

Build it Back Proposed Action Plan Amendment 8
Joint Comments Submitted by the NYC Long Term Recovery Coalition
January 19, 2015

These comments on Build it Back's Proposed Action Plan Amendment 8 are respectfully submitted by the **NYC Long Term Recovery Coalition (LTRC)**, an inter-borough collective of community-based Long Term Recovery Groups and affiliated organizations dedicated to disaster recovery and preparedness in NYC. We aim to better serve Sandy-affected communities through stronger citywide collaboration and more unified advocacy around our shared concerns for the pace and equity of post-disaster rebuild.

The NYC LTRC lends support for several updates presented in Proposed Action Plan Amendment 8.

- **Section 1** contains recommendations for additions and edits to proposed updates and anticipates potential obstacles.
- **Section 2** engages with issues not addressed in the Proposed Action Plan Amendment 8, but which we submit as priorities for further consideration or as additions to the Action Plan.

Several comments and recommendations were drawn from testimonies from a September 18, 2014 Hearing of the NY City Council Committee on Recovery and Resiliency on the Build it Back Program, submitted by **community and faith-based organizations** and **Long Term Recovery Groups** across NYC. Edits were also provided by the **Sandy Housing Advocacy Group**, a coalition of legal services providers, advocacy organizations, affordable housing developers, and community based organizations that work together to prioritize sustainability, and accountability in recovery policy decisions.

We offer these comments with urgency. Many of the organizations that have contributed comments and narratives face a third year of serving Sandy-affected residents still facing major decisions in their recovery, including homeowners displaced from their homes and renters searching for affordable places to live. We submit these recommendations, and ideas for future partnership with community and faith based organizations and coalitions still active in recovery, in order to better streamline the efficient, fast, and equitable implementation of the Build it Back Program.

The NYC Long Term Recovery Coalition submits these comments with the support of:

Long Term Recovery Groups and Coalitions

- Bronx Clergy Roundtable
- Brooklyn Long-Term Recovery Group
- Queens Recovery Coalition
- Lower East Side Ready
- Staten Island Interfaith & Community Long Term Recovery Organization

Organizations

- African Services Committee
- CAMBA
- Friends of Rockaway

Guyon Rescue
Jewish Community Center of Staten Island
New York Annual Conference of the United Methodist Church (NYAC)
New York Disaster Interfaith Services (NYDIS)
NYC:Prepared
Project Hospitality
Sarapis
Staten Island Alliance
St. Bernard Project
United Methodist Committee on Relief (UMCOR)
Yana Services New York
Yellow Boots
101 Precinct Community Council

SECTION 1. COMMENTS ON UPDATES PROPOSED IN AMENDMENT 8

- I. TEMPORARY HOUSING: PROPOSED OPTIONAL RELOCATION ASSISTANCE
Securing rental spaces, expanding partnerships, providing retroactive rental support, and setting clear, practical timelines
- II. EXTENDED TEMPORARY DISASTER ASSISTANCE PROGRAM (TDAP)
Reopening the TDAP program, expanding outreach, and incentivizing landlords
- III. DIRECT GRANTS TO HOMEOWNERS WITH MODERATE REPAIRS
Adding design consultations for homeowners and extending grants to community-based rebuild organizations
- IV. SERVING ALL APPLICANTS REGARDLESS OF PRIORITY LEVEL
Prioritizing vulnerable cases and supporting residents through (1) representation from legal counsel and construction managers and (2) educational seminars (especially on flood insurance)
- V. UPDATED PROGRAM DESCRIPTIONS AND START/END DATES
Improving outreach to applicants and organizations on program changes and timelines

SECTION 2. COMMENTS ON ISSUES NOT ADDRESSED IN AMENDMENT 8

- VI. BARRIERS TO ELEVATIONS
Addressing issues with attached or semi-attached homes, eliminating choices between elevation and reimbursement, preserving neighborhood continuity, and incorporating flood insurance education
- VII. IMPROVING COMMUNICATION WITH COMMUNITY/FAITH-BASED ORGANIZATIONS AND COALITIONS
Establishing communication and coordination with Long Term Recovery Groups, non-profit rebuild organizations, and Disaster Case Management agencies
- VIII. IMPROVING COMMUNICATION WITH OTHER GOVERNMENT PROGRAMS
Coordinating with DOB, DEP, and DOF on violations and permit issues and with NY Rising on City Agency projects and Acquisition for Redevelopment
- IX. PROCESS FOR DISPUTES AROUND TRANSFER AMOUNTS & REIMBURSEMENTS
Moving forward on Build it Back pathways despite disputes with homeowners around transfer amounts and reimbursement
- X. INCREASING STAFF PROFESSIONALISM, QUALITY CONTROL, AND CONTRACTOR RELATIONS
Expansion of training and education for frontline Build it Back workers and improved oversight over contractors and quality of rebuild work

PROPOSED ACTION PLAN AMENDMENT 8 UPDATES REFERENCED IN COMMENTS

The City was awarded a third allocation totaling \$994,056,000 on October 16, 2014, bringing the total CDBG-DR funding to \$4,213,876,000. Below is a summary of major additions in Proposed Action Plan Amendment 8, released December 19, 2014 (updates referenced are highlighted).

General

- Updates funding amounts for programs to reflect third allocation of CDBG-DR funds to New York City.
- Revises key information contained within program descriptions and program start and ends dates to reflect updated information and timelines in all areas.
- Updates need assessments and makes other non-substantial updates in all areas.
- Identifies Planning and Administration funding for each program area, including Overall Grant Management.

Housing

- Describes \$639 million in new housing recovery funds, enabling the City to serve all applicants to Build it Back, regardless of priority levels, and includes \$3 million for workforce development to train and connect Sandy-impacted residents to Sandy-related construction and other jobs.
- Reallocates \$200 million to Build it Back from other prior allocations: \$96 million from Business programs, \$44 million from Infrastructure and Other City Services, and \$60 million from Resiliency.
- Creates an optional Temporary Relocation Program to provide financial assistance for homeowners who must move during Program-provided construction.
- Provides an option for homeowners to receive a direct grant to complete moderate repair projects (those projects not requiring elevation) instead of having the Program complete the construction work.
- Extends the Temporary Disaster Assistance Program (TDAP) rental assistance benefit to households from two years to four years.

Coastal Resiliency

- Describes \$355 million in new funding for Rebuild by Design projects, including \$335 million for the East Side and \$20 million for Hunts Point. The City is supplementing the East Side project with \$3 million (see below) and Hunts Point with \$25 million from reallocated Business funds.
- Provides \$28 million for Staten Island University Hospital resiliency programs.
- Ends the Integrated Flood Protection System competition, freeing up \$5 million for direct design and planning, which will now cover \$3 million for Lower Manhattan flood protection, and \$2 million to study integrated flood protection systems in East Harlem and on the North Shore of Staten Island.

Business

- Reallocates \$98 million from the inactive Neighborhood Game Changer program and the Business Resiliency Investment Program (BRIP) to more effective business-related programs and targeted key resiliency investments, including:
 - \$3 million for a business resiliency technical assistance program
 - \$12 million for restoration of Saw Mill Creek Wetland
 - \$15 million for Coney Island stormwater management and commercial corridor improvements
 - \$15 million for commercial corridor improvements in the Rockaways

Infrastructure and Other City Services

- Revises existing projects and identifies major infrastructure projects (defined as Covered Projects) and further details the City's response to impacts to public infrastructure.

Timeline

Public Comments Due: **January 19, 2015**; Action Plan Submitted to HUD: **February 19, 2015**; HUD has 60 Days to Implement.

(Content in italics quoted from “Full Proposed Action Plan Amendment 8.”)

SECTION 1. COMMENTS ON UPDATES PROPOSED IN AMENDMENT 8

I. TEMPORARY HOUSING: PROPOSED OPTIONAL RELOCATION ASSISTANCE

“Optional Relocation Assistance: The City has determined that many vital repair or reconstruction projects will be delayed or impeded unless it is able to provide temporary relocation assistance to homeowners who are voluntarily displaced by hazardous construction activities. Specifically, many homeowners face the burden of incurring significant rental or mortgage expenses for the duration of construction activities that may prevent them from participating in Build It Back’s repair, repair and elevate and rebuild construction options. Accordingly, the City will provide relocation payments to homeowners who are eligible to receive Build It Back construction assistance to repair or replace their owner-occupied properties. Relocation payments will be made available to all homeowners whose projects meet the low to moderate income or urgent need national objectives when the homeowners must vacate their homes for more than 30 days as a result of hazardous construction activities. This determination will be made as a part of Build It Back’s normal construction process and will be made available to all existing Build It Back applicants who qualify for construction assistance when the construction duration exceeds 30 days. Applicants will not be required to apply to the Program for this benefit. Relocation payments will be made in the form of reimbursements to the homeowner for expenses incurred and will be tied to the HUD established fair market rent for New York City. Optional Relocation Assistance will be included in the CDBG-DR allocation for the Build It Back Program and is not a separate allocation. The City will make its Optional Relocation Plan available for review on the City’s Build It Back website and will be distributed to all Build it Back applicants.”

