

**TESTIMONY FROM NYCHA'S CHIEF OPERATING OFFICER VITO MUSTACIUOLO
UTILITIES IN PUBLIC HOUSING AND NYCHA'S WINTER PREPAREDNESS
COMMITTEE ON PUBLIC HOUSING
TUESDAY, OCTOBER 12, 2021 – 10:30 AM
REMOTE HEARING (VIRTUAL ROOM 2)**

Chair Alicka Ampry-Samuel, members of the Committee on Public Housing, and other distinguished members of the City Council: good afternoon. I am Vito Mustaciuolo, NYCHA's Chief Operating Officer. I am pleased to be joined by Javier Almodovar, Director of NYCHA's Heating Management Services Department; Calcedonio Bruno, Vice President of Operational Analysis and Contract Management; and other members of NYCHA's team.

NYCHA's more than 12,000 employees show up to work every day with one goal in mind: to provide our residents with a safe, decent, and supportive home. I appreciate this opportunity today to discuss our efforts to deliver heat and hot water to our residents, along with other basic services. This is at the core of our responsibilities as a landlord, and we know how impactful service interruptions can be for our residents.

With the support of Mayor de Blasio, over the past several years we have made significant improvements to the way we deliver services to our residents. Together with our *Blueprint for Change* strategies to transform the Authority, these operational changes are enabling us to better serve our residents and improve their quality of life. That includes our work to improve heating services. As a result of these efforts, we have reduced the time it takes to restore heat outages by nearly 20 percent (from 8.8 hours in 2018-2019 to 7.3 hours in 2020-2021) and brought down the number of outages by 52 percent.

The Foundation of NYCHA's Transformation

In addition to Mayor de Blasio's support, NYCHA's transformation is guided by the HUD agreement signed in January 2019 as well as our partnership with

residents, the federal monitor, HUD, and others in the community, including members of the Council.

In December 2019, Federal Monitor Bart Schwartz approved our heating action plan, which we developed in partnership with his team and in accordance with the requirements of the HUD agreement. The action plan outlines the procedures and protocols we follow to prevent and respond to outages in our aging heating plants. It also details how we communicate with residents about outages and repairs, provide warming centers in certain scenarios, and investigate outages that cannot be restored within 12 hours. We posted the action plan on our website, informed resident leaders about it, and trained staff on it.

We also created individual heating action plans for every development in our portfolio and posted them on our website. These individual plans acknowledge that each development has its own unique challenges which need to be addressed. For instance, Baruch Houses is in a flood zone and susceptible to constant flooding, and its boilers have exceeded their life expectancy, requiring frequent welding; this development is getting a new direct steam station that's elevated nearly 15 feet above sea level, and other improvements. It should be noted that many of Baruch's outages last year were planned for construction-related work, and that the rate of outages there has declined. As another example, in line with the action plan for Whitman Houses, we replaced the development's mobile boiler with a new boiler plant, instantaneous hot water heaters, and vacuum tanks.

In accordance with the HUD agreement, we are required to restore all outages within an average of 12 hours – faster than is required for private landlords – with 85 percent of outages having to be resolved within 24 hours. In the last heating season, we met this requirement by resolving 92 percent of total heat outages within 12 hours (535 outages). Fewer than one percent of outages last year (1 outage) lasted longer than 24 hours. No heating outages lasted more than

48 hours in the previous heating season, compared to one outage in the 2019-2020 season.

In addition, we are working more closely with our sister City agencies and utility partners to improve the response to gas and electrical outages. For gas outages, that means working with DOB and National Grid or ConEd to complete the inspections, permitting process, and service restoration as quickly as possible. And in the event of a gas outage, NYCHA will connect residents to the NYC Human Resources Administration, which can provide a restaurant allowance for meal purchases, and to non-profit organizations that deliver meals.

