



Build It Back Progress Update

Mayor's Office of Housing Recovery Operations | October 2016



MESSAGE FROM THE MAYOR

My fellow New Yorkers,

Hurricane Sandy confronted our city with unprecedented challenges. We faced damage to homes and neighborhoods on an enormous scale. We lost neighbors, and families across the five boroughs were displaced.

In the years since, we have learned and we have rebuilt. We are building a stronger city through an over \$20 billion comprehensive resiliency plan.

We also made a critical choice in those first few months after the storm, that would shape all our efforts since. We decided that we would prioritize keeping families in their homes and neighborhoods, and that we would prioritize homeowner choice in the process. That strategy, far different from those made by the State or by other localities in past disasters, put us on the path we are still pursuing nearly four years after the storm.

More than 25,000 families faced damage to their homes. And in the past several years, homeowners have elected different paths to get back on their feet: the City's Rapid Repairs program, State-sponsored buyouts, private insurance reimbursements, federal loans, and for those with needs not met by those resources, the City's Build It Back program.

This progress report focuses specifically on Build It Back.

It is no secret the program had significant challenges from the outset. Some of these were self-inflicted. Initial months were lost to inertia. The tangle of bureaucracy made it virtually impossible to get a shovel in the ground.

Other problems flowed from the decision to help homeowners rebuild homes where they stood, rather than pursuing relocation. Many of the homes in need of elevation stood on unstable sandy terrain, or dated from eras long before modern building codes. The process of rebuilding each distinct home to post-Sandy codes and standards, putting it on a new foundation, and elevating it out of the reach of future flooding, has been an exacting task. And securing the architects, contractors and workers to do so, in the midst of a record construction boom and a city with little capacity for single-family home projects, has required innovative approaches.

We made big changes early in my administration, and we got the engine in gear. Eligibility was expanded beyond just low-income families to those in the middle class. Timetables have been slashed, homes are underway and daily war-rooms are bringing together contractors, utilities, inspectors, and officials to make decisions in an hour that used to take a month.

Zero homes were under construction and zero checks had been issued to homeowners the day we took office. Today, 7,173 applicants, 84 percent of applicants currently in the Build It Back program, have seen a check or construction. **By the end of 2016, the City now expects over 90 percent of program participants will have received checks and/or commenced construction.**

Last year, we had hoped to complete all single-family Build It Back homes by the end of 2016. We will fail to achieve that goal. As more and more homes have progressed, we've gained a much clearer sense of the most

challenging cases, and recognition that it will take more than the remaining weeks ahead to bring them to completion. Best-laid plans need to change when confronted with the realities families and communities face on the ground.

All homeowners cannot move out of their homes for construction on a month's notice. While we have accommodated medical and other hardships, local officials have called for greater flexibility and more time for these households, and they're right. Elevating attached homes, where a block of residents need to agree to a single timeline for construction and moving, requires more time to plan and reach consensus. And while we've reduced the timeframe needed for everything from securing City permits to finalizing a home design, these interactions between homeowners, contractors, utilities and City officials can be made more efficient still.

As we accelerate, we are intensifying efforts on the homes over which the City itself can drive things forward, and meeting halfway the homeowners who need additional time.

While Build It Back's single-family program will not be completed by the end of this year, we are getting closer to our goal with every passing day. For homes where the City is managing construction, we expect nearly all to be ready to commence construction and approximately 70 percent to be complete by the end of this year. And we are implementing several new approaches in response to the specific challenges faced by the most complex reconstructions and elevations we are encountering:

- 1.) We are pursuing mayoral and legislative actions to streamline processes related to demolition, unrelated open permits and violations, and Builder's Pavement Plan requirements. These actions will speed projects further while maintaining an emphasis on safety.
- 2.) In addition to exceptions for medical and other homeowner hardships, we are offering homeowners who have not yet started construction to remain in their homes through the holidays. For each homeowner who elects this flexibility, the City will specify a date in January by which the homeowner must move out to remain in the program.
- 3.) We are providing additional acquisition incentives of up to \$150,000 for homeowners who face the longest and most costly rebuild circumstances.

These options will be implemented and their effects will be measurable in November, at which point we will provide an update on the anticipated completion of the Build It Back program.

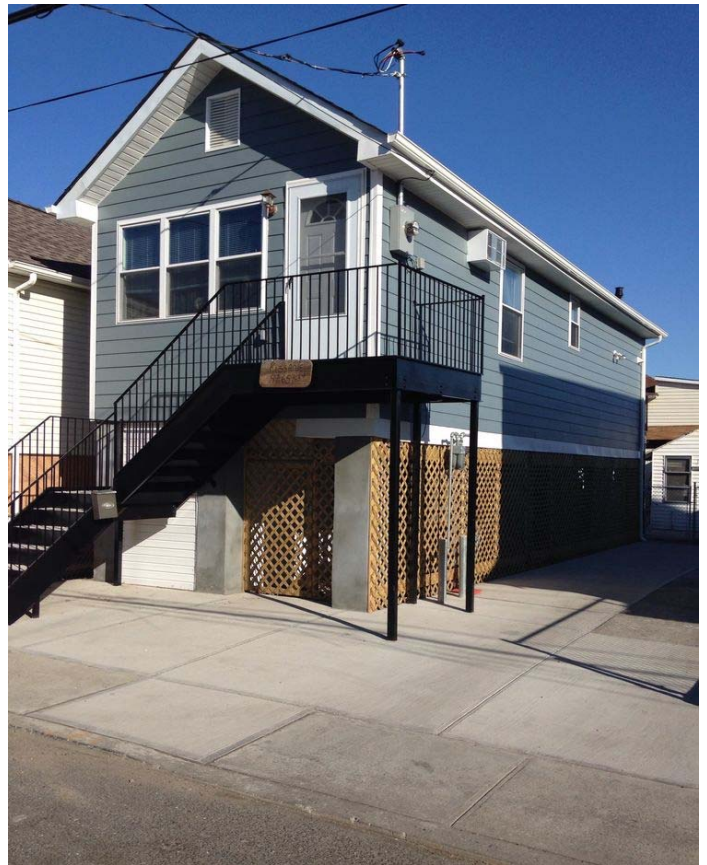
We will undertake a fuller analysis of Build It Back's successes and shortcomings by appointing a Blue Ribbon Commission later this year. Some lessons are already apparent. From its outset, government-managed rebuilding and construction of thousands of unique single-family homes has not proven effective at reaching families with the speed they deserve, or with the efficiency we demand from the public sector. We must, and we will, develop a better model that can serve our city in future crises.

We remain committed to seeing this through. And we will learn the lessons necessary to help our city, and others facing similar crises in the future, to rebuild stronger.

Sincerely,

Bill de Blasio

INTRODUCTION



As we approach the fourth anniversary of Hurricane Sandy, the City remains committed to completion of the Build It Back program and to learning from the last four years as we prepare for the future.

Build It Back was launched in 2013 to assist homeowners, landlords, and tenants in the five boroughs whose homes and properties were damaged by Hurricane Sandy.