COMMENT: The proposed “Optional Relocation Assistance Program” would be significantly improved by (1) a process for securing rental spaces, (2) retroactive rental support, (3) transparent timelines, and (4) partnerships and consultation with private and nonprofit stakeholders.

The announcement of an “Optional Relocation Program” responds to an urgent call reiterated by community and faith-based organizations working directly with Sandy-affected homeowners over the past two years.

While we recognize that funding temporary rental costs is a major step forward, we anticipate several obstacles that may impede its successful and efficient implementation:

1. Finding affordable temporary housing units in NYC will be a serious challenge for many homeowners. There simply is not enough affordable rental housing stock to absorb all those who will be displaced once Build it Back construction is more fully underway. Many landlords won’t want to sign a lease that is under a year or be responsible for damage/insurance issues. Allotted amounts suggested in this program will not provide enough money for short-term hotel stays. These and other issues make it incredibly challenging to find short-term rentals in New York City (as seen in obstacles faced during the distribution of TDAP vouchers). For example:

Mr. Z was approved for a rebuild through Build it Back in Broad Channel, Queens and construction was slated to start. However, the client could not find affordable rental property, so the project was stalled. The client is still unable to procure housing.

2. Many families will be unable to pay upfront costs and await reimbursement. A portion of eligible clients don't have enough income to pay initial temporary housing costs and await reimbursements. The reimbursement process proposed will cause additional delays and make many families most in need ineligible for this support. For example:

Mr. and Mrs. G are Brooklyn residents living in a substantially damaged Gerritsen Beach home. Their home was also formerly outside of the FEMA Special Flood Hazard Area, but will move to a Zone A once the preliminary flood maps are approved. Build it Back has offered to elevate the home, but the homeowners do not have the available funds to pay for both temporary housing and their mortgage during construction, and may have to walk away from the offer. In addition, the homeowners presently report hearing creaks and moans from the heavily damaged foundation. Although DOB has allowed them to occupy the structure (reversing an earlier vacate order), the homeowners are afraid to report the new conditions to DOB as they cannot afford upfront costs for temporary housing.

Mr. L of Staten Island has no more money available to afford temporary housing. He received initial rental assistance through a Disaster Case Management agency on Staten Island and acquired a second job to sustainably pay for temporary housing while his home was being rebuilt. He has been renting for two years and rebuild has not yet begun. He has fallen behind on his bills as a result of having to pay for temporary housing and cannot afford the upfront costs any longer.

3. Clients who are presently without housing or who will be displaced this winter will be left out if this program is not implemented until HUD approval of the Proposed Action Plan Amendment 8 in March or April 2015. For example:

Ms. D is a single mother in her 30s. She works full-time while caring for her one year old. Her home in Breezy Point is a plot of land that she continues to pay a mortgage on in the amount of \$2500. In the meantime, she is renting out an apartment, where she pays close to \$2000 on rent plus utilities. Her monthly income is \$4500, which leaves her with barely any money to support herself and her child. She has dipped far into savings and depleted all of her assets. If temporary housing can be approved quickly, the client can live comfortably while she begins to build up her savings and rebuilds her home on her own, as she continues to wait for Build it Back.

4. Residents who have already made poor decisions on their pathways based on an inability to secure temporary housing may miss this new opportunity. For example:

Mr. and Ms. C of Staten Island are elderly and living on a fixed income of \$17,000 per year from Social Security. Their home was formerly outside the FEMA flood hazard zone, but will be within the high-risk flood zone (zone AE) in FEMA's revised rate maps. This means they must elevate to avoid flood insurance rates that will quickly price them out of their home. Build it Back

has offered to repair and elevate their home. However, they have no children to turn to put them up temporarily and nowhere else to go. Mr. and Ms. C believed that they must walk away from Build it Back's offer to elevate their home, because they simply cannot afford temporary housing during the construction.

Ms. B of Brooklyn lives in a home that was substantially damaged by Sandy. It is located in a Special Flood Hazard Area. Build it Back offered her elevation, but she had already completed significant repairs on her own. She did not understand why Build it Back needed to do so much additional work. She also didn't understand why her home needed elevation, and was unaware of FEMA flood mapping changes. Elevation would require her to vacate her home for a time, and her fixed income of \$20,000 a year was not sufficient to cover temporary housing and property expenses. She decided to withdraw from Build it Back instead.

Mr. and Mrs. R are elderly clients on Staten Island who just turned down Build it Back elevation because they were previously told that construction would begin this past June and it is now January 2015. Besides the delay, another part of their decision to reject elevation is that Mrs. R has cancer and the financial strain means that Mr. and Mrs. R are not able to pay an extra rent payment each month.

5. Clearer language on homeowner eligibility for this support can avoid misinterpretations by residents and recovery organizations (i.e. confirming that elevations are included in providing assistance for "homeowners who must vacate their homes for more than 30 days as a result of hazardous construction activities"). With these clarifications confirmed, we applaud an approach that refrains from drawing distinctions between homeowners based on the reason for their displacement.

Recommendations:

1. Secure temporary housing spaces.
 - a. Direct Procurement of Spaces: We need temporary housing units, not just funding for rental housing. It is critical that the City seriously examine ways to rapidly create and incentivize more affordable housing to be made immediately available to Build it Back participants, which can then be offered to moderate-to-low income tenants upon program conclusion. Opening up or bringing in more housing units could help speed Build it Back's construction timetable, making it possible for more homes to be under construction at any one time. The faster the homes are restored, the lower the temporary housing costs will be.
 - i. Include the direct purchase of rental spaces or incentivizing of a landlord program (such as a property tax incentive, direct payments, special supplemental assistance funding as in the LINC program or the establishment of a Master Lease whereby the City guarantees rental payments and access to a reserve fund for any damages). In the very least, this would offer spaces to urgent cases or to those having trouble finding their own rentals.

- ii. Incentivize partnership with landlords of Sandy-affected multi-family dwellings through the Residential Building Mitigation Plan (offering expedited process or priority for those able to provide spaces).
- b. Staff support of clients: Build it Back staff and case managers informed of temporary housing options could assist clients in expediting the process of finding rentals.
- c. Facilitation of a taskforce with governmental, community, faith-based, and private options to secure temporary housing spaces, especially for the most vulnerable cases: A taskforce of public and private entities could consider a range of options in ongoing conversation with Build it Back, including but not limited to:
 - i. Spaces secured and regulated by faith-based and nonprofit organizations
 - ii. Temporary modular housing
 - iii. City-owned or tax foreclosed buildings that are not currently in use
 - iv. Senior/disabled housing allocating some space for a temporary period
 - v. Incentivized private rentals, supporting landlords, for example, through philanthropic circles that can cover upfront costs

2. Clearly inform clients and supporting recovery organizations about timelines for the approval and distribution of financial support for temporary housing, including the frequency of reimbursement. Will funds be distributed preceding construction, at the completion of the temporary housing stay, or at a monthly rate? Will the program be effective before official HUD approval of Proposed Action Plan Amendment 8 in March/April 2015? Without feasible timelines provided now, clients will lack information needed to make important decisions this winter about their housing situation. The timelines and the eligibility of this program should be aggressively shared not only with Build it Back applicants, but also with non-profit/private entities that could support those clients during any delays in its implementation.

3. Retroactively reimburse clients who have already spent on temporary rentals during Build it Back construction, even if their expenditures occurred before the announcement of this new program or prior to its official implementation in 2015.

4. Add an expedited process for distribution of funds for urgent cases:

- a. Families presently without housing.
- b. Anyone facing the prospect of having to make both temporary housing and mortgage payments. These cases should be viewed as someone who is potentially facing imminent mortgage default. As long as those double housing costs exist, these homeowners would not be able to present viable cases for modification or MAP Program Reinstatement. For Build it Back displacements lasting more than three months, homeowners may go into foreclosure before construction ends. For homeowners already in foreclosure facing displacement (although BiB will now allow them to move forward in the program if they have to pay temporary housing costs and mortgage payments), they will not be able to make a viable case for modification or MAP reinstatement. This delay in modifying until

BiB construction concludes will drain equity from the property through missed payments, interest, and fees.

5. Give homeowners or landlords the option of paying off their mortgages to alleviate rental-related financial strain as an alternative option to direct reimbursement of rental expenses. For example:

If Ms. P on Staten Island could receive assistance to make mortgage payments on her rental while they elevate her home, she would be able to rent her space to others in her area while their homes are being elevated. She is worrying about where they all will relocate for the amount of time it will take to raise homes because, as she notes “not only is renting a big expense, there is not much available for rent, landlords are not looking for short term renters, and no one wants you if you have pets or kids.”

