

TESTIMONY OF
MAYOR'S OFFICE OF HOUSING RECOVERY OPERATIONS
BEFORE THE NEW YORK CITY COUNCIL
COMMITTEE ON RECOVERY AND RESILIENCY

October 11, 2017

Good Afternoon Chairperson Treyger and members of the Committee on Recovery and Resiliency. I am Amy Peterson, Director of the Mayor's Office of Housing Recovery Operations. Thank you for inviting me to testify today on Intro 1720A, a bill to create a Hurricane Sandy Recovery Task Force. Thank you to Borough President James Oddo for highlighting the need for a formal task force to review and learn from the lessons of Hurricane Sandy recovery. The creation of a task force is something the City has supported for close to a year now.

Mayor de Blasio called out the need to begin this discussion last October in our Build It Back Progress Update report. As Mayor de Blasio stated in his opening letter of this report, "Hurricane Sandy confronted our city with unprecedented challenges. We faced damage to homes and neighborhoods on an enormous scale." "The City also made a critical choice in those first few months after the storm that has shaped all our efforts since. The City decided to prioritize keeping families in their homes and neighborhoods, and to prioritize homeowner choice in the process. That strategy, far different from those made by the State or by other

localities in past disasters, put us on the path we are still pursuing.... We have already begun a comprehensive evaluation of the successes and shortcomings of Build It Back and the associated recovery programs. We must, and we will, develop a better model that can serve our city in future crises. We remain committed to seeing this through. And we will learn the lessons necessary to help our city, and others facing similar crises in the future, to rebuild stronger. “

This task force can build on what we have learned to date through our efforts to expand the offerings of Build It Back including adding a City acquisition and buy-out program with incentives and a direct grant program, accelerating recovery through zoning and other regulatory changes, and trying to provide additional relief to homeowners impacted by the complicated federal disaster duplication of benefits requirements. As a result of these efforts, as of today 99 percent of active homeowners have been served through a construction start, reimbursement check, or acquisition of their home. Eighty-seven percent of homeowners are fully complete including construction, reimbursement and acquisition. These numbers have improved dramatically in the last year, with the completion of almost 1,700 construction projects.

The report went on further to discuss what we have learned to date and how we can take those lessons to prepare for future disasters, including how we can:

- Strategize on the best way to identify who is impacted and gather and share data on damage assessments and beneficiaries. How do we integrate case management and damage assessments from initial response directly into recovery efforts? This could dramatically shorten the case management and damage assessment process used for Build It Back.
- Before the next disaster, evaluate what types of benefits we would offer to what types of homes and communities, including immediate housing recovery options, acquisition, reimbursement, construction, and alternative mitigation. Use knowledge gained from determining unbuildable sites and City Planning Resilient Neighborhood efforts. How do we replicate what worked and improve upon what did not work?
- Figure out how to help communities navigate all benefits more rationally (NFIP, insurance, SBA, HUD funded programs, nonprofit benefits); make recommendations to federal government; and determine if there are other ways to help homeowners access funds to complete work on their own.
- Rationalize the design and construction process – learn from minimum program standards, regulatory requirements, Federal environmental requirements, and site conditions. Will homeowners elevate their homes on their own? Have we established an industry of architects and contractors that will continue to do this work? Are there loan options?

Homeowners face hard decisions about losing space in their homes versus elevating, reducing risk, and decreasing flood insurance rates. Even in situations where full value of construction and management of design and construction was funded by Build It Back, some homeowners elected not to do the work. For many homeowners abandonment of ground floor and underground space is not a viable alternative to actual elevation due to the loss of rental income and the loss of valuable space that impacts future sale value. The City can continue to evaluate viable alternative mitigation measures and work to have these measures recognized in the setting of flood insurance rates.

