

# TAKEROOT JUSTICE

## The New York City Council - Meeting of Committee on Public Housing *Oversight: NYCHA Development: NYCHA 2.0 and PACT/RAD*

January 13, 2021

My name is Sophonie M. Joseph. I am speaking today as Community Planner & Advocacy Coordinator in the Equitable Neighborhoods practice of TakeRoot Justice. TakeRoot works 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 work together with our partners and clients 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.

Thank you for listening to our testimony on NYCHA 2.0 and PACT/RAD today. This hearing is particularly crucial since NYCHA has been moving forward with disposition of its property without ULURP and approval of this council.

Our clients and partners, who are and work closely with NYCHA residents, have serious concerns about continued attempts to implement the aforementioned programs in the current climate. The context, i.e. COVID-19, directly inhibits inclusive public participation. Simply put, implementing such programs are not acceptable to the coalition of residents and allies we work with, including CAAAV: Organizing Asian Communities, Good Old Lower East Side (GOLES), the Holmes-Isaacs Coalition, Housing Justice for All Coalition, and the Justice for All Coalition.

### PACT/RAD: How could residents lose out?

In transitioning from public housing to PACT/RAD, formerly NYCHA buildings will be taken out of the 2018 *Báez v. NYCHA* settlement and the 2019 federal monitorship agreement.<sup>1</sup> The *Báez* settlement currently requires NYCHA to adhere to strict practices in remediating chronic mold and water leaks, and makes NYCHA answerable to the Mold and Leak Ombudsperson Call Center through the end of 2021,<sup>2</sup> which has had success in forcing NYCHA to follow through with proper repairs. Federal monitorship ensures

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<sup>1</sup> See <https://nychamonitor.com/wp-content/uploads/2019/03/Final-Executed-NYCHA-Agreement.pdf>

<sup>2</sup> See <https://ombnyc.com/>; see also Greg Smith, NYCHA is Required to Rid Apartments of Mold. But its Latest Money-Raising Plan Could Hamper Clean-up Efforts, The City (Dec. 8, 2020), <https://www.thecity.nyc/2020/12/8/22164564/nycha-mold-clean-up-rad-privatization-public-housing>.

oversight of a more broad set of conditions in NYCHA buildings. Transfer of NYCHA's buildings from NYCHA to private developers through RAD/PACT will not automatically alleviate the conditions that led to the need for both monitoring systems; NYCHA is simply taking it on faith that developers will remedy them without these court-mandated systems of oversight.

*HUD has already granted NYCHA approval to convert 33 campuses, i.e. 76 buildings, to Section 8 using the RAD/PACT programs. Five campuses have already been converted, with repairs supposedly in progress. These conversions have been completed without any oversight from this Council. Residents of those campuses, who used to be NYCHA's tenants, are now tenants of private landlords.*

NYCHA's Draft FY21 Annual Plan includes 20 additional campuses that are slated for transfer to private management and conversion to Section 8; NYCHA admits that it has only applied to HUD for approval to do these conversions, and has not yet received that approval, yet it seems to be taking some liberties with eight of these campuses: NYCHA has already announced specific developers to take over them, apparently assuming that HUD will rubber stamp its applications.<sup>3</sup>

A major concern of tenants and tenant-organizers is that in Section 8 tenants will always pay 30% of their income no matter what. All public housing under Section 9 has flat or ceiling rents--that is, limits on how high the rent can go. Section 9 public housing tenants can opt to pay the flat rent instead of the rent as determined by calculating 30% of the respective household's income. For example, if the ceiling rent for a unit is less than 30% of the renter's income; the former public housing tenant may see a significant increase in a converted unit's rental costs. Section 8 private housing tenants are required to pay 30% of their income without any ceiling.

Another thing tenant stakeholders worry about is who is getting public money. Most of the subsidy money through Section 8 is passing straight from the federal government to the private landlord, acting as a subsidy for these landlords while not at all supporting public housing. RAD/PACT does not generate funds to make repairs for other NYCHA buildings. Instead of generating money, this program just moves responsibility for maintaining buildings from NYCHA to private companies.

A third issue our clients and partners are concerned about is what is called a "public-private partnership." Although NYCHA calls it a "public-private partnership" because there's a public partner — NYCHA, and a private partner — the developer who will act as residents' landlord, who work together. If it is a "partnership," which partner is

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<sup>3</sup> See NYCHA Press Release, February 13, 2020, *NYCHA DESIGNATES DEVELOPMENT PARTNERS TO REPAIR AND PRESERVE OVER 5,900 AFFORDABLE APARTMENTS IN MANHATTAN AND BROOKLYN*, available at <https://www1.nyc.gov/site/nycha/about/press/pr-2020/pr-20200213-1.page>.

responsible for what? This is where it gets complicated. Since the private developer is leasing the land from NYCHA, the developer is supposed to do what NYCHA says. But the NYCHA has not been explicit about how it will monitor developers to make sure they are taking care of the buildings they take over. And it is not clear how easy it will be for NYCHA to get rid of a bad developer “partner.” Our clients and partners worry that over time public-private partnerships in this context and others will mean public agencies do less and the services that used to be provided by the government might only be available from private, for-profit companies.

