

Executive Summary

NYCHA's Agency Plan for FY 2010

Federal law requires the New York City Housing Authority ("NYCHA") to develop, with input from public housing residents, Section 8 participants, elected officials and the public, a plan setting forth its major initiatives for the coming year.

The Agency Plan for FY2010 is available for public review at NYCHA's Central Office and each development's management office as well as on NYCHA's web page (www.nyc.gov/nycha). NYCHA has also provided a copy of the Agency Plan to each public housing Resident Association President.

NYCHA held five town hall meetings during May and June and a public hearing at The Manhattan Center on June 23, 2009. NYCHA also accepted written comments on the Agency Plan through its post office box until June 23, 2009.

NYCHA's final Agency Plan to the U.S. Department of Housing and Urban Development ("HUD") will be submitted by October 17, 2009. Following NYCHA's submission, HUD has 75 days in which to review and approve the plan.

NYCHA's priorities for the coming year are outlined on pages 2 through 11. These priorities include achieving fiscal stability in light of reduced federal funding, preserving and expanding NYCHA's public housing stock, and improving customer service and quality of life for NYCHA residents through operational efficiencies and the greening of public housing.

American Recovery and Reinvestment Act of 2009

The American Recovery and Reinvestment Act of 2009 ("Recovery Act") provides \$4 billion in supplemental "stimulus" funding for the public housing capital fund. HUD has allocated \$3 billion of the appropriation using the current formula; \$1 billion of the appropriation will be awarded through competitive grants targeting the leveraging of private sector funding, renovations, or energy retrofits. HUD is required to award the competitive grants by September 30, 2009; NYCHA has applied for these competitive grants.

On March 4, 2009, NYCHA's Board authorized the execution of an Amendment to the Annual Contributions Contract, between NYCHA and HUD to allow HUD to provide NYCHA with the additional formula allocation of \$423 million in capital funds authorized under the Recovery Act. NYCHA will use the \$423 million in Recovery Act funds for a total of 75 public housing capital projects, including elevator repairs, boiler replacements, other maintenance, repair, and energy efficiency projects in developments across the five boroughs. The total value of NYCHA projects benefiting from stimulus funding is expected to create and preserve jobs for New Yorkers. As of August 17, 2009, NYCHA has authorized the award of contracts totaling \$177.5 million and has expended \$1.07 million. The addition of these stimulus funds increases NYCHA's 5-year capital plan to more than \$2 billion. The single largest investment of stimulus funds \$87 million – will go toward the renovation and reconfiguration of 1,610 apartments at Whitman-Ingersoll Houses in Brooklyn.

Capital Fund Recovery Competition Grants

During the month of July, NYCHA submitted five (5) grant applications totaling \$74,491,084 under the American Recovery and Reinvestment Act of 2009 Capital Fund Recovery Competition ("CFRC") Grants program. Nationally, the CFRC grants provide \$995 million to public housing authorities across the country for programs under four funding categories: (1) Improvements Addressing the Needs of the Elderly and/or Persons with Disabilities; (2) Public Housing Transformation; (3) Gap Financing for Projects that are Stalled due to Financing Issues; and (4) Creation of Energy Efficient, Green Communities.

On July 6th, NYCHA submitted three (3) applications under the Public Housing Transformation category for the renovation of kitchens at the Mariner's Harbor Houses in Staten Island, Parkside Houses in the Bronx and Conlon LIFHE Towers in Queens, which were not yet awarded. On July 21st, NYCHA submitted two (2) applications totaling \$ 40.6 million under the Creation of Energy Efficient, Green Communities category to create 154 energy efficient apartments at the A. Phillip Randolph Houses in Manhattan and the installation of a geothermal heat and hot water system at the 344 East 28 Street development in Manhattan.

