

**Testimony from NYCHA's Executive Vice President for Real Estate Development
Jonathan Gouveia
RAD/PACT Conversions: Smoothing Transitions and Providing Clarity
Committee on Public Housing
Friday, April 19, 2024 – 10 a.m.
New York City Hall, Council Chambers**

Chair Chris Banks, members of the Committee on Public Housing, other distinguished members of the City Council, NYCHA residents, community advocates, and members of the public: good morning. I am Jonathan Gouveia, NYCHA's Executive Vice President for Real Estate Development. I am pleased to be joined by Lakesha Miller, Executive Vice President for Leased Housing; Brian Honan, Executive Vice President of Intergovernmental Affairs; and other members of NYCHA's team.

Thank you for this opportunity to discuss PACT, an incredibly impactful initiative that is investing billions of dollars to completely renovate or rebuild the homes of thousands of NYCHA residents, dramatically improving their quality of life. PACT also provides residents with professional property management and valuable social services, all while maintaining their rights and protections and keeping their rent permanently affordable. I would like to thank the residents who spoke about the significant benefits and results of the program; collaboration with residents is a fundamental feature of the PACT initiative as it transforms their developments into a safer, healthier, and more beautiful place to live – now and for the generations to come.

The Need for Innovative Housing Preservation Programs Like the Permanent Affordability Commitment Together (PACT) Program

As you know, the capital needs across NYCHA's portfolio have risen to an astonishing nearly \$80 billion – an unacceptable reality that residents know all too well, as manifested every day by elevator and heating outages, leaking roofs and facades, bursting pipes, and mold and lead unabated. At the same time, for decades the federal government has failed to provide public housing authorities across the nation with sufficient funding to keep their properties in a state of good repair.

To address this critical and existential issue head-on, NYCHA is using the PACT program to bring billions of dollars in desperately needed investment to our developments. PACT

is NYCHA's implementation of HUD's Rental Assistance Demonstration (RAD), and it is enabling us to radically transform many of our properties through top-to-bottom apartment, building, and grounds renovations.

The Immediate and Lasting Impact of PACT

To date, over 20,000 apartments have been converted to Project-Based Section 8 through the PACT program, and a record \$1.8 billion in financing for capital repairs was closed in 2023 across four PACT deals. One hundred and thirty-eight developments comprising over 37,000 apartments are in either the engagement or pre-development process, under construction, or have received comprehensive repairs through PACT. Essentially, the PACT program facilitates billions in repairs and investment for our NYCHA community. Right now, 57 developments are under active construction, representing over \$3.9 billion in construction work happening across the city – work that we would not be able to accomplish without PACT considering the lack of federal capital funding available.

To bring comprehensive repairs and renovations to residents' homes, and address a development's entire range of capital needs, PACT leverages the more dependable and valuable Section 8 funding stream. As shown in the slideshow, key improvements include brand-new kitchens, bathrooms, windows, and apartment floors; updated common areas like laundry rooms, mail rooms, and building entrances; critically important upgrades to building systems, such as elevators, boilers, roofs, windows, and facades; and improved grounds, including landscaping, lighting, security, and playgrounds. Environmental hazards such as lead, asbestos, and mold are abated, and our PACT partners offer professional property management and enhanced on-site social services and community programming.

After conversion, all PACT developments remain under public control: NYCHA remains the permanent owner of the land and buildings, administers the Section 8 subsidy, and continues to monitor conditions at a development following its conversion to Section 8. NYCHA's Leased Housing Department is the largest Section 8 administrator in the country. As the subsidy administrator for the program, NYCHA continues to set each household's rent based on their annual income and oversees the creation of the Section 8 waitlist.

NYCHA also has a specific team – called Resident Outreach for Conversion and Modernization Services (or ROCMS) – who continue to conduct outreach to residents and support resident leaders at PACT sites after conversion. This is just one of the many teams supporting residents, and the PACT process itself, to make the engagement and transition as seamless as possible.

Partnering with Residents

Fundamental to our PACT program is centering resident priorities and expertise. Residents are not only involved at every step of the PACT planning process but also help lead the selection of partner teams, prioritize investments, and work in partnership with our PACT partners after conversion. During the planning process, we partner with resident leaders to share information and to keep residents informed and answer any questions. In partnership with these leaders, we host regular meetings and conduct tabling, office hours, open houses, info sessions, and workshops. A PACT Resource Team is also supporting our resident leaders by connecting them with trusted, third-party advisors and consultants. Free legal assistance is available to residents via a PACT hotline operated by the Legal Aid Society.

Resident committees have now selected 19 partner teams. This includes developers, general contractors, property managers, and social services providers who will elevate their quality of life and address priorities for their community. In 2023 alone, resident leaders across 30 developments, representing over 14,000 residents, have selected PACT partner teams to provide their communities with tailored investments through the program. Together, our partners and residents are creating detailed community plans to capture their planning and decision-making during the pre-development process.

An example of how fundamental resident participation is to the PACT process: After about five years of extensive resident engagement and planning, residents of Fulton and Elliott-Chelsea Houses expressed their preference to entirely rebuild their campuses as part of PACT.

Resident Satisfaction with PACT

In 2022, NYCHA partnered with BFJ Planning, an independent planning and consulting firm, to conduct a comprehensive survey at our converted PACT sites. We are distributing surveys to all converted developments on a rolling basis, and have collected results from Ocean Bay,

Baychester, Murphy, and Betances. The majority of residents who responded to the survey have expressed strong satisfaction with the PACT program.

As you can see on this slide, 70 percent of respondents recommend the PACT program for other NYCHA developments and nearly the same amount say they feel more stable in their living situation.

This is because residents are very satisfied with the new management teams and the renovations. As you can see on this slide, 77 percent of residents who responded are very satisfied with the renovations to the buildings and even more are satisfied with the renovations to the grounds. Two out of three respondents say that their new management is better than NYCHA, and 78 percent of residents say that the buildings and grounds are cleaner.

We will continue to survey residents and collect their direct feedback on the program. Survey responses have helped us understand what is working; they also help us determine how we can improve the program so NYCHA and our partners can better serve residents.

PACT Fosters Transparency and Accountability

Transparency and accountability are also fundamental features of PACT. In line with those values, we recently launched the new PACT Dashboard, which provides an unprecedented level of insight into the PACT program. Available to anyone online, it tracks and displays performance metrics on maintenance and repairs, tenancy, and construction (including resident hiring) – across the PACT program and at individual PACT sites. For instance, the Dashboard shows that all PACT partners are addressing work orders within 30 days. It also shows that PACT partners are making significant progress with rehabilitation work, with five projects reaching over 50 percent completion in 2023.

We believe that the PACT Dashboard supports the intent of Introduction 110-2024, in reference to reports on the PACT program.

Providing Clarity About the PACT Program

We also wanted to take some time this morning to provide clarity about the PACT program.

First, we'd like to discuss the differences and similarities of the Section 9 and Section 8 programs. Both programs are funded by the federal government and are HUD programs. Section 9 is funded annually by Congress, with funding fluctuating year to year. Funding by the federal government is insufficient to cover the costs of long-term maintenance and capital needs of public housing. As shared earlier, this is evident by the fact that NYCHA's recent Physical Needs Assessment reflects nearly \$80 billion in major repair needs across the city.

The Section 8 program, however, comes with a 20-year contract guaranteeing a set amount of funding each year, and by law that contract must be renewed in perpetuity. Section 8 also provides a larger subsidy amount per household than the traditional Section 9 program. Given this guaranteed funding stream, our partners are able to raise debt to fund all capital repairs and save for capital repairs that will be needed in the future.

In both programs, NYCHA owns the land and the buildings. Through the PACT program, NYCHA enters into a ground lease with each partner team, maintaining our ownership of the building.

In both programs, rent continues to be 30 percent of a household's adjusted gross income.

I'd also like to confirm that all resident protections under Section 9 program will continue to apply after a household converts to Project-Based Section 8 through the PACT program. These protections are codified in NYCHA's agreements with all PACT partners and between the PACT partner and each tenant.

It is rumored that the PACT program will displace residents from their homes. This is not true. Under the federal RAD program, all current public housing residents have the right to return to an apartment in their development if they need to move temporarily for construction, hazard mitigation, or any redevelopment activities. The federal RAD program was designed to keep residents in their homes. We bolster this federal requirement by requiring all partners to sign temporary move agreements with each household.

And lastly, I'd like to clarify any misconceptions around evictions at PACT sites. The PACT program, in accordance with federal rules and regulations, provides strong anti-displacement

protections for residents. At the time of conversion to Project-Based Section 8, all authorized residents will be offered a new lease – regardless of whether they owe back rent. In addition to providing all current NYCHA tenants a lease, NYCHA requires our PACT partners to work with on-site social service coordinators to conduct proactive outreach to help connect families with resources, such as accessing public benefits or setting up payment installment plans. PACT partners must make every effort to avoid bringing a lease issue to Housing Court, and NYCHA closely monitors these outreach efforts.

Lease agreements automatically renew every year and cannot be terminated except for good cause, which includes criminal activity and nonpayment. Residents can continue to add people to their household, and permanent members will continue to have succession rights.

In sum, residents at PACT sites benefit from the multiple layers of oversight, the comprehensive repairs and renovations, and the numerous opportunities provided to their community through enhanced social services and connections to jobs.

Preserving Affordable Housing in NYC

We all know how critical NYCHA is to New York City in providing safe, decent, and permanently affordable homes for families across the city. With nearly \$80 billion in capital needs across the portfolio, we also know how critical programs like PACT are in ensuring that NYCHA can continue to carry out its vital mission. Our goal is not only to breathe new life into our developments – we are also striving to transform NYCHA as an organization, so it is better adapted to the funding realities of the day and can serve residents in a strong and sustainable way.

Together – residents, community advocates, elected officials, and NYCHA staff – we can ensure the Authority remains a vital bastion of affordable housing, for today and for the decades to come.

Thank you. We are happy to answer any questions you may have.

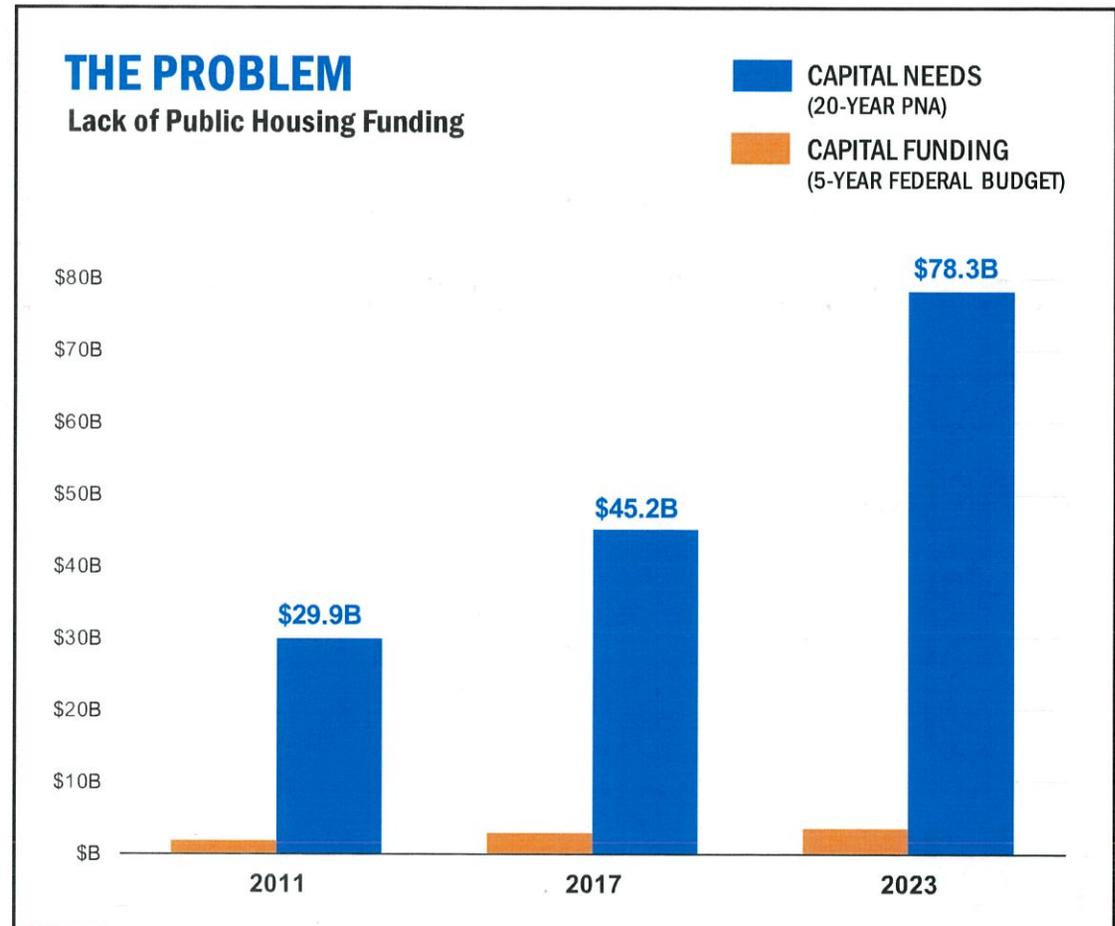
Permanent Affordability Commitment Together (PACT)

NYCHA City Council Hearing - April 19, 2024



What is PACT?

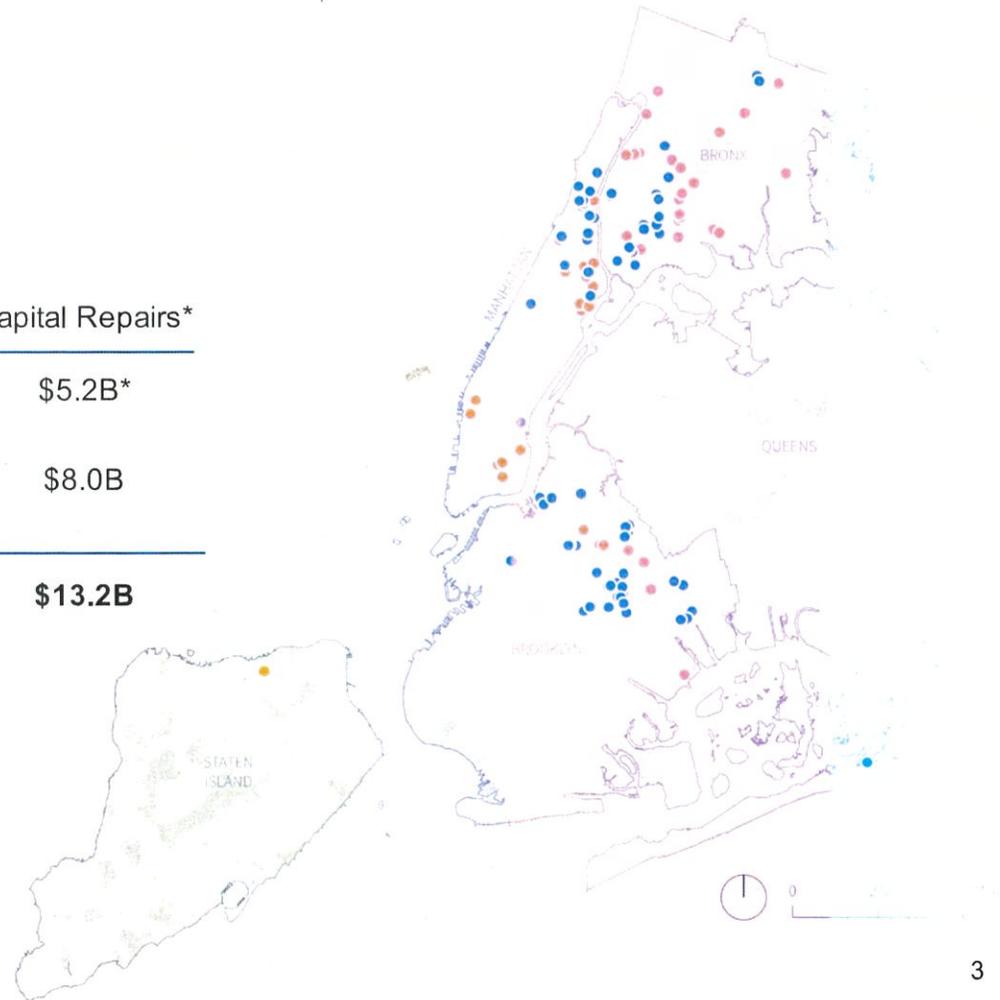
- NYCHA needs \$78.3 billion to fully renovate and modernize its housing, but the federal government has provided only a fraction of the funding needed.
- Through PACT, developments are included in the Rental Assistance Demonstration (RAD) and convert to a more stable, federally funded program called Project-Based Section 8.
- PACT unlocks funding to complete comprehensive repairs, while keeping homes permanently affordable and ensuring residents have the same basic rights as they possess in the public housing program.



PACT Projects

Over \$5.2 billion in capital repairs already completed or underway.

	# Developments	# Units	Capital Repairs*
● Construction In Progress or Complete	84	20,697	\$5.2B*
● Planning and Resident Engagement	54	17,010	\$8.0B
Total	138	37,707	\$13.2B



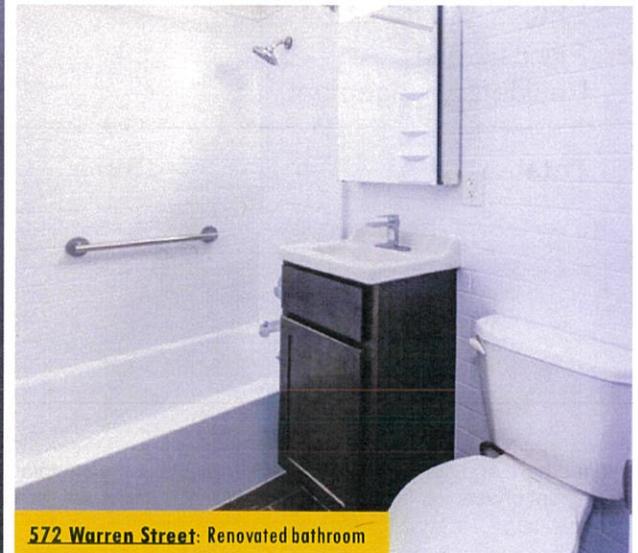
* Capital Repairs for PACT projects that are complete or under construction reflect the combined hard and soft costs. For PACT projects in the planning and resident engagement phase, we use the 20-Year PNA (2023) as an estimate.