#### Infill: How could residents lose out?

NYCHA has announced plans to lease land for developers to build 50% market rate housing on three of its campuses; the remaining 50% of the units in these new privately-owned buildings will be “affordable” at levels the developers agree to.<sup>4</sup> There are also thirteen campuses slated for the private development of “affordable” housing on them across NYCHA’s portfolio per the FY21 Draft Annual Plan.<sup>5</sup>

Our clients and partners are very concerned that the new “affordable” housing infill projects will be too expensive for current NYCHA residents. New developments will replace valuable green spaces, parking, playgrounds around NYCHA developments with new infill buildings.

This is a precarious context that may lead to displacement of pre-existing NYCHA residents. If new buildings for wealthier people are built near NYCHA buildings, neighborhoods will adapt to the new residents. Local stores will charge more because wealthier people can pay more. Businesses for wealthier people will replace the businesses current tenants are familiar with. In existing housing stock near the NYCHA campuses where infill will happen, rents will go up as wealthier people move into the neighborhood. There will be pressure in rent-stabilized buildings for residents to move out.

The new units in newly constructed buildings on NYCHA campuses probably will not go to current NYCHA residents: the “affordable” housing probably will not be affordable to most NYCHA residents, and the market rate units are even less likely to be. Under NYCHA’s terms, developers are not required to offer units to NYCHA residents first.

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<sup>4</sup> Holmes Towers and La Guardia Houses in Manhattan and Wyckoff Gardens in Brooklyn.

<sup>5</sup> Queens: Astoria; Bronx: Soundview, Betances VI, Morrisania Air Rights, Twin Parks West, Justice Sonya Sotomayor Houses, East 173rd Street-Vyse Avenue; Brooklyn: Sumner, Bushwick II CDA (Group E), Kingsborough Houses and Kingsborough Houses Extension; Manhattan: Harborview Terrace and Dyckman Houses; Staten Island: West Brighton II.

### Insufficient Resident Engagement during a Pandemic

First, NYCHA 2.0 and PACT/RAD continue to be implemented without adequate engagement with and consent from NYCHA residents, whose homes are at risk, during a time of national emergency. These are sweeping changes targeted at thousands of residents who are being asked to respond to specific plans for their specific campuses, while NYCHA is also purporting to invite their input on its *Blueprint for Change* proposal.<sup>6</sup>

This is a situation that can only lead to confusion.

It is unconscionable to push for massive changes to NYCHA and irreversible transformations on specific campuses through RAD/PACT and infill while the COVID-19 pandemic prevents full resident participation in the process. The consent of NYCHA residents is absolutely necessary for these sweeping changes to public housing in NYC to be approved within the spirit of federal public housing law. Ignoring resident participation and concerns, especially during a global emergency, is unacceptable.

Thank you so much for taking the time to consider our testimony today.

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*The New York City Housing Authority (NYCHA) Land & Healthy Homes Coalition (LHHC) is an alliance of NYCHA residents and groups that work with, represent, and support them. This coalition includes CAAAV: Organizing Asian Communities, Cooper Park Residents Council, Good Old Lower East Side, Holmes-Isaacs Coalition, Red Hook Initiative, St. Nicks Alliance, and TakeRoot Justice.*

*[CAAAV Organizing Asian Communities](#) works to build grassroots community power across diverse poor and working class Asian immigrant and refugee communities in New York City. CAAAV Asian Tenants Union organizes working class Bengali, Chinese, and Korean public housing tenants in Western Queens.*

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<sup>6</sup> See <https://www1.nyc.gov/site/nycha/residents/blueprint-for-change.page>. While the Blueprint is not the subject of this oversight hearing, it is an additional layer of complexity and confusion that NYCHA is adding to the COVID-19 context. The Blueprint is a proposal to create a new ownership entity to which NYCHA will transfer all its properties that are not being directed to RAD/PACT. This transfer cannot happen without State legislation to create the new entity, which has not yet been passed.

The [Good Old Lower East Side](#) works with low-income residents to preserve their homes, communities, and address displacement and gentrification. GOLES organizes to expand low-income housing, create good-paying jobs, and provide a clean and healthy environment for low- and moderate-income people.

The [Holmes-Isaacs Coalition](#) was formed to combat the public housing crisis that has plagued all of NYCHA campuses and fights for adequate funding and timely repairs for all NYCHA residents.

[Housing Justice for All Coalition](#) is run by the Upstate Downstate Housing Alliance is a coalition of over 70 organizations that represents tenants, homeless New Yorkers, and public housing residents from Brooklyn to Buffalo. We are united in our belief that housing is a human right; that no person should live in fear of an eviction; and that we can end the homelessness crisis in our State.

The [Justice for All Coalition](#) was formed to educate and organize neighbors in the fight for just development in western Queens. Our roots, base and leadership are in the local public housing developments. Our current campaign calls for public investment and repairs, reparations, and resident management for public housing residents.

[TakeRoot Justice](#) provides legal, participatory research and policy support to strengthen the work of grassroots and community groups in New York City to support community-based partners to dismantle racial, economic and social oppression.