: Absolutely, tenants at Boulevard
22 are particularly struggling... (CROSS-TALK)

23 CHAIRPERSON BANKS: Particularly... So, uh, how
24 many tenants have you dealt with when it comes to,
25 uh, on the RAD/PACTs... on the RAD/PACT conversions,

1
2 how many of those tenants you have that are facing
3 evictions?

4 ALEX MACDOUGALL: Well, so we get we get lots and
5 lots and lots of calls all day. And I would say a
6 good portion, especially recently, have been from
7 PACT tenants who are facing issues with arrears. As
8 you pointed out, Boulevard, Boulevard, the PACT
9 landlord there, has recently commenced a large number
10 of eviction proceedings. So we have attorneys at
11 Legal Aid Society who are representing clients in
12 those proceedings, and then we also get calls on our
13 helpline.

14 CHAIRPERSON BANKS: Do you find those particular
15 management companies to be much more aggressive?

16 ALEX MACDOUGALL: Well, I would... (CROSS-TALK)

17 CHAIRPERSON BANKS: Than NYCHA?

18 ALEX MACDOUGALL: I would say that there are a lot
19 of issues that didn't exist in public housing when
20 the landlord was NYCHA and ,you know, the subsidies
21 administered by NYCHA. Here ,you know, there is
22 sometimes a disconnect between the landlord and NYCHA
23 as the administer of the subsidy. And, so, I think
24 there is a lot of problems that stem from that, and
25 that needs to be improved dramatically.

1
2 CHAIRPERSON BANKS: Thank you for your testimony.

3 ALEX MACDOUGALL: Thank you.

4 CHAIRPERSON BANKS: Sir?

5 METIN N. SARCI: Thank you, Chair Banks.

6 My name is Metin Sarci, I'm a public housing
7 expert with 12 years of experience serving NYCHA
8 residents both as a civil servant and a political
9 organizer.

10 The opinions shared in this testimony are based
11 upon my own experience, and they do not represent the
12 views of the housing authority as a current employee.

13 That being said, I really want to thank this body
14 for its leadership into looking into the oversight of
15 rent arrears and evictions in this agency. Part of me
16 is slightly confused only because this was a problem
17 that the state created, which pretty much left our
18 residents being told that they were not a priority,
19 and this was the only state to do it in. Not only
20 that, when residents were told that they were not a
21 priority, they were not able to be afforded other
22 resources such as the One Shot Deal, because of a
23 pending ERAP. So, in at least in this sense, I'm kind
24 of a little bit confused why NYCHA is involved in in
25

1
2 the ERAP process, but that's a different story. I
3 think that's a failure of the state.

4 In terms of NYCHA, I think one thing that was
5 kind of disappointing that was brought up was the
6 fact that you all asked for a plan, and I didn't
7 really hear one. I heard the same practices that have
8 been told over and over, the same, you know, the same
9 onus that's placed upon the housing assistant and the
10 management office, who on top of their current jobs,
11 essentially also have to be constituent liaisons and
12 figure out where possible resources may exist if they
13 even know that those exist, because the Authority
14 does not share information, did not centralize the
15 information that can be given to residents.

16 And quite frankly, at a July 31st meeting, the
17 NYCHA board actually spoke a little bit about this
18 topic, and it was very concerning to me that the fact
19 the CEO seemed to think that, you know, NYCHA
20 residents need to be more proactive and seek these
21 services on their own. When in fact, internally, we
22 could actually show that NYCHA residents seek these
23 services a lot more often than the referrals that are
24 being done within... in house. (TIMER CHIMES) So,
25 it's quite concerning in that sense...

1
2 CHAIRPERSON BANKS: Okay, you have 30 seconds to
3 wrap up...

4 METIN N. SARCI: Thank you kindly.

5 What I was gonna say was because there is no
6 plan, you know, any sort of offer that's extended by
7 the Council that actually partner with NYCHA, it
8 can't really happen because there is no plan in
9 place. Part of the problem is NYCHA does not
10 understand the fact that institutional giving, which
11 is something that's done within professional
12 development, is a thing that happens, that could be
13 something that could help. But in addition to that,
14 we don't have the ability, or we don't seem to have
15 the want, to look at our external partners and bring
16 them into our fold. We work with partners, we work
17 with over 200 partners throughout the city, and the
18 fact that NYCHA has to be the one that send out
19 referrals when in fact we could work with other
20 folks...

