NYCHA IN FLUX: PUBLIC HOUSING RESIDENTS RESPOND

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Community Service Society | Fighting Poverty Strengthening New York

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THE COMMUNITY SERVICE SOCIETY OF NEW YORK (CSS) is an informed, independent, and unwavering voice for positive action representing low-income New Yorkers. CSS addresses the root causes of economic disparity through research, advocacy, and innovative program models that strengthen and benefit all New Yorkers.

Cover Photo: Wolcott Street Farm, the 1.1 acre education farm at Red Hook Houses West. Courtesy of Red Hook Farms.

ABOUT THE AUTHORS

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TOM WATERS succumbed to COVID-19 in early April, leaving behind a legacy of brilliant analytic work and advocacy, most recently on New York's 2019 Housing Stability and Tenant Protection ACT. Prior to joining CSS in 2005, he was at Tenants and Neighbors, an organization that works to preserve and improve the state's affordable housing. Mr. Waters held an MA in political science and was working on a doctoral dissertation on housing and neighborhoods at the CUNY Graduate Center.

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The world has changed since the outbreak of the coronavirus pandemic in early 2020. Among its multiple impacts, the worst is the toll it is taking on people's lives and well-being. As we know by now, it will also have major effects on the economy and virtually all our institutions. Prior to the outbreak our city's public housing was in an acute state of crisis, about to undergo major institutional change. The pandemic struck at a critical time, slowing efforts to sustain this affordable low-income housing resource and restore decent living conditions, a marked setback for the New York City Housing Authority (NYCHA) and its residents.

This report was conceived in 2019 before the outbreak, as the starting point of an annual barometer of resident views and experiences as NYCHA undergoes major changes. In coming years we also plan to track the impacts of COVID-19 on residents who, already struggling with deplorable living conditions, must now deal with the personal consequences of this deadly disease.

This report is dedicated to them, and to Tom Waters, our brilliant CSS housing colleague, a fervent advocate of social housing, who was lost to the virus in early April.

FOR THE PAST TWO YEARS, the New York City Housing Authority (NYCHA) and its public housing residents have been living through an unprecedented period of turbulence and institutional change. At this point the outcome is difficult to predict, but it is likely to shape the future of public housing in New York City for decades to come.

Public housing is the city's largest, single affordable housing resource for low-income New Yorkers, housing about 600,000 residents in 174,000 apartments across the five boroughs. Residents continue to struggle with accelerating deterioration in aging buildings that need major capital reinvestment, a total of about $40 billion over the next decade. At the same time, they are facing tectonic shifts in the authority's plans, as well as changing institutional arrangements for overseeing and reforming NYCHA to better meet its challenges.

These unsettling changes include the rapid turnover in leadership (four NYCHA chairs in two years); stepped-up NYCHA plans to transfer public housing to the hands of public-private partnerships; and complicated, new arrangements—triggered by a milestone law suit brought by the US Attorney, Southern District of New York (SDNY)—under which a federal monitor has been appointed to oversee NYCHA operations and guide structural change, particularly in its flawed property management functions.

How are these uncertainties and changes affecting grassroots residents? They have limited opportunities to register their experiences, their views, or their concerns about the direction the authority is taking. Too often they are represented by a small group of resident leaders, by well-intentioned advocates and organizers, or by self-appointed spokespeople with an

axe to grind, without actually being canvassed themselves. This report is an attempt to capture—through a structured survey—what grassroots public housing residents are experiencing and what they think of the current policy initiatives that will affect or have already affected their homes and developments. CSS intends to survey residents annually; the first survey was conducted in August 2019. In that sense, the data in this report serves as a starting baseline for tracking changes in resident experience and perceptions over time as NYCHA goes through a period of critical change and transformation.

Distrust of and anger at NYCHA are now common motifs at resident engagements with the authority. This is no surprise, given the decades of government disinvestment and resultant neglect that underlie those feelings. The discord is most visible in NYCHA's mixed-income Infill program—intended to raise capital through private residential construction on underutilized land—where resident and community opposition have so far succeeded in stalling forward movement. If NYCHA and city leaders are to engage residents in efforts to restore and preserve their developments, they need to understand where residents stand and the challenges the authority faces in reaching the consensus necessary to move forward.

Approach Used in this Report

This report is based primarily on survey data collected from a random citywide sample of 285 grassroots public housing residents. Data was obtained through the CSS annual Unheard Third Survey,[1] which in 2019 included for the first time an extended battery of questions for public housing residents on a range of issues. The triennial NYC Housing and Vacancy Survey (HVS) is also used to update resident-reported apartment deficiencies through 2017. The findings are intended to serve as a baseline for examining changes in resident experience and attitudes over subsequent years. Major questions addressed include:

- Have recent NYCHA efforts led to demonstrable improvements in living conditions? Or are conditions stable or worsening?
- How do residents view the two major thrusts of NYCHA's new Plan 2.0: 1) the large-scale transfer of developments to ownership/management by public-private partnerships, and 2) Infill construction of mixed-income housing on NYCHA land? What are their fears or concerns?
- How do residents assess current property management practices?
- How extensive is participation in resident associations? What are the obstacles to participation?
- Given the institutional changes facing NYCHA, how do residents view the future of public housing? Are they optimistic or pessimistic?

NYCHA IN FLUX: UPDATE AND TIMELINE

Background

NYCHA's history spans more than eight decades. For its first 60 years, it was a proud history. Not only did NYCHA run the largest public housing program in the nation, it was regarded as a national model of a high-performing housing authority, "public housing that worked."[2] The factors that contributed to its decline over the last twenty years—a swelling tide of disinvestment at all levels of government—have been chronicled in previous CSS reports.[3]

NYCHA is not alone.[4] The national capital backlog in the public housing program is now estimated at close to $70 billion. Starvation federal funding and accelerating deterioration have taken a huge toll, particularly in large cities, where many authorities have chosen large-scale demolition and redevelopment as the way out, like Chicago and Atlanta. Unlike them, NYCHA has rarely demolished its buildings. Since 2011, when the HUD Rental Assistance Demonstration (RAD) Program was enacted, many large-city authorities have undertaken wholesale conversion of their housing inventories, transferring them to public-private ownership in order to raise the capital they need. Witness Baltimore, San Francisco, and Minneapolis; NYCHA seems to be on the verge of following their lead.

The challenges to the authority are overshadowed by the struggles of its residents for decent living conditions. Despite recent NYCHA efforts to accelerate repairs, many must deal daily with leaking roofs, fragile plumbing, failing elevators, heating outages, crumbling facades, toxic mold, and lead paint risks. The fate of NYCHA and of its residents are inextricably tied together. They must find a way to work together toward the common purpose of restoring their homes and preserving an irreplaceable affordable housing resource. Hopefully, this report sheds some light on how that might happen.

The Timeline: 2017 to 2019

This section tracks the recent, dramatic changes that have brought NYCHA and its residents to this critical stage. For that purpose, the year 2017 is a useful starting point. The NYCHA NextGeneration Plan, which launched two years earlier, had been moving forward —with varying success— to address a $17 billion capital backlog over the next ten years. Led by then-Chair Shola Olatoye, the authority's large annual operating deficit had been substantially reduced. The dire living conditions facing residents were an acknowledged problem, attributed largely to inadequate federal capital subsidies. To help fill the gap, the city had committed $4 billion over ten years for infrastructural improvements and the state had promised another $450 million. The U.S. attorney, Preet Bharara (SDNY), had begun an investigation of NYCHA compliance with federal lead-based paint requirements. The authority was, by and large, dealing with its chronic challenges. The following timeline traces NYCHA's troubled trajectory from late 2017 to the near present:

NOVEMBER 2017

The NYC Department of Investigation releases a report charging NYCHA with false certification of compliance with federal toxic lead paint requirements and with violation of local laws.

DECEMBER 2017 TO FEBRUARY 2018

The City Council holds two incendiary hearings that receive broad media coverage. In December, Councilmember and Chair of the Public Housing Committee Ritchie Torres confronts NYCHA Chair Olatoye about the false HUD certification and the potential risks to children.

In January, during a harsh winter, the mayor dedicates $13 million to speed up NYCHA's response to heating outages and replace equipment at the hardest-hit buildings. Later that month NYCHA general manager Michael Kelley resigns.

In February, a joint hearing of the Committee on Oversight and Investigations, now chaired by Torres, and the Public Housing Committee, newly chaired by Councilmember Alicka Ampry-Samuel, exposes widespread winter heating and hot water outages that affected an estimated 80 percent of NYCHA residents. After decades of accelerating deterioration and mounting work order backlogs, NYCHA's reputation as property manager reaches a new low.

The Citywide Council of Presidents (CCOP), the official organization representing all NYCHA residents, files suit in state court charging NYCHA with neglect—failure to provide heat or protect residents from lead paint and toxic mold risks—demanding that the judge appoint an independent monitor to assure compliance with federal and local laws.

MARCH TO APRIL 2018

In the midst of the gubernatorial campaign, Governor Andrew Cuomo visits Jackson Houses in the South Bronx, describes conditions as "disgusting," and accuses NYCHA of mismanagement and a "maze of bureaucracy." He announces he is considering resident demands that he declare NYCHA an emergency and appoint an independent entity to oversee the authority. Simultaneously, the city is negotiating with SDNY attorneys to seek a settlement regarding the fraudulent certification and other charges. HUD puts NYCHA on notice that it will no longer be able to draw federal funds without special approval. In early April the governor signs an executive order declaring NYCHA an "emergency health disaster" and seeking the appointment of an independent monitor within two months.