Achieving Fiscal Stability

NYCHA suffers from a structural deficit as a result of chronic underfunding of its federal operating subsidy. On April 14, 2009, NYCHA's Board approved a Fiscal Year 2009 Operating Budget and Four Year Financial Plan. The financial plan seeks to reduce costs and identify new sources of revenue to help balance the budget. The plan passed by the Board reduces the projected deficit for 2009 by approximately \$153 million, from \$198 million to \$45 million in the current year. NYCHA achieved a \$36.6 million reduction in expenditures through workforce reductions, consolidation of community centers and Central Office cost reductions. Through rent and operating subsidy increase and other activities, NYCHA was able to increase its revenue by \$116.6 million.

Despite these achievements, NYCHA continues to project substantial deficits over the next five years, primarily as a result of continued underfunding of federal operating subsidy, the provision of unfunded programs and services and projected increases in labor costs. NYCHA is currently projecting that its operating deficit will increase to \$137.1 million for FY 2010.

Federal, State and City Budget Impacts

For nearly eight years, NYCHA has not received full funding for either its capital program or its operations. The stimulus funds received under the Recovery Act will enable NYCHA to undertake capital projects that it has had to defer due to years of underfunding of its capital program. Yet even with this infusion of additional capital funding, NYCHA's capital funding \$333 million in FY 2008 and \$331 million in FY 2009 is insufficient to meet its on-going capital needs.

Even with Recovery Act funding of its capital program, NYCHA's still faces serious funding shortfall for its operations. NYCHA requires full funding of the operating fund to bridge the gap between the rents our residents pay and the costs to operate its 336 developments. Seven years of pro-rated operating assistance coupled with the lack of a dedicated source of funding for 21 City and State developments together with increases in non-discretionary costs such as fuel and pensions have forced NYCHA to raise rents, reduce staff, consolidate offices and close community centers.

Both the House and the Senate have made headway on completing the appropriations process before the start of the federal fiscal year on October 1, 2009. Funding levels for the public housing programs are expected to see significant increases over FY 2009. The Public Housing Operating Fund appropriation is \$200 million over the Budget request and \$345 million over FY 2009. Based on the current Operating Fund formula, \$4.8 billion will pro-rate at 100%. However, since the inflator does not include employee benefit programs, it does not actually fund the subsidy at 100%. Full funding will require an appropriation of the \$5.5 billion.

In addition to the Recovery Act funding, the House and Senate bill sets the Public Housing Capital Fund appropriation at \$2.5 billion, or \$50 million over FY 2009 and \$256 million over the Administration's budget request. The bill includes set asides of \$20 million for emergency capital needs and natural disasters. The House provides \$50 million for supportive service grants, service coordinators and congregate services grants under the Resident Opportunities and Supportive Services (ROSS) program. The Senate provides just \$40 million.

The renewal of Section 8 vouchers for the nearly two million low-income families assisted nation-wide will cost an estimated \$16.5 billion in 2010, or \$1.466 billion above the FY 2009 funding level. NYCHA estimates the funding level will ensure all vouchers now in use can be renewed. However, the FY 2009 rescission has forced NYCHA to limit issuance of new vouchers to the New York City Department of Homeless Services, the New York City Administration for Children Services, domestic violence victims, and intimidated witnesses. A letter issued by Representatives Jerrold Nadler and Nydia Velázquez to the House Appropriations Committee calling for full funding of the Section 8 voucher program as well as funding for an additional 200,000 new vouchers garnered the support of 43 House Members. Congress appropriated a \$100 million national set-aside for housing authorities needing additional funding. Two applications by NYCHA for additional Section 8 assistance have been denied by HUD. NYCHA has submitted two additional applications that seek supplemental assistance for the Section 8 program.

SEVRA
In 2008, NYCHA and housing advocacy groups joined together in supporting the enactment of the Section Eight Voucher Reform Act (“SEVRA”), which was overwhelmingly approved in the House. The Senate version of the bill did not reach the floor. A revised version of the 2008 legislation is now pending House approval. Similar to the previous measure, the bill provides, among other improvements, greater flexibility in administering the public housing and Section 8 programs, reformed the calculation of family income by increasing deductions for dependants and elderly and disabled families and allows fixed-income households to recertify their income once every three years instead of annually. The Senate is expected to commence its review of SEVRA in October 2009 or in January 2010.

