

**Testimony of
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For the
New York City Council Public Housing Subcommittee Hearing on
Local Section 3 Implementation and CM Build Oversight
June 17, 2004
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Hello. My name is Damaris Reyes and I am here today testifying, as a member of the T.R.A.D.E.S. Coalition and on behalf of P.H.R.O.L.E.S. (Public Housing Residents Of the Lower East Side). I am here today to thank NYCHA for working with us over the last couple of years and congratulate them on this promising CM Build program, but I would also like to take this opportunity to testify to the importance of transparency and the continuing involvement of the community with this CM Build program, as well as to discuss the overall need for Section 3 enforcement and whole scale procurement reform.

First, on the importance of transparency and community involvement, I ask that NYCHA pledge to work with this Public Housing Subcommittee as the public arm in the CM Build oversight process. Specifically, I ask that NYCHA provide regular reports to the Public Housing Subcommittee, and that the Subcommittee, in turn, keep an open door to the community for review and feedback.

In short, the CM Build Program will meet its training and hiring goals only if everyone at the table follows through with the commitments they have made. NYCHA must stand by the CM BUILD agreement; the unions must set aside appropriate numbers of slots for residents in their respective apprenticeship programs; resident and community groups must recruit and support new apprentice hires; and all groups involved must work together to secure funding for outreach, training, and follow-up services. However, for these groups to share accountability

over the program, they need to remain at the table, and for that, TRADES asks NYCHA to take the Public Housing Subcommittee up on its offer of being the conduit.

Having stressed the importance of this program's success, we absolutely cannot forget that this is a pilot program and is only applicable to half of NYCHA's \$400 million construction portfolio each year. Thus, I am also here today to discuss the need for greater overall enforcement of Section 3, and for significant procurement reform. I understand that NYCHA is in the business of housing and not employment but, as obvious from their commitment to resident jobs under the CM Build program, they do see the responsibility they have under Section 3 and the benefit they receive by having their residents in family-supporting jobs. To that end, I ask that NYCHA take the necessary steps to reform their procurement process. By moving *away* from their practice of awarding the contracts to the lowest bidder and *toward* awarding the contracts to the lowest, *responsible* bidder, they can spend a lot less time and money investigating and settling Section 3 and prevailing wage complaints, and more time figuring out where to plug their budget deficit with all the new Section 3 workers' higher rent checks. Furthermore, even though union and other responsible contractors may be more expensive on the front end, I don't think there needs to be a cost benefit analysis to know that it would be significantly more cost-effective, and certainly more efficient and respectful to residents, to have the work done on time, on budget, and with quality materials that don't need to be replaced 3 years later.

Thank you for your time.