As the de Blasio Administration continues to invest in building a more resilient city, we look for new ways and tools to promote the long-term resilience of New York's most vulnerable neighborhoods. It is our hope that the new task force will help the City and our residents better understand how we can utilize land use strategies to creatively and responsibly enhance coastal resilience.

This new task force can learn from and expand on the extensive efforts already undertaken by the Council, city agencies, and others to glean lessons learned from Hurricane Sandy recovery.

For example:

- The final report of Hurricane Sandy Houses of Worship & Charitable Organizations Recovery Task Force, established by Local Law 18 and supported by Councilmember Treyger

- The Department of City Planning's "Resilient Neighborhood Studies"
- "The Multi-Family Flood Insurance Affordability Study," commissioned by the Mayor's Office of Recovery and Resiliency
- The Hurricane Sandy After Action Report: Report and Recommendations
- "Rebuild the Plane Now: Recommendations for Improving Government's Approach to Disaster Recovery and Preparedness," written by Holly Leicht, former HUD Regional Administrator for New York and New Jersey.

Although not an exhaustive list, these efforts cover some of the topic areas mentioned in Intro 1720A and would be useful starting points as the task force begins to consider recommendations.

At this point, I am available to take any questions. Thank you.

**Testimony of Staten Island Borough President James S. Oddo
New York City Council Committee on Recovery and Resiliency
250 Broadway, 16th Floor
October 11, 2017**

Chairman Treyger and members of the Committee on Recovery and Resiliency, thank you for the opportunity to offer my thoughts on Intro. 1720, A Local Law in relation to the creation of a Hurricane Sandy recovery task force.

This bill would legislate into law my call for an outside group to comprehensively review New York City's Sandy response, which I first made formally in an August 30, 2017 letter to Mayor de Blasio. In that letter I wrote:

“I believe the New York City experience, which has caused so much angst and difficulty for so many, can, in the long run, do some good for others. If nothing else, it might serve as a primer on what not to do – but to do this, the story must be told in an objective way, with brutal, sometimes uncomfortable, candor.”

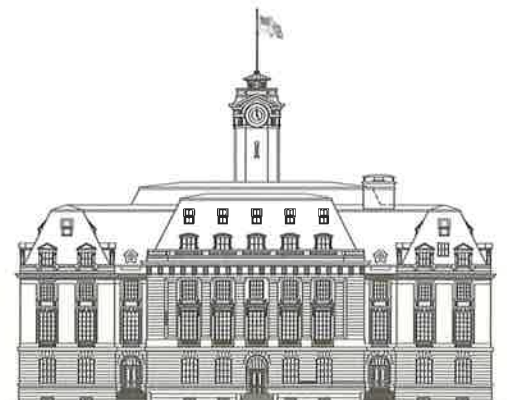
Keep in mind, this letter was written in the wake of the devastation that Hurricane Harvey inflicted on Houston. Unbeknownst to any of us was the devastation on its way to Florida from Hurricane Irma and Puerto Rico from Hurricane Maria.

I believe the time is right to begin the process of conducting a candid, objective, and honest assessment of the recovery process from the very beginning. This, and only this, will prevent us from repeating the same mistakes after a future catastrophe.

I have been told by several of my constituents that as bad as Sandy was, the “recovery” has been even worse. I'm sure all elected officials in Sandy-affected areas have heard similar reactions.

It should not be this way.

This story simply must be told, so that we know what not to do in the wake of future natural disasters, and so we can warn other jurisdictions about our lapses. We know that New York City government made many mistakes. We know they were compounded daily. We know they made a difficult situation even worse. We know we can do something about it.



As you move forward with the consideration of this legislation, I ask that the Task Force specifically and expressly be assigned to focus on the housing end of the equation. In a few weeks it will be five years since the storm struck, and we still have New Yorkers who have not returned to their homes. The housing part of the recovery – starting with the “Rapid Repairs” program and continuing with “Build It Back” – has been the primary cause of angst for too many New Yorkers and resulted in a widespread loss of faith in government. My objective in the August 30 letter calling for the creation of this Task Force was to prompt an examination of the decisions that led to the “Build It Back” model of recovery, as opposed to alternative models such as voluntary acquisitions in the most vulnerable areas.