PACT Investments: Apartments

Independence:
Fully upgraded kitchen



Williamsburg: Renovated living room

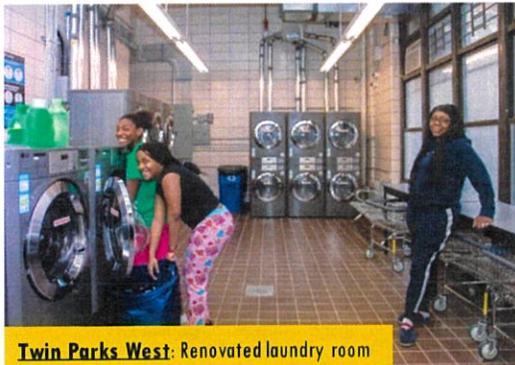


572 Warren Street: Renovated bathroom

PACT Investments: **Common Areas and Grounds**



Weeksville: Upgraded vestibule



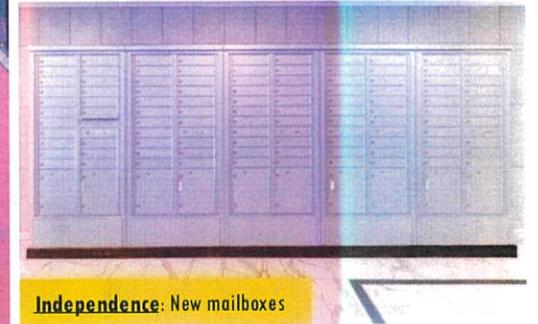
Twin Parks West: Renovated laundry room



Williamsburg: New basketball court



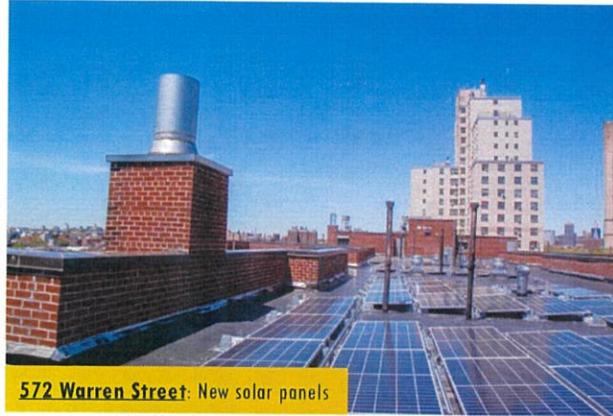
Williamsburg: Community gardens



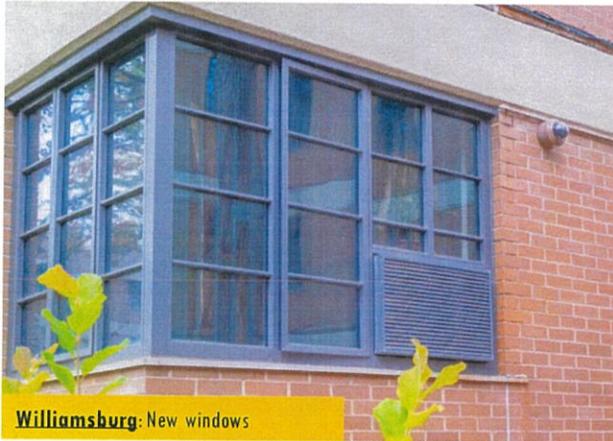
Independence: New mailboxes

PACT Investments: Building Systems and Infrastructure

Independence:
Upgraded heating system



572 Warren Street: New solar panels



Williamsburg: New windows

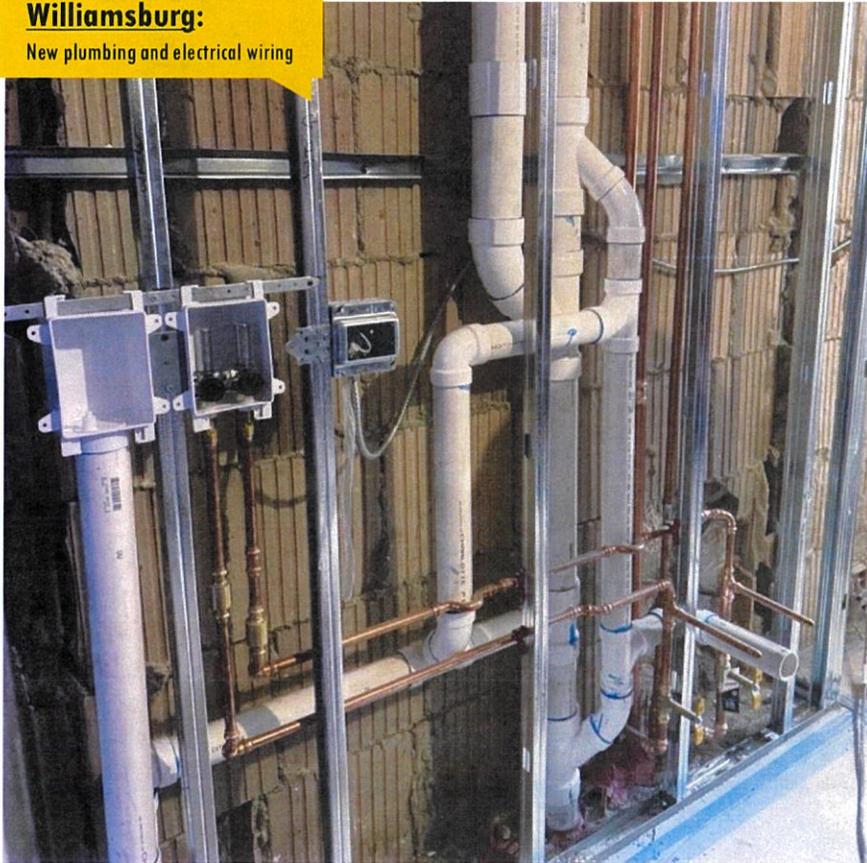


Independence: Upgraded elevators

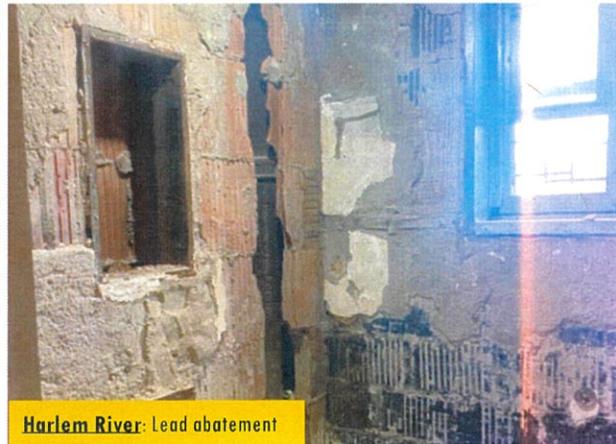
PACT Investment: **Health and Safety**

Williamsburg:

New plumbing and electrical wiring



Williamsburg: Lead abatement



Harlem River: Lead abatement

Partnering & Planning with Residents



Measuring Resident Satisfaction

NYCHA has partnered an independent planning and consulting firm to conduct a comprehensive survey at our converted PACT sites. Starting in late 2022, surveys were distributed to four developments and will continue to be distributed to all residents in the coming years.

- **77%** of residents who responded to the survey are **very satisfied with renovations to the buildings.**
- **87%** of respondents are likely or very likely to recommend the PACT program for other NYCHA developments.
- These respondents also indicated that they would be **likely or very likely to recommend their development to their family or friends as a place to live.**
- **2 out of 3** respondents say that their **new management is better than before.**
- **78%** of respondents say that the **buildings and grounds are cleaner than before.**
- **Nearly 70%** of residents say they feel **more stable in their living situation** under the PACT program.

**Learn more
about the
PACT program.**

Email address:
PACT@nycha.nyc.gov

Web page:
on.nyc.gov/nycha-pact





**Testimony to the New York City Council City Council
Committee on Public Housing: Oversight – RAD/PACT Conversions: Smoothing
Transitions and Providing Clarity and Int. No. 110**

Friday, April 18th, 2024

Good afternoon. Thank you Chair Banks and the Committee for the opportunity to testify today. My name is Iziah Thompson and I am a Senior Policy Analyst at the Community Service Society of New York. CSS is a 175-year-old non-profit dedicated to promoting economic opportunity and championing an equitable city and state.

Last year, Community Service Society carried out our annual survey, [The Unheard Third](#), to capture the experience and needs of low-income New Yorkers. While we plan to present our full results in a forthcoming report, the preliminary findings are startling. The conditions of many units that house low-income tenants inside and outside of public housing are horrific for the greatest city in the world. But of note for this hearing, for the first time, we asked residents whether they lived in traditional public housing or RAD/PACT converted developments. We found that while there is evidence of improved conditions in PACT-converted sites, some residents are not satisfied with the state of their development or their management. Worse yet, as is true for many in private market units and in public housing, withstanding reaching out to elected officials, it can be difficult to raise the alarm when mistreatment and poor conditions arise. With some of the findings regarding who the City and NYCHA is contracting with for these deals, our survey's results are not surprising.

Firstly, we found that 41% of RAD/PACT respondents reported that their landlord did an excellent job in terms of respecting tenants compared to 25% of traditional public housing residents. There was not a significant difference between the number of NYCHA and RAD/PACT respondents that thought their landlords were doing a poor job at respecting them, so ultimately there is evidence that RAD/PACT residents may be more likely to feel strongly about their relationship with their landlord. On a related note, NYCHA residents were 33% more likely to say that their landlord had problems meeting their repair needs, which is to be expected given the influx of capital funding in RAD/PACT.

However, when we asked residents about the conditions of their apartments, we found that PACT residents were more likely to report them as “serious”. For leaks and mold, clean drinking water, as well as heat and hot water, RAD/PACT respondents were 11 percentage points more likely to call the conditions serious, on average. Community Service Society designed the 2023 Unheard Third Survey in collaboration with Lake Research Partners, who administered it using Random Digit Dialing and professional interviewers in English, Spanish, and Chinese. So, our data is pulled from a population weighted random sample. It was puzzling as to why PACT

residents would report such poor conditions. To gain clarity on what the data showed, we matched the respondents to their zip codes. By doing this, we were able to see in which sites respondents reported “serious” or “very serious” conditions. We could confirm that the RAD/PACT respondents were in RAD/PACT developments. By locating the areas where respondents lived, we found which PACT sites were in the corresponding region and used NCHYHA documents to single out which management partners were likely to be onsite at the developments. Unfortunately, there is no publicly available survey of resident satisfaction, nor is there any unbiased qualitative understanding of conditions. We did however begin to find that residents felt that there was a lack of an outlet for issues they faced. Many looked to internet review sites and Google Maps reviews as a means of voicing their concerns and getting the attention of their landlord(s). Using these reviews, we were able to highlight developments where respondents reported issues:

Serious Leaks/Mold

- Park Rock Consolidated

Serious mold/leaks were reported at Park Rock Consolidated. Conversion occurred November 2023, with construction and property management contracted to Fairstead. Online [reviews](#) describe dissatisfaction with property management that match our survey results. One reviewer wrote that she is in a PACT development that flooded and that their rooms were destroyed. They also added that the new management didn’t come to help for two days. The resident was unhappy with the staff hired to remedy the condition, due to a language barrier, the workers not having the necessary supplies, a lack of management supervision, and poor quality of work. She wrote that the apartment was “completely destroyed” including her room, beds, and children’s television. Weeks after the initial flood she was still without hot water, heat, and living in conditions that can be viewed in images in appendix figure 1. She was unsure who to reach out to fix these issues, after reporting the problem via 311 and receiving no response.¹ She concluded her review with this statement: “I rather deal with NYCHA because I know what’s expected but this management company isn’t doing right by its tenant.”

Further research shows other troubling reviews of the management company. Another RAD/PACT tenant was also displeased with Fairstead’s management practices. She initially wrote that they “shrugged their shoulders” at emergency conditions. For months she had been trying to alert the company of serious issues without success. It does appear that following the resident’s review on Google that the conditions improved. She was much happier with their work and acknowledged “the fact that they are a brand-new company, facilitating thousands of residents at a time”. The resident included a suggestion: “have multiple companies/ organizations etc. on standby for fast responses the homes that are critical, house elderly, young children and disabled!” It is good that the management company was able to respond to the resident’s needs, though it is unfortunate that it required her—like the others—to resort to a public review on

¹ Google Maps Review - Fairstead: <https://maps.app.goo.gl/P9HXns8qLtrdr3NM9>

Google Maps to see changes.² There are several other worrisome reviews by tenants and a significant amount from former employees that warn of concern for the safety of their workers.³

Tenant complaints against Fairstead's poor management practices are not limited to RAD buildings. Even tenants paying a premium to live in "luxury" rentals managed by the company have faced poor living conditions. For example, a tenant in another building wrote: "Since Fairstead took over management of their building, there has been a serious mice infestation." He complained that they have yet to send exterminators or workers to fix other issues including "dangerous dips in [his] floors and cheap doors with holes in them".⁴ Another review by a tenant living in a "luxury" building in Astoria gave a similar review, which is so worrisome that it is worth reading in its entirety:

"Slum lord tactics at luxury building prices. Ever since Fairstead and CEO Jeff Goldberg began managing the building I live in, at 11-15 Broadway in Astoria, the building has fallen apart. The rugs in every hallway are torn and soiled. The wallpaper is falling down everywhere. Common area furniture is falling apart and never replaced. There is ongoing flooding both in the garage and bicycle room. The HVAC systems responsible for the bathroom and kitchen air circulation haven't worked properly in years. Furthermore, Fairstead fired the entire doorman staff of the building with only two days notification to it's tenants. We have been without doorman staff since February. This has lead to issues with mail carriers gaining access to the building. The build's intercom systems has been non-functional for weeks at a time. I could keep going. I highly recommend you avoid any property managed by Fairstead and Jeff Goldberg."⁵

- Brooklyn Bundle

Respondents that live in the Central Brooklyn area of the "Brooklyn Bundle", primarily Bushwick, Bedstuy, and Williamsburg, told our interviewers that they faced serious mold/leak issues in their homes. The developments in the bundle are now managed by Progressive Management of NY. The company has received a couple of troubling reviews and complaints via the better business bureau.⁶ Other residents went to Google Maps to complain about their experience with the management. One resident moved into a new apartment only to find a dangerous stove, which promoted National Grid to issue a Warning of Hazardous Condition, but no new stove was ever provided by management. The review also claims that the generally

² Google Maps Review - Fairstead:

https://www.google.com/maps/contrib/104831916537178864198/place/ChIJIQ6pefdYwokRuLmecAWPV_s/@40.7649849,-84.5303602,5z/data=!4m6!1m5!8m4!1e1!2s104831916537178864198!3m1!1e1?hl=en&entry=ttu

³ Glassdoor, Fairstead: <https://www.glassdoor.com/Reviews/Fairstead-Reviews-E2197470.htm>

⁴ Google Maps Review - Fairstead:

https://www.google.com/maps/contrib/102716904153372213044/place/ChIJIQ6pefdYwokRuLmecAWPV_s/@40.7649849,-74.0040846,14z/data=!4m6!1m5!8m4!1e1!2s102716904153372213044!3m1!1e1?entry=ttu

⁵ Google Maps Review - Fairstead:

https://www.google.com/maps/contrib/110830548992854184490/place/ChIJIQ6pefdYwokRuLmecAWPV_s/@40.6950055,-74.4690122,9.59z/data=!4m6!1m5!8m4!1e1!2s110830548992854184490!3m1!1e1?entry=ttu

⁶ Better Business Bureau, Progressive Management of NY: <https://www.bbb.org/us/ny/roslyn/profile/rent-to-own-real-estate/progressive-management-of-ny-0121-182773>

unresponsive management overcharged her rent and agreed to a new rent amount, but she continues to be overcharged.⁷ There are almost a dozen other reviews that fit the trend of poor management, specifically, one points to ongoing heat issues that the resident raised to management on multiple occasions. The poor response from Progressive Management included being “told to buy a heater” ignored emails, unprepared maintenance subcontractors, and makeshift solutions.⁸

- Highbridge Franklin

Five Bronx developments were converted through RAD/PACT in 2018 under the new consolidation name, Highbridge Franklin. The buildings are still under construction, according to NYCHA data. But the property manager is now Kraus Management. Kraus has a long history of working with NYCHA, as it has been a private manager of NYCHA units since before the RAD/PACT program began. Its long management history in NYC brings years of reviews, good and bad. But many reviews specifically speak to poor customer service and serious mold and leak issues. One specifically speaks of working with Kraus in some capacity and being pressured to lie about apartment conditions. He also mentioned ambivalence and denial about the severity of the mold problem and included harrowing images of what appear to be black mold growing in multiple locations within a unit. The images are provided in Figure 2 of the appendix. While Kraus has a long history of controversy, one does not need to go back very far to find evidence of mismanagement. In January of this year, the New York Times published an article on the conditions of a Kraus Management-owned Section 8 building.⁹ While the article acknowledges management’s attempts to quell a pest problem that is ubiquitous “in every borough”, the presence of mold in an apartment with a resident with asthma and multiple sclerosis is mentioned passingly. The resident, Mrs. Silva’s experience with Kraus was alarming. Firstly one tenant said that “service and communication from Kraus Management is hard to come by.” As the tenant put it:

“[Kraus] won’t give us a phone number for the super, and if we call the management company, they never answer,” she said. “I get a machine and I leave a message, but they never get back to me.”¹⁰

The conditions got so bad and remained unattended to for so long that the NYC Department of Housing, Preservation, and Development (HPD)—which is the agency administering the Section 8 voucher that subsidizes the unit—had to suspend the subsidy. Despite the fact that a Section 8 tenant is not liable for portion of the rental payment that was coming from the subsidy, the New York Times found that “Kraus invoices received by Ms. Silva show that the suspended Section 8 subsidies are included in the ‘total past due’ provided on her statement.” The lawyer representing the tenant, Erin Henegan, is worried that the conditions and this placement of the suspended

⁷ Google Maps Review – Progressive Management of NY:

<https://www.google.com/maps/contrib/114986375637094774141/place/ChIJxxnCwXxdwokRwo7IZFThyEE/@38.000769,-91.545331,5z/data=!4m6!1m5!8m4!1e1!2s114986375637094774141!3m1!1e1?hl=en&entry=ttu>

⁸ Google Maps Review – Progressive Management of NY:

<https://www.google.com/maps/contrib/102708548338546868264/place/ChIJxxnCwXxdwokRwo7IZFThyEE/@40.648213,-73.810716,11z/data=!4m6!1m5!8m4!1e1!2s102708548338546868264!3m1!1e1?hl=en&entry=ttu>

⁹ Gibson, D. W., For a Brooklyn Family, the Infestation of Rodents Seems Endless, New York Times, Jan 2024, <https://www.nytimes.com/2024/01/08/realestate/renters-williamsburg-brooklyn-infestation.html>

¹⁰ Gibson, D. W., For a Brooklyn Family, the Infestation of Rodents Seems Endless, New York Times, Jan 2024, <https://www.nytimes.com/2024/01/08/realestate/renters-williamsburg-brooklyn-infestation.html>

subsidy in the statement are attempts to “apply pressure to the tenant, to try to get them to apply pressure to the Section 8 program to start paying again.” Ms. Silva has engaged in a legal withholding of rent until the conditions are mitigated, putting the withheld rent in escrow as her claim moves through court, but Kraus has sent multiple “letters threatening court action for nonpayment”—so many letters that she said, ‘I could make an album.’

