

# HA Transparency Pledge Doesn't Convince Critics

By DAN ROSENBLUM | Posted: Monday, October 5, 2015 5:30 pm

As City Comptroller Scott Stringer and City Council Members grilled the Housing Authority last week over its transparency, agency officials offered greater disclosure to officials and the public.

Still, at an Oct. 1 joint hearing by the City Council's Contracts and Public Housing Committees, Teamsters Local 237 President Greg Floyd assailed the agency's "NextGeneration" plan, calling it a thinly-veiled move toward privatization. "This is an unstable foundation for a 10-year agency overhaul," he said.

## Triggered by Flooding

The hearing was prompted by apartment flooding after a contractor began roof repairs at the King Towers in Harlem. But the Council Members and Mr. Stringer sought to widen the scope of questioning to cover the agency's procurement and contracts process. Ritchie Torres, Chair of the Public Housing Committee, called the HA "the least transparent institution in city government."

HA Chair Shola Olatoye said that despite the agency speeding funding for projects, reducing construction change-orders and having fewer leak-related work orders at the buildings where it's repaired roofs, "there is still a sense that NYCHA operates in the dark."

To counter that, she said it has made public metrics on the agency's progress and its active capital contracts, and it will soon post information online about the companies which are awarded contracts and requests for proposals. The HA has also posted the most-recent five-year Physical Needs Assessment from 2011, which compiled the more-than \$16 billion in repairs needed through 2016.

"Clearly, the issue at hand is not creating additional layers of unfunded reporting, but more transparency for proper oversight and accountability," she said. "We want to make sure our capital



## Meet the Nextgen...

MEET THE NEXTGEN...: City Comptroller Scott Stringer sounds off on what he called a lack of transparency from the Housing Authority. During an Oct. 1 City Council hearing, he was also skeptical of the transformation promised in the agency's 10-year strategic plan. 'You can forgive NYCHA residents for hearing NextGen and thinking OldGen,' he said.

dollars are spent as effectively as possible, on time, within budget, and to the maximum benefit of residents.”

### **Data Being Sought**

Mr. Stringer called for the authority to follow “Budgeting 101” and share quarterly reports, cash flows and its four-year financial plan. Though the quasi-independent agency uses different budgeting software than city departments, he and Mr. Torres suggested it integrate with the Comptroller’s Checkbook NYC tool to detail spending. Ms. Olatoye said the HA was “willing to begin that process”

The authority is notoriously cash-strapped. As Federal and state funding dropped precipitously over the past two decades, the city and the HA have struggled to fill in the gaps. Mayor de Blasio added \$300 million for roof repairs and the state this year earmarked \$100 million for projects, though it hasn’t yet been provided.

To produce more revenue and reduce costs, the HA in May released the NextGeneration plan to increase rent collection, offer some underused land to private developers for affordable and market-rate housing, and reduce the agency’s administrative headcount through attrition and transfers to other agencies.

The HA should have a plan to begin the three-year, 1,000-employee shift by the start of next year, a spokeswoman said.

In Mr. Floyd’s testimony, delivered by union official George Geller, he listed a number of concerns about the plan, particularly about awarding municipal jobs to contractors.

### **‘Can Cost Lives, Too’**

“While it’s true that Local 237 is opposed to outsourcing work because it can cost us jobs, it is equally true that the lack of transparency in contracting out affects the quality of life at NYCHA and can cost the lives of workers as well,” he said.

One-third of the 8,000 HA employees who are Local 237 members live in the city’s public-housing developments. Mr. Floyd said findings of shoddy oversight, workplace-safety violations and wage theft “have not necessarily been non-starters in being awarded a city contract by NYCHA.”

“Our members have proven time and again that if they are given the required equipment, and if they are not impeded by a repair system that was poorly conceived, we can produce work with the best of them,” he said.

The Local 237 president added that the “projections of revenue gained are contingent on many

variables favorably coming together.”

Mr. Stringer, citing previous plans and roadmaps introduced in 2006, 2011 and in a 2012 audit by Boston Consulting Group, was also skeptical about the 10-year strategy. “Year after year, we get plan after plan promising on paper how the agency is going to improve,” he said. “But over and over, those promises are broken.”

### **He's Heard It Before**

The Comptroller, whose office has released approximately a half-dozen HA audits over the past year-and-a-half, was skeptical about the cycle of pledges to reform. “We audit, they know the audit's coming, they immediately throw out two or three proposals, see what sticks,” he said. “I come to testify, suddenly they have a PDF that talks about all of their transparency. But it's not really transparency, it's just to muddle things.”

Ms. Olatoye argued that the HA was accountable to multiple agencies, including the U.S. Department of Housing and Urban Development, the city and state Comptroller's Offices, the Mayor's Office, the City Council, and the State Attorney General.

Last month, the HA's Executive Vice President, Raymond Ribeiro, was suspended for undisclosed reasons, though Ms. Olatoye told the Daily News that it wasn't related to his tenure at the agency. She told Mr. Torres his temporary departure wouldn't affect the agency's progress. “Like any organization, but certainly at NYCHA, we are more than one person,” she said.