6. Consider expansion of the “Temporary Relocation Assistance Program” through rearranging of other funds. For example:

Homeowners who are substantially or repetitively damaged and carried flood insurance are entitled to up to \$30,000 in Increased Cost of Compliance (ICC) funding for home elevation under their flood insurance policies. Build it Back could have those homeowners assign their ICC claims to the City, and the City can then file for ICC funds on the homeowner’s behalf. Adding these ICC funds to pay part of the cost of elevation would result in significant savings for the Build it Back program. While the ICC funds themselves cannot be used for temporary housing, the savings to the program on elevation costs would free up CDBG-DR funding to pay for temporary housing costs such as securing rental spaces. Even if only 1,000 Build it Back applicants qualify for ICC claims, assignment of these claims to the City would bring in \$30 million in funds for elevation costs, which would free up \$30 million in CDBG-DR funds for temporary housing. This process has the additional benefit of lifting the burden from the homeowner to file the ICC claim, a process that can be done more efficiently by the City.

II. EXTENDED TEMPORARY DISASTER ASSISTANCE PROGRAM (TDAP)

“The City has also allocated an initial amount of \$19 million for the Temporary Disaster Assistance Program (TDAP) a rental subsidy program to serve low-income households displaced by Hurricane Sandy, and \$3 million for a workforce development program as part of Build it Back.

The period of assistance has been extended from 24 to 48 months. This extension will align the rental assistance period with the construction timeline of the Build it Back Program, which will begin replenish portions of the affordable housing stock that were depleted by Hurricane Sandy.”

COMMENT: TDAP should be re-opened, with outreach to more residents, incentivizing for landlords, and TDAP Private included in the program extension from 2 to 4 years.

We support the extension of the Temporary Disaster Assistance Program (TDAP) and hope for its expedient implementation as several cases benefiting from the extension are already in need. For example:

Ms. A is a 60-year-old woman who was living in an apartment in Howard Beach with her son when the storm hit. The two were forced out of their home due to severe damages, and she was placed in a hotel. The client's son moved upstate, leaving the client alone to find housing. Because of her limited income, consisting of SSD, she was eligible for TDAP. With her TDAP voucher, she was able to secure housing, but only because she had a subsidy – the client is not able to pay for her apartment without the support of TDAP. The client signed up for senior housing (which is a subsidy), but is still on a waitlist and her TDAP is due to expire. Extending TDAP will allow the client more time to live safely in her home while her application pushes forward with senior housing, which can take another year.

While we welcome the extension of the Temporary Disaster Assistance Program (TDAP) from two to four years, several other steps forward would better support renters in need and create success out of a program that has failed to meet its modest goals.

1. It is not only lengthy construction timelines that require program extension, but difficulties in finding rentals and poor outreach that have challenged the efficacy of the TDAP program. According to the U.S. Department of Housing and Urban Development (HUD) July 2014 Monitoring Review Report on the City's CDBG-DR program, only 83 households had leased units under the TDAP program as of March 2014. The City estimated that it would serve approximately 600 families. Because of extremely limited and ineffective advertisement of the availability of TDAP assistance, misinformation disseminated regarding the program, and the challenge of accessing HPD's Manhattan office from impacted neighborhoods, HPD received only 483 applications. Given that, as reported in the City's CDBG Action Plan's description of Geographic Areas Affected, a majority of the people impacted by Sandy are renters and 17.3 percent are below the poverty line, it stands to reason that eligible families far outnumber the unredeemed coupons.

As of March 2014, HPD had issued coupons to only 232 households, and only 83 of those households had managed to find apartments before the coupon's expiration. Even after HPD extended the coupon life from 60 to 120 days, most coupon holders could not find landlords willing to accept the coupons, even in cases where the landlord is required to do so under NYC's Human Rights Law. For example:

Ms. C. is undocumented and was rendered homeless and jobless in 2012 because of Hurricane Sandy. Ms. C received \$3,000 from FEMA for her losses and used this money to pay family and friends for housing. The money quickly ran out and she was forced to live in a homeless shelter. Ms. C was not aware of TDAP Private for undocumented individuals until she met with Sandy relief service providers in September 2014—nearly two years after the storm. No one at the homeless shelter screened her for the TDAP program. In October 2014, Ms. C was granted a TDAP voucher for a studio apartment for \$983 with utilities and \$911 without utilities. Despite help from service providers, Ms. C has been unable to find a landlord who will accept the voucher at the approved rent and is still looking for housing as of January 2015.

Ms. C is also undocumented. She was approved for TDAP Private and has actively been seeking a viable apartment since September 2014. In December 2014, Ms. C had to request an extension

of her TDAP voucher because she had not found a landlord or broker willing to accept the voucher. Landlords were not willing to wait for the TDAP process and preferred to rent to individuals who had cash readily available. Four months after receiving her TDAP voucher, Ms. C has yet to find an apartment.

2. There were numerous reasons why landlords were unwilling to accept TDAP vouchers. Most often, landlords were not aware of the program at all and, as a result, were unwilling to participate. Even where service providers educated landlords about the TDAP program, landlords still refused to participate because of significant disincentives. Landlords required payment of a security deposit and first month's rent upfront and were unwilling to wait for the TDAP payments to be processed. Landlords also wanted to avoid delays in rental payments through the TDAP program. From their perspective, it was simply easier to rent to the many other tenants able to pay upfront costs immediately and make timely rental payments. Furthermore, landlords were unwilling to complete the extensive TDAP packet and inspection process in order to participate in a short-term program with only a small pool of eligible renters citywide. Extending the length of the voucher and reopening the program to increase the pool of eligible renters will go a long way in making the program more attractive to landlords. It would also be helpful to offer incentives to participating landlords.

It is particularly critical to incentivize landlords to accept the TDAP vouchers because there is often no legal recourse available to check discrimination against TDAP renters. Though NYC's Human Rights Law normally prohibits discrimination on the basis of lawful source of income—such as a TDAP voucher—it does not do so in two-family homes that are also occupied by the landlord. Because much of the rental housing stock in the areas of NYC most heavily impacted by Sandy—such as Staten Island and the Rockaways—consists of owner-occupied homes, the exception in the statute bars protection for many TDAP renters.

3. The rental market is difficult for low-income renters even in the best of circumstances, but was made worse by Hurricane Sandy's destruction of many affordable rental units, some of which cannot be restored to the housing market due to changes in the building code and some of which are simply unavailable due to delays in their own Build it Back construction plans. Additionally, low-income renters now must also compete with the displacement of homeowners for scarce rental housing. The shortcomings of the TDAP program leave voucher recipients at an often insurmountable disadvantage in this already competitive rental market, which often bars their access to housing.

Recommendations:

1. HPD should reopen registration for TDAP (especially as the volume of initial applicants may have been significantly different if this four year option had been made available). HUD also recommends in its Monitoring Review Report that HPD re-open registration for the TDAP program. The City allocated \$19 million for the TDAP program. Presumably, most of that allocation remains unspent nearly two years out from Sandy's landfall. In addition, this expansion should include TDAP voucher support of broker fees/other upfront costs.

2. HPD should widely and effectively advertise the availability of TDAP coupons for eligible renters and work with community and faith-based organizations providing recovery services in impacted communities to identify and carry out outreach to eligible households.
3. HPD should educate and train homeless service providers, especially those working in homeless shelters, about TDAP and how to screen and assist potential applicants.
4. HPD should reissue coupons to the 149 households that were previously issued coupons but unable to redeem these coupons due to unavailability of housing, as landlords may be more inclined to participate in a 4 years program.
5. HPD should eliminate barriers, such as the need for registrants to travel to Manhattan for routine appointments and document submission, to speed the issuance of the 600 vouchers.
6. HPD should widely and effectively educate landlords and realtors about the TDAP program and provide assistance with TDAP application packets landlords must complete.
7. HPD should ensure that landlords who accept the vouchers are paid promptly. Long delays in landlords receiving payment discourages landlords from accepting the vouchers.
8. Build it Back should incentivize and fast-track landlords with vacant apartments, using other models like the LINC program incentives.
9. Build it Back should clarify whether the extension from 2-4 years would also apply to TDAP Private.

III. DIRECT GRANTS TO HOMEOWNERS WITH MODERATE REPAIRS

*“For rehabilitation, homeowners may utilize a City-selected, qualified contractor, or elect contractor, elect the option to select their own licensed contractor, **or elect to receive a direct grant to complete moderate rehabilitation projects.** For reconstruction, homeowners may work with qualified developers selected by the City to reconstruct their homes with pre-designed homes approved by the City; or homeowners may also select their own architect and contractor and seek direct approval from the City on proposed designs, budget, and reconstruction of their home. Specific policies and procedures for this process will be distinct for homeowners in the rehabilitation and reconstruction program. In cases where homeowners select their own contractors, the same eligibility criteria and processes of the Build it Back program will apply. **In cases where homeowners elect to receive a direct grant to complete moderate rehabilitation projects (those projects not requiring elevation), homeowners may receive up to two payments with a payment upon passing a final inspection.**”*

In addition to the program requirements and parameters for CDBG-DR assistance, specific additional requirements and program controls for the homeowner and their selected contractor and direct grant options may include, but are not limited to, the following:

The homeowner must make a commitment to achieve construction completion within a reasonable timeframe that, at minimum, meets the CDBG-DR program requirement of expending funds within two years of obligation.