Serious Heat and Hot Water Issues

- Northwest Bronx Scattered Sites (Progressive Management of NY LLC)
- Twin Parks West (Kraus Management)
- Reid Apartments + Park Rock Consolidated (Fairstead)

Serious Water Quality Issues

- Reid Apartments + Park Rock Consolidated (Fairstead)
- Ocean Bay

Ocean Bay in Queens was the first development to be converted through RAD/PACT in 2016. Wavecrest Management is the new management, and the company has since been contracted with for numerous RAD/PACT sites. Past critique of Wavecrest’s management were raised after the initial conversion. WNYC scrutinized the reputation the company had gained with activists, tenants, and condo-owners in the Bronx. Wavecrest’s record included hundreds of violations and repeated complaints of poor response times.¹¹ Notably, one resident had to take legal action after his terrace door would not close for years. Another example included Wavecrest’s firing by a condo board because the company failed to notify unit owners directly about owned water bills that put the property at risk.

Evictions

Forty-three percent of RAD/PACT residents told our interviewers that their landlord tried to evict them, compared to just 8 percent of NYCHA residents. Eviction data is generally not reliable when it comes to public housing, because public housing evictions rely on an opaque hearing process which is excluded from public data reporting. While our survey measures tenant-reported eviction attempts, which include verbal threats rather than court filings and do not necessarily end in evictions, the large share of respondents reporting eviction attempts continue to be a significant concern.

From our work with neighborhood housing organizers and lawyers, we know that many of the RAD/PACT partners have histories of quickly moving toward eviction and behaviors typical of landlord harassment. A landlord’s inclination to pressure and/or evict residents varies from firm to firm. When we bring in these new managers, it is important that we are not unleashing a partner with a penchant for threats of eviction and other unsavory tactics.

Partner Selection

We have visited numerous RAD/PACT sites and seen building conditions improve. Some of the work of technicians and engineers to rehab buildings while often keeping residents in their units have been creative and extraordinary feats of ingenuity. However, modernization and

¹¹ Kamat, Anjali , NYCHA Hires Private 'Slumlord' to Run Public Housing , WNYC, February 2019, <https://www.wnyc.org/story/nycha-hires-private-slumlord-public-housing/>

rehabilitation are not the same as maintenance and management. The latter is a long-term devotion to a community that requires consistency and attention, if it is to be successful.

NYCHA has stated that “companies were selected by competitive bid based on their experience and capacity to handle projects of this size.” Officials point out that there are very few companies that have experience rehabilitating and managing such large developments with the needs that NYCHA buildings have. In the aforementioned WNYC article¹², a NYCHA spokesperson stated that ‘All property management companies at some point incur violations, receive tenant complaints, and are involved in lawsuits,’ and that NYCHA has the power to remove a managing agent for poor performance. The most recent firing of Pinnacle City Living proves this true. However, this company that was fired at Hope Gardens is still slated to manage units at Rangel and West Brighton. NYCHA’s stance seems to be that we must accept that managers of violation-laden buildings with trails of displeased tenants are the only option for RAD/PACT sites and that the existing scrutiny is adequate. To this we ask, how many violations are too many? How many scorned tenants should bar a landlord from being a RAD/PACT partner?

Recommendations

We find that the experiences of residents within and outside of NYCHA developments should be seriously considered when hiring RAD/PACT managers. But as seen in this testimony, there is no real way for tenants to share their experience. Residents in voucher units, market rate housing, across NYCHA and in RAD/PACT are using landlords’ Google Maps Reviews to cry for help. The reality is—poor repairs and little control of their homes are ubiquitous conditions of low-income housing across the city private or not. We offer these recommendations to create a more transparent and accountable environment for NYCHA and RAD/PACT residents:

1. Pass Int. No. #110 with the following additions:

- a. Residents and the public need to know what new limited liability corporations are being formed by NYCHA.
- b. The number of evictions in public housing and in PACT developments
- c. The number of impartial hearings; and
 - i. Whether a hearing was brought on the grounds of Non-Desirability, Breach of Rules and Regulations, Chronic Breach of Rules and Regulations, Chronic Delinquency in the Payment of Rent, Non-Verifiable Income, Assignment or Transfer of Possession, or Misrepresentation
 - ii. What disposition the hearing officer made including but not limited to: Termination of tenancy, Probation, Eligible subject to permanent exclusion of one or more persons in the household, Eligible, Eligible with referral to Social Services, and the Capital Needs Assessment (CNA) that the conversion plan is based on.
- d. A breakdown of units converted through Section 18 vs RAD/PACT; and
 - i. Criteria used to justify the Section 18 application
 - ii. Details of cost test (if applicable)
- e. Financial details, including:
 - i. The amount of third-party equity that is expected to be provided by the project team and the source.

¹² *ibid*

- ii. Estimated project members' Returns on Equity (ROE) (annually, and 5-10 years after the construction is finished?)
 - iii. Estimation of the Net Present Value (NPV) of the development team's cash flows 5-, 10-, and 20-years post completion?
 - iv. State, local, or federal subsidies and/or tax incentives used in the project.
 - v. Funds raised via NYC HDC bonds, including the Housing Impact Bond Program.
 - vi. Cash flow for NYCHA post conversion, by way of the development fee, annual admin fee percentage of cash flow after debt service etc. and expected use of those funds.
 - vii. Loan type, principle, interest rates.
- f. A breakdown of how scope of work by upfront rehabilitation, initial deposit into replacement reserves, ongoing deposits to replacement reserves.
2. **Return RAD/PACT sites to the NYCHA Development Map geographic data and Development Databook, simply including a column that denotes its RAD/PACT conversion status**
 3. **Incentivize and use non-profit partners for RAD/PACT**
 4. **Provide a more robust and standard resident conditions and rating of performance and publish that data:** NYCHA's mention of a survey including 21% of four RAD/PACT developments administered by a RAD/PACT contractor is not adequate. The City and NYCHA must provide a more transparent and reliable process for understanding resident experience. Residents having to resort to Google Map Reviews, TikTok and Instagram to voice their concerns and horrendous conditions is unacceptable.
 5. **Give PACT sites the same engagement and voting process used for the Preservation Trust:** We have seen a historic effort in resident democracy and engagement occur at sites slated for the Preservation Trust. I have been on the ground to see an astoundingly transparent and fair effort to inform residents and empower them with the choice for future modernization whether they want RAD/PACT, the Trust, or to remain in Section 9. This is not the reality under the RAD/PACT slated sites. Because it was so egregious, I will raise the example of Fulton, Elliot, Chelsea. Residents were given a week to complete a survey that included misleading information including the overstatement of the role of a nonprofit organization, and the inclusion of two demolition options without actually mentioning demolition. This followed the disbursement of an informational packet which failed to mention the more than 2,000 new market rate units that would be added to the site and failed to mention that there would be a need for relocation. This process was described by NYCHA as a vote in public and in media numerous times, yet any request for data on the survey has been ignored by NYCHA. The RAD/PACT resident engagement process is one in which NYCHA takes advantage of an informational asymmetry to garner support for the program from a select group of resident leaders. They have hired some firms to provide engagement oversight and support for residents, however these have included companies with an interest to further the RAD/PACT program and others that were not equipped to be supporting residents. In one such case, I spoke to a person providing technical support that was not aware that Trust votes were happening, nor did they understand basic Section 9 tenancy rules. Every tenant going through this process that has long-term implications deserves the time and attention that we are seeing with the Trust. We do not understand why rigorous education

and a vote are provided for some and not for others. If residents truly prefer RAD/PACT when full and accurate information is provided why not let them choose?

Thank you again for the opportunity and please reach out to me if you have any further questions.

For questions, please contact Iziah Thompson, Senior Policy Analyst at CSS, at ithompson@cssny.org.

Appendix.

Figure 1.

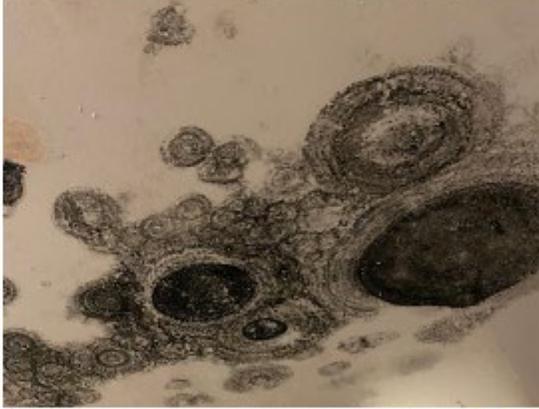
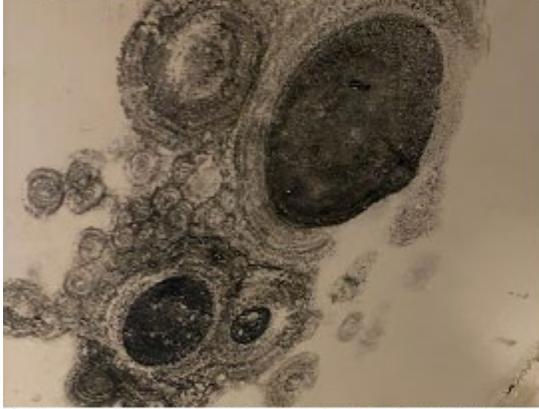




<https://www.google.com/maps/contrib/112665703250767460581/place/ChIJQ6pefdYwokRuLmecAWPVs/@40.7649175,-73.9835195,21z/data=!4m6!1m5!8m4!1e2!2s112665703250767460581!3m1!1e1?entry=ttu>

Figure 2.









**TESTIMONY BEFORE THE NEW YORK CITY COUNCIL
COMMITTEE ON PUBLIC HOUSING**

**In relation to the Rental Assistance Demonstration (RAD)/Permanent Affordability
Commitment Together (PACT) program**

April 19, 2024

We, Cecilia S. MacArthur and August Leinbach, are Staff Attorneys at Manhattan Legal Services, a program of Legal Services NYC (LSNYC). We write to testify before the City Council's Committee on Public Housing as part of its oversight hearing on the New York City Housing Authority's (NYCHA) RAD-PACT program.

LSNYC is the largest civil legal services provider in the country. LSNYC continues its 50-year tradition of fighting for racial, social, and economic justice by providing advice and legal representation to more than 110,000 low-income New Yorkers every year in matters relating to housing, disability, education, consumer, employment, family stability, HIV/LGBTQ, and immigration.

LSNYC has worked with thousands of NYCHA individuals and families over the past few years. We have represented numerous tenants in housing court and NYCHA administrative proceedings. We have represented tenants in federal court seeking to uphold their rights under the Brooke Amendment, the Americans with Disabilities Act, the Fair Housing Act, and the Violence Against Women Act. We have also provided legal support to organized groups of

public housing tenants, including, among others, the Citywide Council of Presidents (CCOP), development-level Tenant Associations, the Justice for All Coalition (JFAC), Good Old Lower Eastside (GOLES), CAAAV: Organizing Asian Communities (CAAAV), and Save Section 9.

In recent years, Elizabeth Gyori, former Skadden Fellow at LSNYC, testified twice before this body on our organization’s work around the RAD-PACT program.¹ In such testimonies, Ms. Gyori brought to light various issues she had been seen in her casework, including, among others:

- increased filings of eviction cases post-conversion as private landlords bring in private sector management practices;
- NYCHA’s failure to properly oversee repairs and operations of such private landlords and, in some situations, seeking to explicitly evade responsibility for RAD-PACT converted properties;²
- tenant confusion, fear and anxiety surrounding the conversion process fueled by inadequate tenant outreach and a rushed timeline; and
- reduced rights experienced by certain tenants post-conversion, most notably in the areas of transfer rights and grievance rights.³

Unfortunately, we continue to see the issues previously raised by Ms. Gyori to this day.

In our testimony, we would like to focus on two of the most salient problems with the RAD-

¹ Ms. Gyori’s testimonies were delivered to the Committee on Public Housing on January 13, 2021 and May 3, 2022.

² In a repairs-related lawsuit against a RAD-PACT landlord and NYCHA handled by our Brooklyn office, NYCHA sought to be removed from the case altogether arguing that it had no responsibility to oversee repairs after a RAD-PACT conversion. The housing court ruled that NYCHA remains on the hook for making sure that tenants live in safe and habitable conditions post-conversion. *See Pierre v. NYCHA*, Index No. 145/2021, June 3, 2021 Decision & Order (Kings County, Polie, J.).

³ Greg B. Smith, “NYCHA Promised A Pain-Wracked Man He Could Move. Then a Private Management Company Took Over His Building,” *The City*, December 20, 2022, *available at* <https://www.thecity.nyc/2022/12/20/nycha-pain-move-rad-private-management-building/> (last visited April 2024).

PACT program coming out of our casework and relationships with community organizers: (1) the program's failure to live up to its promise of affording better living conditions for public housing families; and (2) the failure of private landlords to carry over due process guarantees in existence prior to the conversion, leaving families worse off after a RAD-PACT conversion.

1. The RAD-PACT program has failed to live up to its promise of better living conditions for certain public housing families.

While the central promise of the RAD-PACT program is to tap into Section 8 federal funding and leverage private capital to fund repairs and rehabilitations, this promise often comes slowly, if at all, and tenants are forced to live with toxic conditions long after their buildings have converted. In addition, there is a chronic lack of communication about how repair work will be carried out. This has led tenants to be confused about when repairs will be performed or finished, forcing tenants to live in construction sites while being expected to provide access on short or no notice without consideration for their own work or family commitments.

Our work with Mr. and Ms. D, an elderly man, his adult daughter, and her two young children, illustrates this problem. Their building was converted in 2020 and since then has been managed by PACT Renaissance Collaborative. When we first met the family, they were in the process of moving back to their long-time home after a one-year temporary relocation. Despite this long absence, upon their return they were shocked to see that most of the hazardous conditions that required their temporary relocation had *not* been remediated.

Throughout the following year in which we worked with the family, Ms. D's son landed in the emergency room with asthma attacks on at least four occasions. His asthma condition was exacerbated by the exact disrepair for which the family was temporarily relocated for an entire year, including infestations of mice and cockroaches, broken radiators that did not provide

adequate and consistent heat, and a build-up of dust from construction work throughout the building.

Though NYCHA has sought to negate its oversight responsibilities over RAD-PACT landlords,⁴ it remains the owner of all RAD-PACT developments post-conversion and has a legal duty to make sure that all tenants—public housing and RAD-PACT alike—live in safe and habitable housing. And yet, the D’s story highlights how such oversight (or lack thereof) failed to provide the kind of safe and healthy housing that was promised through the RAD-PACT conversion.

Unfortunately, the D’s story did not end with returning home to a state of disrepair. In both 2022 and 2023, the apartment failed Housing Quality Standard (HQS) inspections, which ultimately resulted in NYCHA shutting off the Section 8 subsidy and requiring the family to look for alternate housing in the private market with a portable Section 8 voucher.⁵ At present, the D’s are under a deadline to find alternate housing in the private rental market or lose their Section 8 subsidy altogether.

This all is the mirror opposite of what the RAD-PACT program purports to be about. Due to the RAD-PACT conversion, the D’s were first displaced for one year under the promise that they would come back to a safe and healthy living environment. Not only did that not happen, but ultimately PACT Renaissance and NYCHA’s failures led to this family being required to abandon their home entirely.

⁴ See *supra* at fn. 2.

⁵ Federal regulations provides that NYCHA, as the Section 8 administrator in the RAD-PACT context, can pause and ultimately cancel subsidy payments to a private landlord that repeatedly fails HQS inspections. See 24 CFR 982.404(a)(2). Once this happens, tenants are forced to leave their homes even though they did nothing to bring about the horrible living conditions they were subjected to.

Two things went utterly wrong here. *First*, PACT Renaissance failed to make repairs to the tune of failing two successive HQS inspections (the one thing for which the development was converted to RAD-PACT). *Second*, NYCHA failed to oversee PACT Renaissance along the way to make sure that the conditions in the apartment did not reach the point of requiring the family to move out.

And so, for the D's, the RAD-PACT conversion amounted to, quite literally, displacement.

2. Certain RAD-PACT landlords have failed to adopt required procedures in existence prior to the conversion, harming tenants.

In addition to improving the living conditions of tenants, another central promise of the RAD-PACT program is that tenants will maintain the same rights they had as public housing tenants,⁶ including the right to an administrative grievance process. Our RAD-PACT casework has shown that, in practice, these rights are often not maintained after conversion and tenants have very few modes of recourse when violations take place. The experience of our client, Sonia Torres, is illustrative.

Ms. Torres is a single mother of two adult daughters and six adopted minor children. She lives in what was formerly NYCHA's Wise Towers—and has since 1972. In April 2020, her mother, the Head of Household, passed away. As a result, Ms. Torres repeatedly visited the management office at Wise Towers to request to succeed to her mother's tenancy, but NYCHA, contrary to its own rules, refused to commence the applicable Remaining Family Member (RFM) grievance process.

⁶ The RAD statute provides that public housing tenants “shall, at a minimum, maintain the same rights under such as those provided under section 6 and 9 of the Act.” *See* P.L. 112-55 as amended.

Eight months after her mother’s passing, in December 2020, Wise Towers converted to RAD-PACT with PACT Renaissance Collaborative as the new landlord. Following such conversion, Ms. Torres began directing her succession requests to PACT Renaissance.

According to NYCHA’s Section 8 Administrative Plan,⁷ “[s]uccession rights to the Section 8 subsidy are determined pursuant to NYCHA’s Occupancy and Succession Policy.” This means that, post-conversion, RAD-PACT landlords must have a procedure in place whereby they can refer succession requests to NYCHA’s Section 8 unit for an appropriate evaluation. PACT Renaissance had no such procedure in place, which explains why they did nothing with Ms. Torres’ succession request and, instead, commenced an eviction case against her in December 2023.

In the course of representing Ms. Torres in housing court, we learned that Ms. Torres was removed from the household composition and stripped of any opportunity to succeed to her mother’s Section 8 subsidy with zero notification and zero opportunity to contest any of these actions, that is, without the most basic due process. We are currently in court fighting for Ms. Torres to remain in her home of half a century, as is her right.

Regardless of how the housing court ultimately rules on Ms. Torres’ case, her story points to a pervasive problem facing RAD-PACT tenants—losing access to procedures that were available to them as public housing tenants, in Ms. Torres’ case, the grievance procedures allowing residents to succeed to their departed family member’s tenancy.

In her prior testimony, Ms. Gyori spoke about systems breaking down in the lead up to a RAD-PACT conversion and eventually disappearing post-conversion. Talking about RFM grievance procedures specifically, she noted that, once a development was slated for RAD-PACT

⁷ Found here: <https://www.nyc.gov/assets/nycha/downloads/pdf/hcpvadministrative.pdf>.

conversion, NYCHA repeatedly misplaced RFM applications and gave residents confusing instructions about what they needed to do to succeed to their family member's tenancy. Ms. Gyori also noted that, post-conversion, private landlords did not advise residents to submit their RFM requests to NYCHA directly or otherwise provide residents with any of NYCHA's RFM forms. All of these things happened to Ms. Torres.