Build It Back is funded by Federal Community Development Block Grant – Disaster Recovery (CDBG-DR) dollars from the US Department of Housing and Urban Development. CDBG-DR funding is subject to the rules of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, which sets the legal authority for most Federal disaster response activities, and is designed to ensure that CDBG-DR funds are the last source of recovery funding—made available after all other forms of disaster assistance have been exhausted.

Registration for the City's Build It Back program was announced on June 3, 2013. As of the closing date for registration (October 31, 2013), the program received registrations for more than 20,000 single-family buildings. Of the initial 20,725 applicants in 2013, over 4,700 did not complete an initial eligibility review. The approximately 16,000 applicants that completed the initial eligibility review aligns with the estimates of damaged single family homes and the current projected numbers of single family homes with major and moderate damage that are anticipated beneficiaries of federal, State, and City programs, including Build It Back.

Build It Back currently expects to serve approximately 8,500 applicants, comprising approximately 19,500 households. This number of applicants, combined with those applicants that received assistance from one or more sources outside Build It Back including FEMA IA Assistance, Rapid Repairs, National Flood Insurance Program insurance payments, or SBA loans aligns with the estimates of damaged buildings identified by both FEMA and DOB damage assessments in 2012 and 2013.

Type of Damage	2012 and 2013 FEMA and DOB Damage Assessments	2016 Estimated Population Served
Severe or Major Damage	2,160 homes with severe or major damage (flooding of basements and ground floor living spaces), including 230 destroyed homes.	Over 2,100 homes are projected to receive assistance through HUD CDBG-DR funded construction assistance for rebuilding or elevation, or through the State or City buyout or acquisition programs.
Moderate Damage	15,000 homes with moderate damage (basement flooding with little or no impact to ground floor living spaces).	6,000 applicants are projected to receive moderate repair or reimbursement assistance from Build It Back. 9,000 applicants, who are no longer active with Build It Back, received assistance from one or more sources outside Build It Back including FEMA IA Assistance, Rapid Repairs, NFIP, or SBA.

Beginning with the Mayor’s overhaul in 2014, the City has continuously worked to improve the program and expand flexibility for applicants. In 2014, the City:

- Secured relief for all eligible Sandy impacted residents through \$839 million in additional funding, including a City reallocation of \$200 million;
- Restructured case management to focus on customer service, performance, and accountability;
- Expanded access to the program through partnerships with local elected officials, civic associations, and community based organizations including embedding Build It Back staff at the offices of local elected officials; and
- Increased flexibility to help homeowners get to “yes” by revising methodology regarding how construction decisions are made, granting greater flexibility in the types of offers that could be made to applicants.

In 2015, these efforts continued. The City:

- Increased design and construction capacity through the addition of three major construction management firms and the Department of Design and Construction’s (DDC) construction management expertise to focus on the most complicated projects and communities;
- Introduced a new process for engineers to evaluate homes earlier in the process to ensure that we make the best decision about repair, elevation, or rebuilding a home as early as possible;
- Passed the Zoning Text Amendment to grant relief to several non-conforming building types in particular neighborhoods;

- Introduced “Accelerate Build It Back” Initiative to simplify and accelerate the City’s pre-construction process for Build It Back projects resulting in bulk approvals, deferral of approvals to construction completion, expedited processing, and expanded work hours;
- Accelerated reimbursement by allowing homeowners undergoing lead remediation or with certain permitting issues to receive reimbursement earlier in the process, ensuring all eligible homeowners received reimbursement in 2015;
- Created the Direct Grant option to help homeowners in need of moderate repairs be paid directly for completed work based on an agreed upon scope of work;
- Launched a temporary relocation assistance program to help applicants pay for housing costs while repairs are being performed and with Mayor’s Fund to Advance NYC and NYDIS launched the privately-funded Sandy Temporary Rental Program targeting vulnerable and under-resourced homeowners who demonstrate an additional need for assistance with upfront housing expenses; and
- Created City acquisition program to make it more attractive in communities with particular challenges by providing supplemental opportunity for homeowners who are not able to participate in the State’s program.

In 2016, the City has continued to improve the program, focusing on helping homeowners and communities recover and build resilient communities. This report highlights the ongoing progress and the work remaining.

BUILD IT BACK PATHWAYS

Build It Back Program Options

The City adapted Build It Back, within the regulatory and funding constraints, to meet the needs of the Sandy impacted communities and homeowners by offering multiple program options and increased flexibility. These include:

Reimbursement Grants for Homeowners (5,739 checks issued to date)

- Reimbursement program for repairs (launched in early 2014)
- Reimbursement program for elevations or rebuilds – a new program developed to provide reimbursement for homeowners that initiated elevation or rebuilding their home prior to applying for Build It Back (introduced in 2014)

Acquisition of Homes (132 closings to date)

- State Acquisition for Redevelopment Program
- City funded Acquisition for Redevelopment and Buy-out Programs – a new program expanding acquisition to include unbuildable sites, strategic locations, and sites that didn't meet State criteria or the State deadline (introduced in 2015)

City Managed Construction (3,099 construction starts to date)

- City managed construction services – including repair, elevation, and rebuilding of homes

Community Housing Recovery Projects for Multiple Families (22 construction starts to date)

- Multi-family construction option – for projects involving more than one applicant and building due to shared structural elements or infrastructure, such as attached homes and the Sheepshead Bay Courts (added design and engineering capacity and expertise in 2015 to be able to serve impacted homeowners)

Homeowner Managed Construction Options (650 construction starts to date)

- Homeowner managed construction option through the Choose Your Own Contractor (CYOC) program to provide homeowners the opportunity to select and manage their own contractors
- Direct grant – providing homeowners the opportunity to complete construction work on their own and receive direct payment for this work (introduced in 2015)



PROGRESS REPORT

By early 2014, almost 18 months after Hurricane Sandy, not a single reimbursement had been made, not a single construction project had begun, nor a single home completed.

That spring, Mayor de Blasio overhauled Build It Back, taking a program that was previously weighed down by bureaucracy and implemented solutions to ensure much-needed relief for homeowners. The City took over direct management of Build It Back centers, expanded eligibility, dramatically increased its community presence, and aggressively moved relief dollars to homeowners.

By November 2015, the program had accelerated. Designs had been finalized for 2,175 homes. The program had started 2,015 construction projects, including 1,217 construction completions, as well as issued 5,319 reimbursement checks totaling nearly \$104 million, with checks for all eligible homeowners issued by the end of 2015. In total, 5,983 applicants had seen a check or a construction start.

The deadlines set by Mayor de Blasio dramatically increased the pace, moving up construction starts, improving coordination with homeowners and reducing the time needed for City approvals.

