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In New York Public Housing, Some Concern Over a Wall Streeter at the Helm

By [MANNY FERNANDEZ](#)

Anne Washington remembers when the hallway outside her apartment was mopped daily. Now, it is done roughly once a week.

The pane of glass in one of her building's two front doors has been shattered. A second-floor stairway has been stained with red graffiti. Ms. Washington, 55, who has arthritis in both knees, has often had to walk up and down 17 flights of stairs because both of the elevators in her building were broken. A neighbor in another building in the same complex complained of bed bugs and a leak in the ceiling. Three years ago, a 23-year-old woman was found dead in her apartment in the complex, strangled by her boyfriend during an argument, the police said.

Ms. Washington lives in the Grant Houses, in Harlem, one of the city's 340 public housing developments. When she learned last week whom Mayor [Michael R. Bloomberg](#) had named as new chairman of the city's public housing agency, the [New York City Housing Authority](#), she was skeptical. The mayor appointed [John B. Rhea](#), a 43-year-old former Wall Street investment banker with no housing experience.

"He seems like a corporate guy with all sorts of corporate credentials," said Ms. Washington. "He seems like a money man instead of a people man. My feeling is that he's going to think about how to make money for N.Y.C.H.A. instead of thinking of what to do about helping people live properly."

Several other tenants criticized the mayor's decision to appoint Mr. Rhea. Interviewed in the days after the mayor made the announcement on Wednesday, they said they were not confident that someone from the world of Wall Street could effectively manage public housing or could empathize with their concerns. Some worried that Mr. Rhea would sell buildings to real estate developers in gentrifying neighborhoods, while others said the problems facing the agency — from elevator breakdowns to a \$45.1 million budget deficit — required a housing insider, not an outsider.

"I'll be amazed if he does anything that's going to be better," said Sarah Martin, 73, president of the Grant Houses resident association. "I think that you need to be knowledgeable. You need to know what you're dealing with. You need to be part of it."

Other tenants, however, supported the mayor's selection. "The résumé and credentials of Mr. Rhea indicate that the mayor has selected someone who has financial planning experience that is needed for an institution that has been plagued with financial problems for the better part of the last decade," said Reginald H. Bowman, 56, a

resident of Seth Low Houses in Brooklyn and the president of the Citywide Council of Presidents, which is made up of tenant association district leaders.

In the 75-year history of the agency, Mr. Rhea is the first chairman with an extensive Wall Street background. He said in an interview on Saturday that he is proud of his Wall Street experience, but is not defined by it, and added that he realized that tenants want someone who will listen to them and address their issues. He is meeting with Mr. Bowman and other members of the Citywide Council of Presidents on Tuesday at City Hall. He said he is committed to preserving, not selling off, the public housing stock.

“I’m not some detached guy who’s sitting in an ivory tower,” Mr. Rhea said. “I feel very comfortable that I will fit in and understand the challenges.”

Mr. Rhea received an M.B.A. from Harvard Business School and went on to become an executive at JPMorgan Chase and Lehman Brothers. In 2006, he was named one of the 75 most powerful blacks on Wall Street by Black Enterprise magazine. He has ties with community activists and black leaders, including the Rev. [Al Sharpton](#). He grew up, and attended public schools, in Detroit, where his father, Walter Rhea, was an office furniture dealer and designer.

“I know what it’s like to be from a place where both parents are working hard to help give their children a better life and access to quality education,” he said.

Asked on Wednesday why he decided to pursue a job in the public sector, Mr. Rhea started his answer with a joke. “Well,” he said, “obviously I’m not taking the job for the pay.” His salary will be \$189,700, far short of what many of his fellow M.B.A.’s are making.

It was the sort of joke that got laughs in City Hall, but might not have gotten the same reaction at the Grant Houses or other complexes. The average annual household income among public housing tenants is \$22,728, and 22,000 of the 173,000 households in the system receive some form of public assistance. Tenants said they worry that Mr. Rhea will be unable to connect with them.

“Will he come out of his office and speak to the people of N.Y.C.H.A.?” said Beverly Corbin, 55, a 24-year resident of Wyckoff Gardens in Brooklyn. “Will he take the train and go to Brownsville? Will he take the train and go to Harlem or the Bronx? Is he going to better us or destroy us? That’s my question.”

With 402,000 residents living in 178,000 apartments, the agency is the largest public housing system in the country. At several complexes, crime, poverty, vandalism and poor maintenance contribute to a sense of decay or indifference. A federal class-action lawsuit was filed against the Housing Authority last month, accusing it of violating the rights of tenants with disabilities and health problems by failing to properly maintain the elevators.

For all its problems, the agency remains a refuge of inexpensive housing in an expensive city, giving low-income families a foothold in neighborhoods they could otherwise not afford. Subsidies from the federal government keep rents low: The average monthly rent for a one-bedroom unit is \$299.

Still, the lives of many tenants defy whatever stereotypes there might be of life in the projects. Ms. Washington has

a copy of Shakespeare's "Merchant of Venice" next to the Bible on her bookshelf. Mr. Bowman, who used to work as a legislative aide to former Congressman [Major R. Owens](#), is a poet and a self-taught calligrapher. ("Italics is my best hand," he explained.)

"I believe that public housing residents are the most stereotyped and scapegoated people in the city of New York," Mr. Bowman said.

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