Ms. Torres' case also points to a crucial gap in the RAD scheme—after conversion, private landlords commence eviction proceedings by themselves, without NYCHA. In Ms. Torres' case, both NYCHA and PACT Renaissance failed to process her succession request, yet only PACT Renaissance is a party to the eviction case. This structure serves to completely insulate NYCHA from accountability for its misconduct, as NYCHA's decisions are not being challenged by the private management companies that implement them, nor can they be challenged by the tenants who bear their consequences. Further, as NYCHA Section 8 evaluates succession requests, this structure leaves Ms. Torres without a clear path to vindicate her rights. Our office is in the process of requesting that the court bring NYCHA into the case so that Ms. Torres can assert all of her defenses against both wrongdoers. For a RAD-PACT tenant facing an eviction case by themselves, however, it is near-impossible to navigate the complicated court procedures for seeking to add a new party to an existing case.

In two crucial respects—hazardous living conditions and tenants' due process rights—our office has seen the RAD-PACT program fail. We thank the New York City Council's Committee on Public Housing for the opportunity to testify on these important matters. Should the Committee have any questions or require any additional information, you may contact Cecilia S. MacArthur or August Leinbach at cmacarthur@lsnyc.org or aleinbach@lsnyc.org.

RIVERSTONE SENIOR LIFE SERVICES
99 Fort Washington Avenue
New York, NY 10032

Testimony
NYC Council Public Housing Committee
April 19, 2024 Hearing on RAD

Speaker # 1

Hello. I am Lesley Halliday, board President of Riverstone Senior Life Services, an older adult center and adult day care program located at 99 Fort Washington Avenue, which is a NYCHA senior housing complex in Washington Heights. Riverstone is a highly regarded organization with a four star rating from Charity Navigator, a dedicated staff and a deeply involved, hands on board of directors. Riverstone has served our community for 39 years.

I understand the benefits of the RAD program for our NYCHA residents, who seem very happy with the results of the renovations and capital improvements that have taken place in the building.

Our experience as an organization operating from a RAD NYCHA building has NOT been positive. What RAD has meant to Riverstone is the transferring of many costs and liabilities for which we were never previously responsible.

We believe that these problems stem from a failure at the highest levels of NYCHA to anticipate that the RAD program would generate a need for a written articulation of the relationship between the nonprofit organizations which operate under contract to other city agencies and the management running RAD buildings. Six and a half years since we learned 99 Fort Washington was becoming a RAD building we have no guidelines.

Our managing companies have expressed the opinion and operated under the assumption that Riverstone is “a typical commercial tenant.”

The consequences of being located in a RAD building have been negative in many ways:

- 1) Our property/liability insurance deductible has gone from \$1,000 per incident to \$25,000 per incident. This is not sustainable.
- 2) The absence of written guidelines means the board operates without any clear understanding of our legal obligations
- 3) There is no clarity about the hierarchy of multiple companies that seem involved with 99 Fort Washington. Furthermore, representatives from these companies offer conflicting and contradictory statements about chain of communication and operating procedures.

- 4) In the past year, the estimated amount of time our Executive Director spends on facilities matters is now 10%-15%, undercutting her ability to lead staff and provide effective programming.
- 5) A proposed lease, currently being held up by DFTA, is inappropriate for the small nonprofit service providers that generally offer programs at NYCHA developments.

Members of the Riverstone Team will address these topics in greater detail in their oral testimony. Our written testimony will offer far greater detail and nuance.

Speaker #2

Hello I am Ilana Dunner, the Executive Director of Riverstone Senior Life Services. Riverstone has been in this location for almost 40 years providing a full range of services to older adults in our community as well as providing activities and support to adults, of any age, with memory loss due to Alzheimer's or other forms of dementia. The RAD construction at our NYCHA site has resulted in improvements for the seniors who live here but we need to talk about the challenge and difficulties that have been imposed upon Riverstone during this time.

The new management seemed to consider us more like a commercial tenant, responsible for all repairs etc. at our own expense. This was a real change from when NYCHA managed the building. In addition, as renovations continued, there were major leaks, causing significant damage to the 2 floors where we provide services. We were informed by management that any area which had already been renovated by Riverstone (thanks to city and state capital dollars) would be our responsibility, covered by our insurance. After 5 such events, our longstanding insurance company dropped us. Our broker could not find us new coverage. We are required to have coverage to operate with our DFTA contract. As a favor, the new management company added us to their policy. This meant a slight reduction in premium. but a huge increase in deductible - from \$1,000 to a \$25,000 per incident deductible. As luck would have it, in November 2023, there was another major leak, which for the first time resulted from an accident that Riverstone caused. Where we were told that "cause" did not matter in the leaks from 2019 to 2023, suddenly cause matters when it came to this most recent leak.

The ongoing threat of a \$25,000 deductible puts us in a precarious financial position. Recent efforts to secure other coverage were not successful

We believe management's underlying assumption - that Riverstone bears responsibility for outside the wall repairs even if damage was caused by management - is wrong. That may be the case for a commercial tenancy but nonprofit service providers should not be categorized as commercial tenants.

We seek redress - acknowledgment that the repairs cited below should have not been charged against our policy, assumption of those costs and correcting our standing as an insuree in order to secure our own coverage.

Thank you for the opportunity to share this aspect of our experience in a Rad building.

Date	*Damage	Responsible Party	Riverstone Insurance Paid
12/2019	Water damage	Building Management	\$5,014.00
4/2021	Water damage	Building Management	\$36,243.00
12/2022	Water damage	Building Management	\$3,3859
2/2022	Contents coverage due to water damage	Building Management	\$2,411.80
2/2023	Theft	In community room at Riverstone	\$2,481.75
3/2023	Water damage	Building Management	\$27,548.00

*None of the water damage incidents above were a result of actions by Riverstone

Speaker # 3

Hello, I am Sarah Morgridge. I have been on the Riverstone board since 2016. From 2002 through 2013, I worked for Councilmember Robert Jackson. Riverstone was in his district. Currently I work for Literacy in Community or LINC. LINC provides 2-Gen Early Literacy Programming in 8 NYC neighborhoods, including East New York/Cypress Hills.

I would like to speak to you about the absence of written guidelines, MOU's or any kind of operating agreement and how that affects service providers in RAD buildings. This omission is compounded by what appears to be a lack of transparency about the entire program and how it operates in regard to nonprofit service providers.

For instance -

- We have never seen a sample or an actual version of the NYCHA RAD contract. How can we understand the parameters without this?

- We have an excellent relationship with our RAD social services liaison - but have no understanding of what that contractual relationship to RAD and to us actually is.
- We have been stonewalled throughout this process by both NYCHA and, until quite recently, by DFTA.
- We received no outreach regarding this hearing.
- Our request to NYCHA for a list of service providers was denied - one of the few things we have gotten in writing.
- Absent an MOU between NYCHA and DFTA, we have no knowledge of the operating agreement between these two agencies.
- We have seen a draft lease that was clearly a blanket lease covering both commercial and nonprofit tenants. lease for Riverstone, or any of the other older adult service providers in RAD buildings. We are told this lease is off the table. That's a good thing because this proposed lease is not in the interest of nonprofit service providers.
- We have had contradictory experiences with routine maintenance - something NYCHA as our landlord handled for 39 years. When a urinal broke in February, our management company refused to fix it. A more recent incident - rain driven water seeping in through an air conditioner - was promptly handled.
- When the Executive Director called our insurer in regard to the November 2023 leak - the one we caused by leaving a tap open during a building-wide water shut off - our management company VP called the Ex. Dir. at home, was verbally abusive and said he would seek to get her terminated.
- That led to a meeting arranged by our social services liaison and higher ups at one of the many corporate shells involved in this project.
 - We learned that we were not the first to lodge such a complaint
 - We were directed (orally) to use the on site building manager as our primary contact.
 - We were told we would get a written summary and a full set of operating instructions as a follow up
 - Some two weeks later we got an email directing us to interface with the original contact.
 - These flip flops are unsettling.

At a recent meeting between the Executive Director and the organization's DFTA liaison, positive progress was reported. Board members were not permitted to participate. That's encouraging but until the liaison responds in writing to our director's written recap, we are skeptical. We look forward to receiving a written report of the topics covered.

Because board members have legal and fiduciary responsibility for the organization. It is impossible to fulfill those obligations absent the framework of our tenancy.

The current RAD structure undercuts our ability to provide services and threatens our solvency. We understand the benefits of the program to NYCHA, to NYCHA residents and to the city as a whole. We understand that the primary purpose of this hearing is to discuss RAD from that

perspective. But please do not ignore the very real consequences to nonprofits in RAD buildings.

Save Section 9 Written Testimony

To: Committee on Public Housing

Date: April 19, 2024

Hearing: Oversight - RAD/PACT Conversions: Smoothing Transitions and Providing Clarity.

This testimony was prepared by members of Save Section 9. Save Section 9 is a tenant-led coalition that works to educate and activate public housing tenants. We tackle policies rooted in colonialism that have led to discriminatory disinvestment in America's only truly affordable housing stock. Our members fight gentrification, displacement, and privatization schemes nationally. Our actions are focused on gaining adoption of our federal solutions which aim to rehabilitate and expand the only truly affordable housing stock in America. We demand the sustainable and resilient rehabilitation of Section 9/ public housing campuses nationally.

We consider RAD to be the biggest threat facing public housing in NYC, and nationally.

Since its creation RAD has been rolled out by NYCHA with little oversight and no consistency. RAD harms tenants' quality of life, destroys communities and alters the vibrant culture within public housing. This program causes harm because:

1. *RAD/PACT impacts the mental health of tenants.* It is another layer of trauma added to the mental hardship we face as NYCHA tenants. It causes Confusion, fear, anxiety, and depression. Post conversion tenants feel cheated i.e. the installed sheetrock which allows developers to skip the process of mold, asbestos or pipe repairs. Additionally, Programming and benefits normally provided via Section 9 are cut, sometimes completely. We encourage the council to ask NYCHA for a clear accounting of how tenants are engaged, how many raised objections, and to determine a benchmark to ensure that a development isn't dragged into a conversion not supported by the majority of tenants. Continuity of community services is affected and contributes to the deterioration of community morale and cohesion. We encourage the council to put in place an immediate moratorium on all PACT/ RAD privatizations pending the completion of an independent study.
2. *NYCHA singlehandedly decides which development will get RAD,* the selections are not made based on repair needs. The latest [Physical Needs Assessment](#) demonstrates that repair backlogs do not impact the selection process. The PNA is also flawed in that it only included a sample of developments and inflated the total need to \$79B. We've conducted our [independent analysis](#), and so has [Community Service Society](#), and concluded that the number is closer to \$39B. Instead they seem to be focused on sites that are desirable to their real estate partners. Then they work to hand over our precious land and homes as quickly as possible to some of the worst management companies in NYC. NYCHA's latest PNA would have justified the conversion/ privatization of EAST NEW YORK CITY LINE, STANTON STREET, REHAB PROGRAM (COLLEGE POINT), SOUTH BEACH, THROGGS NECK, STAPLETON, and MARINER'S HARBOR. There simply isn't a correlation between the developments with the highest need (compared on

a unit basis) and the ones selected for RAD. We encourage the council to explore further the relationship between the PNA and RAD site selection.

3. *The list of real estate partners allowed to manage, or develop, [is limited by NYCHA](#) so the selection of a partner is not truly democratic. Oftentimes smaller companies such as Kalel Holdings (Boston Secor) Essence Development (Fulton Elliot Chelsea Bundle) are issued contracts. These smaller firms are led by black men; they satisfy the requirement of m/wbe. But these firms are unable to independently fulfill the contractual requirements related to RAD/PACT. They are partnering with corporate landlords such as Related, Beacon and Wavecrest to become eligible for these deals. During tenant meetings these smaller companies are introduced as NYCHA's partner, but the larger company is truly making decisions. We encourage the council to develop the framework necessary to ensure that tenants and properties continue to be managed and supported by NYCHA until the RAD/PACT application has been approved by HUD's SAC center and all written comments opposing the privatization/ conversion be addressed.*
4. *NYCHA does not approach the entire community with the proposal to convert/ privatize. During these initial conversations NYCHA informs the TA that they will be undergoing conversion to project based section 8. The TA is then given at least three choices for their new management and development team. The TA does not have to report this to the larger community of tenants. Therefore the [selection process is undemocratic and violates our right](#) to participate in the decision making process. NYCHA's virtual [PACT Projects Details](#) site does not note when TA is first approached, when those meetings will be held, when the developer team is going to be chosen, what the choices are, when application is being submitted, if application was approved or how many tenants opposed the proposal at each meeting held. It also doesn't provide real choices to tenants, the list of prequalified management teams is not influenced by tenants. Many of these are slumlords. We urge the council to oversee NYCHA's updates to this tracker to ensure that they provide all necessary information regarding timeline including actions tenants can take to counter the conversion and how much these actions influence the ultimate decision to convert/ privatize a development.*
5. *NYCHA is aggressively converting developments without assessing the impact the program has had on previous sites. Meanwhile allies, tenants, and national partners are calling for Congress and the President to [NOT make the demonstration permanent](#) by eliminating the sunset date by which PHAs can apply for the demonstration program and by eliminating the current cap of 455,000 public housing units that may convert under the RAD statute through September 2024, and set numerous conditions on a future increase of this program. We encourage the council to put in place an immediate moratorium on all PACT/ RAD privatizations pending the completion of an independent study.*
6. *Once NYCHA exits the development they stop responding to tenant inquiries, and tenant concerns. This allows [bad actors to carry on unchecked](#). However, NYCHA maintains a fiscal sponsor relationship with each property converted.*
7. *When those become unmanageable like they recently did in [Bushwicks' Hope Gardens](#) NYCHA allows the management team to choose a new developer. However, the RAD/ PACT agreement allows NYCHA to cancel it if services are not being delivered properly.*

This exit clause is one that NYCHA likes to highlight when convincing tenants to go forth with the conversion but one they obviously have no interest in enforcing.

8. While the RAD program was designed to port over rights and benefits included in Section 9 public housing, *the management companies contracted are not upholding these*. Neither NYCHA or HUD provide oversight, or measure the impact of RAD. This leads to [an uptick in evictions](#) (11.96% at RAD/PACT properties vs. 2% in NYCHA properties) at a time when the city is facing housing insecurity at levels never seen before. When tenants opposing the privatization refuse to sign new leases NYCHA does not offer them a transfer to other Section 9 sites. Pursuant to Section 1.8 of the RAD Notice [specifically Section 1.8.D], households in the Converting Project who do not want to transition to the Section 8 program may be offered, if available, the opportunity to move to other public housing owned by the PHA. NYCHA has been stockpiling units and should not be allowed to evict someone that refuses to be removed from Section 9.

We ask the City Council to immediately issue a moratorium on all NYCHA RAD/ PACT conversions, pending the completion of a robust impact study inclusive of all properties currently being served by Project Based Section 8. The Council is encouraged to adopt the practices of [Human Rights Watch](#) and Rockaways Neighbors Helping Neighbors. We also ask that the city council support our [national call for the sunset of RAD in September 2024](#).

Additionally, we ask the City Council to host a joint hearing with its Albany counterparts on RAD/PACT. During this hearing we NYCHA and HUD's office of Public and Indian Housing should be asked to:

1. Provide insight on the success of the program nationally, success should be defined on improved quality of life for previous Section 9 tenants living in a specific property.
2. An explanation of the timeline for RAD/PACT conversions highlighting when tenants have an opportunity to oppose these.
3. Expand on how said opposition is weighed in the larger application for RAD/PACT or Section 18.

Below is a more detailed account of the conversion process as experienced by hundreds of formerly public housing tenants. This is followed by the *Save Section 9 Demands Resource Amendment* containing our research and recommendations. We would also welcome an opportunity to meet with members of the City Council to explore how we can work together towards the rehabilitation and expansion of Section 9 public housing in New York.

Save Section 9 Members

Tenant Experiences During Conversions:

NYCHA begins by holding three meetings at the development. These meetings are misleading, led by aggressive real estate players and overwhelming to tenants. [In these meetings tenants:](#)

- Are not informed of the loss of their federally mandated rights. The emphasis is on the rights being within the new lease. But NYCHA does not enforce these, and management companies have been found to not uphold and/or violate these rights.
- Are told that they will qualify for a portable Section 8 voucher. But no mention is made of the waitlist being closed for portable Section 8.
- Are told that they will get quality repairs, and see an improvement in their development quicker. They are not told that the repairs and work don't start for an average of 18 months. However, repairs are inconsistent, take as long as they did under NYCHA and
- Are not given alternatives to going along with a conversion. If a tenant refuses to sign the lease, or even expresses the desire to protest this way they are shamed and blamed for their community not getting repairs.
- Are not told when the application for conversion is submitted to HUD's Special Application Center.
- Are not given clear directions on how to submit comments opposing the conversion. When comments are submitted to the PACT team email tenants do not receive a response.

As conversion moves forward NYCHA attempts to convince tenants that they are no longer under Section 9 by letting the management and development team take lead at all meetings, and around the property. The management team:

- Is provided office space within the development. Sometimes they sit in the office, but some are afforded the use of an apartment. These units should be used to house folks, not to coerce tenants into accepting privatization.
- Remodels additional units before the conversion is finalized. These units are then used to provide tours and convince tenants to accept the conversions. These units should be used to house folks, not to coerce tenants into accepting privatization.
- Installs security cameras and hires security personnel, without disclosing who is monitoring these systems and what is done with the recordings or logs. All of this is happening while NYCHA continues to be our management company and is in violation of 964 regulations which afford tenants the right to be part of management decisions.
- Forces tenants to sign leases, before legal and financial transfer of the property has been completed.
- Convinces tenants to convert without providing clear milestones on the process. This leaves tenants unsure of their status, who their management company is and when they will be "handed over".
- Fails to engage all tenants via outreach such as door knocking or delivering flyers regularly to each unit. Oftentimes tenants discover that they have been converted when they receive a notice saying their new lease is ready to be signed. This makes it harder for tenants to express opposition and violates their right to organize and to participate in the decision making process.
- Holds meetings sporadically and only in the evenings. The timing and lack of notification reduces tenant participation. This especially disenfranchises elderly and disabled tenants.

- Fails to provide a clear timeline; NYCHA introduces the management company as the responsible party from the first meeting.