NYCHA’s City and State Developments
NYCHA continues to advocate for a renewal of New York State’s subsidy to finance the 15 State-built developments, which currently operate at a \$64 million deficit per year. The State's FY 2009 Budget provided no operating assistance for the State-built developments. The State’s FY 2010 budget provided funding for the tenant patrol subsidy as well as \$8.5 million in capital funding but did not include funding for operating assistance. NYCHA remains hopeful that a supplemental appropriation will be approved providing NYCHA with much needed funding for 2010. New York City’s FY 2009 and FY 2010 budgets do not provide operating assistance for the 6 City-built developments.

On September 11, 2008, HUD approved NYCHA’s Section 8 Voluntary Transition Plan to move 8,400 City and State apartments into the Section 8 Program as they become vacant. As of September 14, 2009, there were 1,871 Section 8 rentals in the City and State developments. Interested voucher holders can access NYCHA’s web site at www.nyc.gov/nycha/s8apts or telephone (212-306-3650) to register for a City and State apartment.

Proposed Targeted Rent Initiative
On March 20, 2009, HUD approved NYCHA’s FY 2009 Annual Plan which included a proposal to increase rents for NYCHA households with the highest household incomes, which will go into effect in the third quarter of 2009. The vast majority of households (72 percent) who pay 30% of their incomes for rent will not be impacted by this increase. NYCHA will increase rents for the 28% of its households who pay on average 20% of their income for rent. These households will be divided into three income bands. Rents will be increased: 5% for households with a total income less than 60% of the Area Median Income (“AMI”); 10% for households with income between 60% and 80% of AMI; and 15% for households with income greater than 80% of AMI.

Preservation of NYCHA’s Existing Housing
On average, 66% of NYCHA’s 2,607 buildings are more than 40 years old. NYCHA is constantly challenged to maintain these older buildings’ systems at a significant expense to the operating budget. In April 2009, NYCHA successfully completed the expenditure of \$300 million in bonds that were issued in May 2005. These funds were

used to address critical capital needs such as structural and brickwork repair and roof replacements at 135 buildings in 35 NYCHA developments.

NYCHA will use \$423 million in Recovery Act funds to further the Authority's commitment to the preservation of its aging housing stock. Approximately \$180 million will be used on exterior repairs projects such as brickwork and roofing replacements, \$24 million is allocated for upgrading to more energy efficient stoves and refrigerators, and \$70 million is allocated for elevator rehabilitation.

Elevators

NYCHA has for many years invested in its major building systems, including elevators. In the past decade, NYCHA has spent approximately \$200 million to replace over two thirds of its 3,334 elevators. NYCHA recently completed a rigorous evaluation of its elevator fleet and operations. As part of this evaluation, NYCHA conducted elevator summits with residents, resident leaders, union officials, NYCHA employees, and other interested parties to hear their concerns regarding elevator safety, service and operations, and to develop a plan to address these concerns. This collaboration has resulted in NYCHA's Elevator Service and Safety Plan (ESSP) which is available on NYCHA's web site, http://www.nyc.gov/html/nycha/html/resources/elevatorplan_home.shtml.

Under the ESSP, NYCHA has already taken significant steps to improve the modernization and maintenance of the elevator fleet, including: hiring additional staff; increasing the number of elevator teams; improving training for new and existing staff; centralizing elevator operations; enhancing the inspection process; and voluntarily updating existing elevators to meet, and in some instances exceed, new code requirements.

Funding for the elevator program has increased by nearly \$12 million in the current year. NYCHA will hire 68 additional Elevator Mechanics and Helpers, representing an 18% increase over the current staffing level and fund overtime to install additional zone locks citywide, to enhance resident safety. Private elevator contractors will be hired to act as an independent, third-party witness to elevator inspections performed by NYCHA, and new maintenance contracts will be awarded in order to improve service. Professional training to Elevator Division staff will be augmented.

