

BY GREG B. SMITH
NEW YORK DAILY NEWS

THE TROUBLED city Housing Authority may be drowning in debt and unable to repair crumbling apartments, but it spent hundreds of thousands of taxpayer dollars on a two-day staff rally and a Web image consultant, the Daily News has learned.

NYCHA's four board members — who receive salaries topping \$187,000 and have city-provided cars and drivers — spent \$325,000 on the rally for employees at Javits Center in March, the agency confirmed.

And the agency last year spent \$100,000 on a consultant to upgrade its image on the Web. Last month, it solicited bids for another firm to continue that task.

The rally took place March 13-14, and all of NYCHA's 12,000 workers were required to attend, gathering on the far West Side from their offices citywide.

Employees attended in three shifts, where they heard speeches by NYCHA Chairman John Rhea and his fellow board members, Margarita Lopez, Emily Youssouf and Victor Gonzalez.

Rhea told the crowd they were all brought there "to feel our collective power," employees who attended told The News.

Rental of the hall for two days cost \$200,000.

Inside the hall, the authority set up an elaborate interactive multimedia presentation in which each employee was handed a clicker device that would register responses to questions presented on Jumbotrons hung from the ceiling.

When employees were asked if they were "concerned about NYCHA's future," 69% clicked yes, while 44% clicked that NYCHA was worse off than it was a year ago, according to an account in the agency's monthly bulletin.

The clicker-enhanced "audio/visual presentation" cost \$100,000.

On top of that, NYCHA spent another \$25,000 on MetroCards so employees could make the trip to and from Javits. No food was served.

The total Javits bill came to \$325,000, and all of this took place on the clock. As a result, employees told The News that during the rally, NYCHA offices across the five boroughs operated on skeletal staffs for most of the day.

Residents with complaints or inquiries were told to come back when everyone had returned from the rally, the employees said.

"They were trying to sell this new plan," one NYCHA worker told The News, referring to Rhea's vision for reforming NYCHA.

"They gave us clickers and asked how do you feel about certain things," he added. "How do you feel about NYCHA? Do you trust NYCHA? And everything came up horrendous." From the employees' perception, there's no trust.

It's not clear how or if NYCHA responded to its workers' concerns.

But late Friday, Julie Wood, a

\$325,000 FOR PEP TALK \$100,000 TO JAZZ UP WEBSITE



NYCHA boss John Rhea chats with workers at Javits Center — rented for 200G. Website (below) got 100G facelift.



NYCHA spends to polish image, but puts off major apt. fixes till 2014!

spokeswoman for Mayor Bloomberg, defended the spending as necessary.

"NYCHA did exactly what it is supposed to do: convened meetings to communicate with its 12,000 employees about its new plan to use smart innovations to recover from the challenges presented by devastating budget cuts and aging infrastructure."

But critics questioned the need for spending on the rally, and blasted another \$100,000 spent on a firm called Search Impact Consulting that specializes in improving corporations' image on the Web.

Rebecca Bilbao, a company official, referred questions to NYCHA.

But a recent request for proposals by NYCHA seeking to continue

Search Impact's work makes clear the mission is to manipulate Web searches to improve NYCHA's image.

The request speaks of the agency's effort to "evolve NYCHA online brand presence in response to search queries to one where the best qualities of the brand are prominently displayed in terms of customer service, community achievement and overall brand image."

NYCHA wants to "enhance the image of NYCHA in the minds of various stakeholders (residents, the local population, the media, government funders)."

Assemblywoman Linda Rosenthal (D-Manhattan) wrote to Rhea in June, questioning why NYCHA would spend that much money on feel-good sessions and "on-

line brand" improvement when it's confronting so many problems.

NYCHA faces a backlog of 10,000 apartments with serious problems that aren't scheduled for repairs until 2014 and a budget gap each year averaging \$50 million.

Its 400,000 residents suffer daily with busted appliances, leaky roofs, dark and dangerous stairwells, broken elevators and moldy walls.

"Instead of making a dent in its more than three-year repair backlog, the Authority has already spent \$100,000 on a previous image management consultant."

"NYCHA has gone to especially great lengths this year to emphasize its financial difficulties, and so it is ironic and extremely concerning that NYCHA would spend its scarce resources on a public rela-

tions consultant to advance a reform package designed to balance its budget," she added.

Rosenthal noted that the agency already employs full-time public relations staff, as well as lobbyists in Albany and Washington to press its agenda.