Shola Olatoye resigns and the mayor appoints Stanley Brezenoff ("the fixer") as interim Chair.

JUNE 2018

SDNY, NYCHA, and the city file a consent decree under which the federal court would appoint a monitor to provide comprehensive relief concerning living conditions—heating, lead paint hazards, elevator service, mold, and rodent infestations. The city would commit an additional $1 billion annually for four years and $200 million every following year until conditions are normalized. The monitor would also guide reforms in NYCHA's structure and operations. The governor agrees to defer his disaster initiative pending approval of the consent decree.

JULY 2018

NYCHA receives another blow when the new Physical Needs Assessment (PNA)[5] is released, estimating it will now require $31.8 billion to meet capital needs over the next decade. This is nearly double the $17 billion estimate made five years earlier. The increase is the combined result of further capital deterioration and inflation in repair costs.

SEPTEMBER 2018

Federal Judge William Pauley, charged with approving and adjudicating the consent decree, holds an extraordinary hearing at which hundreds of residents turn out to vent their complaints about living conditions and NYCHA property management.

NOVEMBER 2018

In mid-November, Judge Pauley rejects the consent decree on the grounds of "procedural flaws." In his view, the arrangement would create confusion among all the parties, lacked clear lines of enforcement, and put HUD— the responsible federal agency— on the sidelines. Rather than rely on a court-appointed monitor, he urges HUD to exercise its statutory authority and consider placing NYCHA under federal receivership. Given the $32 billion capital need, he views the city's modest additional capital commitment of over $4 billion under the consent decree as hardly "an immediate panacea." The judge orders the parties to reconvene and come up with a new plan by mid-December.

With NYCHA facing a threat of federal takeover, on November 18, the mayor announces an ambitious new plan to transfer 62,000 units—over a third of the inventory—from direct NYCHA ownership/management to the hands of public-private partnerships. The conversion program, known as PACT, is estimated to generate $13 billion in private capital for comprehensive repairs, under the HUD RAD Program.[6]

DECEMBER 2018

On December 11, the NYC congressional delegation sends a letter to HUD Secretary Ben Carson "adamantly" opposing federal receivership. The following day the mayor announces a new, comprehensive ten-year plan—dubbed NYCHA 2.0—to preserve the city's public housing: It includes:

- RAD/PACT conversion of 62,000 units in ten years. The conversion is estimated to generate $10 billion to$12 billion in capital for repairs.
- Mixed-Income Infill housing at selected developments, which will generate $1 billion to $2 billion. Seventy to 75 percent of the new units will be market rentals, the rest affordable—a change from 50-percent affordable in the original 2015 NYCHA plan—in order to meet the capital needs of the host development.
- Transfer of Development Rights at selected developments is expected to generate $1 billion to $2 billion in capital.

In total, the comprehensive plan would generate $24 billion for capital repairs, leaving an $8 billion gap.

Advocates, including CSS, press for a new consent decree calling for a court-appointed monitor, rather than a HUD receiver. On December 14, HUD Secretary Carson releases a letter warning that if all parties do not agree by the end of January to a consent decree acceptable to the court, HUD would declare NYCHA in "substantial default" and move to place it in receivership.

JANUARY 2019

In late January, NYCHA begins a series of "Saturday blitzes" to tackle the backlog of skilled-trade repairs in order to reduce the number outstanding work orders.

Under the threat of federal receivership, the city engages in a flurry of eleventh-hour negotiations with HUD. On January 31, they announce they have reached an agreement that is independent of the court:

- A federal monitor would be jointly selected to 1) see that NYCHA addresses substandard living conditions, and 2) assess NYCHA operations and guide organizational reform of the authority. The monitor is to report quarterly to HUD, SDNY, and the US Environmental Protection Agency.
- Tight NYCHA performance deadlines are set for addressing lead-based paint hazards, heating outages, elevator repairs, toxic mold, and pest infestations.
- City capital commitments are increased. As in the original consent decree, the city would commit $1 billion over four years for capital repairs, and an additional $200 million in each of the following six years. In addition, the city would provide already committed funds: nearly $2 billion for capital expenses and $972 million for operations. It would also be responsible for the expenses of the federal monitor.

HUD is widely criticized for refusing to provide any additional capital funding beyond the operating and capital subsidies already appropriated by Congress. NYCHA and the city succeed in staving off the threat of HUD receivership. The court will not play an active role in the new arrangement, but SDNY will continue to be involved and has the power to bring suit again if the parties do not perform.

FEBRUARY TO MARCH 2019

The authority intensifies repair efforts, expanding NYCHA CARES, a $20 million initiative to tackle the skilled trade backlog. In mid-February, Stanley Brezenoff steps down and is replaced as interim NYCHA Chair by Kathryn Garcia, Commissioner of the NYC Sanitation Department. On March 1, Bart Schwartz assumes the role of federal monitor.

MAY 2019

NYCHA announces its plan to preserve Fulton Houses in Manhattan's Chelsea neighborhood. The plan is complex, involving mixed-income Infill construction, RAD conversion of the existing development, and, for the first time, the selective demolition of two low-rise buildings (72 units). The demolition and privatization components of the plan arouse controversy in the community. NYCHA holds several resident engagement meetings to explain the plan and answer questions.

JULY 2019

The federal monitor releases the First Quarterly Report covering April to June 2019, which paints a bleak picture of living conditions, criticizes dysfunctions in the authority's property management operations, and makes several recommendations for improvement.

AUGUST 2019

Gregory Russ assumes the position of NYCHA Chair and Chief Executive Officer. Russ is recognized as a seasoned professional in public housing, having been at HUD and headed the Cambridge and Minneapolis housing authorities. But there is concern, given his track record in those cities, about his preference for conversion of the entire inventory.

OCTOBER 2019

In his second quarterly report, the federal monitor praises NYCHA for its progress in meeting compliance requirements, although the report notes delays and missed deadlines in meeting lead paint requirements and addressing toxic mold. KPMG is hired as the management consultant to assess NYCHA operations and make recommendations for restructuring the authority.

To resolve the Fulton Houses controversy, NYCHA and elected officials announce the formation of the Chelsea Working Group to address the future of three developments—Fulton Houses, Chelsea-Elliott Houses, and Chelsea Addition. The group will include resident leaders, representatives of elected officials, the Community Board, and independent resource organizations. It is an unprecedented move to develop a community-initiated preservation plan and build the consensus needed to move forward.

DECEMBER 2019

The monitor approves the NYCHA Heat Action Plan, which identifies the 20 hardest-hit developments and allocates the $450 million in state funds to address heating failures. The plan also requires NYCHA to conduct investigations when heat cannot be restored within 12 hours in order to prevent a recurrence.

The monitor releases the draft management reports prepared by KPMG. Within the next six months, he expects to develop—with the authority, resident leaders, and other stakeholders—"an organizational strategy that will best suit NYCHA…a roadmap for the future of a compliant and optimally functioning NYCHA." In June 2016 a plan for the "transformation" of NYCHA is expected to be released.

What all these new arrangements mean—the ambitious NYCHA 2.0 Plan, the oversight and guidance of a federal monitor, the stamp of a new Chair, a restructured NYCHA, perhaps a new community-based approach to preservation planning—remains to be seen. Judging from recent experience, NYCHA's success in carrying out its present plans and any further initiatives may well depend on its ability to overcome resident distrust and begin to build community consensus around what needs to be done.

HAVE NYCHA LIVING CONDITIONS IMPROVED SINCE 2014?

Between 2000 and 2014 there was a marked escalation in resident reports of condition deficiencies, based on trends in the triennial NYC Housing and Vacancy Survey (HVS), as reported in prior CSS reports.[7] Given recent NYCHA efforts to step up repairs and reduce the backlog of work orders, as well as the city's capital reinvestment in infrastructure improvements, what has happened since?

In the late Bloomberg administration, NYCHA set out to reduce hundreds of thousands of outstanding work orders. Since Mayor de Blasio took office in 2014, he relieved the authority of payments to the city — over $100 million a year—for police services and in-lieu tax payments, which increased its operating resources. The city also made capital commitments of about $4 billion over ten years for infrastructure improvements, such as roof replacement and elevator repair. Since 2017, when NYCHA management failures were exposed, the authority accelerated repair efforts through "Saturday blitzes" and other attempts to use skilled labor pools to meet resident repair needs.

Despite city reinvestment and more concerted NYCHA efforts, the evidence indicates that deficiencies in living conditions continued to escalate. Accelerating deterioration in NYCHA's aging stock outpaced increased city efforts. An update of HVS deficiency data to 2017 indicates a continuing worsening trend. (See Chart 1.) As of 2017, over a third (37%) of NYCHA households were experiencing three or more deficiencies, and over a fifth (21%) experienced four or more deficiencies. Living conditions were worse than they had been in 2014.