We must understand how the decision to go with the current model was made, why it cost so much and, once the decision was made, why New Yorkers faced so many difficulties dealing with Build It Back and getting home.

Let me be clear, I am not interested in identifying villains or casting blame, rather I believe it is absolutely necessary to understand the process that was set in motion in the days and weeks following October 29, 2012—decisions that led us to our current predicament.

I urge the members of this committee to resist the temptation to turn this Task Force into something else entirely. Let’s save the necessary discussions about resiliency to other forums, and use this Task Force to help our constituents understand why for many of them the “recovery” process was worse than the storm itself.

Let’s better equip our successors in city government with the facts, so that when the next disaster strikes they don’t simply reproduce a failed model that caused so much angst for our constituents. And let’s help other jurisdictions avoid the mistakes New York City made.

Again, thank you for the opportunity to offer my thoughts on this most important issue. I look forward to working with you on crafting a bill that will truly help us provide our constituents with answers and help city government better serve future generations of New Yorkers.



Testimony by New York Legal Assistance Group (NYLAG)

before the NYC Council Committee on Recovery and Resiliency regarding:

Creation of a Hurricane Sandy Recovery Taskforce

October 11, 2017

Chair Treyger, Council Members, and staff, good afternoon and thank you for the opportunity to speak to Recovery and Resiliency Committee regarding the creation of a Hurricane Sandy Recovery Taskforce. My name is William Friedman and I am the Acting Director of the Storm Response Unit of the New York Legal Assistance Group (NYLAG). NYLAG is a nonprofit law office dedicated to providing free legal services in civil law matters to low-income New Yorkers. NYLAG serves immigrants, seniors, the homebound, families facing foreclosure, renters facing eviction, low-income consumers, those in need of government assistance, children in need of special education, domestic violence victims, persons with disabilities, patients with chronic illness or disease, low-wage workers, low-income members of the LGBTQ community, Holocaust survivors, veterans, as well as others in need of free legal services. The Storm Response Unit focuses its assistance on victims of Sandy, and provides assistance with legal issues arising from the storm.

We are thrilled to learn that the Committee is creating a taskforce on the lessons learned from Sandy. One of the paramount challenges facing Sandy victims was the lack of a sufficient disaster recovery infrastructure to respond to the catastrophic level of damage caused by the storm. It is only by thoroughly studying the Sandy recovery efforts' successes and failures that we can properly prepare to address the challenges of future disasters. In the past few months, we have seen three more major weather disasters strike the United States. The ongoing effects of climate change will continue to increase the risk of all coastal areas within the country. We commend the Committee on

its mission to learn from Sandy and make the appropriate preparations for the unfortunate eventuality of another catastrophic storm striking this city.

NYLAG's Storm Response Unit has participated in assisting victims of Sandy since the first days after the storm. Although NYLAG was displaced from its Lower Manhattan office for ten weeks, the agency established the Storm Response Unit within 48 hours of the storm, bringing its Mobile Legal Help Center to affected areas even before electricity was restored to many neighborhoods. Since then, NYLAG has continuously provided high-quality legal services in the areas of disaster benefits, housing and foreclosure, homeowner's and flood insurance, and consumer protection to victims of the storm. We have represented clients in over 13,000 legal matters and assisted these clients in accessing over \$59,000,000 in benefits.

