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February 19, 2020

Via ECF and E-Mail

The Honorable William H. Pauley
United States District Judge
U.S. District Court for the Southern District of New York
Daniel Patrick Moynihan
United States Courthouse
500 Pearl Street
New York, New York 10007

Re: *Baez, et al. v. New York City Housing Authority (NYCHA)*,
13 cv 8916 (WHP)
Ombudsperson Quarterly Report (Q1), 9/20/19 — 1/31/20

Dear Judge Pauley:

As required by this Court's September 20, 2019 order appointing me as the Ombudsperson in the above-referenced litigation, I submit this report of my activities for my first quarter of work, September 20, 2019, through January 31, 2020. Also being filed today is the separate quarterly report of Stout Risius Ross, LLC ("Stout") regarding its operation of the Ombudsperson's call center (the "OCC") that contains a comprehensive analysis of the complaints received by the OCC thus far.

The Ombudsperson and the OCC were extremely effective in their first quarter of operation. As detailed in the separate OCC quarterly report, all complaints received by the OCC in the first quarter have been resolved or are in the process of resolution by NYCHA, with the OCC keeping careful track of progress. To date, one complaint was escalated to the Ombudsperson. This complaint was from outside the Jefferson Houses and had unique considerations associated with ongoing litigation between NYCHA and the resident. At the end of the quarter, NYCHA was working to relocate the resident. After my review, I escalated that case to the appropriate NYCHA department for action and the OCC will continue to monitor the case until all issues are resolved.

As noted above, the undersigned was appointed the Ombudsperson on September 20, 2019, and the OCC launched on November 4, 2019, at the Jefferson Houses. However, the Ombudsperson's work in preparation for the launch began in May 2019. From May 2019, until

November 4, 2019, my activities were focused on the development of the OCC and understanding the scope of my duties as the Ombudsperson. In order to help develop the call center and fully understand my role as the Ombudsperson in order to properly resolve matters escalated to me, I met and worked closely with the Special Master, Stout, the Plaintiffs, NYCHA, the Independent Mold Analyst, and members of the NYCHA resident community.

As the Court is aware, based on a detailed analysis of data made available to Stout regarding mold and leak complaints across the NYCHA portfolio in years past, we believe that the majority of resident complaints to the OCC can and will be handled by the OCC team with limited involvement of the Ombudsperson, thereby conserving valuable public resources. That has proven true for the first quarter of operations at the Jefferson Houses. In this first quarter, the NYCHA team with which the OCC coordinates when it receives an actionable complaint (the Office of Mold Assessment and Remediation or OMAR) has been extraordinarily responsive. And the overwhelming majority of complaints received by the OCC have been resolved. The remaining open cases are scheduled to be resolved by NYCHA in the coming months, without any significant Ombudsperson involvement.

NYCHA appears to have taken the role of the Ombudsperson and the OCC very seriously. NYCHA employees from all different levels of seniority and responsibility throughout Next Generation Operations (“NGO1”), the OCC’s current scope of operations, have expressed to me on several occasions that NYCHA is committed to improving its mold and leak operations so that residents do not need to call the OCC at all but, when they do, that matters are not escalated to the Ombudsperson. In this first quarter, in the Jefferson Houses, NYCHA has accomplished that goal – it has been responsive to all OCC requests and recommendations and, thus, no matters within Jefferson Houses were escalated to me for review.

Most importantly, we have received a great deal of positive feedback from residents with which the OCC has worked to help resolve their complaints. Furthermore, we have received positive feedback from plaintiffs’ representatives regarding the OCC’s operations. We have also received constructive feedback recommending operational changes to the OCC that in almost every case have been incorporated into its operations.

Since the OCC’s launch on November 4, 2019, I have been working closely with Stout to monitor the call volume and operations of the OCC as well as maintain regular communications with the various NYCHA management personnel and NYCHA Compliance Department personnel to ensure the OCC’s effective operations and NYCHA’s operational responses. With the ongoing cooperation of the parties in this case, we fully anticipate that the operations of the Ombudsperson and OCC will continue to get results for the NYCHA residents that need assistance in resolving their mold and leak related complaints as we expand operations across the entire NYCHA portfolio in the coming months.

On February 3, 2020, the OCC expanded its operations exponentially. The Ombudsperson and the OCC are now available to all tenants of NGO1, or approximately 51,000 residents in twenty-nine (29) developments.

The OCC is now available to the residents of the following NYCHA housing developments:

1. Brownsville
2. East River
3. Howard
4. Hughes Apartments
5. Jefferson (3 developments)
6. Lincoln
7. Low Houses (2 developments)
8. Melrose (2 developments)
9. Mill Brook (2 developments)
10. Mitchel
11. Mott Haven
12. Patterson
13. Tilden
14. Unity Plaza (4 developments)
15. Van Dyke I
16. Wagner
17. Wilson (3 developments)
18. Woodson (2 developments)

The OCC will then be available to the remainder of the NYCHA portfolio¹ according to the following schedule: (1) Mixed Finance on March 2, 2020; (2) Manhattan on April 1, 2020; (3) Brooklyn on May 1, 2020; (4) Bronx on June 1, 2020; and (5) Queens and Staten Island on July 1, 2020.

The first quarter of the Ombudsperson and the OCC has been successful. With the continued collaboration of the parties and NYCHA's responsiveness to the OCC's requests, I am optimistic that the OCC and the Ombudsperson can continue to effectively get results for NYCHA residents and further help NYCHA reconstruct its mold and leak operations to fulfill its obligations to its tenants.

Respectfully submitted,

/s/

César de Castro

cc: All Parties (*via* ECF)

¹ Currently, the OCC's operations will not be available to residents whose developments' funding sources are converted to the Rental Assistant Demonstration ("RAD") program.