

# Testimony to NYCHA FY25 Draft Annual Plan & Draft Significant Amendment to the Annual PHA Plan for FY 24 July 30, 2024

Good evening, my name is Christina Chaise. I am a public housing resident, and I am submitting this testimony as an Advocacy Coordinator/Paralegal in the Equitable Neighborhoods Practice at TakeRoot Justice. At TakeRoot Justice, we work with grassroots groups, neighborhood organizations and community coalitions to help make sure that people of color, immigrants, and other low-income residents who have built our city are not pushed out in the name of "progress." We represent our community-based partner organizations to ensure that residents in historically under-resourced areas have stable housing they can afford, places where they can connect and organize, jobs to make a good living, and other opportunities that allow people to thrive.

## NYCHA Must Not Advance the Privatization of New York City Public Housing Without Resident Control

The Draft Annual Plan touts the progress of RAD/PACT conversions, but residents have made clear that many tenants still do not fully understand RAD/PACT, nor want it1. As we heard during April's New York City Council Hearing earlier this year, residents are not satisfied with PACT repairs, NYCHA's unionized workers are being harmed by conversions, and Resident Associations are being bullied into consenting to a process they do not fully understand. Confusion, fear and intimidation are not acceptable strategies for garnering consent.

According to residents, NYCHA's current resident engagement procedures do not meaningfully engage tenants nor ensure deep understanding of the conversion changes and policies. Rather, public meetings are held as mere rubber-stamping processes, where few residents attend and those who do leave such meetings confused and scared instead of informed and empowered. Despite claiming to protect tenants' rights and claiming to have strong tenant involvement, NYCHA continues to violate tenants' rights and provide insufficient resident leadership support. In addition, it is unclear where the Resident Advisory Board stands because no minutes are provided or included in the annual plan.

Further, the plan does not clearly state what is happening across developments. For example, there is little to no mention of conversion plans for Boston Secor or West Brighton, despite how

<sup>1</sup> The New York City Council - Meeting of Committee on Public Housing on 4/19/2024 at 10:00 AM (nyc.gov)



far along these developments are in the conversion process2. In fact, Boston Secor tenants are currently being pressured into signing Section 8 leases by Wavecrest management, despite no HUD approval for the conversion or legal necessity to do so. NYCHA continues to put the cart before the horse and portray these conversions as done deals, rather than comply with regulations in an orderly manner with authentic resident engagement. This undermines the spirit of HUD oversight. This lack of alignment with the federal law, and the seeking of permission for something that NYCHA proclaims is a done deal, makes the prospect of putting faith into the NYCHA community engagement process untenable.

In addition to RAD/PACT obscurities, this draft annual plan does not provide enough information on how the Preservation Trust works, including details on the lease, the financial structure of Trust bonds, and the timeline of repairs. The plan states that transferring the properties into the Trust will take up to two years before the first stages of repairs can begin, however, residents were told that the Trust will lead to faster repairs than what NYCHA renamed as "status quo"—Section 9 traditional public housing. Again, NYCHA is offering false promises they cannot ensure while denigrating the very program that has provided housing security for millions of residents. Residents want transparency and explanation for how developments are selected for a Preservation Trust, because as it currently stands, it seems like NYCHA is going after the most vulnerable of developments (e.g. Bronx River Addition, mostly seniors, already had majority of residents relocated). Fostering precarious/desperate conditions and then offering an ostensible solution is predatory behavior.

We do request clarification regarding NYCHA's initial release of the Draft Annual Plan, which stated that developments under the Trust would *also be placed under the RAD program*. In an updated release on July 24, 2024, a few days before the hearing, NYCHA removed this requirement. We want to know if this was an error or if there are plans to submit a blended Section 18/RAD application for developments that voted for the Preservation Trust. Regardless, RAD/PACT should not be positioned as an alternate option during voting procedures because that was never included in State legislation.

