Bart M. Schwartz Completes 5-year Monitorship Over New York City Public Housing Authority

Progress made but challenges remain; an urgent need for better governance and progress in ethics, values-based compliance and accountability

March 20, 2024, New York, NY - <u>Guidepost Solutions</u>, a global leader in domestic and international investigations, compliance solutions, monitoring, and security and technology consulting, today announced that <u>Bart M. Schwartz</u>, Guidepost Solutions Chairman, released the "<u>Monitor's Final Quarterly Report for The New York City</u> <u>Housing Authority</u>" (NYCHA). The report marks the completion of his 5-year appointment by the United States Department of Housing and Urban Development (HUD) and the Office of the United States Attorney for the Southern District of New York (SDNY) as the Federal Monitor over the largest public housing agency in the United States.

The report notes important progress but also persistent challenges. It outlines three areas - governance, ethics with values-based compliance, and accountability - that require improvement and provides recommendations for how that can be done. The goal is to create at NYCHA a culture of responsibility, conscientiousness, and pride in work, all of which is key to providing decent, safe, and sanitary living conditions for its more than 500,000 residents.

"NYCHA now has the foundation and the opportunity to become a well-run and respected authority that meets the requirements of the Agreement and better serves the interests of the residents," said Schwartz. "I want to express my gratitude to the residents, community leaders, elected officials, HUD, and the SDNY for working with us to improve living conditions and achieve focus on what needs to be done going forward to achieve impactful, long-term, and meaningful change."

HUD and SDNY selected Schwartz because of his long-standing track record in monitorships and receiverships, including over General Motors and two Madoff feeder funds with assets of \$1.2 billion. In collaboration with Guidepost Solutions subject matter experts and field investigators, Schwartz oversaw work across seven pillars of the HUD Agreement – lead based paint, mold, heat, elevators, pests, waste, and inspections.

Some of the improvements as a result of the monitorship include:

- 25% of all units with lead-based paint were abated, averaging 400 abatements per month compared to 700 abatements total in 2019.
- There is a 50% reduction in confirmed mold cases as a result of 6,200 new roof fans and the cleaning of over 73,000-bathroom vents.
- Heating services have improved due to preventive maintenance and the creation of data dashboards using data analytics.

- 8,000 new door sweeps were installed to prevent rodents from passing under doors and there is a new comprehensive training program across NYCHA for waste and pest management, which led to the reduction of pest complaints.
- Trash is picked up 6 days a week at all developments and the grounds of most developments are noticeably cleaner.
- Elevators now have effective preventive maintenance plans to improve service and prevent outages as well as remote electronic monitoring systems to improve NYCHA's response.

Even with those improvements, in the preliminary statement he provides in the report Schwartz reiterates the importance of the focus on governance, ethics with valuesbased compliance, and accountability. "One hopes that NYCHA can demonstrate its continued improvement and commitment to delivering the services required by the law and common decency," he concludes.

Guidepost Solutions is recognized for its integrity monitors who offer government agencies and companies the opportunity to enhance their commitment to a compliant culture and present a new or more dynamic compliance framework to regulators and law enforcement.

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