NYCHA's FY 2009 Capital Plan calls for the replacement and upgrade of 97 elevators across 8 developments. With approximately \$72 million of ARRA funds specifically earmarked for elevator replacement and upgrades, NYCHA will repair and upgrade an additional 151 elevators in 14 developments throughout the city. The addition of these funds allows for the repair and upgrade of a total of 242 elevators in 22 developments in 2009.

Increasing New York City's Stock of Affordable Housing

As part of Mayor Bloomberg's New Housing Marketplace Plan to produce 165,000 units of affordable housing by the end of 2013, NYCHA is expected to provide properties for 6,000 units through collaboration with the New York City Department of Housing Preservation and Development (HPD). A development pipeline initiated in 2003 has resulted in completion of 658 units, 1,025 units under construction, and approximately 1,800 units in pre-development for a total of 3,483 units. Additional sites are being identified and planned for development through Request for Proposals to be issued jointly by NYCHA and HPD.

On January 13, 2009, the Sisters of Charity of Saint Vincent de Paul of New York, a national non-profit organization, received a Section 202 grant from HUD to construct and operate an 80-unit senior residence at Markham Gardens in Staten Island. HUD approved the sponsor's request to set aside 25% of the units for eligible NYCHA seniors, especially those who are presently housed in under-occupied units. Construction of the senior residence is expected to begin in 2010. This is a part of a larger project to replace the former Markham Gardens, a 360-unit public housing complex that was originally built as temporary housing during World War II and had reached the end of its useful life. The new Markham Gardens, with 240 rental units and 25 attached two-family townhouses, will be 100% complete by the fall of 2009. Marketing to former Markham Gardens residents has

resulted in two households meeting mortgage qualifications for homeownership and 20 applicants accepted for rental apartments. A number of rental units are already occupied by returning residents with Section 8 vouchers. Additional marketing outreach was also made to NYCHA residents on Staten Island as well as new and existing voucher holders through the Leased Housing Department. Of the 240 affordable rentals, 214 units are rented to low income households with the remaining units rented to families with incomes between \$56,200 and \$92,100 for a family of four persons.

In June 2009, NYCHA conveyed a 99-year ground lease for two Metro North Rehab sites in East Harlem, and title to six University Avenue Consolidated (UAC) buildings in the Bronx, to facilitate development and rehabilitation of a combined total of 630 low-income units by two developers with funding primarily from HPD and the City's Housing Development Corporation. Former residents will be offered the right to return and marketing will commence well in advance of building completion.

On June 24, 2009, the NYCHA Board approved the transfer of a 16,653 square foot parcel of land adjacent to Thurgood Marshall Plaza, a 13-story seniors-only building in Harlem, to the School Construction Authority (SCA) for a mixed-use project that will include a combined middle and high school. The building will house a new 570-seat facility for the Community Health Academy of the Heights, as well as a community health clinic. Construction will begin by fall 2009 and is projected to finish in time for the start of the 2012-13 school-year. The Marshall Plaza site, located between Broadway and Amsterdam Avenues and 157th to 158th Streets, will serve as a new facility for the Community Health Academy of the Heights, which will be moving into the space from a smaller, temporary facility. The building will also house the Community Health League Health Center, a clinic that will be operated by the non-profit Community Healthcare Network. The facility will include a top-floor gymnasium. The property is currently a playground, a parking area for six cars, and a portion of the landscaped grounds serving the housing development. The property will be purchased from NYCHA by the SCA for \$5.2 million, the fully-appraised value of the land. None of the development's six existing parking spaces will be lost; they will be relocated and maintained as part of the facility by SCA under an agreement for the benefit of NYCHA residents.

Section 8

For the 2008 calendar year, NYCHA completed 12,003 new Section 8 applicant rentals. As of August 31, 2009, NYCHA's Section 8 program has 99,226 apartments under lease, a new program record.