Heating Improvements

Our heating operation is vast: At our nearly 2,200 buildings across the city, we have nearly 1,400 boilers, about 1,800 pieces of distribution equipment, and around 1,700 water heaters. Our 624 full-time heating staff include heating plant technicians, maintenance workers, plumbers, oil burner specialists, electricians and electrician's helpers, and their supervisors; they maintain systems that span boiler plants, heat distribution pipes, and apartment radiators.

NYCHA's buildings and infrastructure are old, so it's an unfortunate reality that there will be breakdowns in our heating equipment and systems. But in focusing on preventative maintenance and repairs and implementing operational improvements, we've been able to reduce the number of outages: the number of total heat outages decreased from 1,224 in 2018-2019, to 819 in 2019-2020, to 584 in the last heating season – a 52 percent reduction.

We introduced planned outages scheduled for warmer days in the 2018-2019 heating season, so that we could do necessary repairs to improve the heating system's performance and prevent unplanned outages when the weather is colder. In the last heating season, there were 120 planned heat outages, and they were restored within an average of 7 hours.

Every year we strive to improve, and to minimize outages – planned or unplanned – and any impacts to our residents’ quality of life. By focusing intensely on our response, we have also been able to reduce the length of outages considerably. From the 2018-2019 heating season to last year’s heating season, we brought down the average time to restore total outages by nearly 20 percent, from 8.8 hours to 7.3 hours, below the 12-hour restoration target.

We want to keep bringing these numbers down even more. To improve heat service for residents, we have:

- Implemented a 24/7 staffing model for repair teams;
- Established a 24/7 Heat Desk that monitors potential service disruptions from various data and dispatches staff accordingly;
- Hired 70 heating plant technicians, 56 plumbers, and 12 electricians dedicated to resolving heating issues as part of our enhanced staffing model;
- Established a Situation Room to coordinate and focus our resources on expediting service restoration, when necessary;
- Set up a daily call to strategize on service issues;
- Created a schedule of annual preventive maintenance inspections of heating equipment so any necessary repairs can be made;
- Procured third-party management of the heating plants at over 40 developments and are utilizing contractors for specialized repairs across our portfolio;
- Deployed 67 mobile boilers across the city where needed; and
- Developed a process to open warming centers for residents when necessary.

In addition, we are investing \$28 million in City operating funding to replace approximately 400 heating equipment components, such as hot water boiler replacements, heat control panels, and tanks. We are also working to improve the

tracking of outages and assets, and examining (with the monitor's team) the root cause of outages to prevent future occurrences.

As part of our transformation efforts, we enhanced our communication with residents. That means we are:

- Ensuring that residents are notified of outages, or in advance of scheduled repairs, through building flyers and robocalls.
- Enabling residents to automatically let us know if they're still experiencing a service disruption when they receive robocalls alerting them of service restoration. This data helps us better address lingering issues.
- Posting information about outages on our website, as well as apartment temperatures for the developments where we're installing indoor temperature sensors. Our website provides more transparency than ever, enhancements guided by our discussions with advocates and residents. We're also posting information about outages on social media.

We improved the process for collecting resident data on outages in other ways, such as by updating the questions residents are asked when submitting heat complaints through the Customer Contact Center (CCC) or MyNYCHA app. This facilitates issue diagnosis and repair staff deployment.

In addition, we rolled out an upgraded MyNYCHA app that will allow residents to receive notifications about outages on their smartphone. We do request that residents report issues through either the CCC or MyNYCHA system, as this enables us to most effectively respond to issues. MyNYCHA is available in Spanish, and our CCC representatives can connect callers to an interpreter who speaks their language. Since it was launched in 2016, nearly 112,000 residents have used MyNYCHA to create over 2 million work orders.

Going Forward

To improve heat service for our residents for the long term, we must replace aging, faulty infrastructure while we make operational improvements. Over the next several years, we are replacing 359 boilers across 80 developments with approximately \$2 billion in City, State, and federal funding. Since 2019, we've installed 47 boilers as part of this pipeline.