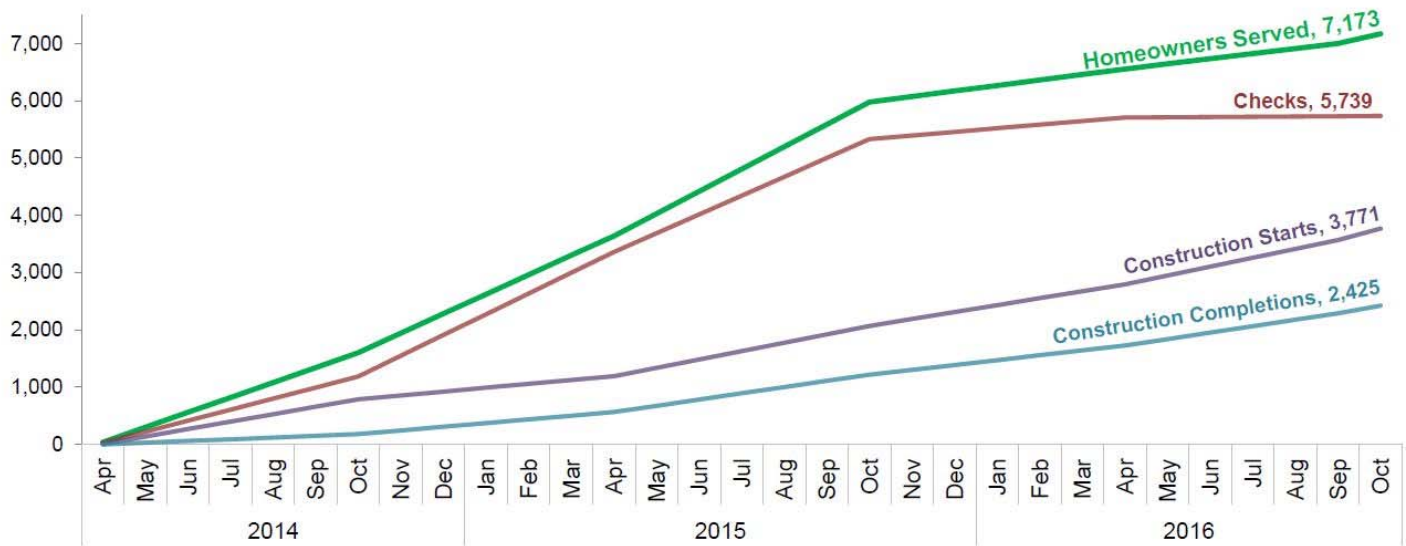
As of this October, there are 8,585 applicants in the broader Build It Back program, of which 7,173 **(84 percent of applicants) have seen a check or construction.**

For the 5,565 applicants undertaking construction:

- 4,952 home designs are finalized (89 percent).**
- 3,771 homes have started construction (68 percent).**
- 2,425 homes are now complete (44 percent).**

Build it Back Program Outcomes

April 2014 - October 2016



Over the past year, the Mayor’s Office of Housing Recovery Operations, and its partners – the Department of Housing Preservation and Development (HPD) and the Department of Design and Construction (DDC) – in coordination with Buildings (DOB), Transportation (DOT), Environmental Protection (DEP) and FDNY, have made processes more efficient, eliminated extraneous steps, and increased resources dedicated to the Build It Back program.

Increased agency efficiencies include: DOB commitment to a 48 hour turnaround on all plan submissions; DOB and DEP dedicated staff seated side by side with designers and contractors providing rapid feedback and technical assistance; and Board of Standards and Appeals (BSA) agreement to bulk waivers for homes on unmapped streets and those affected by street capital plans, shortening that process from 3-6 months to less than 45 days.

Meanwhile, through our partnership with utility providers, the City accelerated the standard 60 day turnaround for utility disconnections and reconnections to 14 days—with over 350 homes impacted since this change.

The City has implemented additional new policies for our contactors and construction managers that increased design and construction capacity and improved construction management. By instructing CM firms to review design approvals by DOB, by the homeowner, and by Build It Back simultaneously, the City considerably shortened the approval process, while working with homeowners to meet their needs and design deadlines. The City conducted extensive outreach to increase contractor capacity. To date, more than 200 contractors have been approved to work on Build It Back projects, 87 of which are approved to work as primes and nearly 38% of which are M/WBEs. An additional 116 contractors are approved to work as subcontractors. Efforts by key trade unions have successfully increased the workforce dedicated to Build It Back by promoting the work to their membership and granting greater flexibility to contractors allowing them to bring on a larger percentage of other workers.

The City had previously set a goal of completing the single-family program by the end of 2016. We remain committed to finishing every home, and have dedicated the necessary funding to complete the Build It Back program. This year's ambitious target forced tighter deadlines, sped up construction timetables and prompted homeowners to make decisions about which program path to take that had previously gone deferred.

But even with this acceleration, challenges have emerged, in part because so many homes moved forward at once. In a competitive construction market breaking records every month, the limited pool of qualified architects, contractors and workers capable of single-family home design and construction has proved challenging. The City has undertaken new measures to increase that pool. And most importantly, homeowners have grappled with the challenges of moving out of their homes so construction can commence. For many reasons—some unavoidable, some a matter of discretion—many homeowners have sought additional time and hardship exemptions to delay move-outs to a time more convenient to them.

Owing to these challenges, the City now expects over 90 percent of program participants will have received checks and/or commenced construction by the end of 2016.

To accelerate the final phase of the program, the City is establishing new targets and policies specifically for the City-Managed Single Family Home construction, a subset of 4,275 homes (the biggest single category) over which the City has the greatest degree of control.

More than half of these homes have been completed to date. To advance the remaining projects while meeting homeowners' need for greater flexibility, Build It Back will:

- 1.) Ensure that nearly all of these 4,000-plus homes have completed all steps necessary to begin construction by January 1, 2017.
- 2.) Offer homeowners who have not yet started construction to remain in their homes through the holidays. This flexibility during the holidays and winter months has been sought consistently by homeowners and local officials. For each homeowner who elects this flexibility, the City will specify a date in January by which the homeowner must move out to remain in the program.
- 3.) Engage homeowners facing the most difficult and time-intensive construction projects with further incentives (up to \$150,000) for acquisition and relocation.

The City has already begun executing each of these new strategies.

COMPLETING THE PROGRAM



City-Managed Construction

While the City works to complete the program for all homeowners as expeditiously as possible, it is increasing focus and resources on City-Managed Single-Family Construction. These 4,275 projects represent the overwhelming majority of rehabilitations, rebuilds and elevations, and they are the most dependent upon City actions to move forward.

To date, more than half of these City-Managed Single-Family Construction projects have been completed, 72 percent are in construction and 76 percent are ready for a homeowner to move out so construction can commence.

	Build It Back All Homes	City-Managed Single-Family Construction	Community Housing Recovery Projects for Multiple Families	Homeowner Managed Construction
Total Projects	5,565	4,275	263	1,027
Ready to Start	71%	76%	14%	66%
Construction Starts	68%	72%	8%	63%
Construction Completions	44%	51%	1%	23%
Homeowner Hardships	283 (3%)	259 (6%)	21 (8%)	0

While deadlines are required to get both the City and homeowners through the stages of Build It Back, there are hardships faced by homeowners that sometimes require a pause in the process. Build It Back grants hardship extension requests due to medical, financial, and other hardships. Of the City-Managed Single-Family Construction Projects, 259 homeowners, or 6 percent of the total, have been granted hardship exemptions from deadlines to date. These exemptions impact the City’s ability to start and complete these projects.