Disasters touch all aspects of life for those affected, and the issues are further compounded by the cross-section of federal, local and private recovery resources. By fielding a team focused on disaster assistance, NYLAG's Storm Response Unit has been able to respond to the needs of our clients. We have seen firsthand the struggles that our clients have faced throughout the recovery process, from the initial deployment of Rapid Repair to the creation of Build-it-Back Program, and the many changes in direction the Program would eventually take. We have also assisted our clients in related matters including the difficult insurance claims processes, loss of access to housing, and contractor fraud. We have quickly responded to changes in the landscape for survivors of the storm; for example, when FEMA announced in March 2015 that it would reopen all 144,000 National Flood Insurance Claims, the Storm Response Unit immediately mobilized to assist affected clients. Similarly, NYLAG responded quickly to various announcements of claw backs of federal and state funds that were allocated in the immediate aftermath of the storm.

NYLAG's Storm Response Unit remains the only free legal service provider in New York City that is still accepting new clients with Sandy related issues. In addition to assisting our clients with the recovery process, we have recently partnered with the Center for New York City

Neighborhoods to provide legal counseling on long-term resiliency focused construction and flood insurance rates. We have remained committed to the idea of helping our clients reach a stable and permanent resolution to the problems caused by Sandy.

As a leader in the field of storm recovery legal services, NYLAG's vast experience has been tapped recently by other states experiencing catastrophic storms. NYLAG has provided trainings to attorneys in Texas and Florida in relation to Hurricanes Harvey and Irma, and is working to reach colleagues in Puerto Rico as the island works to recover its basic infrastructure. NYLAG has also recently worked with Chief Judge Janet DiFiore's Task Force on Legal Assistance Related to Hurricane Harvey.

Given our past work on helping Sandy victims and our continuing commitment to creating a resilient city, we are pleased to be able to offer our expertise to the Committee to either participate in the taskforce or open up our experience to other members of the taskforce.

I want to thank Chair Treyger and the Committees for holding this important hearing and continuing to focus on the mission of making New York City more resilient to future disasters. We look forward to continuing to work with the Council and the Mayor's Office in these resiliency efforts.

Respectfully submitted,

New York Legal Assistance Group



**Testimony Before the New York City Council Committee on Recovery and Resiliency:
Creating a Hurricane Sandy Recovery Task Force**

October 11, 2017

Good afternoon. My name is Joseph Sant, and I am the Director of Homeowner Services at the Center for NYC Neighborhoods. I would like to thank Committee Chair Treyger and members of the Committee on Recovery and Resiliency for holding today's hearing on the creation of a Hurricane Sandy recovery task force.

About the Center

The Center for New York City Neighborhoods promotes and protects affordable homeownership in New York so that middle- and working-class families are able to build strong, thriving communities. Established by public and private partners including the City Council, the Center meets the diverse needs of homeowners throughout New York by offering free, high quality housing services. Since our founding in 2008, our network has assisted over 40,000 homeowners with matters ranging from foreclosure prevention, post-Sandy repair and rebuild, flood insurance, and more.

Learning from Superstorm Sandy Recovery

As an organization that advocates for residents in New York's flood-prone neighborhoods, we applaud the proposed bill. As we witness more severe storms battering cities and towns in Texas, Florida, and Puerto Rico, the time is right to capture in a holistic way the many lessons we have learned as a City in the aftermath of Superstorm Sandy and operationalize those lessons so that we can better withstand and recover from future storms.

We're appreciative that the proposed bill will create a task force that will include an analysis of the role of non-profit organizations and the availability of legal services. The kinds of supports that are provided by non-profit legal services firms, housing counselors, and disaster case workers are critical components of disaster recovery.

At the time Sandy hit, I was an attorney at Legal Services NYC, and I saw how the civil legal aid sector was one of the first responders to the disaster. Lawyers and paralegals were quick to establish clinics in communities hard-hit by the storm so that residents could seek help with accessing federal benefits, filing insurance claims, and cutting through red tape to get insurance funds released quickly. Housing counselors were also critical to helping homeowners get relief from paying their mortgages after the disaster and preventing payment spikes when these mortgage relief periods ended.