The City will conduct a damage assessment, compliance review, and environmental review in accordance with HUD and NEPA guidelines, and the homeowner and contractor must adhere to standards determined by the City, and agree to City construction supervision and inspections to ensure timeliness and quality.

The contractor must be licensed and provide the City with a Performance Bond equal to or in excess of the cost of the work to be performed as assessed by the City or, as an alternative to the Performance Bond, a Letter of Credit in amounts satisfactory to the City to guarantee satisfactory completion of the construction.

The Reconstruction scope will be based on the size and unit count of the pre-storm home, and the program may impose controls and parameters on the maximum rebuild scope, including size, total development cost, and amount of allowable homeowner upgrades to the standard rebuild scope.

For the rehabilitation program, the Contractor must adhere to the unit pricing determined by the City through a competitive process, and for the reconstruction program, the Developer and Contractor are subject to cost reasonableness review by the City and a reconstruction budget based on the size and unit count of the pre-storm home.

The homeowner and contractor must adhere to financial controls put in place by the City to ensure sound financial and project management including direct payments to the contractor based on City-conducted construction quality audits. Homeowners receiving direct grants for moderate rehabilitation projects must provide evidence of actual cost incurred, must agree to seek all required permits and must agree to a final program inspection before final payment is issued.”

COMMENT: The direct grant program for moderate repairs is an encouraging step forward. The program would benefit from required design consultations and an extension of the opportunity for direct grants to volunteer rebuild organizations.

Offering direct grants to homeowners will allow many residents to begin the process of rebuilding much faster than the current multi-tiered approval system offered by Build it Back.

1. Providing moderate repair grants based on feasibility reports alone may wrongfully deny some homeowners elevation or rebuild assistance. Pathway changes do sometimes occur after design consultation. For example:

Mr and Mrs. E of Brooklyn live in a Gerritsen Beach home that was heavily damaged by Sandy. They have been displaced since the storm. They enrolled in Build it Back, but Dewberry’s feasibility report indicated that the home only needed moderate rehab work and that it was not substantially damaged. At this time the interior of the home was entirely gutted. Later design consultation found the initial estimate to be incorrect, and the pathway was changed to rebuild.

2. For homeowners with moderate repairs who are working with non-profit rebuilding organizations, availability of funding for rebuilding materials and skilled labor is often the final delay to a full recovery.

Many homeowners have developed a relationship and trust with the organizations who have helped them thus far in the recovery and would continue to work with these non-profit organizations to address their repair and rebuilding needs. Recovery organizations have coordinated muck outs, mold remediation, and repair projects for thousands of Sandy-impacted residents for nearly two years—mobilizing volunteers, gathering and distributing donations, and applying for funding from the NYC Sandy Unmet Needs Roundtable with member agencies offering disaster case management.

Despite their strong local presence and service, these rebuild organizations have now exhausted their resources and are significantly contracting services, while Disaster Case Management agencies also face program closures in 2015.

Recommendations:

1. Assist homeowners working with their own grants by offering a design consultation.
2. Homeowners receiving moderate repair grants should still have their final scope of work evaluated for substantial damage/substantial improvement. Feasibility reports provide damage and improvement estimates, and should not be (and have not been) used to provide a final award or pathway determination.
3. Along with direct grants to homeowners, extend the opportunity for direct grants to voluntary rebuild groups assisting on homes in the Build it Back queue. Volunteer work results in ultimate savings to the Build it Back program and expedites some of the most vulnerable cases on the Build it Back queue. A more official referral service for any Build it Back-registered client desiring community-based recovery services would be beneficial (this is expanded on later in this document), but direct grant support would assist in the costs for rebuild materials or skilled labor support needed for more efficient, cost-effective, and expedited rebuilds.

IV. SERVING ALL APPLICANTS REGARDLESS OF PRIORITY LEVEL

*“\$2.26 billion (\$2.15 billion in Program Costs + \$110 million in Planning and Administration costs). Of the \$2.59 billion identified for housing assistance in the Action Plan, **the City allocated \$2.26 billion to fund a permanent housing recovery program that will address nearly all of the \$2.4 billion identified as the unmet need for single family and multi-family homeowners and landlords.** Within this program, the City has further broken down funding into allocations for different types of assistance to address the distinct needs of homes and multi-family buildings as follows:*

- *\$1.71 billion to provide for the rehabilitation and reconstruction of one to four unit homes that are either occupied by the homeowner or year-round tenants.*
- *\$416 million to provide for the rehabilitation of multi-family buildings (five or more units).*
- *\$75 million in administration costs for the Build it Back program.*

- *\$35 million in planning costs for the Build it Back program.”*

COMMENT: Prioritization of vulnerable households should still be emphasized in serving all affected residents regardless of priority level. This expanded outreach is an opportunity to also expand legal and construction support to residents and integrate necessary education around flood insurance.

1. While this expansion in serving all affected residents is strongly endorsed, we urge that it is implemented with prioritization to vulnerable households (senior citizens, low-income, disabled, veterans, etc.) that will require more expedited assistance.

2. In order to fairly and quickly carry out the ambitious commitment to serving all applicants regardless of priority level, Build it Back should increase support for helping residents navigate an often confusing process that requires more legal and construction experience than what most residents can provide.

The present system for consultation between affected residents, Build it Back staff, and contractors puts a burden on a homeowner to act as their own developer and legal counsel, especially under the “Choose your own Contractor” option. Residents are left to make major decisions about the construction of their homes and the legal status of their properties and recovery-related financial transactions without the expertise of lawyers or developers/construction managers.

3. Flood insurance rate increases and other city resiliency measures could affect nearly all applications regardless of priority level and education around these changes is presently quite poor.

Affected residents, and the staff and advocates who support them, could benefit from education on changes in the wider scope of disaster recovery and preparedness that will affect them, especially in regards to changes in the Flood Insurance Rate Map. New York City’s high-risk flood zones (Zones A and V) have nearly doubled in size following recent mapping changes (anticipated to be finalized in 2016). The Homeowner Flood Insurance Affordability Act of 2014 may have profound impacts on flood insurance affordability for homeowners living in these areas. Although the new law delayed many of the rate increases under Biggert-Waters, it did not eliminate them. It is important for homeowners in these areas to understand how rebuild/repair work may affect their flood insurance premiums in the future.

Recommendations:

1. Expedite support to vulnerable households (disabled, low-income, senior citizens, etc).
2. Offer the support of a legal representative and a developer/construction manager, especially under “Choose your own Contractor” or “Direct Grants.” Homeowners should either:
 - a. Have the opportunity to have legal and developer support present at all major consultations and signing of tri-party agreements, or;
 - b. Should be made fully aware under the “Choose your own Contractor” and “Direct Grants” options of their own role as developer.

Build it Back could consider partnering with associations of developers/construction managers, and with pro bono lawyers (present legal support to Build it Back clients through several organizations may not provide enough capacity to support all clients).

3. Include education on changes in the new Special Flood Hazard Area and the impacts of resilience projects for individual property owners who will be directly impacted by construction of berms, seawalls and other resilience measures. One way to expand this education would be to require that residents and/or their advocates attend educational seminars.

V. UPDATED PROGRAM DESCRIPTIONS AND START/END DATES

“Revises key information contained within program descriptions and program start and ends dates to reflect updated information and timelines in all areas.”

[...] Current HUD expenditure projections indicate that construction and closeout activities will be completed by mid-2017.”

COMMENT: The next phase of Build it Back relations with applicants and their advocates could be significantly improved by expanding outreach to applicants and recovery organizations, making program descriptions and timelines clearer, easier to read, and less subject to revision.

The revised information in program descriptions and program start and end dates should be made available more publicly so as to assist voluntary groups and nonprofit agencies in serving their clients. Lack of transparent or practical timelines and program descriptions has been at the core of complaints from residents and recovery organizations and an important step for building trust moving forward is to make these program descriptions and start/end dates clearer and less subject to revision.

1. Frequent changes in terms and conditions of Build it Back programs, especially the Rebuild Program Terms, cause confusion and setbacks in reconstruction of homes. Access to the terms and conditions can additionally be nebulous at times. For instance:

The Rebuild Program Terms as of December 5, 2014 had rebuild caps as \$729,750 for a single family, \$934,200 for a two family, \$1,129,250 for a three family, and \$1, 403,400 for four family and up. Several homeowners assisted were not fully aware of these caps or have seen changes in these and other conditions. The terms—and revisions to the terms—need to be explained not only to residents, but to the recovery organizations, Disaster Case Managers, and other advocates who attempt to help them navigate the Build it Back program.