Increasing Construction Capacity

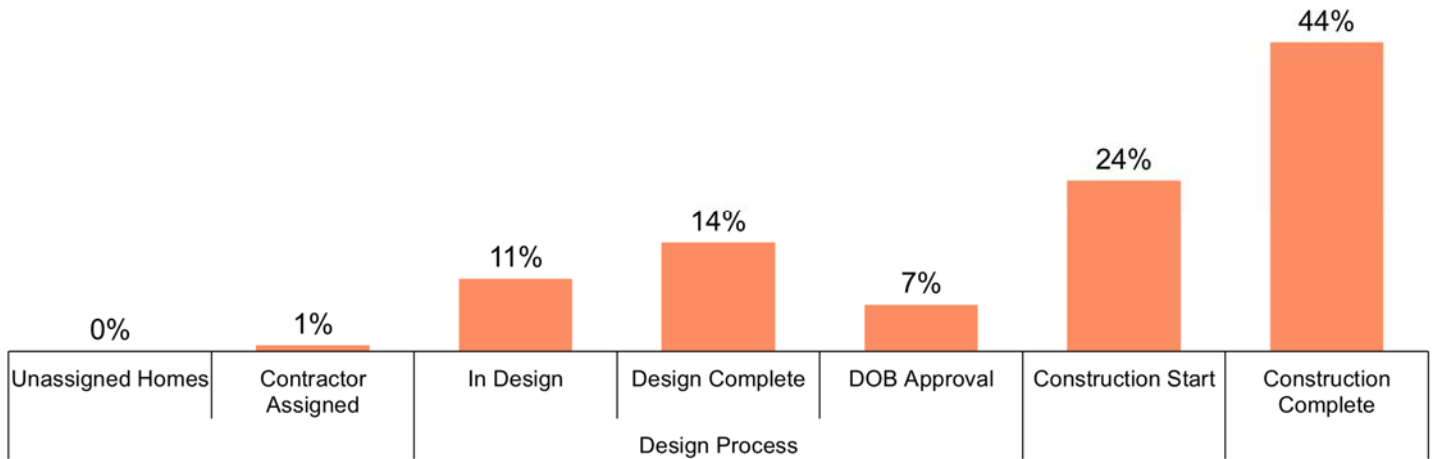
Understanding the risks of a check issuance program, the City took on the challenge of completing the construction work through City-managed contractors. Strengthening market conditions throughout the Tri-State area have led to competition for materials, skilled labor and professional services - the construction industry in New York is at its highest level of industry employment in more than 40 years. While the City already faced a challenge in a city with a limited single family home construction market, the City has been able to expand design and construction capacity to ensure the completion of Build It Back.

In order to ensure timely service for all participating homeowners, the City overhauled the Build It Back program to increase construction capacity. Supplementing the critical work by HRO’s Job Order Contractors (JOCs) and HPD’s developers, HRO enlisted the Department of Design and Construction (DDC) to oversee additional homes for elevation, reconstruction and rehabilitation. Today, DDC oversees over 1,500 homes, HRO 3,600 elevations and rehabilitations, and HPD over 200 reconstructions. The City then structured Build It Back’s DDC component to tackle large numbers of homes simultaneously. The City organized the DDC work by borough under three construction management (CM) firms, which in turn manage construction projects from design through construction, including complex structures, such as attached homes and small neighborhood courts. Due to this effort, Build It Back increased its resources considerably. Today, more than 95 architecture firms are working program-wide, and as a result, 89% of all Build It Back designs have been completed. The City expanded contractor capacity with over 200 union and non-union contractors approved to work under DDC. The City purchased Contractor Controlled Insurance that would allow smaller contractors to participate in Build It Back and it developed a pre-fund payment mechanism to ensure that contractors and their subcontractors and laborers were paid quickly.

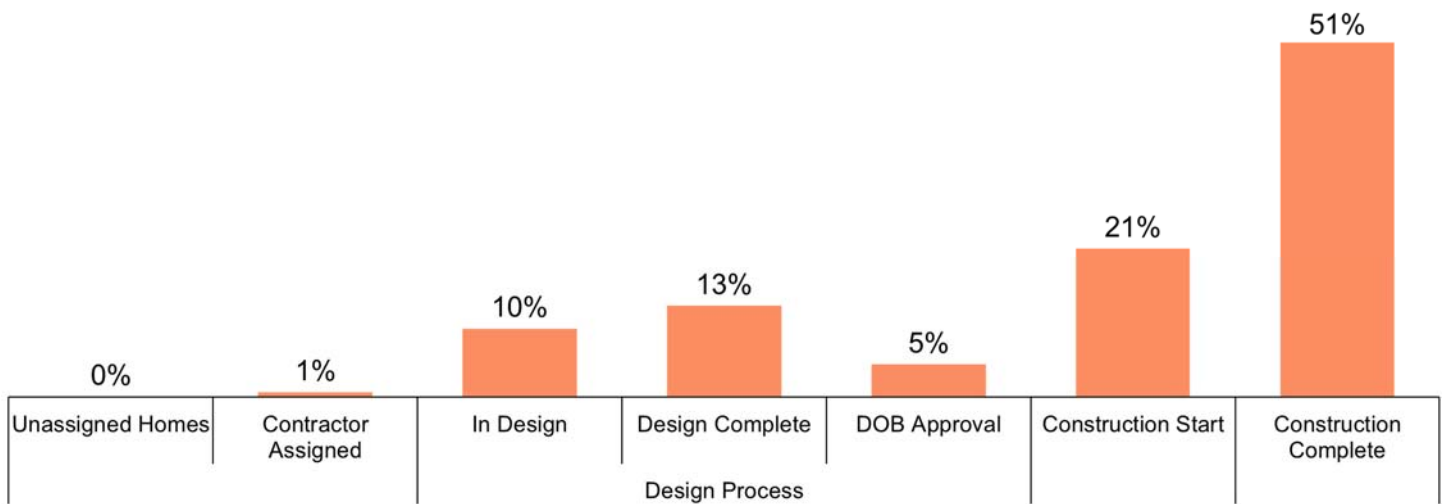
Developing this additional construction capacity with DDC also allowed the JOCs contractors to focus on rehabilitation projects and a smaller group of elevation projects. HPD developers focused on their

reconstruction pipeline, while DDC was able to plan for additional reconstructions from homes originally in the elevation pipeline that made more sense as reconstructions.

Total Construction Pipeline – 5,565 homes



City-Managed Construction Pipeline for Single Family Detached Homes – 4,275



We are working hard to be ready to start all City-managed single-family projects by the end of the year. To complete the program, we need homeowners to: sign off on their plans and grant agreement; commit to a move-out date; and pay any remaining insurance payment/ transfer amount to City. We have set reasonable deadlines and provided resources to help. The City has always granted exceptions to deadlines for homeowners’ medical, financial, and personal hardships.