In 2013, thanks to support from the Mayor's Fund to Advance New York City, the Center was able to provide more than \$2 million in grant support to 19 housing counseling and legal services organizations located in the most impacted neighborhoods in Queens, Brooklyn, and Staten Island. These investments in these on-the-ground providers kept these critical supports in place during the initial phase of housing

recovery, serving over 3,500 residents. This infrastructure has continued to serve New Yorkers throughout the recovery.

In 2014, with support from the Mayor's Office of Housing Recovery Operations (HRO), we leveraged this same network of non-profit legal services providers and housing counselors to provide counseling assistance to homeowners in the Build it Back program. To serve Build it Back registrants, the Center has coordinated a network of counseling providers that has included New York Legal Assistance Group, Neighborhood Housing Services of Brooklyn, Staten Island Legal Services, Brooklyn Legal Services, Mutual Housing Association of New York, CAMBA, and Mobilization for Justice (formerly MFY).

Build it Back counseling services have helped thousands of homeowners with many of the challenges associated with the housing recovery process, including avoiding foreclosure, dealing with unaffordable SBA loans, handling complex federal duplication of benefits requirements, negotiating with mortgage servicers on insurance, and for interested homeowners, navigating the acquisition process. We have focused on providing clear and accurate information about the rising cost of flood insurance and how to cope with changes brought on by new flood maps and federal reforms. We have also provided advocacy services that help homeowners with disputing program determinations that they disagree with.

Over 4,000 homeowners have been counseled through this program. Counselors are available at help desks located at each of the Build it Back construction service centers, and by appointment at our providers' local offices.

The Center has also had the opportunity to work with the City and the non-profit faith-based sector to develop a first-of-its kind temporary housing program for Sandy-affected homeowners undergoing long-term construction projects.

In 2016, through a joint effort with HRO and New York Disaster Interfaith Services, we launched Temporary Housing Services. Responding to a need expressed especially by low-to-moderate income homeowners worried that they would not be able to afford temporary housing and would miss out on elevation or rebuild assistance, this program helps homeowners find and pay for temporary rentals so their homes can undergo construction through Build it Back. It directly pays rent on behalf of program participants, rather than requiring them to advance their own money for rent, then await reimbursement, which is critical for cash-strapped households mid-recovery. Master-leased apartments are available for those with special needs. Robust placement services available in THS also ensure that homeowners can secure temporary housing quickly in a tough NYC rental market that, as homeowners, they may not be well-versed in navigating.

THS is designed to ensure that no household misses out on Build it Back elevation because they could not afford temporary housing or find a suitable apartment. The program has distributed over \$5m in rental assistance and relocation grants through this program which launched in September 2016.

There are many lessons we have learned in the course of deploying these programs, but chief among them is the need for the City and non-profit providers to integrate their efforts and achieve a high level of coordination as soon as possible.

The coordination between City agencies and non-profits needs to be air tight; recovering from large-scale disaster is among the most logistically complex undertakings imaginable. Occasional meetings where updates are shared and questions are asked and answered won't be sufficient. Instead, data-sharing agreements, shared case management systems, and detailed standard operating procedures that span multiple agencies and sectors need to be established so that case-level confusion, miscommunication, and delays are minimized.

For impacted residents, storm recovery is a lengthy, taxing process that requires immense endurance. It is our joint responsibility to prevent process fatigue, which leads to disengagement. On both the City and non-profit sides, we can't afford to fatigue homeowners by failing to work well together.

The level of coordination that we have reached at this stage of the recovery between non-profits and City agencies is, at this point, good, though there is always room for improvement; it took time and hard work to get to where we are, but the good news is, if we learn from our current models, in the event of another disaster like Sandy, we will not have to start from scratch.

Building Resiliency

In addition to recovery, the Center has focused since Sandy on helping homeowners build resiliency so that their properties are better able to withstand a future flood event.