2. Some documentation released by the Build it Back program is shared in a format which is unnecessarily long and/or contains language that is inaccessible not only for affected residents, but also for recovery organizations and legal advocates who attempt to sort through updates on behalf of residents.

Some of these issues are apparent in the 373 pages of the Proposed Action Plan Amendment 8. The public comment period also put public responses at a disadvantage by releasing the amendment before a string of religious holidays and hosting public hearings too soon after the end of holiday closures, when many organizations could not properly engage with these proposed updates and residents may have missed important information during a season that is already financially and emotionally stressful. We submit this comment with no intent to further delay this public comment period—on the contrary, we urge that the Proposed Action Plan is passed swiftly and on schedule—but rather to share our concern so that future public releases of updates to the Build it Back program or its subprograms are more sensitive to public consumption and religious and federal holidays.

Recommendations:

1. Develop more open communication with applicants around the availability and start and end dates both on their individual cases and on the wider Build it Back front (the latter expanded in more frequent or clearer email blasts and pamphlets, or through more direct communication with community organizations on changes in timelines and programs.)
2. Refrain from changing the terms and conditions of Build it Back programs after the Action Plan Amendment 8 is passed and implement a strong policy of transparency when details are changed, especially in regards to Rebuild Program Terms.
3. Avoid artificial timelines on when documents need to be signed, or disallow corrections to, for example, a Coordination of Benefits document after it has been signed. There is no need for these issues to require an “appeal,” which slows things down. Examples are the 14-day deadline for F13 return and the refusal to change CoB after it’s signed.
4. Provide clearer public documents, including for Amendments, that are more transparent through simpler language and more accessible length in order to make important changes to the program easier for public consumption.

SECTION 2. COMMENTS ON ISSUES NOT ADDRESSED IN AMENDMENT 8

VI. BARRIERS TO ELEVATIONS

COMMENT: Some homeowners eligible for elevation appear to be stalled in the Build it Back process, including those in attached or semi-attached homes and choosing between elevation and reimbursement. Poor education on floor insurance also contributes to destructive choices and delays in decisions on elevations. Other barriers to elevations include poor coordination around movement of household goods and furniture, neighborhood continuity threatened by isolated elevations and bans on enclosures/garages, and construction timelines for elevation which are longer than average.

1. Build it Back has not publicly discussed its plans for elevation of attached homes. Some homeowners in this circumstance are beginning to show concern regarding whether Build it Back will be able to help them. For example:

Mr. and Ms. E of Staten Island live in a row of attached homes. Some of the homes in the row are not registered with Build it Back and some were not deemed to have substantial damage (triggering elevation). Under these circumstances, Mr. and Ms. E believe that if they remain on the elevation pathway, they will remain in limbo indefinitely. They are therefore fighting their pathway to avoid elevation, believing that the only help they can expect from Build it Back is reimbursement (for which they are currently ineligible, due to their mandatory elevation pathway). While Mr. and Ms. E, an elderly couple, have a critical need for the reimbursement they would be due if they were allowed to change pathways (about \$22,000), leaving their home un-elevated leaves them exposed to significant risk in the next storm. (They will not be able to afford flood insurance, and therefore will become uninsured.)

We recognize that elevation of these homes is not a simple undertaking, even when the method of “elevation” is a second-story conversion (adding another story to the building, to allow the original first story to be used solely for parking or storage). Build it Back should regularly update communities and applicants about the status of their planning for attached homes. We urge Build it Back to take a neighborhood approach to this problem, rather than focus on each individual property and that property’s applicant status and assessed damage level. We also urge Build it Back to take full advantage of the local relationships that community recovery organizations have established to help solve this problem: these groups can reach out to neighboring homeowners to discuss their options and potentially help build consensus within neighborhoods about how they would like to proceed.

2. Homeowners may delay in accepting terms of elevations due to the effects of their elevation on continuity of the neighborhood, including bans to enclosures and garages.

Homeowners elevating their houses while neighbors’ homes remain grounded can delay decisions on elevations and challenge the value of the homeowner’s property and their neighbors’ homes. For many homeowners, the only way to viably and affordably remain in flood zones is to elevate, both for safety

and because of looming flood insurance costs. Elevations need to consider neighborhoods, not only properties. It is difficult to understand how houses sitting next to each other and sustaining the exact same conditions during Sandy can be evaluated so differently, and also how the neighborhood can possibly sustain the patchwork effect that the present approach to elevations will ultimately create.

In addition, a bar on enclosures and other constrictions in rebuilding and elevations can alter the value for properties by interrupting the continuity and look of the neighborhood. We urge Build it Back to refrain from this over-engineering moving forward. If a resident is legally able to close out the foundation on the elevation and is not in the V zone, they should have that option rather than forcing them to raise their home on exposed pillars.

3. Build it Back should not make homeowners choose between elevation and reimbursement. The need for both is critical in many cases.

Under current Build it Back protocol, applicants whose homes were substantially damaged—entitling them to elevation assistance—are ineligible for reimbursement for the out-of-pocket repair expenditures they incurred while awaiting Build it Back help. These were often vital repairs, necessary to make the home minimally habitable. In many cases, these out-of-pocket expenditures (not covered by insurance, FEMA, or SBA funds) are quite high. This Build it Back protocol of making the most damaged households ineligible for reimbursement is having the unintended effect of pushing homeowners to fight against elevation. This undermines the City’s mission to help our coastal communities become more resilient. A few examples illustrate the dilemma that homeowners may face:

Mr. and Ms. C of Midland Beach, Staten Island, whose story we told above, are also caught in the dilemma of needing reimbursement, for which they are ineligible. Mr. and Ms. C, an elderly couple who live on a low, fixed-income from social security of \$17,000 per year, used all their savings to make repairs to their home. But their savings were not sufficient, so they have been struggling to pay the contractor they hired through monthly installments. Were it not for Build it Back’s policy of denying reimbursement to those with major damage, Mr. and Ms. C would be eligible for \$14,000 in reimbursement, which would be just enough for them to pay off the contractor bill. Otherwise, given their limited income, they will have to continue to draw from their very small monthly income to pay the contractor who performed the repairs. This need for funds to pay their contractor bill is pushing them to fight elevation in order to receive reimbursement.

Mr. and Ms. H of Midland Beach, a low-income couple nearing retirement, are scheduled to receive repair and elevation help from Build it Back. The elevation will make their home flood safe for the future. The couple spent approximately \$50,000 so far out of pocket for home repairs, money they obtained by depleting their retirement savings and borrowing from family and friends. However, as much as Mr. and Ms. H want to make their home flood safe and affordable in the future (given steeply rising insurance rates for un-elevated homes), they badly need reimbursement as their only means of repaying the family and friends who stepped forward to help them.

While Build it Back, per HUD rules, may not pay twice for the same repair, Build it Back should not presume that the repairs these homeowners made using out-of-pocket funds would be undone by elevation or need to be redone by the Build it Back contractors. In many cases, for example repairs to roofs, Build it Back would not be duplicating work.

4. Lack of storage and poor coordination around movement of household goods and furniture can also delay elevations.

Homes that are eligible for elevation are sometimes fully furnished. Moving and storing furniture can be a significant and expensive challenge, particularly if there are multiple households seeking these facilities at the same time.

5. Homeowners seeking to challenge their pathway with an appraisal should receive flood insurance counseling first.

Other issues also hold back residents in selecting elevation - including poor education on flood insurance premium risks balanced against issues such as resistance to losing square footage in homes, particularly in regards to basements.

Recommendations:

1. Inform communities and applicants of Build it Back's progress on strategies for elevating attached homes, and obstacles to those strategies. Communities can help problem-solve. In addition, use a cohesive, neighborhood approach to the problem of attached homes, regardless of whether all the attached neighbors are Build it Back applicants or are deemed "substantially damaged."
2. Facilitate neighborhood discussions around elevated homes that may disrupt block continuity. The ban on enclosures and garages should additionally be lifted to assist in carrying out this more cohesive neighborhood approach.
3. Open reimbursement to applicants in the elevations pathway that sustained substantial damage.
4. Secure a number of storage PODS or spaces for the rotating use of homeowners. This expense should be considered part of the temporary relocation assistance.
5. Partner with community-based organizations to reach affected neighborhoods to help educate homeowners on weighing their concerns and hesitations against flood insurance premium increases.

VII. IMPROVING COMMUNICATION WITH COMMUNITY/FAITH-BASED ORGANIZATIONS AND COALITIONS

“In addition to Federal sources and private insurance payouts, the private and non-profit sectors provide financial resources and support to New Yorkers impacted by Hurricane Sandy. Since the storm, the Mayor’s Fund to Advance New York City has played a critical role in the relief and recovery efforts by facilitating privately-funded programs that leverage flexible capital to address unmet housing needs while the CDBG-DR programs are put in place. Additionally, NYC Service, a City agency that leads targeted volunteer opportunities and initiatives, has worked with the FEMA Volunteerism staff and the housing agencies to leverage work from the volunteer community, including long-term recovery efforts in impacted areas, and serve as an interface for coordination with the City’s recovery efforts.