Rhea has yet to respond to her June 26 letter.

Wood of the mayor's office defended the Web image consultant, stating, "It's 2012 and NYCHA serves a population as big as the city of Boston — of course they need to have a good website."

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INSIDE: How dysfunctional Housing Authority can be fixed.

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DAILY NEWS

NEW YORK'S HOMETOWN NEWSPAPER

Broken NYCHA can be repaired

The New York City Housing Authority is the custodian of a vast and critical public resource — 180,000 apartments, hundreds of developments, thousands of workers — that lives and dies silently.

Every broken lock, leaking pipe, deteriorated roof, uninstalled camera generates a chain reaction of other problems. The most serious of these is the build up of hazardous mold that chokes the breath out of the young and old alike and the lack of security that makes entering many lobbies and riding many elevators a life-threatening experience.

Our organizations in Manhattan, the South Bronx and East Brooklyn have worked in NYCHA developments for two decades. East Brooklyn Congregations, South Bronx Churches, Manhattan Together and EQUAL in Queens are all part of Metro IAF and are made up of churches, synagogues, mosques, tenant and homeowner groups, housing organizations and schools.

Most of our NYCHA work has been nitty-gritty and out of the public eye — meeting with tenants, documenting serious repair and security concerns, creating portfolios of photographs and letters to NYCHA, meeting with project and borough managers, and then monitoring the response. Or lack of response.

BE OUR GUEST

BY MARIELYS DIVANNE
and THE REV. DAVID HABERER

As one example, NYCHA now lacks the capacity to spend nearly \$1 billion in available funds for major capital repairs, as the Daily News has reported. We in Metro IAF first learned of this, not from enemies of the mayor, but from several of his current and former top-level appointees who were tearing their hair out in frustration.

It's the lack of response, up and down the line at NYCHA, that led to a series of futile meetings with the current chairman, John Rhea, and his top staff and a very sober set of meetings at City Hall with then-deputy mayor Dennis Walcott.

We didn't meet to whine or complain. We met to sound the alarm and to offer solutions based on decades of experience in the city. We said that NYCHA was in a state of decline, that the pace of decline was accelerating and that there were ways to reverse it.

Now, NYCHA has been in The News — literally. The kind of investigative reporting and editorial writing that reminds New Yorkers of why newspapers are essential to the health of a great city has exposed what many of us have known for years.

The temptation is to throw up one's hands and say that NYCHA is too big, that its developments are too far gone, that the

agency is too badly run to revive and that a rescue would cost too much money.

Those are exactly the kinds of things people used to say about the thousands of acres of abandoned land and scores of thousands of abandoned buildings in the 1980s, about the homicide rate in the 1990s, and about the sorry state of our schools as recently as 2000. And, yet, in true New York fashion, with great difficulty, much disagreement and voices raised, all of these once-inevitable and intractable declines have been tackled, halted and reversed.

Now it's NYCHA's turn. But, as with these other efforts, new thinking, new structures and new leadership are all needed.

The new thinking goes this way: NYCHA is the last great public housing system in the nation, accounting for 15% of the remaining stock. Its waiting list is 200,000 families long. It can and should be preserved and improved as a message to all that the word "public" doesn't imply "failure" and as a message to working poor and poor New Yorkers that the city can still be home to them.

The new structure would involve the creation of an entity like the School Construction Authority (or the use of SCA) to take over and professionally organize and man-

age all of the repair and construction aspects of NYCHA. The new leadership would involve hiring a person with established bona fides in housing. New York is fortunate to be the home of some of the world's finest housing professionals, including former city commissioners who have the respect of many.

The mayor's defense of the current NYCHA chairman is to accuse his critics of character assassination. This pattern is cynical and unseemly. The mayor should admit, as he did with former Schools Chancellor Cathie Black, that he made a mistake by putting a person with impressive financial credentials in a position that required extensive executive experience and deeper operational know-how.

The mayor has a clock in City Hall reminding everyone how many days remain in his third term. He should use them all to revive NYCHA.

We in Metro IAF stand ready to work with him, day and night, to bring decent, safe, healthy housing to NYCHA's 400,000 important residents.

Marielys Divanne is Metro IAF organizer with Manhattan Together and South Bronx Churches and the Rev. David Haberer is Metro IAF and Manhattan Together Leader

The mayor should admit that he made a mistake.