21 CHAIRPERSON BANKS: Right.

22 METIN N. SARCI: to use the things that we have
23 built up to actually increase that network and
24 actually centralize everything that we do from
25 health, economic development, to working with

1
2 residents outreach. You name it, there's an entire
3 department that's based on this whose number are
4 shrinking, but that's a different story. Other than
5 that, I thank you for letting me speak a little bit
6 longer and have great day...

7 CHAIRPERSON BANKS: Great, thank you for your
8 testimony. Next?

9 ADAM ROBERTS: Thank you for holding this hearing
10 today.

11 I'm Adam Roberts testifying behalf of the New
12 York Apartment Association, also known as NYAA. NYAA
13 is a newly formed trade group representing
14 multifamily housing providers across New York City.
15 Our diverse membership consists of long term owners
16 and operators of rental housing, who collectively
17 provide more than one million units across the city,
18 most of which are subject to rent regulation and were
19 constructed pre 1974, meaning they have not received
20 421-a or public subsidies.

21 Our mission is to ensure that rental housing
22 stock is abundant, safe, and desirable to live in so
23 that New York can be affordable for generations to
24 come.

1
2 The repercussions of the pandemic are still being
3 felt by New York renters and their housing provider.
4 With ERAP's limited funding sources and program
5 restrictions, including ERAP only covering 15 months
6 of unpaid rent, countless renters are left with
7 pandemic related arrears.

8 For renters, these arrears can threaten their
9 ability to remain in their current apartment even if
10 they have resumed paying their monthly rent.

11 For housing providers, the financial distress
12 from unpaid rent leads to deferred maintenance and
13 prohibits necessary capital improvements, leaving
14 tenants in buildings with increasing states of
15 disrepair.

16 For buildings with high percentages of rent
17 stabilized units in the outer boroughs, the situation
18 is even worse. Those buildings were already operating
19 on narrow financial margins, and the shock from
20 unpaid rent during the pandemic has accelerated these
21 building's financial free fall. For instance, the
22 Rent Guidelines Board found in its 2024 Income And
23 Expense Study that pre 1974 buildings, again, those
24 that didn't receive 421-a are particularly in peril.
25 From 2021 to 2022, net operating income fell 20% in

1
2 the Bronx, while over 10% of buildings citywide are
3 officially distressed. The median units rent is only
4 \$272 above cost, leaving not enough funding to repay
5 loans for much needed repairs.

6 ERAP's failure has also left Housing Court
7 overwhelmed with nonpayment cases. (TIMER CHIMES) The
8 Biden administration encouraged federal emergency
9 rentals assistance... (CROSS-TALK)

10 CHAIRPERSON BANKS: Thirty seconds to wrap up...

11 ADAM ROBERTS: funding, be coupled with Housing
12 Court diversion programs. These programs allow for
13 nonpayment cases to be mediated outside of Housing
14 Court, preventing it from being overwhelmed. However,
15 New York City did not follow this path, which has
16 forced tenants into the dysfunctional housing court
17 system. In Housing Court, One Shot Deals, which cover
18 arrears, are sparsely distributed.

19 The failure to implement a diversion program has
20 left Housing Court overwhelmed, even years after the
21 financial crisis caused by COVID has ended. These
22 delays were not only traumatic for tenants, but leave
23 rent stabilized buildings, especially those in the
24 outer boroughs, on uncertain financial footing.

1
2 We hope to work with the Council to address
3 ERAP's failures and implement the diversion program.
4 Thank you.

5 CHAIRPERSON BANKS: Thank you. Next?

6 BRIANNA WILLIAMS: Good afternoon, Chair Banks
7 and the esteemed members of the Public Housing
8 Committee. My name is Brianna Williams, and I'm the
9 Senior Planner of Housing Justice Initiatives at the
10 Center for Justice Innovation. Thank you for the
11 opportunity to testify today.

