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## ***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  
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 (Q2), 2/1/2020 — 4/30/2020

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 the second quarter of my work as the Ombudsperson. This report addresses my work and that of the Ombudsperson Call Center ("OCC") for the period between February 1, 2020, through April 30, 2020. Also being filed today is the separate quarterly report of Stout Risius Ross, LLC ("Stout") regarding its operation of the OCC that contains a comprehensive analysis of the complaints received, resolved, and those still outstanding.

### 1. The Expansion of the OCC

This quarter saw the exponential expansion of the OCC's coverage and its continued success. By the conclusion of this quarter, the OCC was available to nearly half of the NYCHA portfolio, or approximately 175,000 residents. Expansion of the OCC remains on track to be available to all NYCHA residents by July 2, 2020. At the conclusion of this quarter, the OCC will have assisted nearly 600 NYCHA households and fully resolved nearly 250 complaints to the satisfaction of residents. The OCC has received nearly universal positive feedback from tenants, NYCHA, and plaintiffs' counsel.

In this quarter, no matters were escalated to me for review and/or resolution. While a number of resident complaints were identified for me to monitor, I have not had to step in to resolve any

matters. As we saw in the first quarter, NYCHA appears to have taken the role of the Ombudsperson and the OCC very seriously. At all of the different levels of NYCHA with which I have had dealings, staff continued to express to me that it remained committed to resolving all matters referred to it by the OCC without the need for my review and resolution. For the most part, NYCHA has continued to be responsive to all OCC requests and recommendations.

2. The Passing of Special Master Francis McGovern and Steven Edwards

While this quarter has seen the exponential expansion of the OCC and its continued successful resolution of mold and leak complaints, it has also been marked by the tragic passing of Special Master Francis McGovern and lead plaintiffs' counsel Steven Edwards. The OCC's successful launch and continued successes into its second quarter are in large part due to their efforts. We honor their memories by our continued commitment to NYCHA residents as we expand the OCC to the rest of the NYCHA portfolio.

3. COVID-19, NYCHA Operations, and Virtual Inspections

This quarter also marked an unprecedented disruption in NYCHA operations. Since mid-March 2020, New York City and the rest of the country have been under a state of emergency due to the global pandemic resulting from the spread of COVID-19. NYCHA operations, as it related to the remediation of mold and leaks, was not unaffected. Staffing and vendor shortages plagued NYCHA following the outbreak of COVID-19 and the state of emergency. However, to NYCHA's credit, it continued to recognize the serious threat that mold conditions posed to its residents and continued to prioritize the resolution of mold and leak complaints. Accordingly, during the COVID-19 outbreak, the OCC continued to receive cooperation and priority from NYCHA, in particular by its Mold Response Unit ("MRU"). The working relationship between the OCC and the MRU remains strong and it is a testament to largely the efforts of the MRU, that no matters were escalated to me for review and resolution.

The tremendous difficulties posed by the COVID-19 pandemic have certainly proved extremely challenging to NYCHA operations. The pandemic required it to pursue other ways in which it could continue to perform mold and leak related inspections and investigations while maintaining the health and safety of residents and its staff. To that end, NYCHA has embraced the virtual inspection capabilities developed by Stout and implemented by the OCC. Stout developed the protocol by which residents who call the OCC with an appropriate leak or mold complaint can call and participate in a virtual inspection. Virtual inspections not only ensure the safety of the residents and staff in these uncertain times, but also allow an inspection to be performed expeditiously to fully understand the conditions within a unit and ensure that appropriate follow-up action can be taken immediately. The virtual inspections also provide the added benefit of a recorded and reviewable record of the conditions present in a resident's home at the time of their complaint. Several NYCHA units have participated in virtual inspections, including MRU, Environmental Health and Safety ("EH&S") and the Compliance Department. The Independent Mold Analyst has also participated in virtual inspections. In all instances, as Stout has implemented this capability for the OCC and piloted it for expansion within NYCHA, we have received positive feedback about its potential and value for NYCHA and its residents. Virtual inspections for mold and leaks appear to have the potential to save countless NYCHA staff hours, prevent delays and provide opportunities for accountability. I am hopeful that

NYCHA will take every opportunity to capitalize on the virtual inspection capabilities developed by Stout and broadly implement standard procedures for the use of virtual inspections across NYCHA.

#### 4. Resident Outreach Difficulties

As noted above, this quarter marked the expansion of the OCC to approximately 175,000 NYCHA residents. We also coordinated and planned with NYCHA for the expansion of the OCC to the remainder of the NYCHA portfolio. I attended numerous meetings and had communications with NYCHA regarding its outreach efforts to make residents aware of the existence of the OCC and the Ombudsperson. As in previous expansions, I emphasized the importance of reaching as many tenants as possible with different strategies and emphasizing to residents that the Ombudsperson and OCC are independent of NYCHA, a critically important part of any messaging about the Ombudsperson and the OCC.

This quarter, resident outreach was not effective. In early outreach efforts, the independence of the OCC and Ombudsperson was not emphasized. Resident outreach was certainly complicated for NYCHA given the need to communicate with tenants regarding operations in relation to COVID-19, however, even before the COVID-19 outbreak, we received some resistance to our outreach demands from certain NYCHA staff responsible for coordinating those outreach efforts. For example, they were unable to provide us with detailed feedback or data confirming that e-mail communications had reached residents and what portion had been returned as undeliverable. Concerns arose that these outreach failures may have resulted in some residents to which the OCC was available, being completely unaware of its existence, confused regarding its connection to NYCHA, and/or suspicious whether the OCC could effectively help them. These deficiencies were brought to the attention of NYCHA several times and it appears that those issues are in the process of being corrected for third quarter operations and for the ongoing communication efforts that will be necessary after the full launch of the OCC in July.

#### 5. NYCHA Staffing

As noted above and in the first quarterly report, NYCHA has been responsive to OCC's requests and committed to the success of the OCC. However, the MRU is not currently built to handle the volume that we expect when the OCC is operational throughout the entire NYCHA portfolio, residents are adequately informed of the OCC, and when COVID-19 work restrictions are lifted.

As the OCC continues to expand and is available to all NYCHA residents in July 2020, with the addition of Brooklyn, a very large piece of the portfolio representing a significant percentage of open mold and leak complaints, appropriate MRU staffing and the addition of the appropriate number of Resident Coordinators is crucial to NYCHA's compliance and best efforts. As the success of the OCC continues, effective outreach to residents is completed, and word spreads of its ability to assist residents independently, call volumes are expected to increase.

Unfortunately, we have been informed that new hiring has been delayed due to the COVID-19 outbreak. We have and will continue to emphasize to NYCHA that in order to handle the OCC's expansion (especially to Brooklyn, which is by far the largest borough grouping), NYCHA will need to prioritize hiring MRU staff and additional Resident Coordinators. NYCHA needs to

immediately begin hiring the people necessary to be able to respond to resident complaints with consistent, persuasive and effective resident communication. In the current economic environment, I would expect there to be a large pool of qualified candidates.

6. Conclusion

Like our first quarter of operation, the Ombudsperson and the OCC were extremely effective and were able to assist in the resolution of hundreds of NYCHA resident complaints regarding mold and leaks. To date, only one complaint has been escalated by the OCC to the Ombudsperson for review and potential action, and that was in the first quarter. The OCC continues to receive positive feedback from plaintiffs' counsel, NYCHA, and most importantly, residents with which the OCC has worked to help resolve their complaints.

With the continued collaboration of the parties and NYCHA's responsiveness to the OCC's requests, I remain 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)