



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

Monday, February 10, 2020

Good Morning Chair Brannan and members of the Committee on Resiliency and Waterfronts. I am Amy Peterson, Director of the Mayor's Office of Housing Recovery Operations (HRO). I would like to acknowledge my colleague Calvin Johnson, Assistant Director, Community Development Block Grant - Disaster Recovery, at the Office of Management and Budget. He is available to join me in answering your questions. Thank you for inviting me to testify today.

Through the City's Hurricane Sandy Housing Recovery Program, Build It Back, the City has prioritized helping homeowners remain in their affordable long-standing waterfront communities – ensuring that these New Yorkers have the resources necessary to recover and make their homes and communities more resilient. Through its Single-Family Program, Build It Back has helped 8,300 homeowners and landlords of 1-4 unit homes, housing a total of 12,500 families. Build It Back rebuilt and elevated almost 1,400 homes to today's stringent regulations for flood compliance. Approximately 250 homes have been acquired through a combination of buy-out and acquisition programs. An additional 6,650 homeowners with moderate Sandy damage were assisted with repair and reimbursement - helping neighborhoods that were not in the FEMA 100-year floodplain when Sandy hit. We have distributed \$135 million in reimbursement checks to over 6,100 families. Additionally, the Department of Housing Preservation and Development (HPD) has accelerated relief to multifamily households. To date, over 14,000 units across 287 developments have completed repairs or received reimbursements.

Some of our hardest hit neighborhoods are now complete. Howard Beach, Hamilton Beach, Broad Channel, Breezy Point, Edgemere, Canarsie, Brighton Beach, Tottenville, Great Kills, and New Dorp Beach are all construction complete.

Funded by the US Department of Housing and Urban Development (HUD), the Build It Back Single-Family program accounts for \$2.2 billion of the total \$4.2 billion post-Sandy federal Community Development Block Grant - Disaster Recovery (CDBG-DR) dollars given to the City and overseen by the HRO in coordination with HPD and the Department of Design and Construction (DDC). CDBG-DR funds provide assistance to homeowners after all other forms of disaster assistance have been exhausted.

The Preliminary Financial Plan reflects \$42 million in City funds for the initial close-out of the Build It Back Single-Family program spread across DDC (\$17.5 million), HRO (\$16.8 million),

and HPD (\$7.7 million). This additional funding will cover remaining payments for construction and other vendors and completion of disposition of acquisition and buyout properties. On Friday, the City issued an Action Plan Amendment outlining the reallocation of \$50 million in Federal funding to the Single-Family Build It Back program. Increased costs which will be covered by these funds include:

- Contractor insurance - Insurance programs were put in place to attract the widest pool of contractors and establish program wide safety protocols and procedures. Insurance costs, while high, provide significant benefit to the City in the form of reduced overall claim risk.
- Costs associated with finding the best resilient neighborhood use for properties purchased through City Acquisition and Buy-out programs, in lieu of public auction.
- Close out costs for construction, management, design, and inspection, including costs related to City regulatory requirements.

As has been reported recently, some contractors disputing payment amounts have placed liens on homes. I want to be clear that at no time has a contractor not been paid because of a funding issue. These payments are in dispute because of standard auditing practice. Placing liens on homes is the contractor's tactic to apply pressure to the City. It is unacceptable and inappropriate for contractors to place liens on the properties of Sandy-impacted homeowners. Build It Back was designed specifically so that payment obligations would run between the City and its construction managers, limiting the risk to homeowners during payment disputes. As with any City contract, contractors have multiple legal remedies other than placing liens on homes and clear contractual procedures to dispute payments without burdening homeowners.

As construction is completed and final closeout of the program continues, the City continues to focus on lessons learned. HRO is working with NYC Emergency Management (NYCEM), the Mayor's Office of Resiliency (MOR), and other partners on what is required for housing recovery preparedness and how the City will respond to the next storm.

I would encourage you to tour these neighborhoods if you haven't already. Two Queens neighborhoods that show the collaboration between our work and on-going neighborhood planning and resiliency are Edgemere and Broad Channel. In Edgemere, Queens, Build It Back undertook an extensive outreach campaign to help preserve and improve the affordable and Sandy-damaged housing stock in the neighborhood, focused on the elevation of attached homes. In 2016, HRO and HPD collaborated to pilot a relocation program for homeowners with substantially damaged homes in the most vulnerable portion of Edgemere's bayfront. We worked with residents to facilitate relocation away from extreme flood hazard. The program's acquisition of storm-damaged property in Edgemere supports future development, open space, and coastal protection features. A neighborhood like Broad Channel, Queens, with its multiple marshland restoration projects by DEP and Parks, street raising and resilient infrastructure projects by DDC, a new elevated and resilient school being built by SCA, a yard expansion program for neighbors of acquired properties offered by HPD, and over 250 rebuilt or elevated homes through Build It Back, shows the many ways we are ensuring our coastal communities are focused on resiliency.