Keep in mind that outages are not always due to boiler failures – they are often due to issues with other parts of NYCHA's aging infrastructure, such as distribution systems and heating components. An example of this is the recent issues at Woodside Houses, which needs its entire advance management system replaced (including the burner motor, combustion control, computer module, feedwater/sump pump, and gas valves). This is why we're taking a comprehensive approach to improving heat service, planning investments in heating systems as a whole: underground distribution systems, pipes in walls, heating components, and boilers. And we're not just replacing in kind, but are putting in place more effective systems. For example, to improve hot water service, we're incorporating modern designs in our new heating plants, decoupling hot water equipment from heating equipment so that issues with one don't affect the other. We are also, where possible, electrifying gas stoves, moving away from steam distribution, and improving the building envelope – all things that help reduce outages and keep residents safe and comfortable.

HUD's Energy Performance Contracting (EPC) program enabled us to replace boilers and modernize heating systems with assistance from energy service companies, without spending capital dollars upfront (the improvements are funded by the cost savings from reduced energy consumption). Last year, we finished investing over \$300 million at 70 developments through four EPCs, several years ahead of schedule and beyond our initial investment goal. By installing a building management system and apartment temperature sensors at 47 developments, we now can monitor building temperatures and heating and hot water systems in real time. This system improves the distribution of heat throughout buildings, reduces overheating and underheating, and makes the

heating system greener and more energy efficient. These new controls generally provide temperatures of 72-74 degrees – above NYC’s requirement of 68 degrees, though lower than some residents may be accustomed to.

NYCHA is also taking advantage of “direct install” programs with local utilities. Through these programs, local vendors are compensated by the utilities to repair and replace apartment radiator valves and traps at no cost to NYCHA. This work improves steam distribution and residents’ comfort.

Through the State’s Weatherization Assistance Program, we plan to bring \$30 million in energy and water efficiency upgrades, including new boilers, to up to 8,000 apartments in 65 developments. To date, nearly \$15 million of work is underway or complete at 32 developments.

In 2019, NYCHA released a design-build RFP with the goal of transitioning the heating and domestic hot water producing systems at eight developments to high-efficiency, clean electric heat pumps. These and other technologies lead toward the decarbonization of our buildings per Local Law 97 greenhouse gas reduction goals while also enhancing system performance and residents’ comfort. In 2020, we released an RFP seeking a team to retrofit a select building to achieve near net-zero energy performance by 2021. Together with our other energy-efficiency work, this trailblazing, first-of-its kind demonstration project will help the City meet its ambitious climate change goals, while improving residents’ quality of life. As part of this work, we recently released a five-year update to our Sustainability Agenda, which developed a roadmap for cutting-edge technologies (such as electric heat pumps and geothermal and hydronic conversions) as NYCHA advocates for new funding to recapitalize our assets.

Other ways we will improve service to residents include issuing more user-friendly handhelds for staff, developing a plan to assist vulnerable residents in the event of a heat outage, creating a work order quality assurance program, and evaluating each heating season as well as our resident communication systems.

We will also continue to install apartment temperature sensors at a total of 60 developments, technology that enables us to better deploy staff and analyze data.

Conclusion

Providing reliable and comfortable heat is one of our top priorities as we work to improve our delivery of services to residents. We're committed to continued progress in this area, by making substantial improvements to our operations as well as strategic investments, from new heating plants and systems to an improved staffing model. Our residents' quality of life drives everything we do, especially when it comes to delivering basic services such as heat and hot water. While we have reduced the time it takes to restore heat outages and the number of outages significantly, there's more work to be done.

Thank you for your partnership – with your support, and the support of other members of the community, we will keep making a difference for our residents. We look forward to our continued collaboration on NYCHA's transformation, and we are happy to answer any questions you may have.



