



**U.S. Department of Justice**

*United States Attorney  
Southern District of New York*

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*86 Chambers Street  
New York, New York 10007*

March 8, 2021

By E-mail and U.S. Mail

Gregory Russ  
Chair and CEO  
New York City Housing Authority  
250 Broadway  
New York, New York 10007

Re: *Concurrence Pursuant to Paragraph 47 of January 31, 2019 Agreement:  
NYCHA's Transformation Plan*

Dear Mr. Russ:

HUD and SDNY concur in the Transformation Plan ("Plan"), dated March 2, 2021, submitted for concurrence on January 29, 2021, and resubmitted as revised on March 2, 2021, pursuant to Paragraph 47 of the Agreement between U.S. Department of Housing and Urban Development ("HUD"), the New York City Housing Authority ("NYCHA") and the City of New York, dated January 31, 2019 ("Agreement").

As you are aware, the Agreement provides for NYCHA to adopt an Organizational Plan "setting forth changes to NYCHA's management, organizational, and workforce structure (including work rules), and overarching policies necessary or appropriate to achieve sustained compliance with NYCHA's obligations under [the] Agreement." Agreement ¶ 46. After concurrence by HUD and SDNY, the Organizational Plan will be "final," *id.* ¶ 47, and "NYCHA shall promptly adopt it as its official policy, procedure and course of action and shall use best efforts to implement it," *id.* ¶ 47.

As provided by Chapter 13 of the Transformation Plan: "This Transformation Plan sets out the strategic vision for NYCHA's ongoing reform efforts. It will be followed by an Implementation Plan, developed collaboratively by NYCHA and the Monitor with input from residents and other stakeholders. Together, the Transformation Plan and the following Implementation Plans comprise the Organizational Plan required per Paragraph 46 and 47 of the HUD Agreement. Implementation Plan, Phase 1, will be submitted for approval pursuant to Paragraph 51 of the HUD Agreement by September 30, 2021; a follow-up Implementation Plan, Phase 2, covering the remainder of these topics, will be submitted for approval pursuant to Paragraph 51 by June 30, 2022." HUD and SDNY believe the ongoing process under the Agreement required by Chapter 13 is critical to the success of NYCHA's reform efforts and anticipate consulting closely with NYCHA and the Monitor as the process moves forward.

As NYCHA implements this Transformation Plan, HUD in particular suggests that NYCHA consider the following enhancements: (1) adding measures to ensure input from and accountability to residents such as continually sharing progress on NYCHA's performance metrics with resident leaders; (2) strengthening NYCHA's plan to integrate diversity, equity, and inclusion (DEI) efforts across the organization as well as assess the equity impacts of NYCHA's broader

Blueprint for Change on residents in the community; and (3) more clearly defining who within NYCHA oversees NYCHA's many climate impact and resiliency efforts comprehensively.

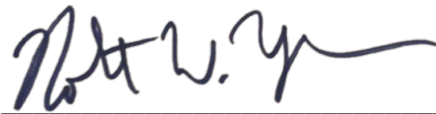
HUD also observes that the Transformation Plan refers to and anticipates certain forthcoming submissions that have not yet been submitted for concurrence or approval, including but not limited to a Stabilization Plan and Energy Performance Contract (EPC) waiver requests. HUD will review these plans and waivers separately when submitted, and is not approving them at this time.

In sum, HUD and SDNY view the Transformation Plan as an important step in the process of ensuring that NYCHA housing is "decent, safe, sanitary, and in good repair," as required by HUD regulations. We thank you and your staff, as well as the Monitor and his staff, for their significant efforts towards this goal. We look forward to consulting closely with you on the Implementation Plan and more generally to continuing the implementation of the Agreement.

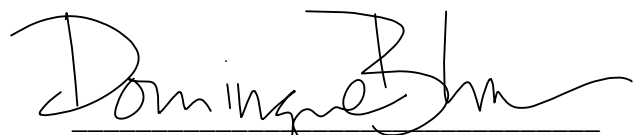
Very truly yours,

ILAN T. GRAFF  
Attorney for the United States,  
Acting Under Authority Conferred by  
28 U.S.C. § 515

by:



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