Save Section 9 Demands Resource Amendment:

1. Place an immediate moratorium on all RAD and RAD-Section 18 blends in New York City, until a comprehensive, third party impact assessment study of all Project-based Section 8 conversions in New York City

To date, there have been no New York City-wide impact assessments of the RAD/PACT program on tenants. In this absence, two studies by [Human Rights Watch](#) and [Neighbours Helping Neighbours](#) document the detrimental impacts of RAD - nationwide and at Ocean Bay Houses respectively, along with data gathered by City Limits and the Anti-Eviction Mapping Network and evidence gathered by media articles:

a. Evictions

- i. The Human Rights Watch report documents significant increases in evictions in two RAD developments. The report states: “ On paper, aside from the NYCHA-specific protections discussed above, tenants in RAD housing nationally have essentially the same rights as those in public housing. But in practice, property managers have significant discretion over evictions and other decisions that may have far-reaching impacts on tenants’ lives. Many tenants worry that PACT managers will be more likely to evict them if they fall behind on rent, which could lead to homelessness or a loss of adequate housing.”
- ii. City Limits and Anti-Eviction Mapping Project gathered data at Ocean Bay Houses indicating there were 80 evictions between January 2017 and February 2019, more than two times higher than evictions at any other NYCHA development
- iii. The Rockaways Neighbors Helping Neighbors report supplements this data via tenant surveys at Oceans Bay finding that 19% of tenants said new management tried to evict them and 18% said they knew a neighbor was threatened with eviction.
- iv. Further eviction evidence:
<https://www.thecity.nyc/2024/03/14/eviction-private-nycha-managers-rad/>

b. Rent increases and Double Landlords

- i. 61% of tenants at Ocean Bay Houses indicated their rent had increased, 35% said they were recertified more than once a year and 64% said they had to recertify with both NYCHA and the private manager.

c. Poor Living Conditions

- i. The Human Rights Watch report details countless evidence of continued poor living conditions, faulty repairs, poor construction during renovations, hard to reach management, and more. A tenant that was interviewed said: “Monopoly is being played with our lives.... “That’s what the fight is, to protect us from investors who don’t give an ‘F’ about us.” Some tenants describe how repairs were carried out in a manner that places tenants at risk including exposure to lead paint or asbestos. Other tenants worry that their homes will fall into disrepair again, noting that the private managers are frugal with their repairs.
- ii. At Ocean Bay Houses, 40% of tenants said conditions have gotten worse or much worse after conversion, 21% said it is harder to get repairs and 35% said there is not an easy-to-use system for submitting repair requests.

2. Call on Congress to:

a. Uphold the RAD Sunset date of September 30th 2024

A sunset on the RAD program was due on September 30th 2024 and RAD. City Council should call on Congress to sunset RAD on the originally planned date.

- i. The claimed reason to extend RAD until September 2029 was to “provide PHAs more time to carry out the necessary and important resident engagement activities prior to applying for RAD and allow PHAs pursuing large scale, multi-year development of public housing properties to keep their commitments to their communities”
 1. Thus far, tenant engagement by NYCHA and PACT partners has been poor and many tenants do not know their development is being converted or what this means for their tenancy. An example of this was the tenant engagement at Fulton Elliot Chelsea which included a survey process that was falsely communicated as a vote:
 - a. 969 of 3388 participated in the survey. That is 16% meaning 84% did not take part.
 - b. Simon Kawitzky, Vice President Portfolio Planning stated the packets were given out in the languages spoken in the development. English, Spanish , Chinese
 - c. Unable/unwilling to explain how we went from No Demolition to Demolition.
 - d. Have taken the attitude that they are doing everyone a courtesy by meeting with CB4 to explain the proposal.
 - e. Lack of transparency: NYCHA speaks with Resident Leaders And CB4 but not the thousands of other tenants.

- f. Related is now trying to put up a casino in the Western Rail Yards [West Side Rail Yards/Hudson Yards Rezoning - Manhattan Community Board 4 \(nyc.gov\)](#) violating this agreement.
- ii. As of NYCHA's 2024 Annual Plan, there are 81 developments under consideration for RAD conversions (Bronx: 36; Brooklyn: 21; Manhattan: 22; Staten Island: 2), a huge increase since the program was first introduced. This will impact 22,282 NYCHA units. Without a comprehensive impact assessment and proper framework of accountability for NYCHA and RAD partners being established by City Council & HUD, extending the RAD sunset deadline puts tens of thousands of tenants at risk

b. Invest in Section 9 Public Housing and submit a letter of support for the Green New Deal for Public Housing (GND4PH).

- i. Congress has steadily divested from public housing while increasing funding for housing programs that rely on the private sector. ([HRW](#)). Of note is the consistent disinvestment in Section 9 while increasing investment in the RAD Program:
 - 1. In 2021, the overall budget of the US Department of Housing and Urban Development (HUD) was \$69.3 billion, of which \$2.9 billion was allocated for major repairs to public housing. Adjusted for inflation, this amount is around 35 percent lower than the capital funding allocation in 2000, which in 2021 dollars would be worth \$4.5 billion ([HRW](#)).
 - 2. The 2021 President's Budget requests \$100 million for the RAD program, which is \$100 million more than the 2020 enacted level. These funds would be used to support the costs of conversion for public housing properties that are unable to convert using only the funds currently provided through public housing appropriations. ([President's Budget RAD](#)).

Funding has also been increasing for the Section 8 vouchers which bring valuable support to tenants in private market housing. However this increase also facilitates RAD conversions.

Direct investment is needed in Section 9 Public Housing. Funds should be divested from the RAD program and the associated funding of the Section 8 program to preserve public housing.

- ii. Another critical funding source that was just introduced is the GND4PH. NYC gets 50% of the investments allocated within the GND4PH.

c. Convene a joint hearing between multiple levels of government to hold accountable NYCHA and PACT partners during RAD, Section 18, and RAD-Section 18 blend conversions

- i. While RAD is a federal program, its implementation is a multi-governmental effort and all levels, including City Council, NY State and HUD are accountable to its impacts. RAD conversions are increasingly using a blend of Section 8 and 18 vouchers (also used by the NY State established Public Housing Preservation Trust). Section 8 and 18 blends provide PACT teams access to Tenant Protection Vouchers which are a higher revenue stream but are distributed on the condition that units meet 'obsolescence' criteria - placing huge risks on tenants as poor living conditions draw in higher vouchers.
- ii. City Council is accountable to work jointly with NY State and HUD to have close oversight on NYCHA and PACT partners' actions during conversions. [Since NYCHA is controlled and funded by the Mayor and City Council](#), and its board and leadership appointment is overseen by these entities, City Council has a responsibility to track NYCHA's actions. Furthermore, City Council directly funds NYCHA, and \$265.1 million dollars were provided for NYCHA's operating budget in 2024. NYCHA has a history of misusing this funding (see next point), but these practices are connected to a broader mismanagement that embroils NY State and HUD.
- iii. Before his replacement, Federal Monitor Bart Schwartz challenged NYCHA's default position of blaming money woes for its troubles, arguing that many of its problems are self-inflicted due to incompetence and an inability to efficiently use existing resources. He is quoted as saying "Funding is not the worst of NYCHA's problems. It is the lack of effective governance, ethics and accountability that prevents NYCHA from achieving comprehensive, sustainable improvements within its current financial restraints." The Federal Monitor's warnings need to be taken seriously by City Council as it points to a systemic issue in NYCHA's practices that can only be addressed by a coordinated efforts between multiple levels of government.

3. Develop the following accountability processes:

a. Track NYCHA's spending and claimed capital repair needs, with joint oversight from City Council and HUD

- i. In light of the recent federal bribery charges against 70 NYCHA employees, City Council must develop stringent oversight on NYCHA's spending practices ([US Attorney's office](#)). These bribery charges arrive on the backs of decades of general money mismanagement, as tenants have watched NYCHA use the repair process take place with no accountability and many tenants describe how money is wasted in these processes with repeat visits, poor work quality, and no oversight from NYCHA over work that is contracted out to third parties.
- ii. In a [hearing on NYCHA's Spending of Capital Funds on November 18th 2021](#), **City Council highlighted that NYCHA only spends 6.5% of its allocated City capital funds**. Since City capital funds do not have an expiry date, the report points to a history of NYCHA not spending allocated city capital funding. This is compared to a spending rate by other agencies of at least 60-61%. **This is clear evidence of NYCHA's long track record of wasting and mismanaging funds**. Along with this broader issues, tenant testimonies highlighted a range of related issues that take place when NYCHA mismanages its spending including:
 1. Section 964 regulations not being followed by NYCHA, and tenants not being involved in decision making on how capital repairs get addressed
 2. Continued issues with no heat, hot water and broken elevators despite NYCHA having access to City funds to address these
 3. No by-laws in how tenant associations and resident councils are elected and many tenants having no access to NYCHA's claimed 'tenant engagement'
 4. Section 3 regulations not being abided by, and public housing tenants not having access to labor opportunities that can be provided during capital repair efforts
 5. NYCHA abandoning units and critical repair needs that place tenants' lives at risk just so the units can qualify as 'obsolete' and receive Tenant Protection Vouchers PACT/The Public Housing Preservation Trust
- iii. In 2023, NYCHA released an updated Physical Needs Assessment which claimed the Authority needed an astounding \$78.34 billion dollars, increased from \$31.8 billion in 2017. There are a range of issues with how the 2023 PNA was carried out, however the key point to make is that NYCHA parading the alarming number of \$80 billion deeply stigmatizes public housing and contributes to the narrative of its failure. The 2023 PNA is meant to be about tenant needs, however is being used by

NYCHA to justify its plans to forward RAD/PACT and the Public Housing Preservation Trust as the only options moving forward, instead of scrutinizing its own mismanagement of funds. The 2023 PNA does not accurately reflect capital needs and must be understood with the following details:

1. Compared to the 2017 PNA which comprehensively examined the whole NYCHA portfolio, the 2023 PNA only examined 10-15% of apartments in 30 selected developments. Only 18% of NYCHA apartments were actually inspected.
2. The 2023 PNA focuses on the 20-year need while the 2017 PNA focused the 5-year need. This in itself is not of issue, however the 20-year need is a higher number (\$78.3 billion instead of \$60 billion) and adds to the sensationalizing of repair needs without proper explanation of its meaning.
3. Over 30% of the 2023 PNA amount (18.9 million) is attributed to 'market price escalation', which is the impact of inflation and market prices for construction. This is relevant, but has nothing to do with the physical condition of apartments. Furthermore, this was calculated during surges resulting from the pandemic and do not take into account savings that can occur through mass material ordering and coordinated construction practices across the portfolio.

The 2023 PNA is an excellent example of how NYCHA continues to twist its financial needs to serve its agenda of forwarding RAD/PACT and the Public Housing Preservation Trust. A thorough assessment of the validity of this PNA is required. For more detailed analysis, please see [CSS and Legal Aid's testimony on the PNA](#).

b. Dedicated oversight on the PACT team's (NYCHA + Private Management) tenant communications during conversion including: information sharing, tenant 'voting' processes, and what NYCHA claims as tenant 'engagement'.

Communication from NYCHA and private management during RAD/PACT conversions has included misinformation, confusion, alterations of the truth.

- i. It is also centered on communication *through* the tenant association and not directly to tenants - many tenants do not know their tenant association representatives. Not having a public listing of the publicly elected representatives that compose tenant associations is a barrier to tenant participation. Therefore tenant association contacts should be made public by NYCHA and made available to any tenant at their management office and online. The bylaws that oversee the tenant association should

be standardized, including clear instructions on the recall process, and election cycle. NYCHA must be reminded that tenants have a right to request a copy of their bylaws. Each one should be publicly available at the management office and online.

- ii. The PACT teams claim to conduct robust ‘tenant engagement’ and often cite the Chelsea Working Group as an example. However, NYCHA’s plans to demolish Fulton Elliot and Chelsea Houses completely negates the demands of the Working Group. As articulated by the Community Service Society: “During the Chelsea Working Group, residents spent month after month scrutinizing the technical issues facing their developments and the priorities they agreed on when it came to addressing them. The plan proposed by NYCHA in the Draft Significant Amendment reflects none of this work” ([Joint statement by CSS and Legal Aid on FEC](#)). Also noted in this statement is that despite tenants receiving a right to return, historically relocations of this scale and construction timelines of this length mean **demolition will lead to the displacement of tenants**.
- iii. At Fulton Elliot Chelsea, NYCHA and private partners Related Companies and Essence Development claimed that most tenants wanted demolition as indicated by a voting process. **This was actually a survey with poor outreach and little accessibility falsely paraded as a vote and should not hold any legitimacy:**
 1. Only 969 of 3388 participated in the survey. This is only 16% of those eligible. ([Fulton Elliott-Chelsea Environmental Review \(nyc.gov\)](#)). 84% did not vote and compose the countless that do not want demolition.
 2. Again, Tenant Association representatives were the only pathway for ‘engagement’. A significant number of tenants at Fulton Elliot and Chelsea do not have clear information on what the plan ahead means for their leases, for their homes, and for their rent.
 3. Flyers about the survey were in English, Spanish, Chinese, simplified Chinese at the Chelsea Land Use meeting when the survey was under discussion. There are more languages than those spoken in the development. The annual review asks tenants the languages they are comfortable reading and speaking. There are more languages spoken in the development than those. Language justice wasn’t observed in this process.
 4. Even though Fulton Elliot Chelsea is still NYCHA and under Section 9, tenants are already confused about who the management company is. For example, Related has already established their security personnel on site, without properly informing tenants of this change. Related has hired tenants that live in the development to patrol it. While this seems benevolent - providing employment to tenants - this presents a conflict of interest and an unbalanced power dynamic. Tenants who are hired

by Related are more likely to want their plan despite not being educated on it.

References

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- [Ahead of Public Hearing, Legal Aid and Community Service Society Raise Serious Concerns About NYCHA](#)
- [2023 Pre-Qualified PACT Partner List | NYC.gov](#)
- [An Advocate’s Guide to Public Housing Conversions Under Component 1 of the Rental Assistance Demonstration](#)
- [Congress Approves Changes to the RAD Statute, Managing Multifamily Properties and More! PMCS, INC..](#)
- [DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT Office of Housing Rental Assistance Demonstration PROGRAM PURPOSE BUDGET OVERVIEW JU](#)
- [HUD Highlights Congressional Changes to RAD Statute, Implementation Guidance Forthcoming -NH&RA](#)
- [Monitor's Final Report Card Slams NYCHA's Culture Of Mismanagement | THE CITY — NYC News](#)
- [National Low Income Housing](#)
- [Coalition. Letter to Senate Committee on Appropriations Subcommittee on Transportation, Housing and Urban Development. April 21, 2023.](#)
- [New York City Housing Authority 2023 Physical Needs Assessment Final Report.](#)
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- [Comptroller to Announce Audits of Repair Processes and Eviction Rates at the Housing Authority](#)
- [Private company running Brooklyn public housing complex fired for repeated failures - Gothamist](#)
- [RAD Case Study: New Jersey Development Team Learns Early Lessons | Novogradac](#)
- [Rental Assistance Demonstration](#)
- [Rockiness in the Rockaways: Five Years of RAD at Ocean Bay Houses](#)
- [Tenants’ Rights at Risk in NYCHA Conversions, Warns Human Rights Group | THE CITY — NYC News](#)
- [The Nefarious Nature of the Private Partners Selected for RAD Conversions – NYCHA Rising](#)

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Comments and suggestions 4-19-2024 in yellow
For Int. No 110
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301 W.107th St 4W
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Int. No. 110

By Council Members Avilés, Louis, Cabán, Restler, Won, Hanif, Ossé, Ayala, Nurse, De La Rosa, Farías, Hudson, Krishnan, Gutiérrez and Narcisse

A Local Law in relation to a report on the permanent affordability commitment together program

Be it enacted by the Council as follows:

1 Section 1. Not later than one year after the effective date of the local law that added this
2 section, the mayor, or an agency designated by the mayor, shall make publicly available online
3 and submit to the council a report relating to outcomes of the New York city housing authority's
4 implementation of the federal rental assistance demonstration program, as authorized by public
5 law 112-55, or successor program. In developing this report, the mayor, or such designated agency,
6 shall seek cooperation and assistance from the New York city housing authority. Such report shall
7 not include the personally identifiable information of any public housing resident. Such report
8 shall include, at a minimum, the following information for each public housing development, or
9 bundle of public housing developments including the name of each development in such bundle,
10 selected for conversion through such program:

11 1. The date such development or bundle of developments was selected for conversion under
12 such program;

13 2. The date such development or bundle of developments was converted under such
14 program;

1 3. The name of the development partner selected to serve as the property manager for such
2 development or bundle of developments; **Examine Track record of development partner eg. ? bad**
3 **actor, outstanding fines owed to City/others) VENDEX, history of DOB and other agency**
4 **violations, complaints lodged against DP in HPD and other tribunals, labor violations, DEC**
5 **violations, etc.**

6 4. A description of how the New York city housing authority conducted outreach and
7 resident engagement prior to and throughout the conversion process; **including tenant criticism**

8 5. A description of how the New York city housing authority conducts oversight over the
9 development partner or property manager described in paragraph 3; **Description of enforcement**
10 **policy, how are stop work orders requested/implemented, NEED for RAPID rESPONSE ,**
11 **NYCHA solicitation of tenant participation – training of tenant observers-**

12 6. A description of the rights retained by residents of such development or bundle of
13 developments and a description of how those rights differ from those held by such tenants prior to
14 conversion; **? invoke/require the protection of the DOB Tenant Protection Plan**

15 <https://www.nyc.gov/site/buildings/tenant/tenant-protection-plan.page>

16 <https://www.nyc.gov/site/buildings/tenant/tpp-frequently-asked-questions.page>

17 **Ensure ready access/involvement of Office of the Tenant Advocate**

18 <https://www.nyc.gov/site/buildings/tenant/ota.page>

Increase funding of OTP -by developer

19 **manager. Creation of an OMBUDSPERSON office**

20 7. A description of major repairs and upgrades made in such development or bundle of
21 developments following conversion including the cost of each such repair and upgrade; **?**

22 **BUILDING NEEDS ASSESSMENT to DETERMINE WHAT IS NECESSARY (FULL**

23 **ENVIRONMENTAL ASSESSMENT (INCLUDING building profile history===and complaints**

1 lodged - need tenant input – similar to BROWNFIELD COMMUNITY PARTICIPATION PLAN
2 ; Need for tenant review of construction plans , ? enforcement of TPP and Health and Safety Plans

3 8. Annually for each of the three calendar years prior to conversion, the number of eviction
4 proceedings initiated against tenants of such development and the number of evictions executed
5 prior to conversion;

6 9. The number of eviction proceedings initiated against tenants of such development and
7 the number of evictions executed following conversion; and

8 10. The amount of private financing received by such development following conversion,
9 including all financing available under section 8 of the housing act of 1937. FULL audit &
10 SUBMISSION ON A FORM THAT TENANTS CAN READ/UNDERSTAND

11 § 2. This local law takes effect immediately and expires and is deemed repealed upon the
12 issuance of the report required by this local law.