#### **NYCHA Tenants Must Be Involved in Land Use Decisions**

In the Annual Plan, NYCHA includes further privatization plans that would sell off air rights and 'underused' land as real estate assets. Infill and Air Rights Transfer (TDR) transactions do not include impact statements of how future construction by a new developer would impact residents' health and quality of life. Moreover, there is no avenue for resident participation to have a say in these transactions, and if they want these changes for their development. It is hard

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<sup>2</sup> U.S. Department of Housing and Urban Devlopment [Rental Assistance Demonstration Resource Desk]. (n.d.). *RAD for PHAs - Data & Resources – New York City Housing Authority*. Accessed from: https://www.radresource.net/pha\_data2020v2.cfm https://www.radresource.net/pha\_data2020v2.cfm



to accept that playgrounds and parking lots are not being utilized considering the scarcity of both play/green space and parking spaces in New York City; these are desired and utilized by residents, not a market-rate complex in the middle of their development. Most residents do not even know that NYCHA has these plans for their homes. It is despicable, and NYCHA must include resident engagement and incorporate democratic processes in these decisions in accordance with federal regulations (24 CFR Part 964). Additionally, it is imperative that NYCHA clarifies where the money goes and how it directly benefits residents who choose to participate. We want the numbers of how funding from these transactions have been allocated in the past. NYCHA land and air should not be for sale to private real estate developers, especially without resident participation or consent.

NYCHA also includes plans to build new 100% "affordable" housing, rather than focusing on rehabilitating and preserving their current 100% affordable housing stock. If NYCHA's goal is to provide more deeply affordable housing stock, then investing in and expanding Section 9 public housing would do that, as the current affordable housing industry (utilizing AMI and MIH) does not provide housing to the populations that need housing the most. In fact, it harms the very communities NYCHA currently serves. It is not in the best interest of residents to build anew, especially if a large majority of the current public housing population cannot access those new units. HUD cannot approve of this because the implications are too harmful to the very communities it aims to serve.

With all these new real estate development plans, NYCHA is turning its back on its residents and the suffering its causing to residents is palpable.

#### Residents Reject the Fulton, Elliot, Chelsea and Chelsea Addition Proposal

Despite a multi-year planning process that recommended conversion only if there were no demolitions, residents were maximally engaged and market rate infill was kept to a minimum, NYCHA is now moving forward with a conversion that is the complete opposite-- 100% demolition, includes negligible resident engagement, and adds thousands of market-rate (read: luxury) units. NYCHA and its PACT Partners, Related and Essence, claim that this turnaround is based on a majority of residents preferring demolition— a claim that is unfounded in fact. As an initial matter, in the survey only 16% (550 out of 3,388) of eligible residents indicated a preference for "new construction"; it is worth noting that the word demolition was **not** used, and the option was presented as the quickest path to repairs, despite being optimistically projected to last 16 years in the Draft Scope of the EIS. Furthermore, the survey, and door-to-door resident outreach, was not conducted by a neutral third party— rather it was conducted by the PACT developer's team with a clear interest in the demolition outcome and resident leaders who are actively campaigning in favor of the demolition option despite an apprehensive resident body. The survey design and execution were so fundamentally flawed that its results cannot possibly be



reasonably interpreted as a reflection of resident preference, much less as residents' informed consent to demolish their homes.

The FEC proposal is still in the early stages, as it is still at the initial stages of the environmental review process. There is still time to conduct meaningful resident engagement, as required by HUD, and to develop a more reasonable plan for much needed repairs at these three developments—one that does not include demolition, but genuine, environmentally-sound rehabilitation and preservation led by tenants.

### **HOTMA Regulations Destabilize Family Households and Communities At-Large**

NYCHA's implementation of new income and asset limits has created another form of harm, hardship and grief for residents. Households that surpass the new income limits can no longer participate in Section 9 programs, which is a form of exclusion and disenfranchisement for families who call public housing home. This harms multigenerational households who have combined incomes, who now must choose between kicking out a family member or being displaced altogether. This harms working-class families that, despite working against structural discrimination to secure some form of economic stability, now must face housing insecurity and/or be rent-burdened. Moreover, these households can no longer participate in REES programming, Section 3 initiatives, and most importantly, their Resident Associations. This is a form of discrimination, exclusion, and disenfranchisement. Moreover, the new 10% medical expense deduction threshold will disproportionately harm our elderly and disabled residents by increasing their rents despite usually being on fixed incomes. NYCHA and HUD must reconsider its implementation of these guidelines—originally established in 2016—in a post-COVID world. These policies will lead to further segregation and poverty concentration if upheld and are in opposition to the foundational goals of HUD and NYCHA.

Thank you for your time. Please reach out if there are any questions or clarifications needed.

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