



D’Ancona, Director of Office of Public Housing (“D’Ancona”), United States Department of Housing and Urban Development (“HUD”)(the “D’Ancona Letter”); a letter to Petitioners dated December 29, 2022 from Strome (the “Strome Letter”); a letter to Strome dated December 30, 2022 from Petitioners; a letter dated February 6, 2023 to New Rochelle City Manager Kathleen Gill (“Gill”) from Petitioners; a follow up letter to Gill from Petitioners dated March 3, 2023; a letter to Petitioners dated March 15, 2023 from Harris Beach, Counsel to the City of New Rochelle; the Recovery Agreement between NRMHA and HUD and The City of New Rochelle dated December 8, 2014; the Intergovernmental Cooperation Agreement between the NRMHA and the City of New Rochelle ; letter from Luigi D’Ancona to Board of Commissioners dated Apr-9 2018 with Public Housing Assessment PHAS report date 01/26/2018; email from Angela Farrish to Board of Commissioners ; Jason Labate and Michael Syme dated December 6, 2022 and Letter to Angela Farrish, Executive Director from Luigi D’Ancona dated December 6, 2021.

2. As is clear from the record, the termination of Petitioners was the City Manager’s response to the D’Ancona Letter dated December 21, 2022, which, as set forth in the affidavit of Sheila Small, contains numerous factual inaccuracies that led to the Board’s termination by then City Manager Strome.

3. I believe that my knowledge of public housing authorities, their governing boards, the processes and procedures of HUD, and the nuances and intricacies of public housing make me uniquely qualified to provide an opinion as to whether the Petitioners were properly terminated by the New Rochelle City Manager on December 29, 2022.

4. For the Court’s edification, I am an academic career liaison with the Department of Urban Planning and Design at the Harvard Graduate School of Design and have been a lecturer in Housing at the Harvard School of Design since 1997. I have accumulated in excess of 50 years

of knowledge and experience with public housing and with the procedures and practices of HUD. I also served for 40 years on the Cambridge Housing Authority, as it went from a very troubled agency to one of the most outstanding in the nation. I have also served as the Principal Investigator for the Public Housing Operating Cost Study that reworked the funding formula for Public Housing Authorities (PHAS) under contract to HUD and the United States Congress. I further served as the Special Master for Federal District Judge Stefan Graae in the case of the District Department of Public and Assisted Housing (the Washington, D.C. PHA). During my career, I have consulted with dozens of housing authorities across the country on matters of policy, operations and capital improvements, and have provided guidance to numerous communities, resident groups, Community Development Corporations, non-profits, church groups, public agencies, HUD and others concerned with public housing and associated costs. For a decade, I have directed a program sponsored by the Commonwealth of Massachusetts to train PHA Commissioners. I have authored numerous publications related to issues associated with public housing on diverse topics including Managing Affordable Housing, Asset Management, studies related to operating costs and a Guide to Comprehensive Asset and Property Management. For a decade, I have directed a program sponsored by the Commonwealth of Massachusetts to train PHA Commissioners. A copy of my curriculum vitae/resume detailing my educational and professional qualifications and experience is annexed hereto as **Exhibit A**.

5. Initially, it is important to acknowledge that despite my career dedicated to public housing including Municipal Housing Authorities and HUD, I have never seen a single instance of a HUD Director of Public Housing writing to a Chief Executive Officer of a City suggesting he review the appointments to the existing Municipal Housing Authority Board and make changes as necessary, notwithstanding it may result in the removal of Board Members lawfully serving on

that Board.

6. After reviewing facts and circumstances surrounding the dismissal of Petitioners from the NRMHA Board, I prepared a letter on or about February 3, 2023, for submission to the new City Manager Gill, who succeeded Strome upon his retirement. In my letter, I pointed out a number of reasons why it appeared that the Board's dismissal was inappropriate and unwarranted. Unfortunately, I never heard back from the City Manager, or anyone associated with the City of New Rochelle. A copy of my letter is annexed hereto as **Exhibit B**.

7. Since the preparation of my letter, I have reviewed additional documents and information related to the performance of Petitioners as Board Members and believe that there was no legitimate basis for their termination. Even in the case of the Washington D.C. Housing Authority – which was on the HUD's troubled Housing Authority for 17 years and suffered from numerous irregularities and performance issues – no such action against the Board was taken.

8. NRMHA was also considered a "Troubled Agency" which led to a Recovery Agreement being entered into between NRMHA, the City of New Rochelle and HUD on or about December 8, 2014. The Recovery Agreement provided multiple milestones for the Authority to achieve in order to rehabilitate its status.

9. Upon the execution of the Recovery Agreement, the Board and staff began the tedious and time-consuming process of making the corrections and modifications necessary to bring the NRMHA into compliance. The Recovery agreement identified specific goals which needed to be achieved to bring the NRMHA out of "Troubled Agency" status.

