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TESTIMONY OF NEW YORK STATE SENATOR BRAD HOYLMAN
BEFORE THE PUBLIC HOUSING COMMITTEE OF THE NEW YORK CITY
COUNCIL REGARDING THE SALE OF THE NEW YORK CITY HOUSING
AUTHORITY'S SECTION 8 PORTFOLIO

February 10, 2015

Thank you for this opportunity to submit testimony on the sale of the New York City Housing Authority's ("NYCHA") Project Based Section 8 portfolio. I represent New York State's 27th Senate District, in which Campos I, one of NYCHA's six Project Based Section 8 buildings, is located.

I am grateful to NYCHA for establishing a dialogue with me, other elected officials and tenants to explain the details of this transaction, although some important answers remain unclear, including how this proposal will affect the long-term sustainability of our public housing and the potential impact on residents' quality of life and involvement in the building.

I understand the dire financial position of NYCHA and the immediate need for substantial repairs. I applaud NYCHA for abandoning the ill-considered infill plan as proposed by the previous administration and for coming forward with an alternative to raise additional revenue. However, there are still unanswered questions from NYCHA about their contract with the developers. Campos Plaza residents have not been fully briefed on what happens to the development after the contract ends, and what benefits will be provided to tenants in the interim. I am concerned that selling a significant ownership stake in Campos I to a private developer is the start of an alternate road to privatization, and that this may set a precedent for the permanent sale of our public housing stock. Although the contract preserves NYCHA's right to first refusal at the end of this ownership agreement, based on the current situation it seems unlikely that in the intervening years NYCHA will develop the financial means to reclaim the full ownership stake.

Further, NYCHA has not made clear the specific scope of work for repairs and any tenant protections that will be implemented during the construction period. There is

still a limited understanding about the logistics of the plan – including relocation of vulnerable tenants, dust and noise abatement, backup plans in the event of unexpected outages to utilities, and the frequency, if any, of air quality monitoring for the duration of the rehabilitation. This is of concern since the developer has signaled its intent to do the rehabilitation of individual units with tenants in place.

In addition, I was informed that as a result of this new partnership, NYCHA will no longer seek waivers from HUD to manage Campos I within its public housing portfolio. As a result, C&C Management will no longer be able to take tenants from NYCHA's waiting list once their current waiver ends this summer - breaking apart the combined Campos I and Campos II Tenants' Association. I understand that NYCHA retains a 50% ownership of Campos I and that the agency can apply for another waiver from HUD to allow C&C Management to continue to use the existing waiting list. Given the affordable housing crisis and lengthy public housing waiting lists in New York City, I strongly urge NYCHA to reconsider this decision.

Lastly, earlier this year, tenants at Campos II reported hearing from NYCHA officials that the management office for Campos II will be merged with LES V and Bracetti Plaza. To date, they have been unable to get verification from NYCHA as to whether or not the agency intends to eliminate the Campos Plaza management office, and if so, how the management office space will be used. Yesterday, I, along with my colleagues Council Member Rosie Mendez, Assembly Member Brian Kavanagh, and Borough President Gale Brewer, wrote to NYCHA requesting clarification on this and other items. I look forward to receiving NYCHA's response and continuing this dialogue.

Thank you for your consideration of my comments. I look forward to continuing to work with you to preserve safe, affordable, and decent public housing for New York's most vulnerable and disadvantaged residents.