CHART 1. NYCHA HOUSEHOLDS REPORTING AT LEAST 3 OR 4 DEFICIENCIES, 2002 TO 2017 HVS

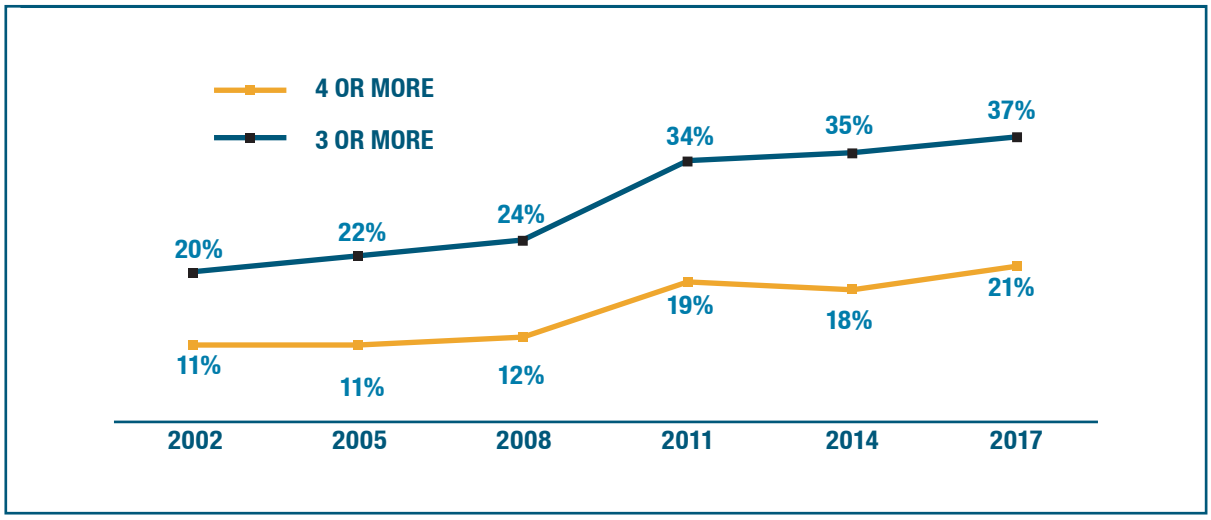


CHART 2. HOUSEHOLDS REPORTING 4 OR MORE DEFICIENCIES, BY RENTAL SECTOR, 2002 TO 2017 HVS

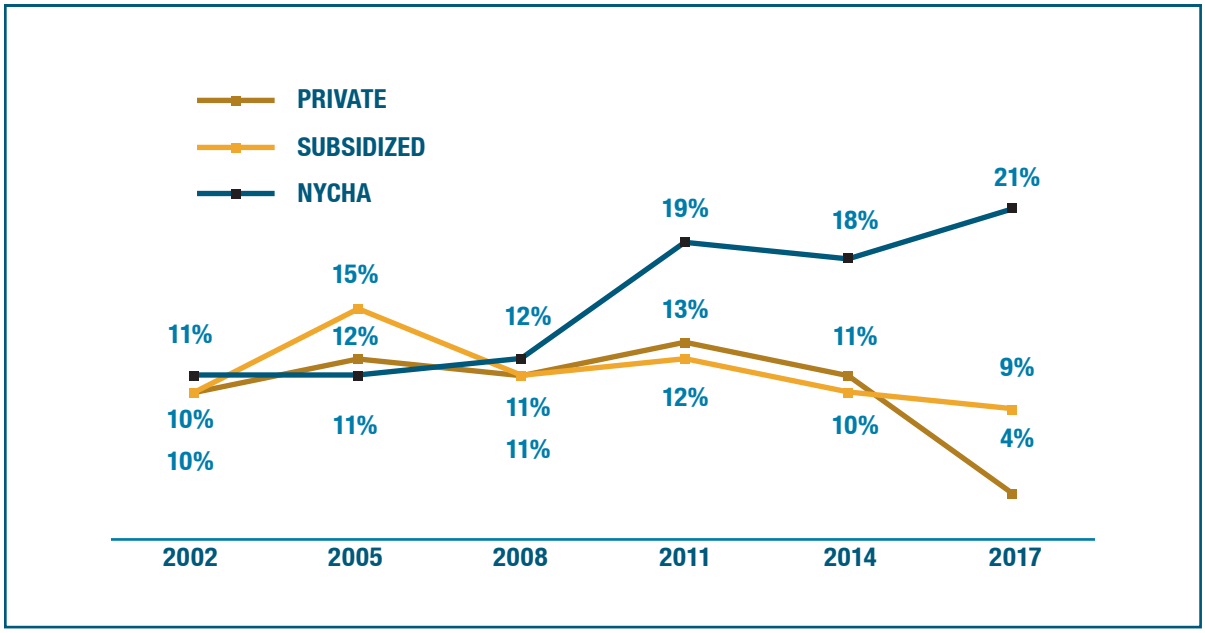


Chart 2 compares deficiencies reported by NYCHA households with those reported by low-income renters elsewhere.[8] Ironically, other low-income tenants living outside public housing found their conditions improving during the same period. On average, conditions for low-income renters were far better in private rentals than in NYCHA apartments. As of 2017, NYCHA continued to qualify as the largest and worst landlord in the city.

Unfortunately, HVS data for 2020 will not be available for some time. To cover the period from 2017 to the present we make use of the CSS Unheard Third surveys from 2017 to 2019, which included several questions about conditions. The proportion of NYCHA households registering a "problem" or "serious problem" with "heating, leaks, mold, or the need for major repairs" rose sharply between 2017 and 2019 from 47 to 63 percent. (See Chart 3.) The proportion registering "problems or serious problems" with "properly working elevators, door locks, buzzers, or intercoms" also rose, from 55 to 71 percent. (See Chart 4.) An additional question asking about security issues, "problems with feeling safe in the hallways and public areas" also registered a sharp increase between 2017 and 2019, from 39 to 60 percent of households. (See Chart 5.)

CHART 3. NYCHA & LOW-INCOME RENTERS: "PROBLEMS WITH HEATING, LEAKS, MOLD, THE NEED FOR MAJOR REPAIRS" CSS UNHEARD THIRD SURVEY, 2017-19

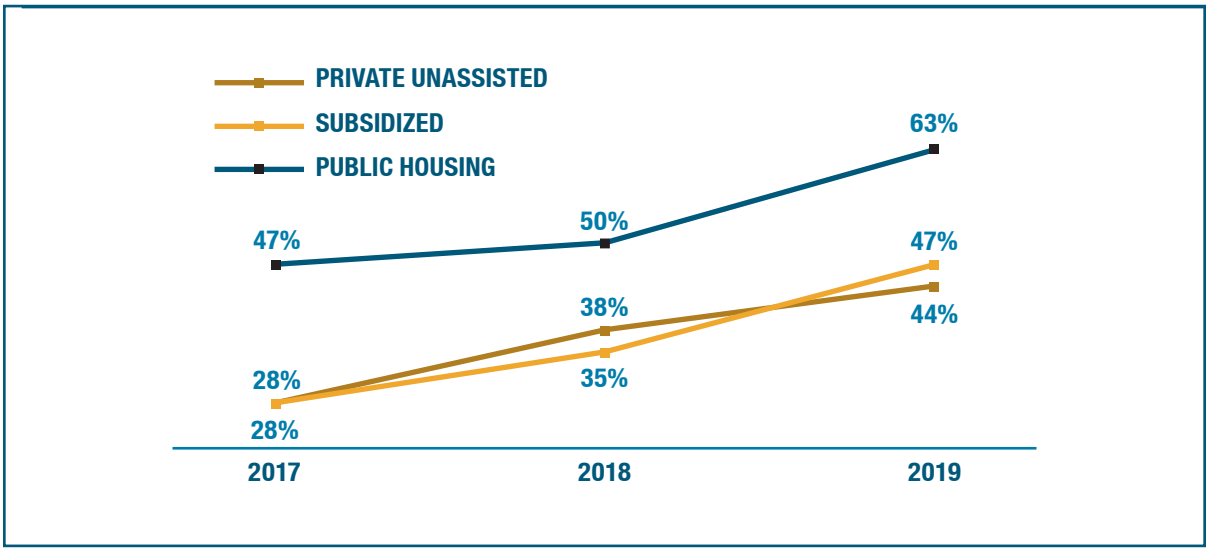
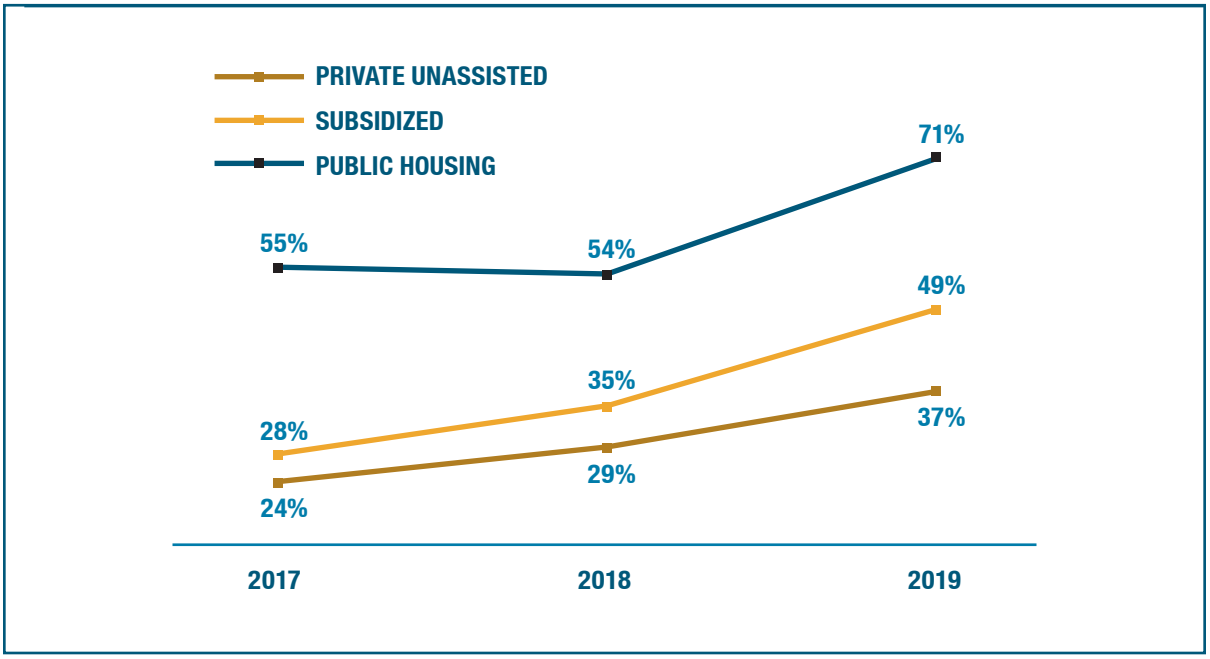