10. On March 24, 2021, HUD confirmed that the NRMHA achieved a "Standard Public Housing Authority Performer Status" and corrected many of the errors and deficiencies which led to the previous "Troubled Agency" status determination years earlier. In addition, The Board

corrected the vast majority of the Recovery Agreement milestones required by the Recovery Agreement and was in the process of implementing the additional financial requirements and controls to resolve the remaining issues when it was terminated.

11. The Board's actions in moving the NRMHA out of "Troubled Status" and into the "Standard Performer" category is impressive and certainly not a condition in which removing an effectively functioning Board is an appropriate exercise of discretion or warranted.

12. The Board's success in bringing the NRMHA to "Standard Performer" status is a significant achievement, especially considering the economic backdrop of every housing authority in America. Every housing authority struggles with their financing because the United States Congress woefully underfunded both their operating subsidies and their capital improvement budgets for many years. This underfunding, which I calculated to be only 82% a few years ago, causes continued financial stress for the operations of Municipal Housing Authorities across the nation. Indeed, capital improvement funding is running short of 10% of certified needs. The relevance of this information is that a version of the D'Ancona Letter could be sent to almost any Authority in the nation. The fact that Authorities have financial issues, however, does not justify the conclusion that their Boards should be terminated.

13. Moreover, D'Ancona, Strome and now City Manager Gill seem to misunderstand the duties and responsibilities of Municipal Housing Authority Boards. As I understand is the case with NRMHA, these positions are usually uncompensated. The Board Members usually meet once a month to discuss issues associated with the Housing Authority. Each Municipal Housing Authority has a staff of professionals, including financial consultants, who manage the day-to-day operations of the Housing Authority. The Board Members do not participate in the day-to-day operations, but rather serve as the governing officers of the Public Housing Authority. Their

responsibilities include setting policies governing the operations of the Authority; charting the direction of current and future programs and development; and approving contracts entered into by the Public Housing Authority. *See*, the NRMA web page. The allegations within the D’Ancona and Strome Letters largely ignore this reality and criticize the NRMHA Board for the errors of its professional staff.

14. D’Ancona and Strome seem to have forgotten, or chosen to ignore, that it was the City of New Rochelle, through its designated Chief Financial Officer and employees, which is responsible for financial services and oversight of the NRMHA. Pursuant to an August 31, 2018 Intergovernmental Cooperation Agreement (hereinafter “Cooperation Agreement”) requested by HUD, NRMHA and the City of New Rochelle entered into an agreement whereby the City of New Rochelle was engaged to provide all necessary financial services and oversight of the NRMHA. This oversight included retaining a Chief Financial Officer whose services included responsibility for financial planning, tracking cash flow, overseeing financial activities, serving as the internal financial control officer, facilitating all expenditures to be made by the NRMHA pursuant to the approved annual budget, and approving in advance any expenditures outside of such approved budget.

15. In addition, the Chief Financial Officer was given the authority to approve the retention of all outside professionals, including accountants and legal counsel. The Chief Financial Officer was further given the authority to work with the Executive Director or her designee to resolve the open financial issues set forth in the Recovery Agreement, and in furtherance thereof, the City’s designee shall create deadlines to achieve milestones, and create a process for tracking the progress of resolving the open issues set forth in the Recovery Agreement.

16. In addition, the Chief Financial Officer was to provide the Executive Director with

a quarterly report on progress to resolve the open issues stated within the Recovery Agreement. *See*, Cooperation Agreement, dated August 31, 2018, including Paragraph 2(a) and (b)(i)-(vii), “Responsibilities of the City”.

17. Moreover, pursuant to the Recovery Agreement, Paragraph 6 “Disclaimer of Relationships”, the parties made it clear that the City is an independent contractor, and its personnel are employees of the City, and the City shall not hold itself out as an agent, joint venturer, legal representative or employee of the NRMHA. Thus, the City of New Rochelle, and not the NRMHA Board Members, was responsible for the financial operations and progress in resolving open issues outlined within the Recovery Agreement. Remarkably, Strome executed the Recovery Agreement as City Manager and had to be aware of the City’s responsibilities when he terminated Petitioners from the NRMHA.

18. In reviewing the D’Ancona Letter, the Strome Letter, and the letters and documents submitted in response by Petitioners *after* their termination (including the letter from the petitioners to Gill dated February 6, 2023), it is clear that there are additional factual inaccuracies and erroneous assumptions.

19. For example, with regard to the alleged financial issues raised in the D’Ancona letter, it is clear those were the responsibilities of the City, its Chief Financial Officer, the staff and financial professionals hired at the behest of the City of New Rochelle. It is the Board’s responsibility to make policy, not to run the daily activities of the agency. Both HUD and the City Manager ignore this.