Submitted by
Joel R Kupfer
4/23/2024

Session 13
LS #7402
1/19/2024
Session 12
AS
LS #7402
9/7/2022

[REDACTED]

From: Alexa Cruz [REDACTED]
Sent: Monday, April 22, 2024 1:33 PM
To: Testimony
Subject: [EXTERNAL] No rad pact - no preservation trust no essence related -no essence related save section 9

[REDACTED]

I don't feel comfortable with any offers at this time or any other time section 9 is safety for tenants I don't believe in turning over to the private developers is a big mistakes done by Eric Adam's, elected officials etc.,especially nycha that billions of dollars was spent on account of residents and no repairs because of the dishonesty of the 70 and more employees which should be in deeper investigation of nycha we stand here facing evictions on tenants with false promise from nycha and essence related it won't be nycha responsibility with the private developers rad pact preservation trust section 8 etc. Who can be in trust of us citizens that cannot afford the median rent in the near future & take over they are selling out the low income for more incentive with no empathy at all and we are paying for their greed of money only the low income is sacrificed with no guarantee for our safety we don't want to go homeless within time when the median rent are in effect in expiration of lease they want to mislead tenants in signing contracts with a representative or lawyers to insure our safety we are being force to sign with no alternative what happens after nycha residents cannot afford the rent and homelessness is in near future we as citizens have civil and human rights. I am a native born citizen with no rights to fight for my home and I don't have money to defend myself and other tenants but only my prayers to God to fix this craziness of bad decisions and greediness of money and land along with the landscape of collateral to essence they plan on having casino and retail stores what guaranteed of contracts to tenants will be a safety for nycha tenants none of course private landlords do what they want they have ownership. Investments on low income people losing their homes is disgusting to the humanity of life we have many trouble in this city getting destroyed daily. We need real leaders who care for the people yes all ethics they are people that only believe in the money and are sellout. We must realize that one day we will not be here and we do have to face the day of judgement of God of all kinds of sins & my faith in god is great and wait for a miracle to nycha section 9 no demolition Chelsea Elliot and Fulton and that everyone can get protected from marketing money grab and land grab essence related Steve Russ brought the Hudson yard when for over 10 years wait that landscape was supposed to be for low income with no empathy he greed it up. Now with nycha shame on all of you who make bad decisions in destroying people lives save section 9 save nycha contact hud about our federal money and make this bad investment go away thanks for your attention

Rad/Pact Proposal

Elliott Chelsea Fulton Houses

Hello Dear Friends and Neighbors,

I have lived in Elliott Chelsea for nearly a couple of decades now. I am a retired contract negotiator and have nothing else to do besides go to these meetings. What has been revealed to me, as an eye witness and resident is irrefutable evidence of fraud racketeering collusion suppression of business practices weaponized by Related cos. and their highly incentivized racketeering partners that include HOU, Essence Development, PSA4, Tenant Association, Jerry Nadler, Mayor Adams, Jeffrey LaFrancois, cb4 members and management, NYCHA groundscrew, NYCHA management office, NYCHA executives, and many others.

This group of racketeering partners have colluded to usurp American Public Housing. The only people that have not been consulted have been the residents, occupants of a historic mid-century high-rise community, that has solid bones and at most needs maintenance issues.

A survey of residents was conducted by the proposed developers recently, the results of the survey on 04/15/24 revealed that 84% of the residents intend on keeping their homes, while 16% of the residents are willing to relocate to a Related building with a section 8.

We have irrefutable evidence that while this survey is losing for the developer with a mere 16% voting in favor of developer's proposed project, that these numbers in favor of the developer are highly inflated in the developers favor, many parties have requested to audit the survey, though have been met with a stern no confirming our suspicions.

This Rad/Pact project only had legs in the media as the project has been forcibly billed as "resident initiated" and always refer to the "resident leaders":

We have irrefutable evidence that Darlene Waters was installed by Gottfried's office, whom a Jeffrey Lafranchois was employed at the time. Jeffrey Lafranchois is on CB4 and in on the Chelsea Land Use Committee. Jeffrey Lafranchois is acting as an agent for the proposed developer in his capacity, while Darlene Waters tells the press what Jeffrey Lafranchois' associates tell her, he made her and Darlene Waters only once in her time in office has sent a communication to the residents, "surprise new options".

Now we have irrefutable evidence of public video testimony by a Joe Rescuttia that Jerry Nadler instructed Mayor Adams to meet with the tenant association presidents Waters and Ascevedo and demanded they push the proposed demolition of the gorgeous occupied campuses of Elliott-Chelsea-Fulton Houses during a meeting on the 88th floor of Hudson Yards, March 2023, at the mis-kick-off of this currently proposed and misdirected demolition project. Since March 2023 every media article incorrectly mocks and highlights this project is “resident initiated”, residents have never had a voice on this project. Darlene Waters and Miguel Ascevedo speak for the proposed developers, who are now revealed to be instructed by Jeffrey Lefrancois, Jerry Nadler and Eric Adams.



We the 86% majority residents of Elliott-Chelsea-Fulton Houses, appreciate your help and assistance in helping us fend off this malicious, un-democratic, un-American attack of occupied citizens homes!

Sincerely,

CA Goldwell
Elliott-Chelsea-Fulton-Houses
HomeKeepers Alliance

Rad/Pact Elliott Chelsea Fulton Houses

City Council NYCHA executive testimonial perjury 04/19/24.

04/19/24 NYCHA executives testified that rehabilitating current NYCHA buildings would be very costly because it requires the relocation of all residents during rehabilitations.

The new rumor the NYCHA executives are manufacturing in order to incentivize the selection of the developer's proposed demolition of NYCHA Elliott Chelsea Fulton Houses can be demonstrated to be a lie, while showing the collusion between the current NYCHA executives and Related cos.

Residents since the beginning of the project in 2021 have consistently been guaranteed we will remain in our homes while renovations are completed, that in only rare circumstances will residents be asked to temporarily relocate.

Evidence (Attached):

Exhibit A:



Dated April 14, 2022, brochure distributed to residents from NYCHA while introducing the proposed developers Related/Essence during a meeting at Hudson Guild.

RESIDENTS RIGHTS AND PROTECTIONS

Residents will have the **right to remain in their apartment** during construction.

Exhibit B:



A flyer distributed during meetings with Related/Essence and NYCHA executives, previous to February 2023, when talks were only about complete renovation.

WILL I NEED TO MOVE OR RELOCATE DURING CONSTRUCTION

No one will be asked to move as all renovations are completed while you remain in your home. In some cases, depending on the severity of repairs needed or due to health concerns, residents will be assisted in a temporary relocation, but you will have a right to return to your home as soon as construction is completed.

Exhibit C:



FACT SHEET #1 Rad Overview

WILL I HAVE TO MOVE?

Most repairs made as part of RAD allow you to stay in your home during construction.

Exhibit D:



Printed on Letterhead from Greg Russ Chair & CEO NYCHA

Dated February 12, 2021

WILL I HAVE TO MOVE?

No one will be asked to move, as all renovations are completed while you remain in your home. In some cases, depending on the severity of repairs needed or due to health concerns, residents will be assisted in a temporary relocation, but you will have a right to return to your home as soon as construction is completed.

The following was said at the in person public housing hearing but in this testimony is added information:

My name is Celines Miranda I am a lifelong resident of Elliott Houses. As many of you know, my public housing development, along with Fulton Houses, may be demolished. If the council does not act fast to support the majority of the residents (84%) who are firmly against demolition of our homes.

Fulton and Elliott-Chelsea residents were forced into a RAD conversion based on a working group where only 6 tenants from my campus at the Elliott-Chelsea development participated.

This is how Related/Essence got their foot in the door. Renovations were initially offered, but out of nowhere they spring up a demolition proposal on us. So now, in addition to being forced into a Rad conversion, NYCHA and Related companies want to force us into a demolition. If NYCHAs section 18 application gets approved residents rights and protection are not guaranteed. Related has a history of not following through on their promises. Some tenants are believing their word but there is not a contract that guarantees a secure transfer.

The survey that Related developers circulated was a biased survey. For starters it was designed and administered by the developers themselves. Also the word "demolition" does not appear on the survey. Instead the term "new construction" was used to misinform residents by not describing that the option requires decades of demolition; 16-20 years or more **living in ground zero** of a construction site.

Another flaw in the survey, we were not given the option to stay in public housing, which explains why 73% did not participate in this survey. 73% of the FEC tenants chose to stay in Public Housing when they chose not to participate in this pact survey. The tenants consciously chose not to participate in the survey with the purpose of keeping private developers away.

This survey is not a fair representation of what the residents actually want. **We are being shifted around like checkers on a checkerboard. The elderly, the sick, disabled and bed ridden. I've seen the bed ridden tenants. They will get wheeled out to the new buildings, it's dehumanizing. Many are unable to speak up for themselves. They are not being considered. Too many inconveniences, disturbances and disruption of peace.**

Unfortunately several public officials including our own council members are choosing to support this proposed demolition. And some of these officials such as Erik Bottcher, Jerry Nadler and Eric Adams seem to be in office to serve the interest of private developers. They are believing and going along with the narrative that NYCHA is promoting but have not followed up with the tenants nor questioned the survey nor walked around our campus to confirm this false narrative.

I am urging all council members to reject this flawed and biased survey and to stand with the majority of the FEC tenants who are against the demolition of our homes. We made a decision. No privatization. No demolition.

And for those of you who are not aware, they want to take down two separate NYCHA developments in Chelsea. Fulton is one development of its own with its own TA president and Elliott is a different development that's about a half a mile away from Fulton, also with its own TA president and history.

Our TA president, Darlen Waters, from the Elliott-Chelsea development has been silent. She's selling us out behind closed doors. In our TA meetings, she

refuses to answer questions pertaining to demolition of our community. Somehow the Fulton TA president Miguel Acevedo has taken the lead and became the spokesperson for our Elliott-Chelsea development. But he is NOT our TA president.

Darlene Waters has not been fulfilling her role as TA president for the Elliott-Chelsea development. She hasn't held a TA meeting in five consecutive months - nor follow up on urgent work orders. I don't know and I am not aware how she's been active in our community. She surely has not had OUR OWN PERSONAL TA meeting pertaining to RAD/PACT nor demolition where we discuss our concerns or preferences. Presenting ONE meeting with RAD/PACT representatives and telling the tenants, "you will be converted," or "this is RAD/PACT," a biased conversation, and making us feel like we have no other option nor choices is not a democratic process. Their idea of a meeting is the sign in sheet proving that a meeting was had, but what type of conversation was had in that room. Most of the TA meetings that are held in the Elliott-Chelsea campus have the bare minimum of tenants; 10 and sometimes 20. This is surely not resident driven as NYCHA is always insisting on. We have been sold out and the RAD/PACT conversion is being forced on us.

My concern is regarding demolition and these so-called "new buildings"; what will happen to the tenants such as myself, if we refuse to sign our section 9 lease over to project base section 8? Will we be allowed to live in the new buildings or will we be displaced?

Displacement has started here in the Elliott-Chelsea development. Their goal for conversion is to have as many apartments empty as possible. It will facilitate the process for them. I've heard Many are getting transferred out now on a "safe transfer." There are some concerned tenants that are confused and scared. Fulton TA president and Management have used this to their advantage and offer them a "safe transfer." I've actually spoken to three separate families.

1) I know of one tenant who applied for section 8 housing 30 years ago. When did she get a response? Now, in the midst of this proposal. She has not accepted the request because she questions the timing.

2) Another family who applied when her kids were small. She needed a bigger apartment due to her big family. She got her request for a transfer about a year ago, when the proposal was first introduced. But it's been decades, her kids are all grown up and have left the home. She no longer needs nor wants a transfer. She also denied the request.

3) This final example is of a family who has accepted the transfer. Their kids are still teenagers, so the family can use the transfer. It's been a 16 year wait so they applied for the transfer when the kids were still small. With that said, they will be transferred out to a whole different development, of course, outside of FEC in Chelsea.

Please investigate our development because many people are getting transferred out, and I suspect that we are receiving preference over other people on a public housing or section 8 waiting list. It seems unfair and possibly illegal. There's a lot of shady business going on and it seems like NYCHA and many more will get away with it. They want the land. Chelsea is a prime real estate neighborhood. The NYCHA tenants in Chelsea are in the developers' way. They are only using us as pawns, bargaining chips in a real estate market.

Dana Elden, Resident President, St. Mary's Park Houses; St. Mary's Park Council, Inc, Residents to Preserve Public Housing, Exec Bd. Member; South Bronx District DCOP- Exec. Bd. Member. (Online (Zoom) Panelist)

City Council Testimony- Housing Committee - April 19, 2024

Good afternoon, Chairman Banks. Greetings to all attendees today, as we all agree that there is more to be said regarding the RAD/Pact & Trust. I am Dana Elden, President of St. Mary's Park Houses Resident Council, its' 5013c, as well as an Executive Board Member of Residents to Preserve Public Housing; as well as a DCOP Executive board member of the South Bronx. I live in a Section 9 project based development. I am here once again to speak before this council regarding my disdain of how NYCHA has continuously mislead and abused the rights of the residents of NYCHA residents. Currently we have 73 vacancies (according to the manager), and of those I have not been provided the number of vacancies in Section 9 versus Section 8, which I am supposed to be informed according to NYCHA, publicly, but privately, they deter management from providing me that information. Also, the budget for my development is a secret and that information is not provided. Section 9 must be adequately funded, not only by HUD but also with local City and State funding.

Section 3 employment is said to be supported by NYCHA, however, the construction companies only accept union members to work on Section 3 assignments. Qualified residents are not allowed to work on a project in their development until they become union members. Currently, I have one out of 13 applicants, that has and OSHA40 and experience, but because he is not union, he is being offered a "flagger" position at best if they deem him worthy. No one looking like us or our residents is working on my capital project of "roof replacement". In the South Bronx, it seems like "others" whom they have had at other sites will appear to

substantiate the Section 3 compliance. The Council's questions are repeatedly that "we'll get back to you with that" OR "it is listed on our website". I say REALLY???

I'm here once again to stress to this Council the need for clarity. Residents in this process are not being told the whole truth. They are not informed of the transition of their rights as well as the intentions and responsibilities towards the developments. The process of voting is also an issue as they are not fair with the percentage of voting. 50%-60% in my opinion, this percentage is fair.

It has been my opinion, as I visit developments who have gone through the process, that the materials are cheap. The workmanship is just a cosmetic effect. The main problems of leaking roofs, pipes, old electrical lines are not being addressed. The appliances that are being installed are not completely new and were most likely not sold by the manufacturer. Also, residents who have had the conversions have complained about the servicing of their developments, and how the private management companies are lacking in the work orders and the need for fixing different issues in their apartments. I live 4 blocks from Betances. I've been approached by a number of residents there who voice their disappointment with the conversions, as they still have leaks that come through drywall, and stain ceilings as well. It looks nice outside, but the apartments are truly lacking in the material quality.

The misinformation and the promise of residents' rights are important to their human right to have a quality of life that will sustain them in a healthy environment. Section 9 protects our residents. Section 8 guarantees in the Legislature of 2022, that they will "adopt the language of the 964 Rules and Regulations, but what guarantees that the residents will be awarded the same rights as they would with Section 9. Also NYCHA keeps talking about the assessments made and the need for

\$90Billion dollars. However, without the physical needs assessment from and independent agency that is not employed by NYCHA is paramount.

This practice of RAD/Pact must be abolished. The damage has been done in many cases already. What is happening around this city agency, passing off their responsibilities to these private management teams is critically affecting the lives of many.

If Resident Councils care to venture into Resident Management, they would be forced into a Section 8 conversion, with little to no assistance for those who wish to remain in Section 9.

I see that this entire activity is geared towards the financial gains of the management corporations and the construction companies. Everyone on that side will prosper. However, the residents are faced with the same issues they had before.

I ask that this Council to stand with the citizens of this city who reside in Public Housing. We deserve better than what is being done. We have rights that are being denied. We the residents of public housing demand that justice be done and to halt the RAD/Pact program. Thank you for this opportunity to speak today.

Dana Elden, ### Westchester Avenue ###, Bronx, NY 10455, (###)-###-#### or (###) ###-####; Email: dgelden149@gmail.com

Committee on Public Housing 10:00 am

T2024-1738 * Oversight – RAD/PACT Conversions: Smoothing
Transitions and Providing Clarity. Chris Banks (district 42)

Int 0110-2024 Alexa Aviles (district 38)

A report on the Permanently Affordability Commitment Together program.

Introduction * This bill would require the mayor, or an agency designated by the mayor, to submit a report to the City Council on the impact of the New York City Housing Authority's Permanent Affordability Commitment Together program.

What Happens in the Interim

Good Day, Chairman Banks and Councilwoman Aviles and all honorable Councilmembers. My name is Diana Blackwell. I am a Resident leader at Fred Samuel in Central Harlem and one of the original residents who was seated at the RAD Round Table which met first in 2015.

My development was originally scheduled for conversion in 2021 but was interrupted by the Pandemic. Fast forward to 2024, it has yet to be converted.

I'm here today to share what happens in the meantime, i.e., waiting for the closing of the deal or the move from Section 9 to becomes Section 8 or the new landlords taking over from NYCHA or the conversion.

I want to bring to your attention, some of the issues that occur during the wait:

- I. Repairs (or lack of)
 - a. Heat
 - i. Boiler replacement
 - b. Leaks
 - i. Pipes
 - ii. Windows
 - iii. Doors
 1. Safety & Security

II. Extermination

- a. Rats

III. Transfers

- a. Inter
- b. Intra

IV. Employee/staff

- a. Low morale
- b. Work slow-down

V. NYCHA Management's expectation

- a. Budget

I. Repairs

- a. based on tickets that are generated through the CCC are either not completed or scheduled far in advance (often these comments are based on the promised date for the conversion). Due the age of the building and knowing that each day the rate the infrastructure's deterioration increases rapidly, it would not be cost effective to NYCHA to invest in the repair, therefore residents are told that the new management will do the work/repairs
- b. Leaks. These situations get a band aid when Skill Labor works on it but before the transition it has returned affecting more than one apartment in most cases.
- b. Heat. Even though the cold season is ending, the past winter proved to be a very bad season because of aged boilers that are not going to be replaced by NYCHA but will be handed over to the new developer.
- c.

II. Extermination

- a. The rat/rodent situation has 'not' decreased in our neighborhood; therefore, an immediate and consistent plan of action needs to be implemented and followed-up. As a reminder, our buildings are over 100 years old and the rats

have had years to borrow through the wood and create paths to apartments

III. Transfers

- a. NYCHA ended inter and intra Section 9 transfer earlier than should have been. Every delay to conversion should have given those who had submitted their transfer the opportunity to fulfill their desire to leave their apartment and right size or leave to another development for the approved cause. Instead, it left tenants anxiously waiting for an internal change that could have satisfied the request. Yet they still are waiting.
- b. Intra transfer request needs to be noted because many of those who want to remain in a this development normally are making this request as a means of right-sizing due to a family structure increase. This is 'not' the only request for intra-transfer

IV. Employee/staff

- a. Low morale is created by an atmosphere of uncertainty. Uncertainty is strengthened through fear. Fear of the unknown and that is what is projected by NYCHA to the staff and impacts the services that are to be rendered to the tenants
- b. Work slow-down is a reoccurring activity among the staff. Many of the staff are new because they've move the older, seasoned workers that have known the residents and have developed a relationship with them. Currently, we are encouraging residents to put in a trouble ticket with the CCC as a complaint because the building is no longer being cleaned on a regulated schedule. Only those with the seasoned Caretaker are privileged to have this service.

V. NYCHA's Management Expectation

- a. No budget. Due to the last scheduled date in 2023, NYCHA did not give a budget to Sam City because they were not scheduled to be on NYCHA's calendar year budget due to the cutover in 2024. This did not happen which meant that the management office had no funds to pay the necessary vendors

to do repairs e.g. Intercoms, Mailboxes, etc. since they are still under NYCHA

- VI. Quality of Life (is a concept which aims to capture the well-being, whether of a population or individual, regarding both positive and negative elements within the entirety of their existence at a specific point in time.)
 - i. Reduction of a natural and living environment
 - ii. Sub-standard of living
 - iii. Affliction/afflicted.
- b. Quality of life is determined by its activities
 - i. And there have been little
- c. Quality of life varies enormously from one place to another
 - i. For this reason, if we want to have QoL, we must move from one place to another so that the 'quality of life would increase'

As I conclude, our team have formulated many questions, e.g.

