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## Testimony of New York State Senator Brad Hoylman On the New York City Housing Authority's Draft 2016 Annual Plan

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Thank you for this opportunity to submit testimony on the New York City Housing Authority (NYCHA)'s Draft Annual Plan for Fiscal Year 2016 ("Draft Plan"). I am the State Senator for New York State's 27th District, which includes Campos Plaza I and II, Jacob Riis Houses I and II, 344 East 28th Street, Fulton Houses, Lower East Side III, Lower East Side Rehab, and parts of Harborview Terrace and Elliott-Chelsea Houses, representing nearly 5,000 units of public housing.

As a representative for these constituents, I am firmly committed to preserving and maintaining New York's public housing stock. For decades, safe, affordable and high-quality NYCHA developments were a refuge for working families in a sea of rising rents, a much-needed safety net that kept vulnerable New Yorkers off the streets, and a home for some of our city's most active and close-knit communities.

Today, as you well know, these developments are under threat. NYCHA faces an estimated \$2.5 billion operating deficit over the next 10 years. In the face of this, I am pleased to see city and state officials taking action; in particular, I applaud Mayor de Blasio for reaffirming the City's commitment to public housing and dedicating \$300 million to major capital improvements. I also want to thank Borough President Brewer for hosting a series of Town Halls on the plan and the many NYCHA residents who I've met with and who have shared their thoughtful questions and suggestions with me.

While I appreciate the steps taken by Mayor de Blasio and Chair Olatoye, there is far more to be done. The NextGeneration NYCHA plan ("NextGen plan") is ambitious and forward looking, but I believe that transparency and long-term safeguards to preserve public housing are essential to ensure that the plan benefits New Yorkers who need it most.

In particular, I am deeply concerned about the long-term sustainability of our public housing stock. The NextGen plan calls for scattered-site developments to be sold to

non-profits and for distressed Towers-in-the-Park style developments to be converted to new ownership structures using the federal Office of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program, which converts public housing subsidies to long-term guarantees and in turn facilitates an influx of private capital. RAD can be a valuable tool to upgrade our aging buildings, but it must be used in ways that are consistent with the preservation, not the privatization, of public housing in New York.

I believe that, without exception, NYCHA should maintain the strongest possible role in new ownership structures and lease, rather than sell, public land to private investors. Without retaining a controlling interest in its developments and ownership of the land it's built on, I am concerned that NYCHA will not be able to guarantee the long-term affordability of public housing units. We must take every possible precaution to ensure that new ownership structures under RAD will not jeopardize the existence of public housing in New York.

Our communities need to be informed about which developments are likely to be converted through RAD or sold as scattered-site developments. I'm disappointed that NYCHA has yet to release a list of developments it expects will be affected, or even a list of qualifying buildings. Transparency in the NextGen plan is essential -- elected officials and NYCHA residents cannot be expected to respond to this plan in a comprehensive fashion without these key details, and I urge this information to be distributed as soon as possible.

As we work to preserve public housing in New York, we also must be sure that units go to those who need it most. I strongly support the recommendation for a 25% preference for homeless families in all new units constructed through the infill plan and the use of Section 8 vouchers to ensure affordability in these units. As rising rents have forced record numbers of families into the shelter system, this is more necessary than ever.

Thank you for your consideration of my comments. I look forward to continued work with the City Administration and NYCHA officials and residents to preserve, upgrade and expand public housing in New York City.

Respectfully submitted,



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27<sup>th</sup> District