In the fall of 2016, with support from the Governor's Office of Storm Recovery, we launched a Home Resiliency Audit program for homeowners in coastal neighborhoods. For eligible homeowners, we send an engineer to the home to assess the home's flood risk and recommend mitigation measures. We worked with Dewberry Engineers to create a proprietary home resiliency technical review process that is designed to assess the kinds of residences that are common to New York City's floodplain. The engineer's technical review results in a report that analyzes a home's exposure to flood risk, recommends retrofits that would make the home more resilient against future storm damage, and generates a financial breakdown showing the homeowner the potential financial benefits they may realize in terms of reduced flood insurance premiums if they were to adopt recommended measures. Homeowners meet with a resiliency counselor to review the results of the report and what next steps they can take. They also receive a free elevation certificate that they may use to obtain an accurate flood insurance premium. The program serves 1-4 family homeowners as well as multifamily building owners, who are advised by our partner on the project, Enterprise Community Partners.

Since the program launched, over 800 homeowners are participating in the Home Resiliency Audit program. The program is funded by the Governor's Office of Storm Recovery and is available in communities that elected to invest their CDBG-DR dollars in residential technical assistance. Current neighborhoods include: Canarsie, Gravesend, Bensonhurst, Bergen Beach, Georgetown, Marine Park, Mill Basin, Mill Island, Red Hook, Rockaway East, Howard Beach, and lower Manhattan; we are currently

in the process of expanding Home Resiliency Audits to Coney Island, Brighton Beach, Sea Gate, Manhattan Beach, Gerritsen Beach and Sheepshead Bay¹.

We have also learned a number of lessons while building our resiliency platform, FloodHelpNY.org. We created FloodHelpNY in 2014 to meet the need for easily accessible information about flood risk and flood insurance. FloodHelpNY is a citywide resource that can give any property owner in New York information about their flood zone and risk. It has been visited by over 100,000 unique users to date. The Governor's Office of Storm Recovery has funded the development of the site, and the Mayor's Office of Recovery and Resiliency has provided outreach and communications support. We also rely on technical assistance and feedback from ORR, HPD, City Planning, as well as FEMA.

I'll share a simple but important lesson from our FloodHelpNY design work. Our design research and testing was clear: New Yorkers want the plain truth about their flood risk. And, they want concrete advice about what they can do about it. Jargon and awkward technical terms can be frustrating and unhelpful. In the words of one of the homeowners who helped us with the design of FloodHelpNY: "Keep it simple."

We are putting that lesson into action this fall when, with additional support from GOSR, we'll begin offering free backwater valve installations for qualified homeowners if their Home Resiliency engineer determines it would be feasible. Backwater valves help reduce flood damage by reducing the risk of sewer back-flow, which can save homeowners thousands of dollars in property damage and clean-up. We will be offering this service in Canarsie, Howard Beach, Sheepshead Bay, Gerritsen Beach, Coney Island, Brighton Beach, Manhattan Beach, and Seagate, beginning in November. It is a simple, cost-effective step that homeowners can take now to become more resilient.

Thank you very much for the opportunity to testify today. I will end with one additional note: while the Center is engaged in many areas of recovery and resiliency, we do not claim to speak for the New York City non-profit sector as a whole. There are many other agencies, including disaster case management, faith-based organizations, and voluntary organizations active in disaster who are integral to recovery as well, and their viewpoints are important to represent in any analysis.

We look forward to continuing to work together on improving disaster response and making New York resilient against future disasters.

¹ Council Districts within the eligible area include the 1st, 31st, 32nd, 38th, 43rd, 46th, and 48th districts.

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Appearance Card

I intend to appear and speak on Int. No. 1720 Res. No. 4

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Joseph Sant

Address: 17 Battery Place Suite 728

I represent: Center for NYC Neighborhoods

Address: 17 Battery Place Suite 728

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Name: Amy Peterson

Address: _____

I represent: Admin

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Name: William Friedman

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I represent: New York Legal Assistance Group

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