NYCHA's latest Section 8 subsidy funding budget projections for 2009 (through August 31, 2009) show that the program will probably finish the year with a funding deficit if the current applicant rental pipeline is continued. This situation results from the following events since last May: 1) The Congressional appropriation for the program for federal Fiscal Year 2009 (which began on October 1, 2008) was not enacted until March 2009, several months after NYCHA had already committed to an applicant rental pipeline for 13,000 new rentals assuming funding similar to federal Fiscal Year 2008; 2) HUD's allocation of 2009 funding in May used unexpected methodology that had the consequence of reducing NYCHA's funding by \$65 million below our projections; and 3) Program size has grown faster than projected throughout 2009 because more voucher holders have successfully rented and many fewer existing tenants have been terminated from the program. However, the FY 2009 rescission has forced NYCHA to limit issuance of new vouchers to the New York City Department of Homeless Services, the New York City Administration for Children Services, domestic violence victims, and intimidated witnesses. NYCHA has submitted three separate applications to HUD for available supplemental program funding, but thus far without success, and we do not expect that we will receive such funding.

In 2008, the U.S. Department of Housing and Urban Development (HUD) awarded NYCHA an additional 1,015 Section 8 vouchers specifically for homeless veterans under the Veterans Affairs Supportive Housing (VASH) initiative. NYCHA recently received an additional funding allocation of 325 Section 8 vouchers from HUD earmarked for the VASH program. The Authority's total of 1,340 vouchers is roughly 10% of the national funding authorized by Congress for the VASH program.

NYCHA is administering these VASH vouchers in partnership with the federal Veteran's Administration ("VA") and the Department of Homeless Services ("DHS"). Applicants are identified and screened by the VA and DHS prior to referral to NYCHA for eligibility certification and voucher issuance. The VA and DHS then provide housing search assistance to help these voucher holders find appropriate apartments that will pass NYCHA's inspection and comply with the rent limits. The VA and DHS offer ongoing support services to the voucher holders in their transition to permanent residential housing.

Since program activity began in early 2009, a total of 948 Section 8 VASH vouchers have been issued through July 17. The remaining 392 vouchers now available pursuant to the new award are expected to be issued by September. Among the vouchers already issued, 277 are now approved for rental with Section 8 subsidy, while 671 continue searching for apartments at this time. NYCHA is projecting another 550 rental approvals for a total of 827 by the end of 2009.

Improving Customer Service

NYCHA Improving Customer Service Experience

In 2007, NYCHA launched a major multi-year initiative called NYCHA Improving the Customer Experience (*NICE*) to help staff provide a consistent, reliable and professional standard for each interaction with customers. *NICE* also will improve how the Authority manages its housing assets, so it can increase the useful life of assets and reduce the cost of maintenance.

In May 2009, NYCHA implemented the first wave of *NICE*. Maintenance Operations Departments in all five boroughs are now using the new systems. In addition, all inspectors for annual apartment and elevator inspections are using a new hand-held device to conduct inspections city-wide.

The second phase of *NICE* will include Leased Housing (LHD) and Applications and Tenancy Administration (ATAD) departments. The phase will institute new business processes supported by the replacement of outdated legacy systems and a new content management system that will save all customer documents electronically in a central location. Moving to electronic document imaging is a new initiative for NYCHA that will give staff access to documents and data in a timelier manner. It will also help to improve customer experience by equipping staff with better access to documents and information.

Mayor's Customer Service Group

The Customer Service Group (CSG) of the Mayor's Office of Operations was established via Executive Order 115 by Mayor Michael R. Bloomberg. The CSG works to ensure that every customer who interacts with City agencies receives the best customer service possible. To this end, the CSG, in collaboration with New York City Agencies and various stakeholders, has established customer service performance measures, and a system to conduct periodic assessments of customer service quality. New York City Housing Authority has supported the CSG's efforts by serving on the Steering Committee and various subcommittees to develop and implement customer service initiatives. NYCHA has adopted the CSG's standards such as collecting customer service data on an ongoing basis, and conducting periodic customer satisfaction surveys to obtain the feedback of customers. NYCHA is also working to launch a Customer Service Training Program that was developed by the CSG. The Training Program will target managers and frontline staff at all NYCHA walk-in facilities.