However, it has also led to understandable requests from homeowners for additional flexibility to remain in their homes. We have heard from Council Member Treyger and other elected officials. As stated by Minority Leader Council Member Steven Matteo: “We are simply asking for a reasonable extension for those who have

waited an unreasonably long time for much-needed help.” To comply with these requests, we want to provide limited flexibility to homeowners to comply with their move-out dates. For each homeowner who elects this flexibility, the City will specify a date in January by which the homeowner must move out to remain in the program.

To accompany this, we remain 100% focused on ensuring that the City-managed single-family homes are ready to start by the end of the year. But we will give homeowners the ability to remain in their homes over the holidays and work with their assigned contractors in determining a start date that works for their families. And we have learned from experience that every home is its own story. Some of these families are in unique circumstances – e.g., serious illnesses – and not in a position to move forward at this time.

Expanded options for homeowners

Some homeowners face particularly complex site conditions and design and construction issues but remain committed to maintaining homeownership in New York City. While the existing City and State acquisition programs have attracted interest, the City is exploring interest in a new acquisition incentive program for remaining homeowners. The City’s current Action Plan amendment proposes supplemental resettlement incentives of up to \$150,000. These incentives would defray the high cost of purchasing replacement housing in New York City and encourage resettlement within the City.

PROGRAM COSTS

The City’s goal is to invest and create resilient neighborhoods. Through the Build It Back program, the City is committed to serve all eligible applicants and has identified additional needs required to accomplish this goal. The City’s Proposed Amendment 12 to the Action Plan allocates \$500 million in additional funding to Build It Back. The money allocated will help move homeowners into more resilient housing without sacrificing any current resiliency or non-resiliency projects.

The additional needs are required to increase homeowner assistance, expand Program pathways, and fund increased costs due to additional design and construction requirements.

The City provided new and expanded assistance to homeowners with financial needs to ensure homeowners do not forego elevation or reconstruction due to financial hardship including: optional relocation assistance and additional services for homeowners through the Temporary Housing Services contract; an allowance by the City for homeowners to decrease transfer amount payments to the City; and additional reimbursement to the SBA loan population.

The City provided new program options including City-administered acquisition and buyout programs and limited new intake to assist homeowners dependent on other homeowners.

The City identified many design and construction requirements that were not included in the 2013 post-Sandy housing reconstruction analysis or cost model including: addressing complex and neighborhood-specific regulatory requirements; accommodating requests for accessibility to elevated homes; enhancing structural requirements due to soil conditions and site constraints; and increased construction complexity to address issues related to the age and condition of the existing housing stock. The City was able to provide design adaptations to address community and homeowner input including providing a second means of egress, enclosed foundations, and over-elevation. Costs are higher due to the strengthening market conditions throughout the Tri-State area which have led to increased construction costs through competition for materials, skilled labor and professional services.



EXPEDITING CONSTRUCTION

MAYOR'S GOAL - ENSURE THAT ALL CITY RESOURCES FOCUSED ON COMPLETING PROGRAM

Mayor de Blasio set an ambitious goal for Build It Back completion that has helped many aspects of the program.

Build It Back Construction Completion War Room and Field Coordination Offices

In order to coordinate and expedite construction across agencies and utility companies, this summer Build It Back launched the HRO War Room. This group—which includes HRO, HPD, DDC, DOB, DOT, DEP, and FDNY, along with National Grid, Con Edison and PSE&G—is dedicated to supporting the program agencies from construction start through final completion and closeout. The team is structured to assist construction managers, general contractors and subcontractors to: (1) coordinate work in impacted neighborhoods; (2) expedite agency approvals, special inspections, and utility needs; and (3) provide strategic assistance on construction issues that need to be escalated.

Focus on Safety

The City is focused on safety as more homes move into construction. The agencies involved in the Build It Back program have worked to coordinate safety reviews, and make sure the Program and its contractors are taking extra steps not only to protect the construction sites, but also the neighborhoods where Build It Back is working. The managing agencies—HPD, DDC and HRO—have safety teams that inspect the construction sites for all appropriate standards. HRO brought on additional safety teams to monitor each construction project's impact in the neighborhoods. The safety crews identify potential hazards in the streets and sidewalks surrounding jobsites, ensure that contractors are maintaining construction fences and site security, assist with coordination of street closures and deliveries, and mitigate other impacts on the neighborhoods. In July, HRO brought on a team of FDNY chiefs to monitor safety by patrolling neighborhoods where construction is taking place. These officials are tasked with ensuring construction deliveries and site activities do not block emergency vehicle access.

Expedited Agency Approvals, Permitting, and Inspections

To assist affected property owners with the recovery process, the Department of Buildings (DOB) has assigned additional DOB-Build It Back dedicated personnel throughout the impacted areas including three staffers deployed to Build It Back Field Coordination trailers, plan examiners at two Construction Managers' offices (Queens and Brooklyn), as well as plan examiners at the DOB borough offices in Queens, Brooklyn and Staten Island. Through this effort, DOB plan examiners have achieved and maintained service levels of 48-hour review for first submissions, and a 3-5 day turnaround for second submissions.

The Build It Back program continues to search for ways to expedite various agency requirements. The Department of Environmental Protection (DEP) has placed inspectors in the field to be able to complete inspections within 24 hours. They also have an online portal to submit some of the required paperwork and have allowed engineers to self-certify that items have been installed according to plans. DOB has also expedited permitting reviews and removed some of the supporting documentation requirements. DOB is allowing our contractors to work after hours and weekends in order to maximize construction time. DOB's

staff is also available to assist our contractors as they work through the DOB process. All of these actions are expediting the permitting and construction process.

Innovative Bulk Regulatory Approvals

In partnership with the Mayor's Office of Operations, DOB, DOT, BSA, and other partners, the City has expanded on its prior work with Accelerate Build It Back and the Zoning Text Amendment passed last summer. Over this last year, the City has provided expedited processing and bulk waivers for many processes including General City Law (GCL) 35 and 36 waivers to permit building on street widening lines and unmapped streets, and Builder's Pavement Plan (BPP) waivers for streets without any sidewalks and/or related components like curbs and drainage.

There are approximately 400 wetland permits needed by the Program from the New York State Department of Environmental Conservation (DEC) to support the work that is taking place. In partnership with DEC, the Build It Back program has entered into multiple general permits covering rebuilds and elevations, providing clear requirements for wetland protection while expediting the permitting process. Additionally through an expedited consent order process, homeowners can handle past DEC issues to allow their homes to fall under the General Permit, minimizing delays related to issues that pre-date the Program.

HOMEOWNER PARTICIPATION

The City has focused its efforts on ensuring that all eligible homeowners interested in one of the many options available through Build It Back are served. The Program's offerings are more extensive than other Sandy storm recovery programs, or any past disaster recovery programs, including offering reimbursement, acquisition, and multiple construction models that support homeowner choice while protecting homeowners from risk. Additionally, the Program invested in services, such as legal counseling and temporary housing, to facilitate homeowner participation in the program and ensure that impacted neighborhoods are rebuilt effectively.