12 The Center works... the Center's projects work
13 with residents and property management across more
14 than 30 NYCHA developments. Staff at project sites
15 such as the Red Hook Community Justice Center, the
16 Harlem Community Justice Center, and the Queens
17 Community Justice Center in Jamaica, in Far Rockaway
18 work with thousands of NYCHA tenants every year on
19 rent, lease, and repair concerns.

20 Our primary goal is to ensure that every NYCHA
21 tenant we come across remains in housing that is
22 stable, in good repair, and affordable based on HUD
23 income calculation guidelines.

24 Like the rest of the world, NYCHA tenants also
25 experience COVID-19 hardships. They experience

1
2 inflation, loss of employment, and deaths in the
3 family, including heads of household. Despite
4 experiencing the same impacts, New York State
5 deprioritized NYCHA tenants for the largest pandemic
6 rental assistance relief program, the Emergency
7 Rental Assistance Program. As a result, most NYCHA
8 tenants either did not receive assistance or were
9 forced to wait for months or even years for payouts.
10 Meanwhile, NYCHA tenants continue to struggle with
11 obtaining desperately needed repairs and continued to
12 face periodic utility outages that could last for
13 weeks, months, or even years.

14 Last year, the Center for Justice Innovation took
15 action with funding support from Senate Majority
16 Leader Schumer and in coordination with NYCHA
17 management services, the Center developed
18 multilingual tenant education materials about NYCHA
19 rent calculation and lease renewals.

20 These materials, we call "Papelitos Hablan" or
21 "Let the Papers Do The Talking" are an example of the
22 type of tenant-rights based approaches for the
23 Council committee should further support.

24 To effectively address the rental arrears
25 backlogs and prevent evictions of NYCHA tenants, and

1
2 this Council committee should increase access to
3 rental assistance for NYCHA tenants by continuing to
4 dedicate staff time and to quickly and efficiently
5 processing rental assistance applications in
6 coordination with the (TIMER CHIMES)... 30 more
7 seconds...

8 CHAIRPERSON BANKS: Thirty more seconds...

9 BRIANNA WILLIAMS: in coordination with the
10 City's Human Resource Administration and the
11 State's Office of Temporary And Disability
12 Assistance, as well as instructing property
13 managers to improve coordination with tenants to
14 obtain arrear assistance.

15 We also ask that this Council committee expand
16 tenant education and community based organization
17 navigation on NYCHA lease renewals, including
18 annual and interim recertifications and rent
19 grievances, to reduce the backlog of past due
20 recertifications so that rent is properly
21 calculated related.

22 We also ask that this Council committee
23 recognize the financial hardships that NYCHA
24 tenants experience when repairs go undone or
25

1 utility outages persist as these directly impact
2 rent collection.

3 We encourage the Council committee also to
4 support the state law change, the NYCHA Utility
5 Accountability Act, requiring NYCHA to reduce
6 tenant rent during utility outages that lasts more
7 than 24 hours.

8 Thank you so much for this opportunity to
9 testify.

10 CHAIRPERSON BANKS: Thank you for your testimony.

11 Council Member Darlene Mealy has some questions.

12 COUNCIL MEMBER MEALY: I really, I apologize, I
13 didn't ask the Administration, but any of you have
14 tenant legal aid? I can ask you that question...
15 anyone... after the RAD/PACT conversion had their
16 furniture, they were not able to get back into
17 their apartment. Have any of ya'll received any
18 tenants in regards to...

19 BRIANNA WILLIAMS: I do believe we have had a
20 couple of calls from folks who have had their
21 furniture, I think, damaged in some way in the
22 temporary relocation.

23 COUNCIL MEMBER MEALY: I just have to bring it to
24 our Chair, uhm, I have a tenant who they are asking
25

1 her to cut her sofa up to get into the apartment.
2 So, I mean, this is real... So, I will give it to
3 the Chair and NYCHA also. They are building
4 apartments much smaller, or they are reconstruction
5 of the apartment, and the tenant should not have to
6 be concerned with throwing away their furniture or
7 cutting it in half and sewing it back up when it
8 gets inside.
9

10 So, thank you. I will talk to everyone in regard
11 to that.

12 CHAIRPERSON BANKS: That's a good question,
13 because I know there have been a lot of situations
14 where tenants have had to put in requests for
15 payments for furniture as being damaged, especially
16 initially when they rehabs are taking place, and
17 still up to this day have not received the money
18 from these particular developers. So, that is
19 definitely problematic, Council Member. And we will
20 definitely continue... Hopefully, Brian at NYCHA
21 can referee that situation. But, guys, thank you so
22 much, and I appreciate your testimony.