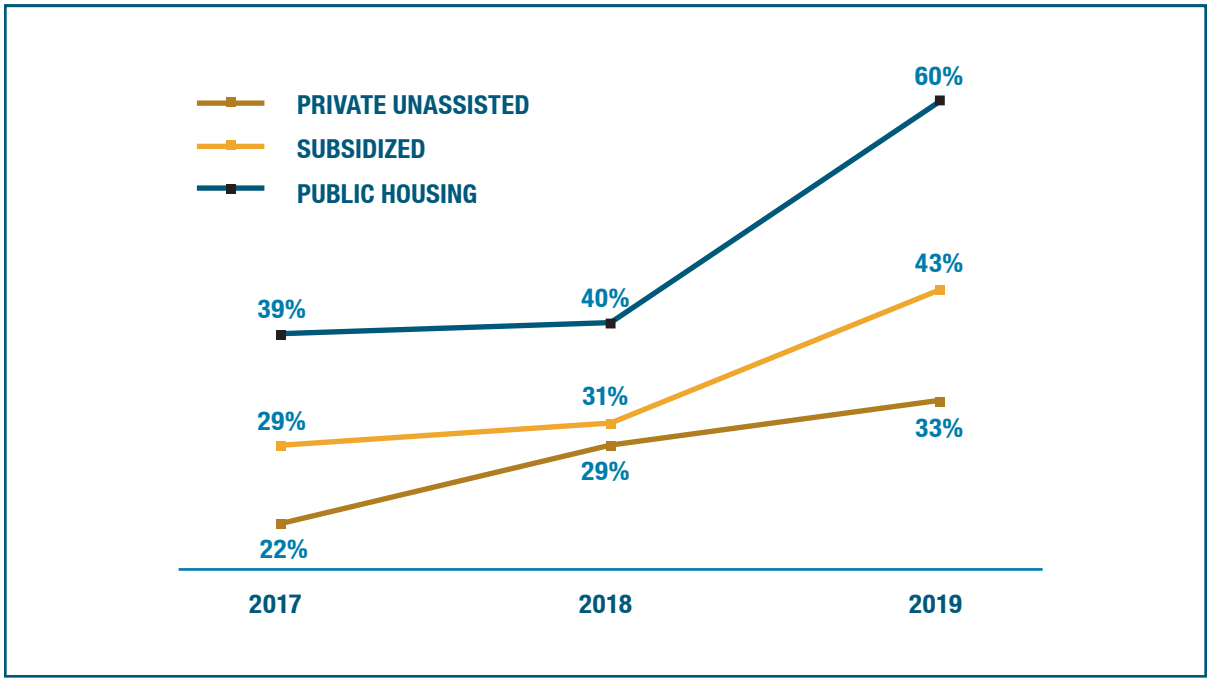
CHART 4. NYCHA & LOW-INCOME RENTERS: "PROBLEMS WITH PROPERLY WORKING ELEVATORS, DOOR LOCKS, BUZZERS, OR INTERCOMS" CSS UNHEARD THIRD SURVEY, 2017-19



During the same two-year period, worsening conditions were also evident among low-income tenants in private, unassisted rentals, and in subsidized housing. (See Charts 3 to 5.) But the problems with deterioration and safety continued to be far more marked in public housing.

Overall, the discontents of NYCHA residents with living conditions continued to rise sharply in the past two years, despite the authority's efforts to clear work orders and step up capital improvements. Given NYCHA's newly-estimated $40 billion capital backlog,[9] the limited investments—government and private—made to date would not be likely to have a significant impact on the overall worsening trend for some time. In addition, there are the inevitable delays, the "lag time" between the commitment of capital to a specific project and its execution. The city estimated, for instance, that it would take from two to four years for the boiler and elevator replacements to be carried out once state funds were released. "Design-build" contracting arrangements, permitted with state funds—in which design and construction are integrated rather than separate contracts—can be expected to reduce the time needed as well as costs. But there will be substantial delays in meeting resident demands, compounded now by the need for multiple approvals, by the federal monitor, the city or state, and NYCHA.

CHART 5. **NYCHA & LOW-INCOME RENTERS: "PROBLEMS FEELING SAFE IN THE HALLWAYS AND PUBLIC AREAS" CSS UNHEARD THIRD SURVEY, 2017-19**



Any significant overall improvement in resident satisfaction or in reports of deficiencies is unlikely to happen very soon. It will require a much larger commitment of capital—preferably from all levels of government—before we see a major transformation in resident living conditions.

DO RESIDENTS SUPPORT OR OPPOSE KEY NYCHA PLANS?

The NYCHA 2.0 plan has two major policy thrusts that directly affect residents: the mixed-income Infill program and the PACT conversion program.

- **The mixed-income Infill program (Build to Preserve):** This program is targeted to developments located in strong markets that can command high rents. Underutilized NYCHA land is made available for private residential construction, under long-term ground leases. At least 20 to 25 percent of the units must be affordable.[10] Its purpose is to generate revenue for NYCHA, at the least enough to meet the capital needs of the host development. In that sense, it serves two objectives—preserving the host development and adding to the city's supply of private affordable housing. An estimated $1 billion to $2 billion capital yield is anticipated over the decade.

- **The PACT Conversion Program (PACT to Preserve):** Over the next decade, NYCHA plans to transfer 62,000 public housing units to public-private partnerships that will own and manage them under long-term leasing arrangements. Nearly all conversions will occur under the HUD RAD program, which enables housing authorities to raise capital through private investment and financing.[11] In many cases RAD will be augmented by HUD Section 18 tenant protection vouchers (TPVs), for up to a quarter of the units in any conversion. The advantage of TPVs is that they provide rent assistance at Section 8 fair-market rent (FMR) levels, a richer rent stream than RAD itself provides.[12] Conversions are the prime source of capital to be raised under the NYCHA 2.0 plan and are expected to bring in from $10 billion to $12 billion in private investment.

A third thrust of the plan, the transfer of development rights (Transfer to Preserve) rests on NYCHA's ability to sell unused air rights, under local zoning constraints, to developers interested in using them to build at nearby sites. These transfers will affect the community at large, but they are not likely to have a direct effect on residents.

Resident Perspective: The Mixed-Income Infill Program

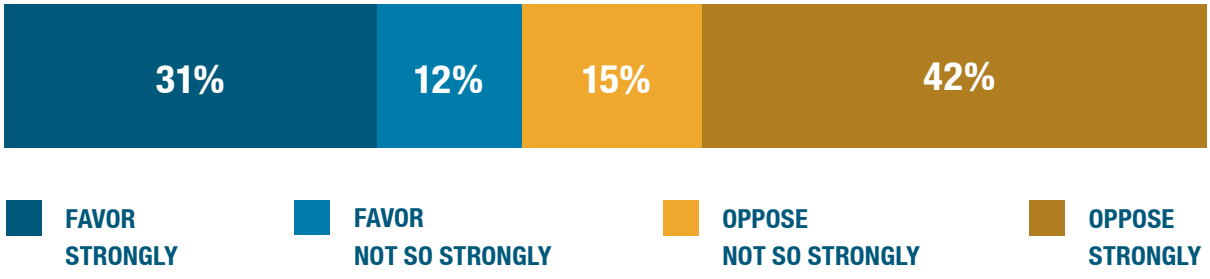
From its start in 2016, NYCHA's mixed-income Infill program raised serious concerns among residents in developments targeted for construction. The fear of gentrification was a driving concern. Residents fear that the incursion of higher-income tenants, those who can afford market rents, would intensify gentrification and displacement pressures. Resident opposition also centered on the potential loss of open space, playgrounds, or parking. There was also open resentment that most current residents would not have incomes high enough to qualify for the new affordable units. The disruptive effects of on-site construction activity and the obstruction of treasured views were also expressed. In its frequent engagements with residents, NYCHA emphasized the benefits: revenue generated by construction would be allocated to meeting the capital needs of the development.

In the 2019 Unheard Third survey, residents were asked the following question:

> "NYCHA is planning to raise billions of dollars to repair public housing. One plan to raise money is to allow private developers to build high-rent apartments on NYCHA land. Do you favor or oppose this plan?" (favor strongly, favor not so strongly, oppose not so strongly, oppose strongly?)

A majority of grassroots residents (57%) opposed the Infill strategy. (See Chart 6.) That should come as no surprise. Resident and local opposition to current Infill proposals has effectively stalemated NYCHA proposals so far. Yet, a substantial minority (43%) of residents favored Infill as a way to bring about needed improvements. But opposition proved more intense : 42 percent "strongly opposed" Infill, while only 31 percent strongly favored it.

CHART 6. FAVOR/OPPOSE MIXED-INCOME INFILL, CSS UHT, 2019



To get at the sources of opposition, those respondents opposing Infill were asked the closed-ended question:

> "Of the following, what is the main reason you oppose this plan:
> —loss of open space and playgrounds?
> —loss of parking?
> —leads to gentrification that could push out current residents?
> —NYCHA land should only be used for affordable housing?
> —you do not trust NYCHA?
> —or all of the above? "

Responses are listed in Table 1.