The efforts are outlined below:

DEDICATED FUNDING TO MEET HOMEOWNERS NEEDS

Secured Additional Funding

- Reallocated and secured additional funding in 2014 to eliminate priority levels and allow all homeowners to be served
- Reallocated funding in 2016 to increase homeowner assistance, expand Program pathways, and fund increased costs due to additional design and construction requirements

Provided Additional Resources to Help Meet Financial Needs of Applicants

- Funded a temporary rental program to provide direct financial and placement assistance to homeowners who must vacate their homes during construction
- Funded moving and storage costs during the period of construction

- Allowed homeowners opportunity to reduce or eliminate their federally mandated financial contribution by expanding allowable disaster expenses to include temporary repairs, design costs, temporary housing, and other disaster related expenses

Responded to public input and revised policies related to SBA loans

- Increased reimbursement amounts from 60% to up to 100% of the reimbursable amount for reimbursement-eligible applicants who accepted and drew down on their SBA loan so that the Program could help homeowners who incurred Sandy-related debt to repair their homes
- Simplified the process for applicants who declined SBA loans to demonstrate financial hardship and have their loan waived so that it was not included in their federally mandated financial contribution, also known as their transfer amount

PROVIDED FLEXIBILITY AND MORE OPTIONS TO ENCOURAGE PARTICIPATION

Created Option Minimizing Risk to Homeowner

- Committed to a City managed construction option that minimizes risk to homeowners that is inherent in other grant programs that provide assistance directly to homeowners who must pay back grants if they do not complete their construction projects in a way that is fully compliant with all federal, state, and local requirements
- Committed to providing full assistance to homeowners, within HUD requirements for cost reasonableness and necessity, which is fundamentally different than other grant programs that set a cap on assistance at a pre-established amount and require that homeowners fund the cost of any construction that exceeds the cap amount

Provide the Option for Homeowners to Manage Own Construction

- Provided a Choose Your Own Contractor option that gives more flexibility to homeowners to select their own contractors; to add their own funding to upgrade materials and finishes; and to set their own construction schedule
- Provided a direct grant option to homeowners to allow homeowners complete flexibility on how work is completed paying homeowners in full after completion for the agreed upon scope of work

Provided Options for Homeowners to Pursue Preferred Pathway

- Allowed homeowners to use an appraisal process to re-evaluate their Substantial Damage calculation and potentially pursue a more desired pathway for their individual needs
- Worked with FEMA and the Department of Buildings to develop a new method to determine the “market value of the structure before the damage occurred” to ensure that Build It Back could offer alternative mitigation to attached homeowners and other homes pursuing a change in pathway

Adapted Minimum Program Standards to Respond to Community and Homeowner Input

- Allowed homeowners that met specific criteria to pursue discretionary elevation of their homes to mitigate against future loss and lower their flood insurance rates
- Based on community input provided an option for the enclosure of foundations, in line with revisions to the building and zoning codes
- Updated Minimum Program Standards to reflect the desire of the community to replace space lost in basements or cellars by permitting over-elevation of a home above the city mandated Design Flood Elevation where allowed

- Provided second means of egress to maintain use of back doors and Juliet Balconies to allow homeowners greater flexibility in adding future decks to existing upper floor exits

PROVIDED RESOURCES AND ASSISTANCE WITH FINANCIAL AND OTHER HARDSHIPS

Counseling Services and Connections with Other Resources

- Created a pilot program combining government and charitable funds for direct assistance locating housing and covering the upfront costs partnering with NY Interfaith Disaster Services (NYDIS)
- Expanded pilot program through Temporary Housing Services Contract to provide additional services to homeowners facing challenges in finding and leasing temporary housing
- Established multiple partnerships to help homeowners overcome obstacles relying on City resources, including Department of Aging and other agencies, and the extensive network of Disaster Case Managers and nonprofits supporting Sandy recovery
- Contracted with the Center for New York City Neighborhoods (CNYCN), a non-profit agency, which partners with local community-based organizations to provide housing, counseling, and legal services to homeowners to assist more than 4,000 applicants including counseling on transfer amounts and Coordination of Benefits, SBA disaster loan cancellation, and mortgage, foreclosure and ownership issues
- Forged a strong partnership with the Disaster Case Management Program allowing access over \$5 million in financial aid through the Unmet Needs Roundtable that was used to meet needs that could not be met using CDBG-DR funds

Extension of Deadlines Due to Hardships

- From case management to design to construction, at each stage Build It Back has given homeowners deadline extensions due to hardships related to medical issues, financial hardships, and other life circumstances

ENCOURAGED PARTICIPATION THROUGH OUTREACH AND EXTENSION OF ELIGIBILITY PERIOD

- Conducted extensive outreach in the communities to encourage applicant participation, including targeted door to door outreach in low and moderate income neighborhoods
- Provided maximum flexibility in filing the necessary paperwork to participate in the Program. Applicants were given extra time to prove eligibility and select a Program pathway. Those who needed special assistance to complete their application process were linked with a legal counselor or disaster case manager. Applicants who could not meet Program deadlines and were subsequently withdrawn were given the opportunity to return to the Program to receive a benefit through the end of 2015.
- Opened intake on a limited basis to allow homes dependent on neighbor participation to proceed with elevation or reconstruction focusing on low and moderate income neighborhoods. Conducted targeted and extensive outreach to encourage neighbor participation and agreement to facilitate the elevation and reconstruction of attached homes and construction within strategic neighborhoods.

DESIGN AND CONSTRUCTION CONSTRAINTS

After Sandy, it was clear that New York’s aging, diverse housing would lead to a complex recovery process. The 2013 report released by the Special Initiative for Recovery and Resiliency (SIRR) noted that “the very nature of the city’s structural inventory poses a challenge to using methodologies such as elevation to retrofit New York’s building stock.”¹ The Department of City Planning’s *Retrofitting Buildings for Flood Risk* guide expands on these challenges: while “FEMA provides extensive guidance for retrofitting one-to-four family detached buildings on large lots... buildings in New York City’s waterfront neighborhoods are frequently situated on relatively small lots, often attached or close to other buildings, and of masonry rather than light wood frame construction. It is often difficult or impractical for these buildings, which range from one-to-four family detached buildings, rowhouses, tenements or apartment buildings with or without ground-floor retail, to be retrofitted to comply with NFIP requirements.”²

Unique nature of New York City

The Department of City Planning engaged in Resilient Neighborhoods studies for Sandy-impacted communities. These studies highlight examples of building complexities in NYC.