23 (PAUSE)

24 CHAIRPERSON BANKS: Okay, guys, due to the time,
25 and we have another committee hearing that is

1
2 taking place in these particular chambers, we are
3 going to move into the smaller committee room to
4 finish testimony from the public. So, please, if
5 you can follow the Committee into the next
6 committee room, where we will be able to complete
7 public testimony. Thank you, very much.

8 (PAUSE)

9 CHAIRPERSON BANKS: Guys, there has been another
10 change in plans, we do apologize, we are going to
11 take the testimony from the last six folks are here
12 physically, and we are going to call up the panel.

13 So, Travis Bostik, Sharon Brown Jeter, Aixa
14 Torres, Jack Underwood, and Manuel Martinez, please
15 approach the witness table. I do apologize. After
16 the panel is done, we are going to proceed to
17 testimony we have... We have two virtual
18 testimonies.

19 All right, I will start to my left, thank you.

20 (PAUSE)

21 AIXA TORRES: Good afternoon, I want to thank you
22 for letting me speak. My name is Aixa Torres, I am
23 the president of Alfred E. Smith Houses.

24 In terms of ERAP, I have to say that it was the
25 residents who pushed back on the governor and the

1
2 elected officials from my district, Grace Lee;
3 Assemblyman Harvey Epstein; and state senator Brian
4 Kavanagh, who helped us organize to push back and
5 demand that we get the ERAP money. Why? We are
6 still... people are still having issues with the
7 ERAP.

8 I have, very quickly, I had a young man who
9 almost had a nervous breakdown, because of the way
10 it was handled and getting evicted. When all was
11 said and done and he got his credit, he went from,
12 like, \$20,000 in change to having an \$8,000 credit.

13 (BACKGROUND NOISE) The problem, right, the
14 problem is that the... how they're calculating the
15 rents. And the other piece of this is somebody
16 please explain to me, Council, since you look at
17 their budget, why NYCHA's legal department has 300
18 employees a \$50 million budget, and the General
19 Counsel has actually, online, taken credit for the
20 work for ERAP. That that kind of upset me. Right?
21 Because I'm the one that got up at 4:30 in the
22 morning and organized, at least in my district, how
23 the Legal Department has not helped, instead of
24 evicting residents, how they have not helped,
25 right, to ensure that we get (TIMER CHIMES) the

1
2 money that we're supposed to get and that residents
3 don't get evicted.

4 CHAIRPERSON BANKS: Thank you for your testimony.

5 AIXA TORRES: Thank you.

6 SHARON BROWN JETER: My name is Sharon Brown
7 Jeter, and I just wanna say, remember Israel. We
8 need the hostages back. Okay. So and defend Israel.

9 Okay, so with the housing situation, we need to
10 make sure that the military homeless gets priority
11 to go into the housing. Whatever programs that they
12 have, we need to make sure that the homeless
13 military... There are homeless people out there...
14 If you have a 1,000 homeless people that you pass
15 by, you have no idea how many are former military,
16 present military, former police officers, whatever
17 the case may be. We have people that are first
18 responders that are a part of the homeless
19 population. We need to make sure that the homeless
20 population gets keys in their hands from the
21 street. Take them... not into shelters, we want to
22 go rent apartments. Get your phones out. You see
23 them on the street. How many is in your family?
24 Call up an apartment online or that you have in
25 your agency, and get them a key, and get them into

1
2 the apartment. Whatever subsidy that is needed, I
3 need for the priority to be the homeless and for
4 military homeless.

5 And I also want to reiterate, remember Israel.
6 They are God's chosen people. Whatever you can do
7 in your course of business, help out Israel as well
8 as our military. We defend Israel. When you harm
9 our military without housing, without food, without
10 being able to go to the bathroom... We need public
11 bathrooms to be available for everyone so that the
12 military homeless until they get into apartments,
13 they can have something. Thank you very much.

14 CHAIRPERSON BANKS: Thank you for your testimony.

15 (TIMER CHIMES) Next?