TABLE 1. MAIN REASONS FOR OPPOSING MIXED-INCOME INFILL[13]

Leads to gentrification that could push out residents	49%
NYCHA land should be used only for affordable housing	49%
Do not trust NYCHA	29%
Loss of open space, playgrounds, parking	27%

Infill construction does not directly threaten the tenure of current or future NYCHA residents. Yet, the fear of creeping gentrification and its potential for displacement is, nevertheless, widespread. Bringing upper income neighbors into the community is perceived as a threat. "They want us out!" is a frequent battle cry of resident opposition, although it is unclear whether "they" refers to NYCHA or to the new neighbors. By and large, residents in developments proposed for mixed-income Infill have already witnessed the rent-affordability and displacement pressures in the surrounding neighborhood—gentrifying or gentrified neighborhoods like the Upper East Side, the Lower East Side, Chelsea, and Fort Greene.

The other most frequent reason for opposing Infill is that market rentals have no place on NYCHA land. Perhaps residents view the mixed-income program as a perversion of the authority's mission. It may also be a response to the anxieties raised by an influx of higher income neighbors. Interestingly, the potential loss of open space, playgrounds, and parking is not a major trigger of opposition, nor is distrust of NYCHA plans and intentions.

Among grassroots residents participating in the survey, there is no doubt only a small number may have been touched by the few Infill proposals to date. That their response is so divided suggests that NYCHA's message has

not convinced most that Infill is one of the few ways to generate the capital needed to improve conditions. It is important to bear in mind that resident leaders—tenant association presidents and resident activists who are more likely informed and positioned on the issue—may be less sanguine than grassroots residents and more likely to register their opposition. At those developments already targeted for mixed-income Infill, that has been the case. Where there is an immediate, direct threat, the opposition can be expected to be more intense and more vocal. The authority will be faced with an even harder sell, as has been the case at Holmes Towers, Wyckoff Gardens, Cooper Park and Fulton Houses, where Infill is now largely stalemated.

Resident Perspective: The PACT Conversion Program

The conversion of selected developments to ownership/management by public-private partnerships has several negative valences for many residents. As they see it, their development will no longer be in familiar NYCHA hands; it will be in private hands. No matter how critical they may be of NYCHA property management, they dread being transferred to a private owner-manager, particularly one that is profit-motivated. It is more than an ideological opposition to privatization. The specter of a for-profit landlord interested in hiking rents, harassing or evicting low-income tenants to command maximum rents from more affluent tenants, all the images of the exploitive "slumlord," come to be associated with NYCHA conversions, despite the protections built into the federal RAD program and the way NYCHA is applying it. They are not persuaded by NYCHA assurances that it will fill vacancies from its Section 8 waiting list with income-eligible households, that residents will still maintain their rights and protections, or that it will continue to have a significant role in the public-private partnership. The fears of leaving the familiar, if neglectful, mothership NYCHA and of no longer being part of the public housing community loom large.

"That the response of residents is so divided suggests that NYCHA's message has not convinced most that that Infill is one of the few ways to generate the capital needed to improve conditions."

The major benefits residents stand to derive from conversion are, of course, that their development will receive the financing to meet their capital needs, that the rehabilitation will be held to a high standard—it must meet the 20-year capital need—and that the work will be completed within a short period, usually two to three years. Otherwise, they might have to wait for decades, if ever, for NYCHA to restore decent living conditions.

To date the PACT conversion program had some success in gaining momentum, despite the reservations of residents. Unlike the mixed-income Infill program, it is moving forward. A total of 5,174 units in six developments have already been transferred, beginning with Ocean Bay (Bayside) in December 2016. Another 2,625 units in the Brooklyn "megabundle" were scheduled for conversion by February 2020, with a Manhattan "megabundle" of 1,718 units scheduled for later in the year. (See Table 2.) By the end of year 2020, NYCHA projects it will have converted about 12,000 units.[14]

TABLE 2. THE PACT/RAD CONVERSION PIPELINE, FEBRUARY 2020[15]

DEVELOPMENT	UNITS	CONVERSION DATE
Completed:		
Ocean Bay Bayside, Queens	1,395	Dec 2016
Twin Parks West, Bronx	312	Oct 2018
Highbridge Franklin, Bronx	336	Nov 2018
Betances, Bronx	1.088	Nov 2018
Baychester, Bronx	441	Dec 2018
Murphy, Bronx	281	Dec 2018
Hope Gardens, Brooklyn	1,321	Jul 2019
Projected:		
Brooklyn Megabundle	2,615	Feb 2020
Manhattan Megabundle	1,718	Jul 2020
Williamsburg, Brooklyn	1,630	Dec 2020
Harlem River I, Manhattan	693	Dec 2020
Harlem River II, Manhattan	558	Dec 2020
Linden, Brooklyn	1,586	Dec 2020
Boulevard, Brooklyn	1,441	Dec 2020
Sites to be Announced:	about 5,000	June 2021

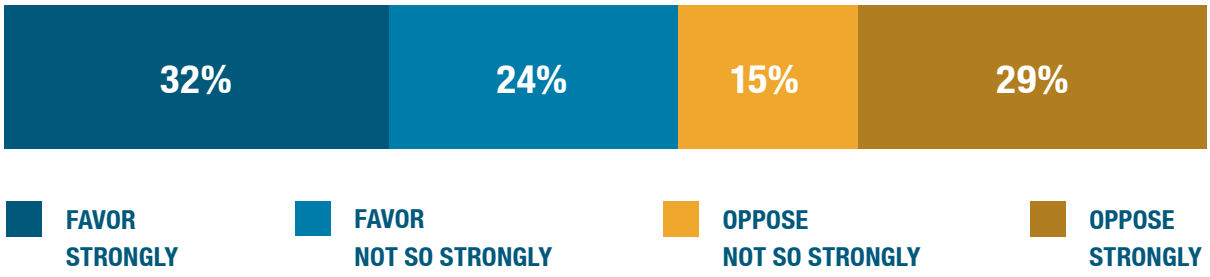
Source: NYCHA

The survey asked grass-roots residents what they thought of the PACT/RAD conversion concept, whether they would oppose or support it:

> "NYCHA also plans to transfer some developments to private ownership and management, in order to raise money to improve living conditions. Do you favor or oppose this plan?" (strongly, or not so strongly)

Surprisingly, a majority (56%) of surveyed residents responded in favor of conversion, while a significant minority (44%) opposed it. (See Chart 7.) A third of residents (32%) strongly favored the conversion option, a similar proportion (29%) strongly opposed it. As in the case of mixed-income Infill, residents were sharply divided. Although the opposition to Infill was slightly stronger: a larger proportion favored conversion, compared to the Infill option.

CHART 7. FAVOR/OPPOSE PACT/ RAD CONVERSION, CSS UHT, 2019



Residents who opposed conversion were asked a closed-ended question about their major reasons:

> "Of the following, what is the main reason you oppose this plan?
> —public housing should not be privatized?
> —leads to gentrification that could push out current residents?
> —you do not trust NYCHA?
> —all of the above?"

Responses are listed in Table 3.

TABLE 3. MAIN REASONS FOR OPPOSING CONVERSION

Leads to gentrification that could push out residents	64%
Public housing should not be privatized	44%
Do not trust NYCHA	42%

The fear of gentrification is also a dominant current in opposition to PACT conversion, among nearly two-thirds (64%) of those of residents who oppose it. The finding confirms that gentrification is a fact of life across the city's neighborhoods, a widespread threat for low-income renters no matter where they live. Although conversion itself may not be an engine of gentrification, it is hard to overcome resident suspicions and fears.

A substantial portion of resident opposition (44 %) is fueled by the privatization that comes with conversion. Whether the objection to privatization is based on ideological grounds, or concerns about leaving mothership NYCHA, or a fear of private landlords, or the unknown future is unclear. If recent conversions prove successful for residents, and the word gets around, that may trigger a shift in attitudes. Failures will certainly harden opposition. But that remains to be seen.

TABLE 4. FAVOR/OPPOSE BOTH NYCHA PROGRAMS

Favor Both	40%
Oppose Both	37%
Oppose Infill, Favor Conversion	16%
Oppose Conversion, Favor Infill	7%

To get a sense of how residents viewed the two programs in combination, the responses were cross-tabulated:

A substantial portion of residents (40%) are open both to mixed-income Infill and the conversion strategy. This suggests that NYCHA will find a base of acceptance for either program when it engages resident communities. On the other hand, there is an almost equally large portion of residents (37%) likely to oppose either preservation strategy. This is likely to present a major challenge to the authority. Once a development is selected for treatment, it is likely the opposition will solidify, attempt to build political support, and attract media attention. Grassroots residents may be divided on these preservation strategies, but emerging opposition, if well organized, could still be a substantial roadblock to progress on NYCHA Plan 2.0.

Conclusions

Among grassroots NYCHA residents, clearly opinion is sharply divided on the two key preservation strategies. This does not bode well for NYCHA efforts to move its plans forward. In considering the findings, it needs to be understood that survey respondents, by and large, were not yet among those residents directly affected by either program. So far only a few of NYCHA's more than 300 developments have been touched by either program. In that sense, respondents were expressing their views on two policy thrusts which had not yet crossed their thresholds.

It is likely that once NYCHA comes knocking at the door with a plan, opposing residents will position themselves, mobilize support, and attempt to have their voices amplified in the media. Opposition will resonate beyond the numbers indicated in the survey.