PUBLIC ADVOCATE FOR THE CITY OF NEW YORK

Jumaane D. Williams

**TESTIMONY OF PUBLIC ADVOCATE JUMAANE D. WILLIAMS
TO THE NEW YORK CITY COUNCIL COMMITTEE ON PUBLIC HOUSING
HEARING ON UTILITIES IN PUBLIC HOUSING AND WINTER PREPAREDNESS
OCTOBER 12, 2021**

Good Morning, my name is Jumaane D. Williams, and I am the Public Advocate for the City of New York. I want to thank Chairperson Ampry-Samuel, and the Committee on Public Housing for holding this hearing.

Each year, new outlets report on severe issues with hot water or heat in public housing. Since I began my tenure as Public Advocate, my Constituent Services Team have not seen a year during the winter, where every New Yorker in public housing rightfully has consistent heat. Decreasing the amount of heat outages must continue to remain a priority. In 2019, 87% of residents went without heat or hot water at some point last winter, the New York Post first reported. Although, over the past three years, NYCHA has reportedly reduced heat outages from 1,127 in the 2018-2019 heating season to 582 in the most recent 2020-2021 season, including a drop in restoration time from 8.8 to 7.3 hours, lack of heat remains an issue today as we saw hundreds of outages in our most recent season. As NYCHA officials' recent press release on their response to the winter is discussed today, I look forward to hearing whether this forthcoming increase in heat maintenance staff and boiler distribution and response will sufficiently address future concerns.

We know all too well these heating issues have a direct relationship to health issues in public housing. Residents in neighborhoods with high rates of avoidable asthma hospitalizations and high concentrations of public housing—mainly in the South Bronx and central Brooklyn—are also more likely to report fair-to-poor housing conditions. This remains a great concern as the children most affected are disproportionately Black and Latinx.

Further, while resources still remain a concern, the health and wellness of public housing residents must remain the priority. Announced as part of a five-year plan to have no more than 15 percent of occupied apartments - a number that is still too high - with temperatures below the legal limits during heating season, by October 1, 2024, NYCHA must continue to inform the public how their current preparedness for winter fits in this five year plan, and what steps are needed to get to and beyond this goal.

Thank you Chair Alike Ampry-Samuels and the Committee on Public Housing for holding



PUBLIC ADVOCATE FOR THE CITY OF NEW YORK

Jumaane D. Williams

this timely hearing. My team at the Office of the Public Advocate will continue monitoring and addressing the needs of New Yorkers in Public Housing as the winter season progresses.

FOR IMMEDIATE RELEASE: October 1, 2021

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**NEW YORK CITY HOUSING AUTHORITY AND CITYWIDE COUNCIL OF PRESIDENTS
CALL UPON CONGRESS TO FULLY FUND NYCHA AND SIGN NEW MEMORANDUM OF
AGREEMENT**

Joint letter calls on the federal government to fully fund NYCHA and summarizes shared principles for prioritizing and completing quality comprehensive renovations of public housing.

The Memorandum of Agreement between NYCHA and CCOP's leadership builds on the requirements in federal regulation 24 CFR Part 964 and formalizes the relationship between NYCHA and CCOP's leadership to establish a framework for how NYCHA and CCOP will work together to improve the operations and management of NYCHA.

NEW YORK – Today, the New York City Housing Authority (NYCHA) and the Citywide Council of Presidents (CCOP) are calling on Congress to fully fund public housing infrastructure, modernization, and capital projects in the Reconciliation process. As a first order of business, NYCHA and CCOP partnered to establish a process for determining and prioritizing capital improvements and summarized these in a joint letter, which also calls on the federal government to fully fund NYCHA against the backdrop of a staggering \$40 billion capital need and conversations around the Blueprint. In addition, CCOP and NYCHA finalized a Memorandum of Agreement (MOA) officially recognizing CCOP's role in advising across all areas of NYCHA's policymaking and operations. The agreement — the first of its kind since 1993 — formalizes the relationship between resident leadership and the Authority and lays the foundation for ongoing collaboration between NYCHA and this key body of residents that represents all the residents of the public housing community.

