Community Service Society | Fighting Poverty Strengthening New York

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Statement: HUD-NYCHA Agreement Represents Forward Movement

The dust surrounding NYCHA has begun to settle. HUD, the City, and NYCHA have reached an historic agreement under which they will jointly address the many problems facing our city's public housing. Apart from averting receivership—placing NYCHA in HUD's often inept hands—the agreement has the virtue of expediting forward movement. The arrangement smooths the path by sidestepping the federal court, avoiding the delays and uncertainties in getting a new consent decree approved, since the United States Attorney for the Southern District of New York (SDNY) has agreed to dismiss the pending case, without prejudice.

How will things change for the better? HUD will appoint a federal monitor in consultation with the city, NYCHA, and SDNY for a period of at least five years, who will have wide-ranging powers to steer the authority toward improved performance and organizational change. The monitor will not oversee day-to-day operations. Ideally, he/she should be a key "point of accountability" for NYCHA and a major influence on its future direction. The monitor will report quarterly to HUD and the concerned public on progress toward stated goals. Quarterly meetings with be held with a yet-unspecified Community Advisory Group consisting of resident leaders and other stakeholders, another source of oversight if this entity is really taken seriously.

In addition, the appointment of the next NYCHA Chair will no longer be entirely in the mayor's hands. Selection will require approval of all parties, including SDNY, and dismissal of the Chair

will require their approval as well. Both the monitor and the Chair are expected to be named in the coming weeks.

In most other respects this agreement resembles the originally proposed consent decree, except that performance standards and deadlines are tighter, possibly unrealistic. It includes similar capital commitments from the city and the state. The major disappointment is that HUD will simply "continue to fund NYCHA" as it has in the past. There will be no increase in Washington commitments to the new federal-local partnership.

To its credit, NYCHA has done some real work in recent months to develop Plan 2.0 to grapple with its $32 billion capital backlog and major lapses in its property management operations. In that sense, it is off to a running start. And the continued presence of SDNY in the monitoring process provides some assurance that if the authority falls short of compliance once more, a new suit may be brought to federal court.

But the success of this new arrangement is highly dependent on who is appointed as the federal monitor, on how experienced, how persuasive, how effective this person is in steering the NYCHA mothership in the right direction. Otherwise, for City Hall and NYCHA it will be business as usual. It is surprising that Secretary Carson and Mayor de Blasio were not prepared to name someone at yesterday's press conference. We hope the selection comes quickly and that it is someone who inspires confidence in residents and the concerned public.

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