Revised Rent Hardship Policy

To assist residents who may be impacted by the economic downturn, NYCHA revised its Rent Hardship Policy. The new Rent Hardship Policy will enable residents to apply for a rent reduction when there is a 5% decrease in their gross income, their income reductions has lasted at least two months and their current rent amount is more than 30 percent of their net income.

NYCHA has implemented another policy to further assist residents who recently may have become unemployed or approved for long term disability benefits. Previously residents were not eligible for rent reductions until they were unemployed or on long term disability for three months. NYCHA is now reducing the waiting period to two months. NYCHA recognizes the financial strain residents are experiencing and is looking for new ways to assist.

Improving Quality of Life and Operational Efficiencies

Public Safety

Crime continues to decrease in public housing. From 2002 to 2008 serious crime fell by 18.66 percent. NYCHA and the New York City Police Department (“NYPD”) have instituted a number of initiatives to continue the downward trend in crime incidents and increase public safety.

CCTV

Through the innovative use of technology, police resources, and the cooperation of local government, NYCHA has created a highly successful program to install small-scale closed circuit television systems (“CCTV”). For FY 2009, New York City Council Members allocated \$14.9 million in funding for installation of CCTV at 28 NYCHA developments within the five boroughs. NYCHA will install 1,232 cameras to provide coverage for 117 residential buildings. For FY 2010, New York City Council Members allocated \$10.63 million in funding for installation of CCTV at 24 NYCHA developments throughout the five boroughs

Since the inception of NYCHA’s CCTV program, over 5,600 security surveillance cameras have been installed and are operational at 422 buildings in 80 developments citywide. The goal in 2009/2010 is to administer and complete installation of approximately 1,276 cameras in 119 buildings at 30 additional developments utilizing the most current technology for video recording and system management. CCTV security systems have been instrumental in improving the safety, security and quality of life for NYCHA residents, by reducing loitering and vandalism of NYCHA property and in assisting the NYPD in apprehending criminals and providing evidence in legal proceedings.

Advanced Procurement

In December 2008, NYCHA launched the Advanced Procurement initiative to improve its procurement and procedures. NYCHA anticipates that the implementation will occur in December 2009 and will result in the consolidation of its five major buying groups into three and will allow executives, directors and supervisors the ability to view real time procurement data.

Community Programs

The Authority provides numerous education and recreation programs for youth and seniors through its network of community and senior centers. Since 1996, NYCHA has expended over \$241 million to renovate, expand or build 62 new state-of-the-art Community and Senior Centers. In 2009, construction was completed on the community centers at Marcus Garvey and Ingersoll. By the end of 2009, five community centers are expected to be completed: Polo Grounds/Rangel, Richmond Terrace, Johnson, Fort Washington, and Bay View. The Stapleton Community Center is scheduled to be completed in 2010.

The New York City Council allocated \$18 million for the continuation of services to NYCHA residents for FY 2009. NYCHA and the New York City Department of Youth and Community Development (DYCD) are working to ensure continuity of services at 25 NYCHA community centers utilizing \$12.25 million of the \$18 million in funding provided by the New York City Council. The plan will allow 19 NYCHA centers to remain open that were previously slated for immediate closure. The plan will occur in two phases. In the first phase, which began February 2, 2009 and will operate through December 31, 2009, the DYCD-funded Beacon community centers

located near the 25 NYCHA facilities will establish comprehensive satellite programs at each of the respective sites. The Beacon model features collaborative, community programming designed to provide quality services to youth and adults after school, in the evenings, and on weekends. DYCD identified the 25 NYCHA sites through a needs-assessment analysis that took into account poverty and youth population indicators, availability of services, geographic diversity, and the suitability of physical facilities within each public housing development. Of the sites selected, 10 are in Brooklyn, five each are in the Bronx and Queens, four are in Manhattan, and one is on Staten Island.