20. Moreover, a number of the allegations in the HUD letter bear upon its own responsibility and failure to provide relevant information to the Board in a timely fashion. For example, any complaint by HUD that there was no operating budget from FY21 on record for

2021, implicates HUD in not notifying the Board until 18 months to the end of the fiscal year that this information was missing.

21. The letter from the Petitioners to Kathleen Gill thoroughly rebuts on a point-by-point basis, the allegations contained in the Strome and the D'Ancona Letters. It is shameful that Petitioners were not allowed to address the allegations before being terminated by outgoing manager Strome who, it does not appear, bothered to conduct any sort of investigation or inquiry, or acknowledge the City's responsibility under the Cooperation Agreement.

22. In connection with my review of this matter, I had occasion to speak with several of the former NRMHA Board members who were terminated. During these conversations, I formed a very clear impression of serious professionals working hard to create a credible and worthy Public Housing Authority committed to advancing the affordable housing needs of those people of modest means. As I noted earlier, I have spent a good deal of time in my professional life training Public Housing Authority Commissioners. I believe I have a good ability to judge the seriousness and skill with which a Commissioner approaches this work. I believe each Commissioner is competent, serious and capable of serving on the NRMHA Board and are ones I would be pleased to serve with.

23. Given the foregoing, the dismissal of the Petitioners from the NRMA Board suggests it was motivated by a hidden agenda unrelated to the mission of this public housing agency.

24. I have been advised that a possible reason for the Strome's action in removing the Board appears to be political and in response to a previously scheduled vote by the NRMA Board on its plans for the Peter Bracey project that was set to occur after the New Year, plans which were at variance with the plans of some in the City to turn over the project to a third party for

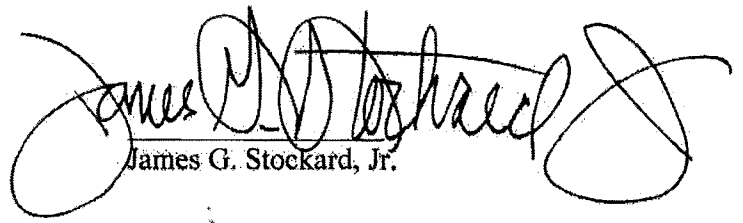


development purposes. The NRMHA Board vote was set to occur on January 9, 2023. Within days of HUD and Strome learning about this upcoming vote, Strome terminated the Board on December 29, 2022. If this is in fact accurate, then such action by the Strome and the City of New Rochelle is in my mind, highly irresponsible. Public Housing has a simple mission which is nevertheless difficult to accomplish. It is to create the maximum possible number of quality affordable homes for people of modest means for the longest possible amount of time. Any effort that does not serve that end is misguided.

25. In my letter to City Manager Gill, I pointed out many of my concerns set forth herein, urged that she reconsider the actions of her predecessor, and reinstate this Board and allow them to proceed with their revitalization of the NRMHA. I further requested that she ask the individuals and the HUD official who wrote this letter to appear in her office so that they can have a serious discussion of the issues raised in the D'Ancona Letter.

26. Unfortunately, as of this date, I have never heard from City Manager Gill or any representatives or officials from the City of New Rochelle.

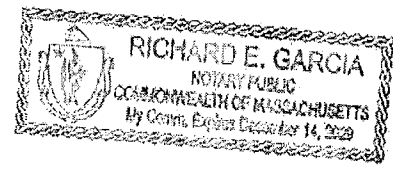
27. I understand that the Petitioners are seeking a public hearing and opportunity to respond to the allegations referenced in the Strome and D'Ancona Letters. Given what appears to be meritless allegations of wrongdoing alleged against Petitioners, they should be given the opportunity to respond in an open public forum.

  
 James G. Stockard, Jr.

COMMONWEALTH OF MASSACHUSETTS )  
 COUNTY OF Middlesex ) ss.:

On this 27 day of April, 2023, before me, the undersigned notary public, James G. Stockard, Jr., personally appeared, proved to me through satisfactory evidence of identification, which was Massachusetts driver's license to be the person who signed the preceding document in my presence and who swore or affirmed to me that the contents of the document are truthful and accurate to the best of his knowledge and belief.

Richard E. Garcia  
 [OFFICIAL SIGNATURE AND SEAL OF NOTARY]



**CERTIFICATE OF COMPLIANCE**

The foregoing was prepared on a computer. A proportionally spaced typeface was used, as follows:

Name of typeface: Times New Roman

Point Size: 12

Line Spacing: Double

The total number of words in this affidavit, inclusive of point headings and footnotes and exclusive of pages containing the table of contents, table of citations, proof of service, certificate of compliance, or any authorized addendum containing statutes, rules, regulations, etc. is 2816.

Dated: April 28, 2023

O'CONNELL & ARONOWITZ

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