16 MANUEL MARTINEZ: Good afternoon, Public Housing
17 Committee. Thank you so much for having this
18 hearing on this very important issue.

19 I would like to bring attention that this is
20 just one component of a larger issue. So, we have
21 the ERAP funds that have been blocked. We were
22 excluded, completely excluded, from ERAP funding in
23 New York State Legislation, which then was
24 deprioritized, which then after all of the funding
25 was exhausted, than we were given access to. Right?

1
2 Also, United States Treasury in their FAQ made
3 sure that they stated that public housing residents
4 and federally subsidized households were to be
5 given ERAP in in New York State, which is the only
6 state that did this, we were not.

7 The other aspect to this, and we're looking at
8 \$500 million in rental arrears that accumulated in
9 pandemics... during the COVID pandemic, and our
10 population was significantly impacted.

11 NYCHA resident population makes up 4% of New
12 York City's population, and in the pinnacle of the
13 COVID-19 pandemic made up 7% of the deaths.

14 For us to have our economic pain, reduced to
15 .20¢ on a dollar, because City Council identified
16 \$100 million that was actually provided for \$500
17 million in debt - and in the State Comptroller's
18 Spotlight, he mentioned that it was gonna be a \$168
19 million, but that's still .30¢ on the dollar. So
20 they're not even talking about, you know, fully
21 compliant.

22 The other aspect to this is HUD. So NYCHA has a
23 \$1.4 billion operation fund eligibility. But HUD
24 only gave \$1 billion, which means that we are short
25 \$400 million on top of the ERAP shortfall that

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2 we've had, so we are close to a \$800 million
3 deficit that has been orchestrated. (TIMER CHIMES)

4 May I have 30 seconds?

5 CHAIRPERSON BANKS: Thirty seconds to wrap up,
6 please.

7 MANUEL MARTINEZ: And, so... which means we have
8 currently a \$800 million deficit that has been
9 orchestrated. So we have a CEO that is outspoken on
10 the ERAP because, you know, of course, we expect
11 her to, but there has been no discussion and no
12 communication with our population regards to this
13 additional \$400 million, and there has been no
14 appeal made to HUD, which isn't her right to do.

15 We have a concern about that, and we ask for her
16 resignation, thank you.

17 CHAIRPERSON BANKS: Thank you for your testimony.

18 You may proceed, sir.

19 TRAVIS BOSTIK: Good afternoon, Chair Banks. I'm
20 Travis Bostick, the Director of Policy and Research
21 at Association for Neighborhood Housing and
22 Development.

23 The COVID-19 pandemic has had enduring economic
24 repercussions significantly affecting New York's
25 affordable housing sector.

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2 Although the Emergency Rental Assistance Program
3 was designed to provide financial support to
4 renters and housing providers, its funding has been
5 inadequate, especially for income restricted
6 housing.

7 We urge the City Council to take a proactive
8 stance in advocating the state... in advocating
9 with the State to address the financial strain of
10 rental arrears and the escalating risk of evictions
11 faced by NYCHA residents due to ERAP underfunding.

12 The State's recent infusion of funding for NYCHA
13 related arrears, as well as the new programs we
14 learned of today, are welcome efforts, but clearly
15 insufficient.

16 NYCHA's ongoing federal disinvestment,
17 compounded by inadequate ERAP has deepened resident
18 mistrust and uncertainty. Even outside of NYCHA,
19 some of our mission driven developers who manage
20 affordable units with average rents of even just a
21 \$1,000 are facing severe arrears.

22 Despite some progress in addressing this issue,
23 these organizations are grappling with rising
24 operational issues in terms of insurance costs and
25 low rent collection. They're operating on tight

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2 margins, and these organizations struggle to
3 maintain their properties.

4 Without immediate action to resolve the arrears,
5 affordable housing in New York City will continue
6 to face severe setbacks. We agree that NYCHA must
7 be held accountable and commend the Council and
8 Chair Banks' efforts to do so, but we want to
9 emphasize that without urgent and substantial
10 intervention, New York City faces a crisis of
11 escalating homelessness and a continuous decline in
12 the quality of NYCHA housings stock. (TIMER CHIMES)

13 CHAIRPERSON BANKS: Thank you for your testimony.

14 You may proceed.

15 JACK UNDERWOOD: Thank you, Chairman Banks, and
16 the Committee for giving us hearing.

17 My name is Jack Underwood, I'm the Deputy
18 Director of the Preserving Affordable Housing Program
19 at Brooklyn Legal Services Corporation A, we go by
20 Brooklyn A.