- In **Broad Channel, Hamilton Beach, and Howard Beach**, “the unique built environment of these neighborhoods, including narrow lots, and narrow, low-lying streets pose challenges for resilient retrofitting and reconstruction,” not to mention the numerous inlets from Jamaica Bay.
- Due to its “low-lying topography, insufficient drainage, [and] the unique “hemmed-in” geographic position,” the **East Shore of Staten Island** is also uniquely vulnerable to coastal storms. After Sandy, the higher elevation of Father Capodanno Boulevard, a shorefront road, “allowed deep water to remain in East Shore neighborhoods for days and weeks following the storm.”
- During Sandy, floodwaters in **Canarsie** reached 5 to 7 feet above ground, which “caused significant damage to basements and ground floor levels.” Basements and at-grade space, often used as separate rental units, are common in Canarsie because much of the neighborhood was not in the FEMA-designated flood zone (“prior to FEMA’s release of the Preliminary Flood Insurance Rate Maps (PFIRMs) in 2013). In the PFIRMs, however, two-thirds of the neighborhood is included. Additionally, close to 70% of buildings



¹ Special Initiative for Recovery and Resiliency. *A Stronger, More Resilient New York*. City of New York, 2013, p. 78.

² Department of City Planning. *Retrofitting Buildings for Flood Risk*. City of New York, 2014, pp. 8-9.

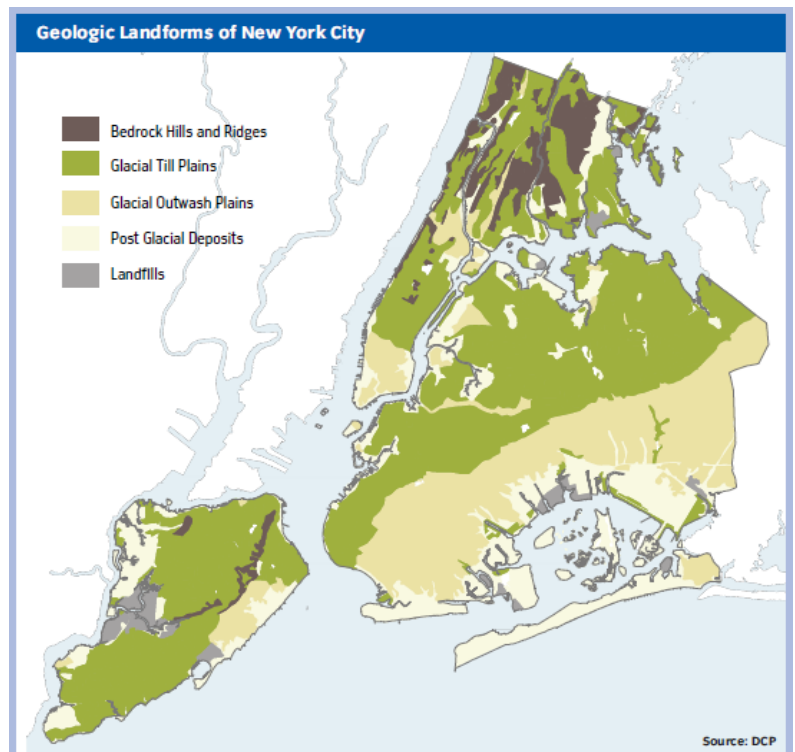
in Canarsie are either attached or semi-detached and many are located on sunken lots,” making common resiliency retrofits like home elevation more difficult.

In response to the unique nature of the housing recovery in New York City, HRO and FEMA issued the *Post-Sandy Housing Reconstruction Analysis* in 2013 and the Department of City Planning released *Retrofitting Buildings for Flood Risk* in 2014. Build It Back has evolved over time in response to a growing understanding of these challenges and the changing regulatory environment including:

- Updated FEMA maps vastly increased the number of homes in the flood zone – maximizing homes that needed to be elevated
- 2014 NYC Building Code updates – Appendix G – Flood-Resistant Construction strengthened requirements for new and substantially improved buildings in the floodplain
- 2014 NYC Building Code updates related to life safety
- Accommodations for homes with extra life safety and access concerns (unmapped streets, courts with no street access, streets below the required limits for fire safety), which increased the need for sprinklers and require infrastructure improvements
- Congressional changes to the National Flood Insurance Program (NFIP), enacted in 2012 and 2014, impacted homeowners’ decisions on whether to pursue elevation

Designing for storm surge and flooding

Although it was noted by the New York City Special Initiative for Recovery and Resiliency (SIRR) that “the inundation area closely matched the lowest-lying areas with the softest soils,” the 2013 *Post-Sandy Housing Reconstruction Analysis*, issued by HRO and FEMA, estimated that less than 10% of homes would need a new foundation system and helical piles. Despite this initial analysis, engineers designing elevated structures in compliance with 2014 Appendix G of the NYC Building Code have required helical piles and new foundation systems for over 90% of the elevated structures due to soil conditions, water table, and design requirements to protect against storm surge and flooding.³



Requirements beyond storm repair and elevation

In addition to more robust design to invest in resilient homes despite difficult site conditions, the required work was expanded by both federal and city regulations:

- All homes provided funding through HUD must be made decent, safe, and sanitary, requiring work beyond storm repair and mitigation in many homes
- Lead based paint and asbestos abatement

³ Special Initiative for Recovery and Resiliency. *A Stronger, More Resilient New York*. City of New York, 2013, pp. 47-48.

- Increased construction complexity to address the poor quality and age of housing stock
- Builder's Pavement Plan requirements requiring the construction of sidewalk and the repaving of streets during any home construction
- Compliance with HUD-mandated Green Retrofit and Green Building standards

Complexities of a City-managed program for privately-owned homes

In a City-managed construction program, the City must strictly adhere to the requirements of New York City's Building Code and the myriad of federal regulations that govern the use of CDBG-DR funding. This is a unique situation for privately-owned, single-family homes in New York City, and it has brought along with it the need to address, reconcile, waive, or change long-standing regulatory requirements:

- Presence of apartments not referenced in the Certificate of Occupancy including differences between Certificate of Occupancy and Department of Finance records
- Lack of Certificates of Occupancy for the majority of homes
- Past DOB and ECB violations and open permits
- Single Room Occupancy units (SROs) that no longer have the same number of occupants or units, but have never completed the required Certificate of No Harassment process
- Longstanding DEC violations

Community Housing Recovery Projects for Multiple Families

Well-coordinated solutions are required for complicated multi-family projects and projects that involve multiple homes with shared structural elements (attached homes) or infrastructure (courts). The Build It Back program has dedicated additional resources to these projects including:

- Homeowner services and outreach to coordinate the needs of multiple homeowners;
- Design and engineering services to address complex engineering challenges; and
- Legal services to focus on necessary agreements between homeowners.

Attached Homes

Hundreds of attached homes were damaged by Hurricane Sandy, presenting Build It Back with a unique challenge unlike any other storm recovery program. Attached homes pose a unique design, engineering, and legal challenge, particularly in cases where adjacent homeowners disagree about how to move forward. In summer 2015, Build It Back brought on new design and construction capacity, the DDC construction management firms, to begin focusing on complex engineering and design situations like attached homes.

Construction on attached homes requires the coordination of multiple homeowners. In some scenarios, multiple neighbors can agree to rebuild or elevate their homes together. Another option is to obtain the consent of one or more neighbors to allow construction to be done to shared building elements (party walls, roofs, or siding) through a Construction License Agreement.