In conclusion, I would like to thank the Committee on Resiliency and Waterfronts for allowing me to testify here today and I am now happy to answer any questions you may have at this time.

NYLPI

**JUSTICE THROUGH
COMMUNITY POWER**

**Comments of Christine Appah,
Senior Staff Attorney, Environmental Justice Program
New York Lawyers for the Public Interest
to New York City Council Committee on Resiliency and Waterfronts**

Greetings Chairman Brannan and members of the Resiliency and Waterfronts Committee. New York Lawyers for the Public Interest (NYLPI) appreciates the opportunity to present testimony at this oversight hearing. We are here to share our views on the importance of bolstering preparation in environmental justice communities for severe weather events and to offer some ideas on how to better assist these communities in the rebuilding process.

NYLPI works to alleviate the disproportionate impact of environmental burdens on lower-income communities and communities of color across New York City. A significant part of NYLPI's work focuses on preventing and mitigating the effects of climate change on environmental justice communities. NYLPI also served an integral role in the campaign that passed the Climate Leadership and Community Protection Act. We have participated in workshops to support communities in neighborhoods that have been adversely impacted by severe weather events like heavy storms and extreme heat. We have also worked on issues that affect homes in the aftermath of storms, like mold and limited accessibility for people with disabilities. Overall, we believe that supporting communities well in advance of severe weather events is the most effective way to mitigate the damage and put neighborhoods back on the road to a speedy recovery.

Community organizing as part of the resiliency planning toolkit

Seven years and three months ago, Super Storm Sandy bore down upon the east coast of the United States. The storm was the fiercest that many had ever experienced. It cost precious lives, community integrity and billions of dollars in damages. It made apparent the dire need for resiliency planning for everyone - not just major cities - but in every town and neighborhood. The pace of a community's recovery is easily correlated with the availability of resources. Communities that were able to buy food ahead of time, use technology to back up important documents and even relocate ahead of the severe weather event were in the best position to begin and complete recovery efforts. Communities that already began with limited resources and reduced access to reliable and accessible infrastructure spent years navigating the complex recovery landscape. This was apparent as most of New York City went back to business in a relatively shorter time after the storm. But the most affected and vulnerable communities did much to build themselves back, through support systems that grew organically from networks of civic organizations and local leadership. These local, grassroots support systems were integral to their unique recovery processes.

The City can foster greater resiliency in these communities by supporting the continuation and development of these informal, locally rooted networks. The City should connect with and designate a corps of community organizers, local houses of worship, civic associations and local organizations that

can help make information on resiliency and the recovery process available to families long before severe weather events. The Lower East Side Long Term Recovery Group (LES LTRG) is a helpful example of a core group of local organizations that formed to facilitate the disaster recovery process among neighbors. The City can use this as a model for other neighborhoods to help connect people before and during their time of need. Waiting until the aftermath of a storm to establish these connections wastes valuable time and can increase the time it takes for families to navigate the City's programming. This is particularly important for New Yorkers with disabilities. The City should also consider outreach to support minority owned small businesses that were instrumental in providing resources and access in the immediate aftermath.

Studies of the City's funded responses have revealed several layers of management issues. The City Comptroller for example, issued a report in 2015 showing that the City's Build it Back (BIB) program suffered from serious financial and administrative issues. The City should aim to establish procedural clarity and offer primers to homeowners and renters on its available assistance programs through established community partners in the months prior to hurricane season and the start of winter.

Gather census information to ensure adequate language access

New York City's great public information infrastructure keeps people aware of various City sponsored programs and policies. The City must continue its efforts to obtain maximum participation in the upcoming census to ensure that we have an accurate accounting of the City's population and can also be well versed in preparing language access programs. This is critical in environmental justice communities as it will help the City to properly deploy resources including adequately translated forms and interpreters. The City should also endeavor to liaise with the Department of Cultural Affairs with the City's Office of Long-Term Sustainability Planning to create culturally relevant programming around topics of climate change and disaster preparedness.

Create jobs that help to promote resiliency focused infrastructure

Environmental justice communities can also benefit from increased access to job training that helps to support more sustainable neighborhoods. The goal of resiliency planning should be to also help communities to reduce joblessness and promote stable wages that are essential to help people to withstand the financial stress that severe weather events cause on families.

Conclusion

NYLPI looks forward to working with the City Council and the administration to strengthen resiliency planning for environmental justice communities located on the waterfront and throughout the City to ensure a safe and sustainable future for all of its residents.

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(and Friends of the Earth/NY, c/o Gabel, 72 Jane St., NY NY 10014, 212/243-1022, below)

Statement of Clean Air Campaign Inc. Prepared for NYC City Council
Resiliency and Waterfronts Committee Hearing on "Build-it-Back,"
Committee Room, 14th Floor, 250 Broadway, February 10, 2020;
With the Pier 76 Example

I'm Marcy Benstock, Executive Director of Clean Air Campaign Inc., which has worked for decades to get basic environmental laws upheld and enforced, and advocates fairer, wiser public spending priorities. Friends of the Earth, a national and international environmental organization, joins us in four general points at the end of this written statement.

