

March 12, 2002

Lower Manhattan Development Corporation
Invitation for Public Comment
Draft Assistance Plan for Individuals
c/o Empire State Development Corporation
PO Box 4438, Grand Central Station
New York, New York 10017

Att: LMDC Public Comment Review Committee

I urge you to reconsider the nature of your plans to allocate \$230 million from HUD to assist residents in Lower Manhattan as well as businesses south of 14th Street.

Overall, we must create affordable housing options rather than primarily subsidizing middle and upper income residents, and we must expand the catchment zones so they reflect actual neighborhood needs. While I very much support the notion that Lower Manhattan should be a mixed-use community, the city is in desperate need of affordable housing for working families and it is our responsibility to creatively allocate HUD funds to support this cause. Without an influx of working families of diverse backgrounds joining the primarily affluent Lower Manhattan residents, Lower Manhattan will continue to be segregated along the lines of race, class, and ethnicity, and will fail to become a vibrant and thriving 24-7 mixed-use community.

Some specific alternatives include:

Expand the rent subsidy zone to the business “Liberty Zone” borders, encompassing all of Chinatown and the Lower East Side.

Purchase the expiring subsidy at Independence Plaza and create affordable housing.

Purchase the expiring subsidy at Gateway Plaza and create affordable housing.

Create incentives for the Battery Park City Authority to pursue its goal of using a portion of its revenues to create affordable housing.

Use existing vacancies in Lower Manhattan to address the housing shortage by tactics such as buying these apartments and leasing them at subsidized rates or obtaining additional Section 8 subsidies for low-income people who wish to move to the area.

Provide financial assistance to workers who lost their jobs in Lower Manhattan as a result of 9.11 and now face the threat of eviction. This plan should include workers from throughout the five boroughs, including those employed in informal sectors.

Provide relief for the many residents – especially those in Chinatown and the Lower East Side – who have never before, and in the future will not have the opportunity to sign a two year lease. This includes statutory tenants who do not have any lease.

Raise the minimum award to \$9,600 (\$400 per month for two years) to meet the needs of those at the low-end of the income scale.

In addition, Lower Manhattan residents were exposed to myriad health risks in the days after 9.11 and face unknown health risks in the future. HUD funds could be used to study

the long-term health of local residents and workers, and could also be used to create a fund to support their long-term health needs.

I am especially concerned that the LMDC intends to use HUD funds to provide grants to businesses to train workers “for skills specific to these businesses’ and employees’ needs.” **This program is clearly intended to benefit workers, but workers have no control of their own training needs. The LMDC must approve a system that builds on and enhances the city’s already existing workforce development system which enables dislocated workers, including those on public assistance, to participate in an array of job training and educational services.**

Specific options include:

Work with economists to identify where jobs exist and can be created, as well as the skills needed to perform and retain these jobs.

Fund specialized skills training, GED and ESL courses, job readiness workshops, union apprenticeships, higher education, and other programs that will promote job growth and retention.

Encourage the pursuit of new or emerging job opportunities where appropriate.

Encourage the development of career ladders that a) enable existing industry employees to earn better jobs and thus also b) create entry-level jobs.

Furthermore, I am concerned that LMDC has chosen a seemingly arbitrary number of workers (5,000) to serve. Funding schemes must reflect the specific needs of workers, including the many workers in low-wage jobs who have been dislocated as a result of 9.11 and the economic fall-out it exacerbated.

I appreciate the opportunity to respond to your “Draft Assistance Plan for Individuals.” Please feel free to contact me at any time to discuss these ideas in further detail.

Sincerely,

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