*[...] **Non-Profit Rebuilding Consortium:** The City is also working to leverage private resources and harness the work of voluntary agencies and contractors to make rehabilitations to homes that may not be eligible for Build it Back due to Federal rules and restrictions. The Mayor’s Fund to Advance New York City, with additional support from the Robin Hood Foundation, the American Red Cross and JPMorgan Chase, and in partnership with HRO, has created the NRNYC Home Repair Program to use private dollars to rehabilitate up to 550 homes that may not be served by the publicly-funded program. The NRNYC Home Repair Program is administered by Neighborhood Revitalization NYC, an affiliate of the Local Initiatives Support Corporation, a community development not-for-profit corporation with 30 years of experience working in New York City.*

Additionally, a public-private team, led by HPD, HDC and HRO in partnership with 16 of the City’s leading philanthropic organizations and the Mayor’s Fund to Advance NYC, raised over \$3.4 million in grants to support community-based organizations across the five boroughs to reach vulnerable populations under the Hurricane Sandy Housing and Neighborhood Recovery Donors Collaborative.

COMMENT: Community and faith-based recovery organizations and coalitions can provide strong community partnerships and local credibility along with the economic benefits of donations and volunteer mobilization. There are several options for increasing collaboration between Build it Back and the non-profit recovery sector.

1. Partnership with non-profit rebuilding organizations is cost-efficient and supports local recovery efforts.

Including non-profit rebuilding organizations in recovery is a smart decision. Like for-profit contractors and construction management firms, non-profit rebuilding organizations are a useful tool in a city’s recovery framework, and are highly cost efficient. The best example of this is the Non-Profit Rebuilding Pilot program (NRPP), which was executed in New Orleans after Katrina, and provides a well-structured inclusion for non-profit builders to assist vulnerable residents in their rebuilding/recovery plan.

Here in NYC, many homeowners will face a transfer amount that, for various reasons, they cannot afford to pay. For these cases, it is essential that the city include non-profit rebuilding organizations in its long-term recovery plan.

Recommendations:

1. A non-profit rebuilding group like St. Bernard Project, or Rebuilding Together, can often reduce total development costs (TDC) by 20-40% by utilizing volunteer labor to complete small to moderate repair jobs. The amount saved on TDC can help lower the transfer amount for clients in tight financial situations. This program will need three things in order to be successful:
 - a. Inclusion of as many non-profit builders as possible (to expand capacity to take on these kinds of cases). Currently, St. Bernard Project (SBP) is a licensed HIC and is registered as a Choose Your Own Contractor with the Build it Back program and is doing work with the city. Rebuilding Together and Habitat for Humanity should be included in this work as well. Partnerships with smaller rebuild organizations to build capacity could also be considered.
 - b. A robust referral process that moves homeowners with outstanding, or non-payable transfer amounts to organizations like SBP and others who can assist with an Alternative Payment Structure.
 - c. Instead of a referral process, the city could group moderate repair cases with outstanding transfer amounts, and allow non-profit rebuilding organizations to submit bids for completing some or all of the work.

2. There are significant barriers to entry for smaller organizations, namely the costs associated with bonding and insurance to meet BiB standards. A subsidized insurance policy for voluntary rebuild groups, either on a case by case basis, in partnership with larger rebuild organizations, or through a consortium of voluntary rebuild groups might help foster partnerships with local rebuild support.

2. Communication with and support of a diversity of community and faith based recovery organizations, in addition to rebuild-focused non-profits, would foster a more holistic recovery.

In addition to better relations with community-based rebuild organizations, Build it Back can improve relations with a diversity of community and faith-based entities committed to recovery through pre-existing coalitions that provide access to the local “force multipliers.” Recovery coalitions known as Long Term Recovery (LTR) Organizations and Groups were established in every borough of New York City (following the advice and assistance of FEMA and the nationally implemented model proposed by the National Voluntary Organizations Active in Disasters) to provide coordination and support among community and faith-based recovery entities. LTRG member organizations were on the ground fast and continue to help provide for homeowners in nearly every facet of their recovery and in almost every affected neighborhood in NYC. The combined efforts of member organizations have provided immediate and long-term aid for nearly two years for thousands of Sandy-impacted New Yorkers.

LTR Organizations and Groups offer the following strengths:

- a. Sustainable community and faith-based leadership
- b. Knowledge of past and present unmet Sandy-related needs
- c. Mapping of and direct communication with diverse recovery services and resources
- d. Credibility on the ground in affected neighborhoods

- e. Collaborative, creative solutions and partnerships after two years of coalition building

LTRGs have established committees for connecting Disaster Case Managers with voluntary rebuild, legal services, financial counseling, health and mental health support, along with a variety of other services. Cases that are on the queues of these committees troubleshoot issues arising regarding the pace and quality of services provided. Cases requesting assistance are referred to the NYC Sandy Unmet Needs Roundtable, administered by the New York Disaster Interfaith Services (NYDIS). LTRG representatives and a diversity of donors hear each case and allocate resources to meet needs. Disaster Case Managers have successfully presented the cases of over 23,936 households to the Roundtable to distribute \$8.4M (as of December 30, 2014) to affected clients. The Roundtable has covered medical expenses; housing, food, and clothing needs; home repair and rebuild assistance; and referrals to housing, legal, and other counseling services.

The NYC Sandy Unmet Needs Roundtable continues to provide a strong, sustainable vehicle for support of individuals in need of assistance. However, direct support of LTR Groups and their member organizations has dwindled significantly. Despite their strong local presence and service, these leaders in the grassroots recovery efforts have not been fully supported as a partner and viable resource in governmental recovery efforts. After pouring countless hours of labor and millions of dollars of materials into Sandy-impacted homes and communities, these agencies have now exhausted their resources even as needs remain. For example, Staten Island's voluntary rebuild support has nearly halved since September 2014 and all of NYC faces the end of Disaster Case Management contracts in 2015.

3, While resources and organizational support dwindles, the unmet needs recorded in canvassing efforts carried out by Long Term Recovery Groups throughout NYC (including recent assessments by the Staten Island Long Term Recovery Organization, Lower East Side Ready, Brooklyn Long-Term Recovery Group, and Queens Recovery Coalition) show remaining complex and expansive recovery needs. Many of these diverse needs may require additional advocacy, coordination, and support with the Build it Back program. Several changes in the Build it Back program would make partnership and communication with these organizations more streamlined.

Recommendations:

1. Develop an official referral process to Disaster Case Management programs for vulnerable cases with modest scopes of work in need of expedited service. Ideally, clients would still receive support for building materials or reimbursement from the Build it Back program but benefit from individual advocacy provided by Disaster Case Managers, the free and expedited labor of rebuild organizations, and the services affiliated with other recovery service agencies. Build it Back could still claim completed projects while expediting its rebuild through this partnership. To ensure quality and speed of work, these cases can also be referred to Long Term Recovery Group committees which make referrals between member organizations and can troubleshoot the pace and quality of volunteer services.

2. Add a “Choose Your Own Community-Based Rebuild Group and Disaster Case Manager” option, similar to the “Choose your own Contractor,” at least for clients with low to moderate repairs or reimbursements, if not for all Build it Back registered clients.
3. Develop a grant competition or other form of direct financial support for Disaster Case Management agencies, voluntary rebuild groups, Long Term Recovery Groups, and other community agencies assisting on homes in the Build it Back queue, since their volunteer work results in ultimate savings to the Build it Back program.
4. Host a collaborative that regularly facilitates coordination and conversation with Long Term Recovery Groups or other non-profit and faith-based entities.
5. Have a Build it Back representative regularly at monthly Long Term Recovery community meetings.
6. Support more construction completions by reimbursing voluntary rebuild organizations, Disaster Case Management agencies, and other agencies for Build it Back cases that were completed by these organizations when expedited assistance to residents was necessary but not possible in the initial stages of the Build it Back Program. As noted above, Build it Back could still claim these constructions as completed on their queue if they provide support to the community organizations which facilitated the recovery of thousands of Build it Back clients across NYC. The retroactive support for this work would allow these organizations to continue to serve Sandy-impacted residents at a time when community-based resources are quickly diminishing or already gone.

VIII. IMPROVING COMMUNICATION WITH OTHER GOVERNMENT PROGRAMS

COMMENT: Build it Back should carry out better coordination with other government agencies, including: Dept. of Buildings, Dept. of Environmental Protection, and Dept. of Finance on violations and permit issues; NY Rising for City Agency projects (e.g. construction of new park amenities that also serve as water collection mechanisms) and Acquisition for Redevelopment.

1. Better coordination with Dept. of Buildings, Dept. of Environmental Protection, and Dept. of Finance is necessary around violations and permit issues that keep Sandy-affected residents from moving forward in the rebuilding of their homes.