21 Brooklyn A's PH program provides legal
22 representation, education, and advocacy strategies to
23 preserve and protect affordable housing, prevent
24 evictions, combat tenant harassment and
25 discrimination, help tenant associations marshal the

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2 power of strengthening numbers and protect the right
3 safe and sanitary housing.

4 Last year, Brooklyn A helped roughly 3,000
5 individuals maintain housing stability and supported
6 23 tenants associations in the fight for habitable
7 living conditions and to combat harassment.

8 ERAP funds help prevent countless evictions for
9 our clients in NYCHA apartments and private units
10 across Brooklyn in the wake of the pandemic. However,
11 far too many NYCHA residents were left out of these
12 benefits either because their applications were not
13 processed in a timely manner or public outreach about
14 the program was insufficient.

15 Repairs are another major concern for the NYCHA
16 of clients we serve, and we could reach far more
17 NYCHA tenants if the Anti-Harassment Tenant
18 Protection Program, HTP, was expanded and the funding
19 cuts in the FY25 City Budget restored.

20 The scope of HTP continues to exclude affirmative
21 legal cases for public housing tenants, excludes us
22 representing tenants associations in NYCHA
23 facilities, and we can only commence actions against
24 NYCHA or represent tenants associations in those
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1 buildings if there's a referral from the Family
2 Justice Center, the Office of Civil Justice, or HRA.

3 Additionally, the reported 19% cut to HTP,
4 reportedly to expand funding for the Right to Counsel
5 Program is deeply troubling. We share the City's goal
6 of fully funding the Right to Counsel Program, but
7 both these initiatives are critically important to
8 New York tenants both public and private.

9 HTP has been successful at diverting eviction
10 actions from the court by assisting tenant groups in
11 negotiations with regards to repairs, interim
12 recertifications, rent grievances, and so on.

13 For NYCHA tenants (TIMER CHIMES) who reside in...
14 I'll be very quick, Chair...

15 CHAIRPERSON BANKS: Please.

16 JACK UNDERWOOD: who reside in a system in need of
17 78 billion in repairs, affirmative HTP cases could
18 remedy countless instances of inadequate, unsafe, or
19 illegal living conditions.

20 Civil legal service providers like us, who serve
21 an NYCHA tenants, and need all the tools, including
22 access to ERAP funds, fully funded Right to Counsel
23 program, and a funded and expanded HTP program at our
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2 disposable to properly serve public housing
3 residents. Thank you.

4 CHAIRPERSON BANKS: Panel, thank you for your
5 testimony.

6 We will now move onto virtual testimony starting
7 with Teresa Scott.

8 Teresa Scott?

9 SERGEANT AT ARMS: You may begin.

10 TERESA SCOTT: Good afternoon. My name is Teresa
11 Scott, resident of (INAUDIBLE) and also a member of
12 Save Section 9.

13 I'm really disgusted with NYCHA you because
14 every time you ask NYCHA to make a... to be a
15 accountable for the situation as far as ERAP, or
16 any problem, they never have answers. So, it's very
17 discouraging to even meet with them sometimes.

18 The problem is that we have been left out again
19 with services. And how can we... how can you all
20 make NYCHA answer these questions? Because we've
21 met with you, you've been gracious to meet with us
22 to have Save Section 9 meetings, but I NYCHA never
23 has answers, even when you're asking questions.

24 It's always like, we got we're gonna send it back
25 to you all.

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2 So how can we stop that? Because that's not
3 fair. They never answer a question. Like, when you
4 ask them, do they have proof that they help people
5 who was a RA, who had eviction problem? If they
6 have 5,000 people that they said their service, why
7 don't they have proof?

8 And this happens every time we come to meet with
9 NYCHA, they never... they said, oh, we're gonna
10 get back to you. They know they are coming to the
11 meeting, why aren't they... why aren't they
12 equipped? It's just... They just string us along.
13 And you're allowing them to string us along, and
14 that's not fair to us. We have... you all don't
15 live in these conditions, we do. And it and it's
16 very discouraging.