Interestingly, NYCHA has been able to move forward on schedule with its conversion plans while the mixed-income Infill proposals are on hold. There may be several reasons for the difference. The Infill proposals, initially a 50-50 mix of affordable and market rentals, offered lesser benefits. They did not necessarily generate enough revenue to meet the capital needs of the host development. (Under Plan 2.0 the authority argued that boosting market rentals to 70 or 75 percent of units would.) In contrast, the PACT/RAD conversions are required to meet the 20-year capital need within a few years. Secondly, developments targeted for Infill had stronger, more resistant resident leadership, perhaps because they were already sensitive to intensifying gentrification pressures in their neighborhoods.

"The fate of NYCHA and its residents are inextricably linked. Survival will depend on their ability to work together toward common ends: restoring and sustaining public housing over the foreseeable future."

NYCHA's task, if it wants to move forward with its plans, is to build resident trust and community consensus out of a divided constituency. That is a question of process. NYCHA usually approaches a development with an already formulated plan, which it presents at many resident engagement meetings with great transparency. But it intends to "move forward"—as was openly stated at Holmes Towers—regardless of resident opposition.
Residents may whittle at the margins of the plan, but at present they have little or no role in formulating it, a factor that magnifies latent resident distrust.

What is needed, from the start, is a process that builds resident trust and moves toward a community consensus around a preferred set of preservation strategies, a process that provides for mutual education of residents, NYCHA, and community stakeholders concerning the realities of available options. The fate of NYCHA and its residents are inextricably linked. Survival will depend on their ability to work together toward common ends: restoring and sustaining public housing over the foreseeable future. In short, NYCHA must find ways to work with residents from the start and build the trust and community consensus needed to move forward.

RESIDENT PERSPECTIVE: NYCHA PROPERTY MANAGEMENT

The on-site staff of NYCHA property managers at each development—from superintendents to caretakers—carry front-line responsibilities for day-to-day maintenance and for repairs needed to deal with relentless deterioration in the authority's aging buildings. These include normal maintenance, responding to resident complaints, filing and filling repair work orders, seeing they are carried out, and overseeing the work of outside contractors.

Since 2008, when the authority accrued a record $235 million operating deficit, NYCHA employee ranks were cut by 21 percent, from 14,000 to about 11,000 at present. Then NYCHA chair, Tino Hernandez, provided assurances that cuts would primarily affect headquarters and administrative staff. Ultimately, they affected on-site management, leaving its staff shorthanded, underfunded, and demoralized. The 2017 SDNY lawsuit faulted NYCHA not only for serious compliance failures, particularly in meeting federal lead paint standards and heating responsibilities, but also for fraudulent management practices intended to thwart federal inspectors.

The CSS survey asked residents to evaluate property management in four different respects, reflecting the concerns residents often raise at hearings, town halls, and meetings. Ratings of "poor" or "just fair" were considered negative. "Excellent" or "good" were considered positive. (See Table 4.)

TABLE 5. RESIDENT RATINGS OF PROPERTY MANAGEMENT

	Excellent	Good	Just Fair	Poor
Responding to repair needs	19%	22%	27%	31%
The quality of work done by outside contractors	18%	22%	31%	20%
Maintaining the building and grounds	20%	30%	27%	22%
Treating residents with respect	16%	33%	28%	16%

Given the frequent, voluble complaints residents register about management, it is surprising to find a good deal of variation in the experience of grassroots residents. Their evaluations range across a wide spectrum from "excellent" to "poor." The pattern suggests that their resident experience varies widely, depending on the development and the particular situation of the household.

As could be expected, the strongest criticism of management is its failure to respond to repair needs. A majority of residents (58%) rate management negatively and about a third (31%) rate it at the extreme as "poor."

The next strongest dissatisfaction is with the quality of work done by contractors. A slim majority (51%) of residents gave negative ratings to NYCHA's monitoring of the work done by outside contractors. This is a frequent complaint, some examples: "Shoddy cabinets…fall apart after a few months," "New stainless steel doors that rust," "No one in management is overseeing them." Both NYCHA and the monitor have to address this problem, ensuring that headquarters procurement staff do a better job of screening and monitoring contractors and that on-site management oversee the work more thoroughly.

Residents are evenly divided in their ratings of management performance in maintaining the building and grounds. There must be a good deal of variance in the degree to which on-site managers are able to carry out these duties, depending on the development—its size and condition, management capacity, and the commitment of individual managers to their jobs.

Most surprising is that respondents didn't use the survey as an opportunity to "bash" management for disrespectful treatment of residents, a frequently voiced complaint in a number of venues. One veteran resident leader put it this way: "They're like naughty children who you can't punish." A slim majority (52%) rated management as good to excellent on that score.

"Given the frequent, voluble complaints residents register about management, it is surprising to find a good deal of variation in the experience of grassroots residents."

While opinion is divided, it is clear that resident dissatisfaction with NYCHA property management is widespread. Some attention needs to be given to management-resident relations, particularly at this critical time. Repairs and outside contractors are the major issues for them. It is possible that current efforts to increase front-line staff and expand management work-shift hours to provide broader coverage—when residents are more likely to be home—will help alleviate these problems to some extent.

RESIDENT ORGANIZATION—PARTICIPATION IN RESIDENT ASSOCIATIONS

The HUD 964 regulations, issued in 1995, accorded public housing residents the right to organize resident councils—at both the development and citywide level—to represent their interests and have a voice in decisions being made by the housing authority. Experienced resident leaders consider the regulations their "bill of rights" or their "bible." As critical decisions are being made about the future of NYCHA and its residents, these councils are important nodes of information for residents at large and vital channels for assuring that resident views are heard and respected. The central question is whether the existing system of resident councils have the capacity to fulfill these mandates? To what extent do grassroots residents participate in or identify with the resident councils intended to represent them?

"To what extent do grassroots residents participate in or identify with the resident councils intended to represent them?"

The "official"[16] structure of resident participation is a complex hierarchy starting with resident councils at the development level, where they have been organized. At the next level, NYCHA divides these councils into nine geographic districts, each District Council consisting of tenant association presidents within the district. At the top, the nine elected chairs of the District Councils form the Citywide Council of Presidents (CCOP), the official citywide body intended to represent all NYCHA residents.

Despite this highly articulated structure, for some time political insiders have considered the huge NYCHA resident constituency—nearly 600,000 in number—a "sleeping giant" because of its timid voice and chronic complacency. While CCOP and its counterpart councils at the development and district levels represent a large, potentially powerful constituency, it has seldom been able to mobilize its troops, even in these critical times.

In 2017, however, the giant finally stirred: CCOP brought suit against NYCHA in state court for the authority's failure to provide decent conditions. Led by Danny Barber, a South Bronx tenant association president and new CCOP Chair, it spurred Governor Cuomo to pay a well-publicized visit to a Bronx development during his gubernatorial campaign, declare NYCHA "incompetent," and call for a state-appointed monitor to oversee the authority. The parallel SDNY suit in federal court ultimately resulted in the appointment of a federal monitor that pre-empted the governor's initiative.

The effectiveness of resident attempts to change government minds and budgets—whether led by CCOP or others—depends on its capacity to mobilize grass-roots residents in a concerted, strategic campaign. That capacity, in turn, depends on the extent to which residents are organized at the development level and connected to their local elected officials and

their allies in community-based and advocacy organizations. Without local engagement, they are not likely to mount a significant show of force in Washington, Albany, or City Hall.

The CSS Unheard Third survey asked residents several questions about their participation in local resident associations. The majority of residents (59%) affirmed there was a resident association in their developments. One out of four (24%) claimed no such organization existed in their community. And one out of six survey respondents (17%) didn't know whether there was an association in their development. The findings suggest that most residents—at least 59 percent, at most 71 percent—are represented by resident associations. This figure is consistent with past NYCHA estimates that one out of every three developments do not have a certified resident association.

Among residents who confirm the presence of a resident association, how extensive is participation? Slightly less than half (47%) had attended at least one meeting within the past year. In sum, a little over a quarter (28%) of grass-roots residents had even minimal contact with an association over the past year. Since participation may be the assumed socially acceptable response, even this figure may be an overestimate. In short, it appears that resident associations attract the participation of only a minority of residents. This finding echoes the frequent complaints of many association presidents that, despite their efforts, attendance is poor.

What are the reasons given for not attending resident council meetings? Respondents who were aware of a resident association, but had not attended a meeting in the past year, were asked a closed-ended question about their main reason for not participating. (See Table 6.)

TABLE 6. MAIN REASON FOR NOT ATTENDING ASSOCIATION MEETINGS

Meetings don't accomplish anything	42 %
Don't have enough time	35 %
Don't know when they meet	13 %
Meetings are controlled by a small group	10 %

It is not surprising that over a third of residents (35%) simply do not have the time to attend meetings. Work, family responsibilities, and other time pressures are natural obstacles to participation in any voluntary organization. The other dominant attitudes toward participation are more striking. There is a prevailing cynicism about the value of participation among 42 percent of residents, a sense that meetings are not worthwhile. The other responses—"don't know when they meet" and "control by a small group"—suggest that for a quarter of residents (23%) the obstacle to participation may be the quality of resident leadership itself, leaders who don't publicize meetings and encourage turnout, or who exercise control as a clique of incumbents disinterested in broader participation.

These figures may not be as distressing as they appear. Saul Alinsky[17] famously asserted that it takes only an organized, active minority to be effective, provided that the majority support the organization. But the responses indicate that resident associations have a long way to go to meet that standard, given the prevailing cynicism about their effectiveness and inclusivity. It is also likely that many resident leaders do not have the capacity or inclination to do resident organizing, nor does NYCHA provide the training for more effective leadership. Clearly, many developments need organizing assistance in forming resident associations where they don't yet exist. And where they do exist, associations need to build their organizing capacity to attract a wider constituency. It is unclear whether HUD TPA (Tenant Participation Activity) funds—about $3 million annually—are being used by NYCHA or by resident associations for that purpose.