- What is the expectation of NYCHA and its managements to the residents when the bar keeps moving?
- How are residents to build trust in a system that has lost its realistic goal in the program that they're presenting?
- To the landlord, I ask the question, "aren't you obligated to meet the tenants needs that will gives residents quality life while waiting to get an even better life?"
- If the residents have to have an extensive wait, shouldn't they have services that will keep them safe, secure, warm and healthy until they convert?

NYCHA, in the interim has failed to meet the obligations of a landlord. This failure has had a serious impact on many of the lives of those waiting for the conversion. The impact during the interim is both physical and mental and residents do not deserve this. I believe in this program, but I also believe that this is part of our human right which I will continue advocating

for this need in the RAD/PACT program that is being presented to the residents of NYCHA and my development at Sam City.

Thank you,

Diana Blackwell

President

Fred Samuel (City) Apartments

###-###-####

My name is Ibrahim Xavier Johnson. I personally thank this committee for your interest in public housing. I was born and raised in public housing. This is affordable housing, and I am currently on the wait list for an apartment in Manhattan or the Bronx. I am a veteran of the US Army and graduate of CUNY and I credit my success to the stability that public housing provided my family in the 1970's and 1980s. New York City likes RAD/PACT conversions, and we have the NYCHA Trust Fund, at the State level.

For me, public housing is a federal commitment backed by the US Department of Housing and Urban Development (HUD). HUD has emphasized the importance of NYCHA tenant leadership. Consequently, the City Council must include the City-Wide Council of Presidents (CCOP), the official voice of NYCHA tenants, in any discussion regarding NYCHA's commitment to affordability. I am asking the City Council to consult with CCOP when considering any legislation regarding NYCHA.

The previous City Council representative, from District 9, met with the Tenant Presidents in the past. I encourage the City Council to continue this process of consultation. Remember, CCOP is a product of **CFR 964.18**, a federal law which empowers CCOP. I am asking this council to publicly acknowledge CCOP and give honour and tribute to the NYCHA Tenant Presidents. I am also asking the City Council to create a permanent liaison between CCOP and the City Council. I am currently the unofficial consigliere for at least one NYCHA Tenant President. I would like my volunteer work to become official and eventually paid.

Sincerely,

Ibrahim Xavier Johnson

President and Harlem resident

Black Star Housing, Inc

April 19, 2024
New York City Council Committee
Hearing Before the Committee on Public Housing
Re: Oversight RAD/PACT Conversions: Smoothing Transitions and Providing Clarity

Written Testimony of Judy Smith
NYCHA Resident & Member of Save Section 9 Organization

As a concerned resident of the New York City Housing Authority (NYCHA), I appreciate your commitment to addressing the oversight issues related to NYCHA's operations and the ongoing RAD/PAC conversions.

In keeping within the framework of the questions asked during the hearing, below are my answers.

What do residents know? Not much. What residents don't know:

- It's alarming **99% of NYCHA residents** are unaware of their rights under **Section 9**, and many are unwittingly relinquishing these rights.
- The **City Council of Presidents (CCOP)**, meant to be the citywide voice of residents, remains a mystery to most residents, but they collaborate with NYCHA.
- The distinction between the **Resident Council** and the **Tenant Association** is unclear and they are another group that represents residents.
- What is RAD/PAC and how does it affect their residency.

What residents must do during this process?

- Get clarity on what **RAD/PAC** and Section 9 entails and how it impacts them as NYCHA residents.
- **Educating themselves** about their rights and the processes.
- Empowering themselves by intelligently voting **based on candidates' achievements, qualifications, and vision for NYCHA.**
- **Participating** actively in the decision-making process.

What NYCHA and the developers are required to do and what are they actually doing?

While many residents may not be fully aware of NYCHA and the developers' obligations, I can shed light on a few things they are doing that is troubling:

- Shoddy cosmetic repairs, but not repairing the infrastructure.
- Not checking to ensure if work is properly completed or initiated because often contractors don't show up to do the job.
- Using money in Section 9 to fund Section 8, and other projects then claiming NYCHA doesn't have money to maintain Section 9.
- Excluding residents while meeting with TA presidents/Resident Council/CCOP.
- In referring to Councilwoman Darlene Mealy remark about rogue TA presidents, the committee should investigate the rogue TA president at Manhattanville in

Northern Manhattan, and the intimidation tactics used by RAD/PAC workers. Resident were told they do not get a vote because an agreement was made between the developer, NYCHA, and the TA president for the conversion. Also, RAD/PAC workers are unexpectedly knocking on resident doors announcing they are there to do apartment inspections, if given entry taking pictures of the residents' apartments, and leaving packets on residents' doors about signing leases.

How can this committee conduct the necessary oversight?

NYCHA's challenges related to maintenance, repairs, resident services, funding, and budgeting have raised serious concerns about oversight of NYCHA, and because oversight of NYCHA is complex robust oversight is crucial whether under **Section 9** or as developments convert to **RAD/PAC** (Section 8).

Proposed Solution

To address this critical issue of oversight, I propose a joint session involving local, state, and federal representatives, NYCHA officials, residents and resident leaders. Such a session would allow for open dialogue, information sharing, and collaborative problem-solving. Together, we can find solutions that balance rehabilitation of NYCHA developments without compromising residents' rights.

I kindly request that the committee schedule a hearing or meeting to discuss these matters. As stakeholders, we must work together to create a stronger, more transparent NYCHA system that serves the needs of our community, and **I support Councilwoman, Alexa Avilés, bill - file # Int 06462022** requiring the mayor to submit a report on the impact of RAD/PAC. I believe this is an appropriate step to take in addressing oversight issues.

I hope my proposed solution will lead to a dialogue between all the entities mentioned. Thank you for your attention to this matter.

**New York City Council, Committee on Public Housing
Int 0110-2024: Annual Impact Evaluation (NYCHA PACT)
Support for Int 0110-2024**

**To: Hon. Chris Banks, Chair
From: Metin N. Sarci
Date: 04/15/2024**

Introduction

My name is Metin Necdet Sarci. I am a public housing specialist with 12 years in public service; specializing in NYCHA policy, resident engagement and program implementation. The testimony before you is not representative of the New York City Housing Authority (NYCHA) where I am presently employed and all opinions shared are based on the wisdom influenced by my service to NYCHA residents.

Support for Intro 0110-2024

I am in Support of Intro 0110-2024 with a friendly amendment for consideration. To strengthen this piece of legislation, I recommend; **(1)** this body seek an independent program evaluation partner. The Mayoral administration and their controlled entities have a self selection bias to present favorable reporting that could invalidate the purpose of this legislation. **(2)** Section 8, PACT should be measured in comparison to existing Section 8 programming under NYCHA to ensure internal validity (baseline data). The discovery of potential variables requiring impact study has implications to improve Section 8 PACT in addition to all NYCHA Section 8 programs. **(3)** Remove guidelines on the impact(s) you are seeking to measure from the intervention program (Section 8, PACT) in relation to the control (Section 9, NYCHA). By allowing an independent evaluator to conduct the above, variables can be identified and measured annually to provide this body with factual recommendations for policy consideration.

Conclusion

In consideration of the above testimony, I am not only in support of Intro 0110-2024 but would encourage expanding this piece of legislation to ensure independent reporting in identifying impact as well as additional policy considerations to expand protections across all Section 8 programs in NYCHA to benefit the largest number of constituents.

Contact Information

Metin N Sarci
mnsarci@gmail.com
###-###-####

Princella Jamerson
East 137th Street
Bronx New York 10454

"To: Committee on Public Housing

Date: April 19, 2024

Hearing: Oversight - RAD/PACT Conversions: Smoothing Transitions and Providing Clarity.

This testimony was prepared by members of Save Section 9. Save Section 9 is a tenant led coalition that works to educate and activate public housing tenants. We tackle policies rooted in colonialism that have led to discriminatory disinvestment in America's only truly affordable housing stock. Our members fight gentrification, displacement, and privatization schemes nationally. Our actions are focused on gaining adoption of our federal solutions which aim to rehabilitate and expand the only truly affordable housing stock in America. We demand the sustainable and resilient rehabilitation of Section 9/ public housing campuses nationally.

We consider RAD to be the biggest threat facing public housing in NYC, and nationally.

Since its creation RAD has been rolled out by NYCHA with little oversight and no consistency. RAD harms tenants' quality of life, destroys communities and alters the vibrant culture within public housing. This program causes harm because:

- 1. NYCHA singlehandedly decides which development will get RAD, the selections are not made based on repair needs. The latest [Physical Needs Assessment](#) demonstrates that repair backlogs do not impact the selection process. Instead they seem to be focused on sites that are desirable to their real estate partners. Then they work to hand over our precious land and homes as quickly as possible to some of the worst management companies in NYC.*
- 2. The list of real estate partners allowed to manage, or develop, [is limited by NYCHA](#) so the selection of a partner is not truly democratic.*
- 3. NYCHA approaches the tenant association (TA) privately. During these initial conversations NYCHA informs the TA that they will be undergoing conversion to project based section 8. The TA is then given at least three choices for their new management and development team. The TA does not have to report this to the larger community of tenants. Therefore the [selection process is undemocratic and violates our right](#) to participate in the decision making process.*
- 4. NYCHA is aggressively converting developments without assessing the impact the program has had on previous sites.*
- 5. Once NYCHA exits the development they stop responding to tenant inquiries, and tenant concerns. This allows [bad actors to carry on unchecked](#). However, NYCHA maintains a fiscal sponsor relationship with each property converted.*
- 6. When those become unmanageable like they recently did in [Bushwicks' Hope Gardens](#) NYCHA allows the management team to choose a new developer.*

However, the RAD/ PACT agreement allows NYCHA to cancel it if services are not being delivered properly. This exit clause is one that NYCHA likes to highlight when selling the conversion but one they have no interest in enforcing.

- 7. While the RAD program was designed to port over rights and benefits included in Section 9 public housing, the management companies contracted are not upholding these. Neither NYCHA or HUD provide oversight, or measure the impact of RAD. This leads to [an uptick in evictions](#) crisis at a time when the city is facing housing insecurity at levels never seen before.*

We ask the City Council to immediately issue a moratorium on all NYCHA RAD/ PACT conversions, pending the completion of a robust impact study inclusive of all properties currently being served by Project Based Section 8. We also ask that the city council support our [national call for the sunset of RAD in September 2024](#).

Additionally, we ask the City Council to host a joint hearing with its Albany counterparts on RAD/PACT. During this hearing we NYCHA and HUD's office of Public and Indian Housing should be asked to provide the framework of the impact study, and be encouraged to adopt the practices of Human Rights Watch and Neighbors Helping Neighbors. They should also be ready to specify the timeline for a deal, and the public reporting mechanism tenants will use to monitor the progress of RAD/ PACT at their development.

Below is a more detailed account of the conversion process as experienced by hundreds of formerly public housing tenants. This is followed by the Save Section 9 Demands Resource Amendment containing our research and resulting recommendations. We would also welcome an opportunity to meet with members of the City Council to explore how we can work together towards the rehabilitation and expansion of Section 9 public housing in New York.

Save Section 9 Members

Tenant Experiences During Conversions:

NYCHA begins by holding three meetings at the development. These meetings are misleading, led by aggressive real estate players and overwhelming to tenants. In these meetings tenants:

- Are not informed of the loss of their federally mandated rights. The emphasis is on the rights being within the new lease. But NYCHA does not enforce these, and management companies have been found to not uphold and/or violate these rights.*
- Are told that they will qualify for a portable Section 8 voucher. But no mention is made of the waitlist being closed for portable Section 8.*
- Are told that they will get quality repairs, and see an improvement in their development quicker. They are not told that the repairs and work don't start for an average of 18 months. However, repairs are inconsistent, take as long as they did under NYCHA and*
- Are not given alternatives to going along with a conversion. If a tenant refuses to sign the lease, or even expresses the desire to protest this way they are shamed and blamed for their community not getting repairs.*
- Are not told when the application for conversion is submitted to HUD's Special Application Center.*
- Are not given clear directions on how to submit comments opposing the conversion. When comments are submitted to the PACT team email tenants do not receive a response.*

- **All Residents Leaders, are forced to sign a Non - Disclosure Agreements (NDA) with the Developer, Managements Company's and NYCHA without a Lawyer Representative.**
- **We find that this is deliberately misrepresenting the truth in theses contracts by hiding facts within these section 8, conversions**
- **These method are intentionally deceptive and harmful because vital and material facts are being hidden from the stakeholders the people including our elected governmental officials.**
- **How can the Residents protect themselves if they don't understand the legal implications or ramifications of the (NDA that they are being forced to sign.**
- **This is blatantly a conflict of interest to the stakeholders and a a breach of duty by NYCHA whose jobs it is to represent and protect the residents rights under the 964 Regulations.**

As conversion moves forward NYCHA attempts to convince tenants that they are no longer under Section 9 by letting the management and development team take lead at all meetings, and around the property. The management team:

- *Is provided office space within the development. Sometimes they sit in the office, but some are afforded the use of an apartment. These units should be used to house folks, not to coerce tenants into accepting privatization.*
- *Remodels additional units before the conversion is finalized. These units are then used to provide tours and convince tenants to accept the conversions. These units should be used to house folks, not to coerce tenants into accepting privatization.*
- *Installs security cameras and hires security personnel, without disclosing who is monitoring these systems and what is done with the recordings or logs. All of this is happening while NYCHA continues to be our management company and is in violation of 964 regulations which afford tenants the right to be part of management decisions.*
- *Forces tenants to sign leases, before legal and financial transfer of the property has been completed.*
- *Convinces tenants to convert without providing clear milestones on the process. This leaves tenants unsure of their status, who their management company is and when they will be "handed over".*
- *Fails to engage all tenants via outreach such as door knocking or delivering flyers regularly to each unit. Oftentimes tenants discover that they have been converted when they receive a notice saying their new lease is ready to be signed. This makes it harder for tenants to express opposition and violates their right to organize and to participate in the decision making process.*
- *Holds meetings sporadically and only in the evenings. The timing and lack of notification reduces tenant participation. This especially disenfranchises elderly and disabled tenants.*
- *Fails to provide a clear timeline; NYCHA introduces the management company as the responsible party from the first meeting.*
- *NYCHA must stop lying to the tenants about the 964 Protection regulations being transferable to section 8 housing.*

- We need to also talk about controller Brad Lander, Studies on Charting homelessness in New York City. This study on June 28, 2023 refers to the number of high eviction rate is in New York City, since the COVID pandemic moratorium was lifted. it also spoke about the mayor's decision to remove the homeless encampments around the city and how negatively impacted DHS to ability to measure the results of placement referrals in the city ability to keep these people house safely. If DHS doesn't collect data or cannot track the results of the cleanups that was done around the city and their numbers are incomplete and in accurate how does the City, State, and NYCHA / HUD will be able to keep track of the amount of residents who are being evicted of these converted developments through Pact / Rad placement.
- Until there is true and accurate studies on the impact of the RAD/ PACT conversions in New York City! Or the way it negatively impacts residents stability to have safe and low income housing & true protections in place! New York City will only experience more housings instability in a city that's in need of housing securities
- We hope that the City Council Members, do their own study audit, with investigations on theses conversions methods. There must be an investigation to why Residents Leadership's are being forced to sign an NDA binding agreements, without any legal representative at the table! P.S. when we speak of legal representatives I'm not speaking of legal aid, who sometimes work alongside of the housing Authority in most cases to push these kinds of agenda through to the finish line.
- All Residents Leadership Councils, should have their own legal representative who aren't influence by the Housing Authority or any Local Government Authorities.
- NYCHA, HUD and State, doesn't have a way of tracking the amount of evictions or section 3 hires, that are taking place under these section 8 conversions.
- I am asking for the City Council, to please form Independent committee's who will report the findings on these sections 8 Conversions especially on the amount of evictions and repairs that goes unanswered by these management company's.
- I am also sending a copy of Brad Landers, recent audit on homelessness throughout New York City! This also includes DHS failure to track the numbers of people who are facing evictions and homelessness in our city. If NYCHA is left to operate these kind privatizing schemes the homelessness numbers in this city will quadruple! As it stands right now the housing crisis in New York City is out of control.
- We can't afford to lose Public Housings in New York City because it's the only **stable** and **low income** housing that's available in this city.

This is the New York City Comptroller Brad Lander recent audit of the department of Homeless Services and the findings on homelessness, evictions, shelters exits June 28 2023 that can be downloaded:

DHS' Data Does Not Adequately Track the Results of Placement Referrals Made during "Cleanups"

DHS does not systematically record shelter re-entry dates. While DHS tracks referrals for temporary shelter, it does not track shelter entry dates (i.e., check-ins). DHS does not consider this information essential. DHS officials have indicated that the number of individuals referred for temporary housing is the key indicator.

However, because DHS does not track outcomes from shelter referrals, it is unable to assess the placement results of its referrals. The agency also misses opportunities to better understand the habits of its clients in terms of their lengths of stay at the shelters. At the exit conference, DHS officials stated that they consider "every night an individual spends inside to be a success."

Consequently, it is important to track actual check-ins and overnight stays at the shelters. In terms of the 119 individuals referred to shelter during the cleanups considered during this audit, only 90 checked into a temporary shelter and actually stayed there at least one night.

DHS indicated during the exit conference that the CARES system records a start date that reflects the date that a new case is opened for an individual entering the shelter system. The system does not currently have the ability to record a re-entry date if the individual exits the shelter and then returns for a re-entry to the shelter later. Currently, the only way for the re-entry date to be recorded in CARES is to open a new case for the person, which is a lengthy process for the agency and the individual. Because homeless individuals engaged during these cleanups often enter and exit temporary shelters, DHS does not want to have to open a new case each time that happens. Once a start date is set for an individual, DHS uses that same start date each time the individual re-enters a shelter during a one-year period following the opening of the case.

This potentially leads to misleading data.

The auditors recommend that DHS develop the capacity to record all shelter entry and re-entry dates for each individual. This is necessary not only to better understand the outcomes of its referrals, but also the patterns of individuals who interact with DHS over time.

Recommendations

To address the abovementioned findings, the auditors propose that:

1. In addition to tracking the referral of homeless individuals to temporary shelters as a result of sweeps, DHS should also consistently track on an aggregate level its key activities and outcomes, including, but not limited to, the number of engagements with individuals, the number of individuals engaged who accepted temporary shelter and later exit the shelter system, the number of individuals who request support services (including mental health services), the number of those who received requested services, and the number of persons placed in permanent housing.

DHS Response: DHS partially agreed with this recommendation. DHS stated that “[t]he main system for street services, StreetSmart, was developed as a case management tool and was not built with this kind of reporting capability. While we agree that aggregate reporting is useful, we are able to extract data on an individual basis ... to create ad hoc reports.” The agency also stated that it will “explore feasibility and cost for updating StreetSmart to add aggregate reports of DHS’ work at clean-up sites.”