Following Sandy, many homeowners have received multiple violations related to their destroyed homes from NYC agencies including the Departments of Buildings (DOB) and Environmental Protection (DEP) while waiting for Build it Back to complete construction. It currently appears that these agencies lack the authority or willingness to forgive these fines or come up with a reasonable arrangement to enable homeowners to complete construction.

In some cases the Department of Finance Notice of Collections is threatening to seize homeowners' assets or garnish their wages if they do not pay the DEP fines. More coordination is necessary between Build it

Back and other city agencies such as DOB and DEP to ensure that Sandy victims who have been waiting for help for more than two years are not further penalized by the city's inability to get help to victims in a timely manner.

Coordination with the Dept. of Buildings (DOB) to resolve violations is especially urgent, as corresponding fines and open applications that pre-date the storm are a major cause for delay.

DOB obstacles we have seen involve:

- a. Post-storm work without a permit
- b. Post-storm demolition without a permit
- c. Open permit applications for work completed years before the storm. Some Sandy-damaged homes had additions built prior to the storm, but there was no follow through on the part of the architect and/or homeowner to close out the file and obtain a new Certificate of Occupancy. As a consequence, recovery through BiB is stymied.

Recommendations:

1. Resolve violations for work without a permit in coordination with the BiB design team if a homeowner is eligible for repairs and/or elevation through Build it Back. Resolving this type of violation requires a plan to be filed with DOB and a fine must be paid. BiB should establish a policy to resolve the violation and stop work order by proceeding with design plans, filing with DOB, and seeking a waiver of fines, as appropriate. A similar approach should be used in resolving demolition without a permit. Another layer of coordination is needed in cases where houses with stop work orders are also at risk of foreclosure. For example:

One family is in the process of obtaining a mortgage modification, but the damage to the home and incomplete repairs resulted in a low as-is market value and the mortgage modification is held up due to the condition of the home. At the same time, the house cannot proceed through BiB if it is in foreclosure.

Open DOB permits for additions that were built prior to Sandy will require coordination between DOB and BiB. Plumbing, structural, and electrical work completed as part of a prior permit application may have been damaged due to the storm.

2. Establish a policy to ascertain that the work under the open permit was completed according to plan and met all requirements of the approved application at the time it was done. There should be a process to recognize and incorporate the previous addition into the new C of O that will be issued upon completion of BiB recovery work. For example:

The H family has an open alteration application for a 1992 addition to their house. They obtained proper approvals and permit. The addition was built according to approved plans, but they and their architect did not follow through with submitting a final survey and other documents needed to obtain a C of O and close out the DOB application folder.

3. Design a process for addressing obstacles arising from the “certificate of occupancy”:

- a. The Dept. of Finance pre-Sandy value for the property is based on a smaller house, as they did not have a record of the addition. Dept. of Finance records were updated to acknowledge the increased size of the house post-Sandy. The pre-Sandy value must be established.
- b. If BiB requires a C of O for the work performed in 1992, it is likely that DOB will require that the house meet current code requirements for flood zones (it must be elevated in order to legalize the 1992 addition today.) If a C of O can be issued for the 1992 addition without elevating the house, it will cost the owner several thousand dollars to obtain this C of O on speculation that the house can be elevated. If the house cannot be elevated and it must be rebuilt, much time and money will have been spent for no good reason. The DOB policy on whether or not a home must be elevated today to complete an old C of O process must be made clear. Can the feasibility of elevation be evaluated before seeking a C of O on speculation?
- c. If the house can be elevated, a new C of O will be required after the BiB elevation is completed. Can the open application be closed and superseded by a new application for elevation work to be completed by BiB?
- d. If the house cannot feasibly be elevated, it is likely to be eligible for rebuild. Will BiB rebuild the house based upon the smaller square footage, prior to the addition, or will it recognize the increased size based on the legal 1992 addition?

4. Establish an intergovernmental taskforce to analyze, recognize and resolve the arcane issues of open permit applications which prevent many legally built homes from being repaired and elevated after Sandy. While an open application for a years-old addition is a problem that existed pre-storm, we should take a look at how the problems can be resolved so the issue does not create an insurmountable obstacle to recovery.

5. Devise a protocol for waiving DOB, ECB and DEP fines in compelling circumstances that arise post-Sandy where the homeowner has been waiting for BiB to complete construction.

2. Coordination is also needed with NY Rising for City Agency projects (e.g. construction of new park amenities that also serve as water collection mechanisms) and Acquisition for Redevelopment.

A lack of coordination between the City’s Build it Back Program and the State’s New York Rising community resilience program is leaving homeowners who will potentially be impacted by NY Rising-suggested community resilience measures confused about the fate of their homes.

In addition, while homeowners in the Build it Back Program are being offered Acquisition for Redevelopment options and some closings have occurred, there is no direction or oversight for the redevelopment that will follow on these lots.

Many homeowners are also getting kicked out of the Acquisition for Redevelopment program because the appraisals are coming in with higher structure values than the Department of Finance values initially used

to determine substantial damage resulting in a damage calculation below 50%. This is very unfortunate given that many homeowners have waited years for Acquisition rather than move forward with rebuild efforts based on the understanding that they would be eligible for the program.

Recommendations:

1. Allow any homeowner deemed eligible for Acquisition for Redevelopment based on the DOF value to move forward regardless of whether the appraisal results in a damage calculation below 50%. As far as we are aware, the substantial damage determination is not a HUD requirement and these are all homes that sustained very significant storm damage, so it would further the City's goal of long-term storm resiliency by purchasing this land.
2. Through the funding allocated for Acquisition for Redevelopment of properties in Sandy-affected communities, the city has a unique opportunity to support local development capacity that puts communities in control of their housing. Properties available for redevelopment should be prioritized for disposition to community land trusts and non-profit, neighborhood-based development corporations. These trusts and developers must be under a mandate to create and permanently maintain housing that is affordable to neighborhood residents who have been displaced by the disaster or by the unworkable economics of the storm recovery process. Funding should be allocated for developing capacity in such organizations to redevelop for community benefit.
3. Designate staff to educate Build it Back clients on how NY Rising programs will affect their neighborhoods.

IX. PROCESS FOR DISPUTES AROUND TRANSFER AMOUNTS & REIMBURSEMENTS

COMMENT: Disputes around transfer amounts (especially when a homeowner cannot pay the upfront costs) create unnecessary delays in homeowners moving forward in the Build it Back Program. Reimbursements to homeowners for out-of-pocket costs are also unnecessarily delayed when homeowners disagree with the amount of the reimbursement.

1. Disputes and delays in payment of transfer amounts affect many vulnerable Build it Back applicants.

An applicant's "transfer amount" is the amount of unspent insurance or FEMA funds that the applicant must pay over to Build it Back before construction on their home can begin. Even if all documentable, allowable expenses are credited in calculating an applicant's transfer amount, some applicants may not be able to pay their transfer amounts because they have spent these funds on non-allowable expenses. This may be because the applicant lacks receipts for all creditable expenses, or because the applicant already spent recovery funds on urgent but nonetheless uncreditable expenses, such as mortgage payments.

Build it Back intends to make allowances for these circumstances by reducing the scope of work they provide, where possible. In some circumstances the scope may not be reducible, given HUD requirements that Build it Back leave the home in safe, habitable condition. In the latter circumstance, the homeowner will become ineligible for the Build it Back repair or rebuild help. We urge Build it Back to partner with volunteer rebuild organizations to design a way to enable the volunteer organizations to supplement the Build it Back work to ensure that every eligible homeowner receives the full amount of recovery help, regardless of their ability to pay a transfer amount.

The City should also establish a fund using non-CDBG funds to provide grants or low- or no-interest loans to homeowners to pay down transfer amounts for non-allowable expenses.

If no corrective action is taken to address the problem of homeowners with large transfer amounts, there will be hundreds, possibly thousands, of homeowners who will be unable to rebuild.

Recommendations:

1. Allow voluntary rebuild organizations to perform the work that Build it Back cannot perform due to missing transfer funds, especially if a homeowner is unable to pay the transfer amount. While we understand that for applicants with small transfer amounts the City has made some efforts to work with nonprofit Choose Your Own Contractors, there are currently no eligible contractors performing this work in some parts of NYC and this program would still exclude many homeowners with larger transfer amounts. Homeowners unable to pay their transfer amounts should be recommended to community-based and volunteer rebuild organizations, Disaster Case Management agencies, and Long Term Recovery Groups who can help bring down transfer amounts through donated furniture, household goods, rebuild materials, and labor.
2. Allow those homeowners who do not have the funds anymore to pay their transfer amounts in installments. We understand the HUD requires all “duplicate” funds to be paid into the program before CDBG-DR funds can be spent. However, the City could establish a loan fund, charging little or no interest, that homeowners could access. These funds would then be paid into the Build it Back program, allowing homeowners to pay the funds back over a reasonable time.
3. For those who cannot afford even a low- or no-interest loan, offer grants from the funds in compelling circumstances or seek from HUD a waiver of the transfer amount based on hardship.