In their joint letter, NYCHA and the CCOP are urging Congress to fulfill its promise to public housing in New York City by fully funding NYCHA's capital needs. The letter outlines the establishment of a transparent set of criteria for determining and prioritizing the order in which the application of funding to NYCHA infrastructure and property renovations can proceed. Using these criteria, NYCHA and CCOP developed a Site Restoration List to outline how NYCHA will sequence property renovations in the event NYCHA receives the full allocation or, if only a portion of the full \$40 billion allocation is received, how NYCHA will begin to invest in comprehensive renovations.

In addition, the MOA — signed by NYCHA Chair & CEO Greg Russ and CCOP Chair Daniel Barber — establishes a framework for how NYCHA and CCOP will work together to improve the operations and management of NYCHA, increase resident participation, and better address the issues that are most important to residents. It also outlines how NYCHA and CCOP will share information and sets standards for communication between NYCHA and resident leadership at every level of the Authority.

"Today, we celebrate this agreement, which formally affirms our commitment to working with residents on NYCHA's comprehensive transformation," said **NYCHA Chair & CEO Greg Russ**. "We thank the CCOP for its partnership, as we unite over the common goal of improving public housing for the New Yorkers who live there. We want our residents to know that their voices matter — and our relationship with resident leaders is absolutely critical to our success."

[Insert quote from CCOP Chair Daniel Barber]

[Insert quote from CCOP 1st Vice Chair Lillie Marshall]

[Insert quote from CCOP Treasurer Lilithe Lozano]

[Insert quote from CCOP Secretary Ann Cotton Morris]

[Insert quote from CCOP Sgt. At Arms Ethel Velez]

[Insert quote from CCOP Member Vernona Bradham]

[Insert quote from CCOP Member Reginald Bowman]

[Insert quote from CCOP Member Brenda Charles]

[Insert quotes from others (elected officials, etc.), if applicable]

The joint letter outlines the following:

- That, for the first time in more than 40 years, there is an opportunity to restore all NYCHA developments;
- NYCHA and CCOP are calling on Congress to fully fund infrastructure modernization and repairs in New York City's public housing;
- The development process of criteria for creating an initial Site Restoration List;
- The establishment of a process for proposing updates to the Site Restoration List; and
- The establishment of an initial sample timeline and initial principles for Comprehensive Modernization Projects.

The MOA serves as formal recognition of the following:

- Compliance with all applicable laws, rules and HUD guidance;
- Regular and mutually-agreed upon meeting schedules;
- A process for review and obtaining input from CCOP and the Local Resident Councils (LRCs);
- Incorporation of established operating principles across Resident Councils;
- A process for sharing and tracking resident satisfaction, self-certification and training opportunities; and
- A process for resident management corporations.

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About the New York City Housing Authority (NYCHA)

The New York City Housing Authority (NYCHA) provides affordable housing to 380,299 authorized residents in over 177,611 apartments within 335 housing developments. NYCHA serves 359,593 authorized residents in over 168,100 apartments within 285 housing developments through the conventional public housing program (Section 9) and 20,706 authorized residents in 9,511 units within 50 developments that have been converted to PACT/RAD. Through federal rent subsidies (Section 8 Leased Housing Program), NYCHA also assists approximately 77,663 families in locating and renting units. In addition, NYCHA facilitates access to social services through a variety of programs.

For more information, visit www.nyc.gov/nycha, and for regular updates on NYCHA news and services, connect with us via www.facebook.com/NYCHA and www.twitter.com/NYCHA

About the Citywide Council of Presidents (CCOP)

The Citywide Council of Presidents (CCOP) is the resident association government of the duly-elected associations of the public housing developments of the New York City Housing Authority (NYCHA). CCOP represents the 359,593 authorized residents in over 168,100 apartments within 285 housing developments in New York City. The CCOP serves as the official recognized voice of residents to NYCHA, government, and the city and community at-large.

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