RESIDENT PERSPECTIVE: NYCHA'S FUTURE

Survey respondents were asked:

> "Given all the changes happening to NYCHA, like a federal monitor, a new NYCHA chair, transferring buildings to private management, and building high-rent apartments to raise money for repairs, do you think conditions in your buildings will get a lot better, better, get worse, a lot worse, or stay about the same over the next few years?"

TABLE 7. RESIDENT EXPECTATIONS OF THE FUTURE

A lot worse	10%
Somewhat worse	11%
Stay about the same	31%
Somewhat better	25%
A lot better	17%
Don't know	6%

Grassroots residents are also divided about near-future prospects for their homes. A slight majority (52%) can be considered negative, believing that conditions will either stay the same or get worse. About 42 percent believe conditions will improve. A few (6%) admit they don't know. The dominant mood at the present bends toward pessimism, despite the presence of a federal monitor and the prospect of major organizational changes at NYCHA.

That is the starting point. In light of all the institutional and operational changes likely to take place at NYCHA in the near future, the question is whether resident expectations will shift in the positive direction over the coming years. That remains to be seen.

CONCLUSIONS AND RECOMMENDATIONS

Financing Preservation

Resident reports confirm that living conditions continued to worsen in recent years, even with additional city capital committed under the HUD-NYC agreement and the release of the state's promised funds. It is clear that current funding levels are not enough to stem the tide of accelerating deterioration in NYCHA's aging buildings. If we are to succeed in accomplishing that, a larger infusion of government capital and financing resources is essential.

A City-State Marshall Plan for NYCHA

To address the authority's $40 billion capital backlog and preserve the city's public housing, the city and the state will have to step into the breach left by Washington, by providing long-term funding for infrastructural improvements—$2 billion a year from each over the next decade—until such time as a better federal deal for public housing is put forward. At the same time, the pivotal position of the federal monitor should be used to press HUD for additional capital funding.

A Unified Affordable Housing Plan for NYC

For the past five years, NYCHA has had to compete for capital resources with the mayor's signature Housing New York plan, which focuses on private affordable housing. A virtual firewall has separated the mayor's plan from NYCHA's plans, to the detriment of public housing. The next mayor must commit to a unified affordable housing plan, that includes both public and private housing and provides an equitable allocation of capital resources to each sector.

Planning and Overseeing Preservation

The Unheard Third survey indicates that grassroots residents are sharply divided in their support of or opposition to the key preservation strategies—PACT conversions and mixed-income Infill—that are at the core of the NYCHA 2.0 plan. There is fertile ground for an emerging, vocal opposition as the programs expand, particularly in the case of the Infill strategy. NYCHA should adopt several measures to build community consensus and engagement in planning for preservation and overseeing the process.

A Community-Collaborative Approach to Preservation

NYCHA should adopt a more collaborative approach to planning, one that includes resident and community stakeholders from the start, in order to build the consensus needed to move forward on preservation strategies. Alternative preservation options need to be explained and discussed. NYCHA, residents, and other stakeholders must have space to mutually educate each other about their priorities. Sufficient trust among all parties needs to be built up over a period of time, until a consensus plan emerges. This model has had some success in London.[18]

"If NYCHA and city leaders are to engage residents in efforts to restore and preserve their developments, they need to understand where residents stand and the challenges the authority faces in reaching the consensus necessary to move forward."

An innovative approach is now being explored by the Chelsea Working Group. In the summer of 2019 NYCHA released its proposal for Fulton Houses in the Chelsea neighborhood of Manhattan, a complicated plan that included PACT/RAD conversion of the existing development, mixed-income Infill construction, and, for the first time, demolition—two low-rise buildings with 72 units—to make room for the construction. Despite NYCHA efforts to engage residents on the proposal, a small but vocal core of residents, outside spokespeople, and elected officials objected to NYCHA's plan and its imposition on the community and succeeded in attracting incendiary media attention. The district's elected officials—federal, state, and local—negotiated an agreement with City Hall, under which a working group would be formed to plan for the preservation of three neighborhood developments: Fulton, Chelsea-Elliott, and Chelsea Addition. The group would include NYCHA, resident and community leaders, elected officials, and outside resource organizations,[19] who would work together to develop an alternative consensus plan for three developments. The Working Group kicked off in November 2019 and it is still in process—most members believe it has made substantial progress. But the process has come to halt in the midst of the coronavirus crisis. If this precedent proves to be successful, it should serve as a model for preservation planning across the city's public housing developments.

Support of Independent Capacity-Building and Technical Assistance Resources

To facilitate this community-collaborative approach, NYCHA and the city must invest in the independent resources that are needed to provide neutral advice and assistance to resident leaders as the preservation process

moves forward. NYCHA's conscientious resident engagement efforts are not sufficient to overcome resident distrust and anger, or the perception that it has a vested interest in its own proposals. Resident leaders need to be able to rely on resource organizations they trust to offer information and advice that promotes their interests in the process.

Independent Entity to Oversee PACT/RAD Conversions

As NYCHA plans proceed, the number of converted developments will multiply and the task of overseeing and enforcing the authority's agreements with a growing, fragmented number of private partners will also mushroom. Whether NYCHA has the capacity to assure compliance from diverse owners and managers with respect to RAD requirements, resident rights and protections, and other regulatory requirements is an open question.[20] Consideration should be given to creating an independent entity charged with the task, one that includes seats for selected resident leaders from converted developments, who would be in a position to channel and address emerging resident concerns.

Reforming Property Management

Surprisingly, resident assessments of on-site management are wide-ranging from "poor" to "excellent" despite the widespread deterioration and the substandard conditions they face. Chief complaints center on management response to repair needs and the failure to oversee the work of outside contractors.

To some extent, federal monitoring seems to be helping, providing an anchor of assurance that some of the worst condition problems are being tracked and addressed, particularly those specified under the HUD-NYC agreement: heating outages, elevator replacement, lead paint hazards, toxic mold, and rodent infestation. The monitor's quarterly reports are both critical of NYCHA falling short of deadlines and congratulatory on progress. A contracted report by the KPMG management consulting group may be instrumental in restructuring NYCHA and its property management operations over the near future. A "transformation" plan is scheduled for this summer. The elimination of the three-tiered management structure (headquarters, borough, development) in favor of a more decentralized on-site management operation is likely, as well as extended shifts that expand on-site property management presence at each development to better serve residents when they are more likely to be home.

Assess the Size of the Front-Line, On-Site Management Staff Needed

Structural and operational reforms, however, may not be sufficient to deal with the chronic understaffing of property management operations, exacerbated by the 2008 staff cuts that reduced the NYCHA workforce by 21 percent, from 14,000 to 11,000 employees.

NYCHA and the federal monitor need to assess how large the on-site workforce must be and what it will cost to meet the minimal needs for common repairs and day-to-day maintenance. No doubt an increase in operational funding will be necessary. HUD's operational subsidies are set by formula and authorities often receive pro-rated allocations less than the formula prescribes. Clearly, operational capacity will need to be increased if work-order backlogs are to be reduced.

Improve Contractor Procurement and Oversight Procedures

In dealing with outside contractors, several changes are in order. NYCHA needs to improve its procurement procedures, doing a better job of attracting and vetting qualified contractors. It also needs to train on-site superintendents to be more effective in overseeing contracted work and enforcing contract provisions and warranties.

Institute Annual Resident Evaluations of Management Staff

To date, under labor agreements property managers have virtual tenure, once they are employed by NYCHA for a year. As a result, periodic evaluation of managers is non-existent. The Unheard Third survey indicates that the quality of on-site staff varies widely, from poor to excellent. But, in some developments residents have pressed to have poor managers dismissed, often to no avail. NYCHA needs to find a way to identify and work with those managers to improve performance. An annual resident evaluation of on-site management should be instituted by NYCHA to identify those staff who are problematic, so that they can be disciplined or retrained.

Strengthening Resident Organization

The presence and the strength of resident associations vary greatly from one development to another. Some tenant association presidents can garner a significant number of active participants at monthly meetings and mobilize

larger numbers around specific issues, events, rallies, and lobbying visits. At the other extreme, some suffice with few regular meetings for a small clique of board members and participants. One out of three developments has no duly elected association. At some developments, elections are bitterly contested and, on occasion, an upstart group tries to unseat long-term incumbents. At other developments, there are few volunteers.

NYCHA oversight of the resident associations is uneven. Under the HUD 964 regulations governing resident participation, elections must be held at least once every three years. A number of developments are now non-compliant. NYCHA provides little or no training for resident leadership—some newly elected tenant association presidents complain that they don't know what they are supposed to be doing. As the Unheard Third survey findings suggest, there is widespread detachment and cynicism among grassroots residents about the value of local associations, even when they exist.

"Residents continue to struggle with accelerating deterioration in aging buildings that need major capital reinvestment, a total of about $40 billion over the next decade."

NYCHA Should Provide Annual Training for Resident Leaders

There are a number of independent, outside organizations experienced in leadership training and tenant organizing who can be enlisted for that purpose. Their role would be to train new leaders, refresh continuing leaders, and, in developments without an association, do the organizing necessary to form one. A portion of HUD Tenant Participation Activity (TPA) funds—about $3.5 million annually for NYCHA—should be set aside for training resources.