2. Disputes around the amount of the reimbursement also cause unnecessary delays.

More homeowners have begun to receive reimbursement offers or checks in the last few months. In some cases, however, the homeowners believe that the amount of the offered reimbursement is too low, not capturing all of their eligible expenses. To seek reevaluation of their reimbursement amount, homeowners file a “Request for Review.” While the request for review is pending, Build it Back will not issue a reimbursement check to the homeowner for the undisputed amount. This practice causes unnecessary delay in getting much needed funds out to homeowners. In the case of insurance payments, a homeowner can accept the initial payment the insurer offers while still seeking additional payment. Build it Back

should follow the same practice: pay the undisputed amount and issue a supplemental check if the homeowner is due more reimbursement.

Recommendation:

When homeowners believe they are due more reimbursement than Build it Back has offered, issue the undisputed funds to the homeowner while their appeals for additional funds are under review.

X. INCREASING STAFF PROFESSIONALISM, QUALITY CONTROL, AND CONTRACTOR RELATIONS

COMMENT: Successful implementation of the updates in Amendment 8 relies on continued attention to greater professionalization and greater oversight for quality assurance of front-line workers and contractors.

Staff professionalism and contractor quality has improved on various fronts in the Build it Back Program over the last year and we endorse continued focus on increasing training and support of staff.

The encouraging updates provided in Proposed Action Plan Amendment 8 will significantly improve relations with residents if there is a continued commitment to internal changes in staff culture and professionalism, along with better quality control and relations with contractors.

1. Committed reform of professionalism of frontline workers and prioritizing clear and accurate communication with residents and advocates must continue.

Much of the lack of professionalism in frontline workers comes from poor education of the changes in the wider Build it Back Program and limited communication across staff, management, and various departments. This can lead to extremely confusing interactions between residents, their advocates (a Disaster Case Manager, legal counsel, or voluntary rebuild representative), and Build it Back staff. One example of confusion between several parties participating in one case (and eventually harming the client) can be found below:

Ms. C on Staten Island signed up for Acquisition for Redevelopment in March 2014 and was initially advised by Build it Back staff that she should qualify. An assessor came in October 2014 and informed her that she wasn't eligible because she didn't meet 50% damages. Ms. C's Disaster Case Manager (DCM) went to Build it Back to advocate to get an Acquisition option back on table for the client because she felt that the damage was under-assessed. One BiB worker told the DCM that there was nothing else that could be done because the damages were valued at only 38% and must have 50% damage, while another worker told the DCM that the damage needed to be at least 67%. One BiB worker told the DCM that Ms. C can take reimbursement and sell the house on her own. A different BiB worker told the DCM that if Ms. C sells the house within a year, she will be penalized and money will have to be reimbursed to Build it Back.

The BiB worker spoke with yet another BiB worker who told the DCM that Ms. C's numbers for damage to the house were in fact incorrect and that the damage assessment amount should be over 80%. Another BiB worker said that the numbers look different because that department of BiB only looks at structure while another department of BiB (Acquisitions) looks at different information. Both BiB workers then realized that the address is in Oakwood Beach and one worker said that Ms. C is eligible for a buyout and gave the DCM a phone number to call for the buyout. The DCM was informed that Ms. C is not eligible for a buyout. When the DCM brought the case back to Build it Back, the BiB worker asked the DCM to give Ms. C a packet for Request for Review in order for her to get back on the Acquisition list.

Because Ms. C was initially informed that she was eligible for Acquisition in March 2014, she had started planning along those lines. Her daughters moved out (they helped with mortgage payment) and now that they are gone, she cannot sustain her mortgage payment for the long term if the house is not bought out. On the other hand, if the house is repaired, she cannot sell it for a year without being penalized.

Other issues encountered by DCM agencies include:

Multiple cases have been handed the wrong check, read the wrong information, or received calls for the wrong household. One DCM has received phone calls on her home phone from Build it Back looking for a homeowner that she does not know. They reveal a great deal of information in their messages.

In October 2014, a client was told that reimbursement was "coming any day now." The client's DCM went to Build it Back on December 30, 2014 and was told that there was a new computer system and that all the reimbursements were to be reentered into the new system with new amounts, and that checks would begin to be dispersed after the delay.

A landlord went to the Build it Back KIA center on Staten Island for clarification on her eligibility. She brought with her a form titled, "Am I Eligible To Apply?" that notes for landlords that if a building did not have tenants at the time of the storm, but you were actively attempting to place tenants in the building, the case may still be eligible. The BiB worker she interacted with did not know about this and asked if he could make copies of this Build it Back form that she brought with her.

Recommendations:

1. Create more "scripts" for Build it Back staff, for example about what signing the COB means and what submitting the F13 means.
2. Create a finalized guidebook of forms for Build it Back staff and refrain from revisions after the release of Action Plan Amendment 8.

3. Expand design consultation and building capacity to lessen the toll on Build it Back staff in these positions. The lack of capacity is slowing things down too much. Design Consultation is currently a large bottleneck that is not only slowing the recovery but increasing the cost for those who are displaced.

2. Build it Back should establish a more transparent process for addressing complaints about contractors missing appointments or completing jobs in a haphazard manner and ensure quality control, including through qualifications for Energy Star and LEED Certification.

We have heard several reports of homeowners who have taken off work to meet with Build it Back-hired contractors for scheduled appointments, and the contractor has not shown up. Undoubtedly, Build it Back has provisions in their contracts with the registered contractors to require timeliness and keeping of scheduled appointments. We fear that this problem could worsen as we enter a phase of more construction activity. We urge Build it Back to develop an effective method for monitoring contractor behavior and ensuring that contractors keep appointments and otherwise adhere to schedules, as well as an efficient mechanism for homeowners to report contractors who miss or arrive late to appointments, or otherwise fail to meet their contractual obligations.

Examples of other issues with contractors include:

A homeowner sued a contractor for fraud and won. The same contractor company was later assigned to this resident by Build it Back.

A homeowner had Build it Back complete their assessment and begin repairs, but they never returned once repairs had begun. There is currently a tarp over the back of her home.

A homeowner experienced contractor fraud with a contracting firm working with Build it Back. He was promised \$10,000 in additional funding to cover the fraud, but still has not received any reimbursement.

A number of homeowners have been unhappy with the design that they have been offered and have found the contractor to be quite intractable but were unsure of the process for submitting these complaints to Build it Back.

Quality control measures should be in place that safeguard homeowners, ensuring that Sandy-affected residents are receiving the highest possible quality of work, that the funding is being used properly, and to decrease the possibility of future issues arising from any attempts to "cut corners."

Once work has been completed, it is likely there will be little recourse for homeowners who experience post-construction issue to address them. An example of this are those issues homeowners have had with the work performed through the Rapid Repair Program. Homeowners have been left with no other options to fix poor quality of work other than to pay for it themselves and "manufacturers' warranties" leave the contractor free to complete a job with little interest in the quality of work performed. Moreover, if companies hired to do the work are not local, their reputations are not necessarily at stake. Local

subcontractors do not apply here because they will likely not be able to fix any issues that arise later that were performed while under contract with another company. It is a “buyer beware” scenario, and presently the responsibility falls to those left with the end product of the work performed.

It is for this reason that quality control should either be performed by an outside agency or monies allotted to homeowners repair expenses in order to provide this for themselves. If quality control measures were to be funded through the Build it Back program and were performed by an outside agency, Build it Back should not have a say in these reports. These reports should be provided to the homeowner in the same manner that a prospective home buyer receives a report from an engineer in order to make an informed decision on their potential investment. Warranties have their place but should not be used as a “means to an end.” Nothing should trump proper quality of work from the outset.

Recommendations:

1. Develop or strengthen measures to ensure that contractors keep scheduled appointments, or at minimum notify homeowners in advance when they will be unable to meet scheduled appointments.
2. Develop a mechanism, such as a hotline, for homeowners to report missed appointments or other unfulfilled obligations, that ensures timely follow-up and sanctions to prevent further contractor failures.
3. Develop or strengthen measures to ensure that contractors fulfill all contractual obligations. One measure is implementation of regular inspections of work performed by Build it Back contractors at 50% complete, 70% complete, and final. These inspections should include conversations with homeowners regarding work performed and should highlight if the scope of work includes electric, plumbing, asbestos removal, etc. Mandatory inspections should be implemented especially before contractors close walls with sheet-rock to make sure that all issues were addressed.
4. Increase quality of contractor work and build resiliency by encouraging Energy Star or LEED Certification. NYC, under both the Bloomberg and De Blasio administrations, has stated that it wants to serve as a model for sustainable, energy efficient buildings (new construction and retrofit). Now that we are embarking on a large rebuild endeavor, it is the perfect opportunity to intentionally incorporate energy efficient materials, technologies, and innovations.

Follow up to these comments submitted by the NYC Long Term Recovery Coalition should be directed to Alana Tornello at alana.tornello@sisandyhelp.org.