In summer 2015, Build It Back created a pilot in Edgemere, Queens, to open Build It Back registration to attached neighbors of homeowners already in Build It Back, and to re-engage attached neighbors that had withdrawn. Through these efforts, dozens of additional attached homes elevation projects are proceeding in Edgemere and several new homeowners have been brought into the program. This effort was expanded last winter to include semi-attached homes citywide. Build It Back began extensive outreach to all attached

homeowners and neighbors to obtain license agreements and gauge interest in program participation. Because of the special circumstances, we conducted extensive outreach through July--including additional door knocking, phone calls, neighborhood open houses and individual meetings--to ensure that all neighbors were reached.

Through coordination with federal partners, including HUD and FEMA, and with DOB, Build It Back is able to offer alternative mitigation measures focusing on the elevation of utilities to attached homeowners that are not able to mitigate through elevation.



Sheepshead Bay Courts

Immediately following Hurricane Sandy, residents of Sheepshead Bay Courts in Brooklyn worked together to advocate for a collective housing recovery approach given the unique conditions and challenges of the area.

Built in the 1920s, beach bungalows that were later weatherized sit along narrow walkways in private easements. Over time, the surrounding streets were raised, and Courts homes now sit several feet below the surrounding street grade, which limits access and increases the risk of flooding. Furthermore, residents of these courts share private, antiquated water and sewer infrastructure that lacks clear ownership but is

separate from the City’s system. As a result of the topography and infrastructure, Hurricane Sandy badly damaged homes in the Courts, with floodwater from storm surge trapped long after the storm surge receded.

Given the aging housing, shared utilities, and tight quarters along private walkways, the construction of each home depends on the participation or cooperation of their neighbors. The storm highlighted challenges and prompted several neighborhood planning studies, including from the Pratt Center and Department of City Planning, to mitigate the flooding in Courts. These studies have informed Build It Back’s unique recovery approach to this area, which has included intensive outreach, partnership with elected officials including Council Member Deutsch, and coordination between homeowners. While evaluating the feasibility of elevating and reconstructing homes, Build It Back is also studying infrastructure repairs for this area, which would improve the resiliency outcomes of its projects in this area. Currently Build It Back is working to complete design on those homes in the program and is working with the homeowners to facilitate the formation of a Homeowner’s Association that will allow the installation of new internal sewer and water systems that will make these communities safer and more resilient to future flood events.



Resilient Edgemere Community Planning Initiative

Edgemere is a neighborhood with low-shoreline: threatened by frequent nuisance flooding as well as sea-level rise and storm-risks. It is a low-income homeownership waterfront community with limited access to the water. It is a neighborhood with large swaths of vacant, city-owned land, alongside bungalows occupied by a close-knit group of long time homeowners. As part of New York City’s recovery from Hurricane Sandy, under direction from HPD, NYC launched the Resilient Edgemere Community Planning Initiative to develop a holistic framework to respond Edgemere’s unique vulnerabilities to physical and financial threats, and pair recovery with a long term plan developed through public engagement.

Working with ORR, DCP, and Build It Back to tailor recovery benefits to better match the community's unique needs, the planning initiative includes developing a relocation program to move homeowners from areas of highest hazard, and facilitated the implementation of a Raised Shoreline feature.

Multifamily Storm Recovery and Resiliency Program

The Build It Back – Multifamily Storm Recovery and Resiliency Program serves residential buildings with five or more dwelling units with reimbursement for completed storm repairs, outstanding storm repairs, and resiliency retrofits. The Program assists a wide range of building types ranging from small 5-unit tenement buildings in the Lower East Side to large 2,500 unit tower in the park buildings in Far Rockaway. The multifamily pipeline consists of 148 buildings housing over 20,000 households. As of October 2016, the Program has provided assistance to 119 of these buildings, serving more than 16,000 households with a total commitment of funds totaling over \$56M. The Program has been able to overcome challenges ranging from capacity issue with small building owners that had no prior Federal or City involvement to working through the creation of complicated resiliency scopes with resiliency design professionals.

The Multifamily Storm Recovery and Resiliency Program is the first of its kind in the nation to take a proactive approach to making multifamily buildings in the flood plain more resilient to future flood events. The Program has provided 17 buildings with resiliency retrofits, and has an additional 30 more buildings in the pipeline.

WHAT WE HAVE LEARNED AND HOW DO WE PREPARE FOR FUTURE DISASTERS

Build It Back began with key policy decisions that drove subsequent successes and challenges. We decided that we would prioritize keeping families in their homes and neighborhoods, and that we would prioritize homeowner choice in the process.

The resulting program design and implementation have been driven by the following challenges and constraints:

- Unique nature of housing in New York City, specifically the communities most impacted by Hurricane Sandy in Southern Brooklyn, Southern Queens, and the East and South Shores of Staten Island
- An ever evolving regulatory environment from 2013 to today ranging from post-Sandy changes to building codes and flood map requirements

Hurricane Sandy was an unprecedented storm for New York City. It is critical that we learn from the last four years. This process has already started:

- As Build It Back has adapted, it has been able to introduce new options for homeowners, and it has gained real on-the-ground experience about what works, what doesn't work, and why
- With HUD CDBG-DR funding, DCP has led City Planning Resilient Neighborhood Studies
- The City has engaged CUNY Center for Urban Research in a Build It Back study to better understand who is being served by Build It Back and who is not and why

Four years after Sandy, it is important that we:

- Direct necessary resources to finish the recovery;
- Learn from what has happened;

- Expand on work that City Planning, ORR, HPD, HRO, elected officials, and communities have done in last four years to prepare for future; and
- Ensure that the City does not lose the experience it has gained so that it is ready to respond to future disasters.

What we need to do:

- Strategize on the best way to identify who is impacted and gather and share data on damage assessments and beneficiaries. How do we integrate case management and damage assessments from initial response directly into recovery efforts? This could dramatically shorten the 18 month case management and damage assessment process used for Build It Back.
- Before the next disaster, evaluate what types of benefits we would offer to what types of homes and communities, including acquisition, construction, and alternative mitigation. Use knowledge gained from determining unbuildable sites and City Planning Resilient Neighborhood efforts. How do we replicate what worked and improve upon what did not work?
- Figure out how to help communities navigate all benefits more rationally (NFIP, insurance, SBA, HUD funded programs, nonprofit benefits); make recommendations to federal government on SBA loans for homeowners; and determine if there are other ways to help homeowners access funds to complete work on their own.
- Rationalize the design and construction process – learn from minimum program standards, regulatory requirements, and site conditions. Will homeowners elevate on their own? Have we established an industry of contractors that will continue to do this work? Are there loan options?
- Homeowners face hard decisions about losing space in their homes versus elevating, reducing risk, and decreased flood insurance rates. Even in situations where full value of construction and management of design and construction is funded by Build It Back, some homeowners elect not to do the work. For many homeowners abandonment of ground floor and underground space is not a viable alternative to actual elevation due to the loss of rental income and the loss of valuable space that impacts future sale value. The City can consider whether there are viable alternative mitigation measures and work to have these measures recognized in the setting of flood insurance rates.