NYCHA Should Encourage Resident Leaders to Organize Their Developments

Tenant association presidents and their boards need to be encouraged to take tenant organizing seriously. The techniques organizers use to connect with and activate their constituency (such as regular meetings, strategic issue agendas, door knocking and flyering, floor captains) are well known to many experienced community and citywide organizations that work with NYCHA residents. Resident associations should be strongly encouraged by NYCHA to use their annual TPA funds to get the assistance they need to support stronger organizing efforts in their developments.

NYCHA and Resident Leaders: Rethink the Citywide Resident Organization

The Citywide Council of Presidents (CCOP) is the nine-member resident body representing all residents in NYCHA decision-making. In the near future, it may be undergoing major changes.

In a recent letter to the authority,[21] HUD questioned the validity of district councils under the 964 regulations, claiming the regulations envision only two kinds of resident councils—at the development and the jurisdiction-wide levels. As things stand, the nine CCOP members are each elected by geographic district: tenant association presidents in each district form a District Council and elect a district chair, who then becomes a CCOP member. There are inherent inequities. For instance, the Staten Island representative has a much smaller resident constituency than the Queens representative.

If the district structure is invalidated, the composition of the citywide resident body will be up for reconsideration. Since tenant association presidents would remain the only valid leadership, they need to assemble—possibly under NYCHA auspices—to determine the future of a citywide council. At this writing it is unclear how the question will be handled.

Moreover, judging from past experience, the citywide council—no matter what form it takes—will need to be funded and staffed. Certainly, CCOP no longer seems to be the somnolent head of the "sleeping giant" it once was. In the past two years, it has brought suit against NYCHA, worked with Governor Cuomo to call for a monitor, and, most recently, pressed for resident training and hiring opportunities when state funds are used to contract for capital improvements.[22]

"Moreover, judging from past experience, the citywide council—no matter what form it takes—will need to be funded and staffed"

.

But CCOP can be as opaque as the authority. It has no mechanism for communicating its proceedings, its positions, its priorities, to its vast resident constituency, even to its tenant association presidents, other than word-of-mouth through the district councils. The extent and quality of communication varies greatly, depending on the CCOP member. It is not unusual to come upon residents who have not heard of CCOP.

Through no fault of its own, CCOP doesn't have the resources to manage its own affairs. The availability of past records, positions and agreements, or current working notes, depends on the member who volunteers as CCOP Secretary. Turnover in that position means there is no consistent compilation of CCOP files and records. Moreover, CCOP does not have the "legs" it

needs to keep abreast of emerging policy changes or interact consistently with outside resource and advocacy organizations that are its natural allies. Further, there is a distrust of "outsiders" and a belief that change should be exclusively resident-driven. Using outside resources is perceived as a form of disempowerment. As a result, CCOP's presence is often lacking in meetings, conference calls, and coalition activities outside of NYCHA. Its ability to collaborate with outside organizations, to amplify its own message, is limited.

It should be noted that CCOP members put in long hours in its activities, and that, at the same time, they are all tenant association presidents. They are "virtual mayors" of their developments, a more than full-time job in its own right. They cannot be expected to do it all, certainly participate in all the outside coalition activities for which professionals earn full-time salaries. For any citywide resident body to be maximally effective, it needs to be adequately staffed independently of NYCHA. Again, TPA funds are available for that purpose—a portion should be set aside for staff support of the citywide resident body.

"Over the past two years, city and state reinvestment have not caught up with accelerating deterioration, nor are they likely to in the near future."

THE NEAR AND UNCERTAIN FUTURE

Over the past two years, city and state reinvestment have not caught up with accelerating deterioration, nor are they likely to in the near future. Residents report worsening conditions. Continuing complaints center on the failure of NYCHA property management to deal with needed repairs. While NYCHA is moving forward with its Plan 2.0—particularly in its PACT conversions—residents are sharply divided on key thrusts of the plan and the potential for mounting grassroots opposition will be a challenge to the authority.

Yet, much of the turbulence of recent years that beset NYCHA and its residents has subsided and a greater degree of stability can be glimpsed. Gregory Russ, an experienced public housing professional to shepherd NYCHA plans and operations, is now in place as a permanent Chair, and he is assured that the authority's problems, its daunting $40 billion capital backlog, can be addressed. And the federal monitor, Bart Schwartz, who recently celebrated his first anniversary, has become a sort of anchor in the storm, providing a degree of transparency seldom manifested by NYCHA itself. The authority seems to be closely monitored. Quarterly reports both criticize and praise NYCHA, as appropriate, on its progress in

complying with standards—on lead paint inspection and remediation, toxic mold, heating outages, elevator replacement, and rodent infestation. The management consultant, KPMG, released a voluminous report assessing NYCHA structure and operations and putting forward recommendations. The authority and the monitor are scheduled to release a NYCHA "transformation" plan during the summer of 2020.

In an unprecedented move last November, the city and NYCHA agreed to the Chelsea Working Group, a collaboration of NYCHA, resident leaders, community stakeholders, elected officials, and outside resource organizations to develop a consensus plan for the preservation of the district's three NYCHA developments. In the next months, the working group will be releasing its report. All told, whether or not the NYCHA mothership will reach its intended destination, it appears to be moving in the right direction at the moment, albeit more slowly than any of us would prefer.

And there may be light at the end of the Washington tunnel. Democratic presidential candidates have put forward a housing platform that includes a major capital allocation to the national public housing program (up to $70 billion) for infrastructural improvements, which, if enacted, would relieve NYCHA of a large portion of its capital burden, and lessen its reliance on mixed-income Infill and PACT conversions. For NYCHA and its residents the coming year will be a fateful one.

APPENDIX: The Annual CSS Unheard Third Survey

The Unheard Third is an annual CSS survey, begun in 2002, that tracks the experience and views of low-income New Yorkers—those with household incomes at or below 200 percent of the federal poverty level—as well as those of a smaller sample at higher incomes. It is a scientific telephone survey that in 2019 reached 1,829 city residents by cell phones and landlines from June through July. The instrument is designed by the Community Service Society in collaboration with Lake Research Partners. Lake conducts the survey using Random Digit Dialing and professional interviewers. Interviews are conducted in English, Spanish, and Chinese. The overall margin of error is +/- 2.29 percent and +/-2.97 percent for the low-income component.

Endnotes

1. For a description of the survey, see Appendix.
2. Nicholas Dagen Bloom, Public Housing That Worked: New York in the Twentieth Century, University of Pennsylvania Press, 2008.
3. See: Strengthening New York's Public Housing: Directions for Change (2014) and Public Housing: New York's Third City (2017), Community Service Society, www.cssny.org.
4. See: U.S. Department of Housing & Urban Development, Capital Needs in the Public Housing Program, June, 2011. In 2011, the capital need was estimated at $26 billion. It has now risen to an estimated $70 billion.
5. The backlog is estimated through a Physical Needs Assessment (PNA) conducted every 5 years by an independent contractor jointly selected by HUD and NYCHA.
6. RAD is the HUD Rental Assistance Demonstration Program, enacted in 2011, to attract private capital to help preserve public housing. RAD provides no additional federal funds—the existing public housing operating and capital subsidies are packaged as a 20-year rent assistance contract to facilitate long-term financing. The converted development is transferred from the public housing program (Section 9) to the HUD Section 8 program.
7. CSS has tracked resident-reported apartment deficiencies from 2002 through 2014, using the NYC Housing and Vacancy Survey. See endnote 3.
8. Low-income is defined as a household income at or below twice the poverty level, about $43,440 for a family of three in 2019.
9. On January 14, 2020, Chair Gregory Russ estimated the NYCHA capital backlog at $40 billion—an increase from the PNA $32.8 billion estimate—to include the capital costs of compliance with the HUD-NYC monitoring agreement.
10. The affordable units are targeted by income. Fifty percent will be for households making under $50,000 a year; at least half of those will be for households making under $30,000. State of the City 2020, Office of the Mayor, New York City, January 2020.
11. Except for 8,000 units in former city- and state-financed developments, which do not qualify as federal public housing.
12. RAD is revenue neutral, provides no additional federal funds. Rent assistance agreements simply combine existing public housing operating and capital subsidies, at a level far lower than the Section 8 Fair Market Rent.
13. Responses total more than 100 percent because of respondents who opted "all of the above", in which case their responses were combined with the other categories.
14. Gregory Russ testimony, NY City Council Joint Hearing, Finance and Public Housing Committees, March 13th, 2020.
15. Responses total more than 100 percent because of respondents who opted "all of the above", in which case their responses were combined with the other categories.
16. Residents have alternative channels for pressing their demands, organizations independent of the official resident councils, such as Community Voices Heard, Good Old Lower East Side, FUREE, WeAct, CAAAV, Red Hook Initiative, and others.
17. Saul D. Alinsky, Rules for Radicals: A Pragmatic Primer for Realistic Radicals, Random House, 1971.
18. London provides a good example of the potential of this approach. See Public Housing Revolution: Lessons from London, Citizens Housing and Planning Council, October, 2019.
19. Resource organizations include CSS, Legal Aid Society, Citizens Budget Commission, New York Housing Conference, Citizens Housing and Planning Council. CSS was represented by Victor Bach and Tom Waters.
20. Recent experience indicates that city agencies have been lax, for example, in enforcing rent stabilization and affordability measures in buildings receiving 421a or J-51 tax benefits.
21. Letter dated December 16, 2019, from Luis D'Ancona, HUD Director, Office of Public Housing, to Janelle Hudson, NYCHA Director, Resident Engagement Department.
22. HUD funds come with the Section 3 requirement to maximize resident training and hiring opportunities, but there is no such mandate for state funds.

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