17 I if I weren't who I was, I would easily give up
18 and just leave, but where are we going to go? Where
19 am I supposed to go when no one could make NYCHA to
20 the excuses they're giving us, and it's not fair to
21 us. We have to live in horrible conditions, we have
22 to deal with the management (INAUDIBLE) answer the
23 when they said, they say the management... the
24 management do not deal with their jobs. They're not
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2 doing their job like they used to. So you all
3 saying they do this, but they're not doing it.

4 And when we call 311 to complain, they just send
5 us back to NYCHA.

6 I had to make a (INAUDIBLE) for 311, and I
7 wanted complain about NYCHA because they just sent
8 us to the 707 number. That's not for complaints
9 about NYCHA. So, when do we get a chance to get
10 some real answers from NYCHA without the runaround?

11 This happens every meeting. I've been having a
12 meeting with them for the last six months, the same
13 thing. NYCHA said, "I'm gonna get back with you."
14 They never show proof, and you all don't make them
15 accountable. Y'all have not said to us, (INAUDIBLE)

16 We got proof that what they did to us. We can
17 send you a emails, we can send you a testimonials,
18 but when is NYCHA gonna be made accountable to the
19 abuse that they're giving the residents when it
20 comes all these different terms that they are
21 trying to force on us (TIMER CHIMES).

22 SERGEANT AT ARMS: Your time has expired.

23 TERESA SCOTT: They don't even give us
24 information.

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2 CHAIRPERSON BANKS: Thank you, Miss Scott. Thank
3 you for your testimony.

4 Rene Martinez (phonetic)?

5 SERGEANT AT ARMS: You may begin.

6 RENE MARTINEZ: (NO RESPONSE)

7 CHAIRPERSON BANKS: Rene Martinez?

8 RENE MARTINEZ: (NO RESPONSE)

9 SERGEANT AT ARMS: You may begin.

10 CHAIRPERSON BANKS: Ms. Martinez? All right,
11 we'll move on to Ms. Cruz. Yes, we did call you,
12 Ms. Cruz, you can come on up. Thank you, you will
13 be our last testimony...

14 ALIXA CRUZ: I'm a NYCHA resident, and I'm a
15 subsidized Section 9, and I feel safe with
16 subsidized Section 9. I'm not happy with RAD/PACT,
17 preservation (INAUDIBLE) Section 8. And it's scary,
18 because what they're talking about tonight about
19 the arrears that is happening with the other
20 developers, it's scary because it makes it look
21 like a lot of people from NYCHA will be homeless,
22 and we matter. We matter.

23 And what happened to our civil rights as tenants
24 to protect us? We're here... we're... this world
25 belongs to everyone, whether we're poor... poor,

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2 rich, whether we're Black, brown, white, whatever.
3 This this is supposed to be a fair world for
4 everyone. And I don't think... I don't think that
5 they're looking out for the people that are on
6 fixed incomes. I'm a retiree. I work all my life,
7 and I'm a fixed income retiree. Where am I gonna
8 go? Where is this generation gonna go? Because when
9 you go working, in the field, the employees don't
10 pay Hispanic people. They don't pay enough rent for
11 people. We need to be protected with Section 9. And
12 I hope to God that they don't make us turn over to
13 RAD/PACT.

14 Yesterday, I went to a meeting, and I had some
15 of my co-tenants talking about RAD/PACT when they
16 said that they're with Section 9. (TIMER CHIMES)

17 CHAIRPERSON BANKS: Mm-hmm?

18 ALIXA CRUZ: You know, they're misleading a lot
19 of tenants... (CROSS-TALK)

20 CHAIRPERSON BANKS: Thank you for your testimony,
21 ma'am. Thank you for your testimony.

22 Okay, Martinez?

23 All right, so with that, that is going to
24 conclude our Public Housing Committee hearing on
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COMMITTEE ON PUBLIC HOUSING

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Rent Arrears and Evictions (Resulting from Underfunding ERAP).

Thank you so much, and thank you to all of the participants. The meeting is adjourned.

(GAVEL SOUND) (GAVELING OUT)

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 October 18, 2024