Auditor Comment: The auditors continue to believe that systematically tracking the results of engagements with homeless individuals at encampments would aid DHS in assessing the success of those efforts. The auditors appreciate DHS’ commitment to exploring the feasibility of updating Street Smart to add capacity to collect data during sweeps.

2. DHS should publicly report key indicators that provide transparency relating to the effectiveness of its outreach efforts in connection with the removal and dismantling of homeless encampments and other homeless sites.

DHS Response: DHS disagreed with this recommendation and stated that it “has been and will continue to publicly share referrals to placements from clean-up sites. DHS publicly reports the number of clients who were engaged at clean-up sites and are currently checked in at shelters.”

Auditor Comment: DHS provided no evidence to the audit that it reports the aggregate number of clients who are engaged at “cleanup” sites. The audit suggests that DHS report this data along with information on other indicators, such as the number of individuals referred for mental health and substance abuse services. Such information would provide a more complete picture of DHS’ outreach efforts. Auditors urge DHS to reconsider its response and implement this recommendation.

DHS should re-assess how it engages with homeless individuals at the homeless encampment and pop-up sites to improve its success rate in encouraging these individuals to accept placements in temporary shelter.

DHS Response: DHS disagreed with this recommendation, stating that it “continuously assesses its outreach efforts across the portfolio to try to find new ways to convince clients experiencing unsheltered homelessness to access services.” The agency goes on to discuss its current efforts, including its partnerships with various City and State agencies, and the characteristics of the individuals who make up this particular population and the difficulties in persuading them to accept temporary shelter.

Auditor Comment: Auditors acknowledge the difficulties faced by DHS and the challenges inherent in dealing with this population. Nonetheless, it is clear that sweeps have limited success in meeting DHS’ stated goals. In light of this, DHS should reconsider how it engages with homeless individuals at encampment and pop-up sites. DHS should also reconsider, in

consultation with its partner agencies in the Mayor's task force, whether sweeps should continue and whether there are more effective means to reach this population.

4. DHS should re-configure its systems so that the agency can readily capture all shelter entry and re-entry dates for each individual.

DHS Response: DHS disagreed with this recommendation and stated that its "system of record, CARES, already captures entry and re-entry dates for individuals. DHS staff and contracted providers have access to CARES in order to get more information about client entries and exits."

Auditor Comment: The auditors were informed by DHS throughout the audit and at the exit conference that the agency is unable to capture in CARES the date that a homeless individual re-enters a temporary shelter (when the individual exits a shelter and returns within one year of their initial entry). In fact, DHS attributed certain data anomalies identified during the audit to this weakness in CARES.

1. DHS should consult with other localities and establish effectiveness best practices for engaging, and tracking and reporting encounters with, individuals living at homeless sites.

DHS Response: DHS disagreed with this recommendation and stated that it "has spoken with and will continue to engage other localities to determine best practices and learn about new approaches to encouraging individuals experiencing unsheltered homelessness to access services."

Auditor Comment: Although DHS ostensibly disagrees with this recommendation, their response suggests partial agreement. DHS states that the agency will continue to engage other localities to determine best practices and learn about new approaches for encouraging homeless individuals to accept services. The auditors urge DHS to do so, and to improve its tracking and public reporting of outreach encounters.

Recommendations Follow-up

Follow-up will be conducted periodically to determine the implementation status of each recommendation contained in this report. Agency reported status updates are included in the Audit Recommendations Tracker available here: <https://comptroller.nyc.gov/services/for-the-public/audit/audit-recommendations-tracker/>

Thank you Princesa Jamerson, Resident of Public Housing.

Sent from my iPad

RAD/PACT

- ***RAD/PACT conversions should be paused until we know the impact on residents.***
RAD was intended as a demonstration program. RAD/PACT conversions should not continue without substantive investigation of the costs, impacts, and outcomes of its implementation at NYCHA. We ask that City Council requests a moratorium on all RAD/PACT conversions under planning and engagement so we can meaningfully evaluate the impact of RAD/PACT thus far, including but not limited to:
 - Social & Economic impact– how will this impact surrounding communities? How do residents feel?
 - Racial Impact– how will this
 - Environmental and Health Impacts of Renovations and Construction- Third party environmental expert to confirm accuracy before deeming uninhabitable ie constructive evictions.
- ***RAD/PACT Conversions are undemocratic.*** Prior and current RAD/PACT conversions have been implemented without resident decision making on whether to enter the program or not. Residents facing the Preservation Trust have the opportunity to vote, but this has not been extended to PACT conversions, making it an undemocratic process. Several individuals on a Resident/Tenant Association Board should not be making unilateral decisions for thousands of people and families. Every resident should have a say in the future of their homes beforehand.
- ***Residents still do not know what RAD/PACT is and how it impacts their leases.***
RAD/PACT conversions are still taking place without sufficient transparency or outreach. Residents in communities facing PACT conversions report having little to no information about this process, their rights, or opportunities for resident engagement. Moreover, meaningful engagement and outreach must take place in accessible languages–both English and other languages,ASL/Braille including pictures for those who may need it.
- ***RAD/PACT processes are not transparent.*** RAD/PACT conversions have already demonstrated a concerning number of adverse impacts on residents, from lacking communication with new private property-managers, issues with substandard renovations, and increased rates of eviction. Oversight for property-managers is lacking, and unclear for residents. Despite assurances that residents would not lose any of their Section 9 rights, residents in converted developments have no clear mechanism for grievances, reasonable accommodation requests, or transfer requests. There needs to be uniformity/compliance and follow through that benefits the residents NOT NYCHA.
- ***NYCHA residents struggle to exercise their Section 9 rights once their development is converted to Section 8 under PACT.*** Residents undergoing PACT conversions are experiencing difficulty accessing their rights to grievance processes i.e. succession rights . Moreover, converted developments lose oversight from the federal monitor.

- **RAD/PACT private development impacts our union workforce and does not honor Section 3.**
- **RAD/PACT inspections are not clear and consistent.** Considering that RAD/PACT units can and will waive HUD's new NSPIRE inspections, it is unclear how we can ensure new renovations under PACT will meet healthy home standards. We want clear and consistent inspections that include resident input and access to findings. Mandate an oversight committee- inspect, audit, and report findings to show transparency.
- **Added charges in PACT leases hurt residents on fixed incomes.**

Preservation Trust

- **We need the City to step in case of default of the Trust loan(s)**The Preservation Trust represents a massive risk for public housing with the ability to accumulate up to \$10 billion in debt, as well as back its debt by using public housing communities as collateral, making public housing vulnerable to creditors.
- The Preservation Trust is being implemented through an undemocratic process. Holding resident votes with just a 20% threshold makes a mockery of resident engagement and decision making
- ***The Preservation Trust board is undemocratic and undermines authentic resident governance.*** The Preservation Trust is structured to provide even less resident engagement and decision-making than NYCHA with resident board members limited to a minority 4 out of 9 seats. Additionally, they are appointed by NYCHA and the Mayor, rather than being elected by residents at-large.
- ***The Preservation Trust does not truly preserve public housing (Section 9).*** Despite being deemed a public entity, the Preservation Trust converts public housing to Section 8 units. Although we need more Section 8 units across NYC, we should not be converting Section 9 public housing. Rather, we should be investing in and expanding Section 9 public housing, as it is the most stable and secure form of housing for many working-class families that call NYC home.
- ***The Preservation Trust has no oversight.*** Since the Federal Monitor will not oversee that repairs and renovations adhere to mandates from the *Baez* case, we want to ensure there is oversight and accountability of the renovation and maintenance of our apartments and developments at-large. Additionally, we want to make sure these units are truly habitable so they are not susceptible to Section 18 demolition.

Future of NYCHA

- NYCHA residents stand against the privatization of their communities through any means – PACT, the Trust, or otherwise. NYCHA residents have been organizing in opposition to the Preservation Trust for years. We are committed to a future of NYCHA that is publicly funded under Section 9, supported, and strengthened through all levels of government and with true resident leadership.
- NYCHA residents refuse the demolition of their communities, and superficial resident engagement processes that dismiss resident concerns and undermine resident leadership, as in the case of Fulton, Elliot, Chelsea, and Chelsea Addition.
- Public Housing (Section 9) is the most stable and secure form of housing for residents who experience unemployment, underemployment, and seasonal employment. If a resident loses their job, they are not at risk of homelessness like many neighbors in private housing. This will perpetuate socio economic instability.
- We want full, comprehensive repairs for Section 9 units, including new pipes and wiring throughout the development, with
- ~80% of capital funding NYCHA has not been utilized. Where's the interest being reallocated for unused funds and the unpaid fines by NYCHA?
- Make point re: staff shortage and hiring more NYCHA residents are a priority, vet any contractors and/or subcontractors

Siide Gil-Frederick

NYCHA has been shamelessly pushing RAD and Project-based Section 8 through the Trust. By neglecting their mandate to provide working class New Yorkers with decent, affordable public housing, issuing faulty information, and silencing dissent, NYCHA has been misleading residents into believing Section 9 is a broken program. But compared to RAD, which seems intentionally designed to evict our neighbors most in need, Section 9 is the more dependable framework and overdue for reinvestment and support at all levels of government.

In the Human Rights Watch report “The Tenant Never Wins” (linked below), the failure of RAD/PACT to deliver resident well-being is clear— even if it weren’t, RAD is due to sunset in Fall 2024 and relies on an unreliable supply of Section 8 vouchers from HUD. Until then, New York City Council must pass Alexa Aviles’ Intro 110 bill and place a moratorium on RAD conversions in NYC until the report is complete.

<https://www.hrw.org/report/2022/01/27/tenant-never-wins/private-takeover-public-housing-puts-rights-risk-new-york-city>

To: Committee on Public Housing
Date: April 19, 2024
Hearing: Oversight - RAD/PACT Conversions
Stopfecdemoliton.org

NYCHA's implementation of RAD lacks accountability and consistency, wreaking havoc on tenants' lives and fracturing the fabric of public housing communities. The process is shrouded in secrecy, with NYCHA failing to engage the tenants. When NYCHA speaks about tenants, they mean resident leaders and their allies discussing conversion to project-based Section 8. Tenant Associations are informed about the conversion but are optional to relay this critical information to all tenants, denying them their right to participate in decision-making.

The virtual PACT Projects Details site is a hollow facade of transparency, omitting crucial details about meetings, developer selections, and tenant opposition. The choices presented to tenants are superficial, with management teams often prequalified without input from the residents they're meant to serve. It's an insult to injury that some of these chosen managers are notorious slumlords, such as Wavecrest Management City records list nearly 6,000 open building and housing violations, over 500 of which are immediately hazardous, according to a WNYC analysis in collaboration with [JustFix.nyc](#), a technology non-profit that analyzes housing data to help tenants. ([NYCHA Hires Private 'Slumlord' to Run Public Housing | WNYC News | WNYC](#)) further eroding trust and safety within communities. The city council should recommend that NYCHA updates its tracker with complete and accurate information, empowering tenants to resist conversion and preserve our homes. NYCHA nor HUD exercises proper oversight or measures RAD's devastating impact, resulting in a shocking surge in evictions, as reported by Neighbors Helping Neighbors [Researching RAD/PACT in the Rockaways](#) affecting the most vulnerable members of our society. We have repeatedly stated that NYCHA needs to be held accountable and protect the rights of public housing tenants.

The survey conducted in Elliott Chelsea and Fulton was inadequate in capturing the true sentiment of the residents. Only 27% (969 of 3388) participated— that means that 73% of residents didn't participate in the PACT/RAD survey which allowed only three choices with Reconstruction and Rezoning giving the shortest timeline and none given for the rehabilitation of our homes. Only 16% of eligible residents (550 of 3388) responded in favor of “new construction”— that means that 84% of residents are either opposed or unknown. Jonathan Gouveia stated that if the residents didn't want

them NYCHA would leave. 84% speaks volumes. NYCHA and Essence remain in our home. HOU remains in an apartment in Fulton Houses while we allegedly are in a housing crisis. The destruction of our homes will exacerbate this crisis. There has been direct displacement of our community. Many leave because of anxiety, fear, and disgust with the bait-and-switch tactics. The plan has changed.

The fundamental problems about how the survey was done still exist. It was designed and administered by the developer– not an unbiased party (CHPC says they just tallied the totals and didn't design the survey nor oversee the process) The word “demolition” does not appear anywhere– “new construction” doesn't fairly describe/ fully inform survey participants that the option requires decades of demolition. The respondents are not a random sample– HOU, (and perhaps resident board members actively campaigning in favor of demolition) went door to door to SOME residents, resulting in a skewed sample. The survey was not translated into all of the languages used at Fulton and Elliott Chelsea. [NYC has a language access plan](#) and the NYCHA's policy is to take reasonable steps to ensure Limited English Proficient (LEP) individuals may effectively participate in and benefit from NYCHA programs and activities in compliance with the United States Department of Housing and Urban Development (HUD) notice entitled "Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient (LEP) Persons," published on January 22, 2007, at 72 Federal Register 2732. ([NYCHA-Language-Assistance-Services-Implementation-Plan-Apr-2022-Eng.pdf](#))

The current disclosure of survey results is still not fully transparent. Residents asked for it to be broken down by the four campuses: Fulton, Elliott, Chelsea, and Chelsea Addition. This is especially important because Chelsea Addition is a senior development, very distinct in terms of conditions and needs, and has a particularly vulnerable resident population.

During petitioning, we came across an elderly neighbor who suffered from dementia who was in a bedroom where the wall needed plastering her aid had been told that the repairs weren't going to be done because the building was to be demolished. When we speak to Darlene Waters our TA she says that she has heard that repairs haven't been done in apartments. In conversation with her, she says that she is focused on the now. She has not had a TA meeting in five months and when she did it was canceled part of the way through because people had questions concerning RAD/PACT. We learn about what is happening at community board meetings who

have meetings with the NYCHA, Essence and Related. The lack of resident engagement has continued throughout this process. We continue to be the last to know.

It has taken eleven months to get these totals and the collective effort to bring the totals into the daylight. What we have here is a continuation of the separate but equal with the NYCHA section residents siloed into project-based section 8 housing being used by NYCHA, Essence, and Related with the false of new housing. There needs to be placed an immediate moratorium on all RAD and RAD-Section 18 blends in New York City, until a comprehensive, third-party impact assessment study of all Project-based Section 8 conversions in New York City. To date, there have been no New York City-wide impact assessments of the RAD/PACT

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Michael Parkinson

Address: _____

I represent: NYCHA Director of Community

Address: and Portfolio Planning

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Brad Greenburg

Address: _____

I represent: NYCHA Chief Compliance

Address: Officer

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Celine Miranda

Address: Elliott bldg in Chelsea

I represent: No Demolition

Address: No Privatizations

No Scammers

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Brian Honan

Address: _____

I represent: NYCHA EVP For Intergovernmental

Address: Affairs

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Lakesha Miller

Address: _____

I represent: NYCHA EVP for Leased Housing

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Jonathan Gouveia

Address: _____

I represent: NYCHA EVP For Real Estate

Address: Development

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 4/19/2024

(PLEASE PRINT)

Name: Tenasha Grant

Address: [REDACTED] W 163 St

I represent: Parents Supporting Parents NY

Address: [REDACTED] W 163 St

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Annette Tomlin

Address: _____

I represent: _____

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Princella Jamersch

Address: [REDACTED] EAST 137th

I represent: _____

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

Name: Aliva Cruz (PLEASE PRINT)

Address: W 255 ST

I represent: NYCHA Resident

Address: same

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

Name: AMELIA WALDEN (PLEASE PRINT)

Address: PENNSYLVANIA AVE BKLN NY 11207

I represent: PENN WORTMAN HOUSES

Address: PENNSYLVANIA AVE BKLYNN 11207

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 9/19/24

Name: Christopher Leon Johnson (PLEASE PRINT)

Address: _____

I represent: SAV

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)
Name: Sheryl Boyce
Address: [redacted] Seaview Ave [redacted] Bklyn NY
I represent: Bayview Houses
Address: 9820 Seaview Ave Bklyn NY

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)
Name: C.G.
Address: [redacted] E 99 St.
I represent: _____
Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

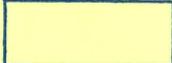
in favor in opposition

Date: 4/19/24

(PLEASE PRINT)
Name: Ann Valdez
Address: [redacted] Bayview Avenue
I represent: Self / CVH / Gravesend Houses
Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card



I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

RIIS
HOUSING

Date: _____

(PLEASE PRINT)

Name: Eddie Rodriguez

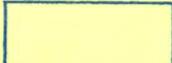
Address: [Redacted] Ave D.

I represent: My mother / RIIS Residents

Address: Same as above

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card



I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 4/19/24

(PLEASE PRINT)

Name: August Leimbach

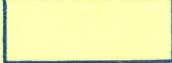
Address: 40 WORTH ST, Ste 606 New York, NY

I represent: Legal Services NYC

Address: 40 WORTH ST.

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card



I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 4/19/2024

(PLEASE PRINT)

Name: CECILIA S. MACARTHUR

Address: 40 WORTH ST. SUITE 606

I represent: LEGAL SERVICES - NYC

Address: 40 WORTH ST.



Please complete this card and return to the Sergeant-at-Arms



**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 4/19/2024

(PLEASE PRINT)

Name: MS Yies

Address: Penon Woutman Houses

I represent: self

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 0116 Res. No. 2024

in favor in opposition

Date: 4/19/2024

(PLEASE PRINT)

Name: Martin Succi / (Meh-tren) (Siv-see)

Address: [Redacted] Riverside Dr NY, NY 10031

I represent: N/A

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: April 19 2024

(PLEASE PRINT)

Name: Ramona Ferreyra

Address: [Redacted] Lincoln Ave Bronx NY 10454

I represent: Save Section 9

Address: Same

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Aixa Torres

Address: [redacted] St James Pl

I represent: RPPCH

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: CAESAR GODWALL

Address: [redacted] W 25th St.

I represent: _____

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Manuel Martinez

Address: [redacted] 160th St [redacted] Jamaica NY 11433

I represent: Queens South District

Address: 108-41 159th St

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 4/19/24

(PLEASE PRINT)

Name: House - Velpz

Address: EDR DR

I represent: myself - Jacob Rilis

Address: Residences

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 4/19/24

(PLEASE PRINT)

Name: Zulay Velazquez

Address: ADR Drive

I represent: Myself + Residents

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 19 apr. '24 fri

(PLEASE PRINT)

Name: Ms. Shirley A. Belton

Address: continental pl. 10303

I represent: Staten island developments

Address: 10303 mariner's harbor dev.

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: THE LEGAL AID SOCIETY - ALEX LUCY NEWMAN

Address: [REDACTED] THOMAS STREET MACDONOUGH

I represent: NY NY

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: ^{DK} Kesha Crawford

Address: [REDACTED] Gates Ave

I represent: Stuyvesant Gardens / Development

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Ranee KEITH KEITT

Address: ELIOTT HABS

I represent: ELIOTT

Address: _____

Please complete this card and return to the Sergeant-at-Arms