Some of the "Build-it-Back" funds, and other funds, are being misallocated to in-water projects offshore. The Council should end this practice whenever these funds help subsidize **new** development at the worst possible disaster-prone locations--especially in the lower Hudson River.

The stretch of the Hudson River between Battery Park City and W. 59th St. extended out to the western tip of the piers offshore is a City OEM-designated **top risk Hurricane Evacuation Zone**. The water in this habitat is also one of the most important marine and estuarine habitats on the whole Atlantic coast. That means that everything possible should be kept out of these nearshore waters---including both real estate development sites and so-called "resiliency" projects.

Spending significant Build-it-Back or other funds on "redevelopment" or "resiliency" projects in the River would create potentially catastrophic public safety, environmental, financial and other risks--risks that are completely avoidable if the Council insists that available funds be spent on more essential, high-priority projects.

Pier 76 is a good example of both good and bad spending proposals. The \$2-3 million allocated to Sandy-related roof, boiler and electrical repairs for the City's tow pound on Pier 76 makes sense for now--at least until the Category 5 hurricane that the lower Hudson River is overdue for hits the River. Streetsblog.com had a good article on 1/29/20 explaining why forcing the tow pound off of Pier 76 too soon would be ill-advised.

Proposals that would **not** make sense at Pier 76 would involve spending tens or hundreds of millions of dollars at that **offshore location** to subsidize a high-end office building, a hotel, or other **non-water-dependent** uses. Siting such uses on Pier 76 would put thousands of people in harm's way for the 157+ m.p.h. winds and torrential rains that come with Category 5 hurricanes. The misuse of Pier 76 and the River would also hasten the piecemeal destruction of a prime fisheries habitat of immense national value. And (thanks to an appalling indemnification provision added to the State Hudson River Park Act in 2013) it would risk saddling New York taxpayers with billions of dollars worth of storm and hurricane damage and liability costs.

Habitat-threatening "coastal resiliency" projects should also be ruled out. Many of the so-called "resiliency" projects being marketed as flood-prevention, "habitat/wetland restoration," or "mitigation" projects would be ineffective, and most would be environmentally destructive if they

are sited in the water. The NYC Comptroller's 5/9/19 "Safeguarding our Shores" report noted on p. 15 that the Mayor's \$10 billion Lower Manhattan Climate Resiliency Plan "would extend a new [supposedly] resilient shoreline into the East River" and "create new landmasses in New York Harbor." These are presumably Economic Development Corporation (EDC) and real estate-driven ideas. Better spending alternatives include replacing defective NYCHA boilers, or expanding optional buyout programs for disaster-prone areas as long as the sites are required to be maintained as open space in perpetuity.

Land vs. Water. The Sandy Funding Tracker and other disclosure documents should be required to specify whether a given project is to be sited on dry land or in the water. There's a night-and-day difference between them. The overused terms "waterfront" and "along the shoreline" blur the all-important distinctions between land and water.

Experts say the only measure that has proved 100% effective for minimizing harm to people and property in coastal areas is shifting new development away from the water. Subsidizing development not just **along** the water but right **in it** moves in exactly the wrong direction.

Congress was wise to insist on protecting and preserving the physical integrity of marine and estuarine habitats offshore when the 1972 Clean Water Act was enacted, because there's no other way to safeguard public waterways for navigation, and for sustaining fisheries and other living marine resources. Longstanding federal litigation and U.S. District Court decisions on the Westway highway and Hudson River development project confirmed this. The same policy that would keep the most people out of harm's way in the lower Hudson River is the very same policy that would uphold the Clean Water Act by keeping habitat-altering development and "resiliency" projects out of the River.

We urge the Council to respect the federal Clean Water Act and protect and preserve the nearshore habitat in the Hudson River when considering disaster prevention policies and public spending priorities. We'd be happy to respond to any questions you may have. Thank you.

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Friends of the Earth and Clean Air Campaign Inc.: Four General Points

1. **Ending public subsidies for any new development in high-risk hurricane evacuation zones in public waterways is essential** for minimizing the loss of life and property in increasingly frequent and deadly storms. NYC has many higher, safer, alternative inland sites available for development on dry land.
2. **True resiliency and sustainability** rest in part on preserving the aquatic habitats that sustain coastal and global fisheries (especially the lower Hudson River's nearshore waters).
3. **Non-water-dependent projects should not be sited in prime habitats for valuable coastal fisheries.** The lower Hudson River off Manhattan--an essential fish habitat--must be completely off limits.
4. Better information should be distributed to all New Yorkers on **what works and doesn't work.** Such terms as "resiliency," "green infrastructure" and "parks" should not be used to disguise proposals to fill in, pave over and misuse public waterways, and to misuse public funds.

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I represent: Maya's Office Housing Recovery

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