For the second phase, DYCD issued a request for proposals seeking qualified community-based organizations interested in operating programs at the 25 sites. Responses are due back on October 1, 2009 and new contracts will begin on January 1, 2010. The initiative is designed to serve three distinct age groups: younger youth (ages 5-12), older youth (ages 13-21), and adults (age 22 and older) including seniors. NYCHA residents and other stakeholders have helped to shape the program model.

In addition, effective January 2009, NYCHA transitioned its Domestic Violence and Intervention Program (“DVIEP”) contract with Safe Horizon to the NYC Department of Human Resources Administration (“HRA”). DVIEP is a program which incorporates a joint social services and law enforcement approach in assisting victims of domestic violence living in public housing. The program originally operated out of seven Police Service Areas (“PSAs”) and through this transfer, DVIEP services were restored to two additional locations and now operates in all PSAs throughout the city. Additionally, NYCHA transitioned its Aftercare program to HRA. The Aftercare program provides intensive home-based social services to all residents who are approved for relocation through the Emergency Transfer Program.

Resident Employment Opportunities

NYCHA is partnering with providers who offer jobs skills training for NYCHA residents. Most training providers also offer job placement services for students who successfully complete training. In 2008, NYCHA’s Department of Resident Employment Services (“RES”) programs resulted in 307 job placements. As of August 31, 2009, RES programs resulted in 372 job placements.

NYCHA’s Pre-Apprenticeship Training Program (“P-ATP”) seeks to create permanent, highly skilled, and highly paid apprenticeship jobs in the building trades for NYCHA residents. As of August 31, 2009, 358 participants have completed the P-ATP and 229 have been placed in apprenticeship programs.

NYCHA is also partnering with HRA to provide the Back to Work resident employment initiative (“BTW”) to NYCHA residents. BTW offers job seekers career counseling and a network of employment opportunities. Services provided range from job placement assistance, job readiness or other education or training services, career advancement and financial planning. BTW began in the Bronx in March 2009 and roll out was completed by the end of May 2009. As of September 24, 2009, 206 residents have participated in the program with 62 placed in employment.

NYCHA, the Center for Economic Opportunity (“CEO”), Manpower Demonstration Research Corporation (“MDRC”), HRA and City University of New York (“CUNY”) are collaborating to implement Jobs Plus at Jefferson Houses. Jobs Plus is a development-based, on-site employment and training program to assist public housing residents in becoming economically self-sufficient. Core components include: employment-related services and activities, financial incentives to work, and community support. Implementation is scheduled for fall 2009.

NYCHA’s Green Agenda—Energy Efficiency and Conservation

NYCHA aims to become a leader in advancing PlaNYC, the City’s strategy to reduce greenhouse gas emissions and make it the world’s first great sustainable city of the 21st century. In September 2007, NYCHA appointed

Board Member Margarita López as Environmental Coordinator to spearhead green initiatives. Following her appointment as NYCHA's Environmental Coordinator, NYCHA created an Energy Conservation and Environmental Sustainability Committee ("the Green Committee") by Board Resolution, comprised of a principal from each department within the Authority. The Green Committee established a quarterly lecture series to present academic, scientific, and socio-political discussion by acknowledged experts to NYCHA staff, residents and invited guests about critical environmental issues. The three lectures held in the last year were entitled: *The Harmony Between Nature & Humanity: Keys for the Survival & Prosperity of NYCHA Communities*; *Integrating Economics, Energy, Climate and Air Quality Strategies*; and *NYCHA at 75: Sustaining the Dream through Green*.

In an effort to maximize resident participation and establish a working relationship in the implementation of NYCHA's Green Agenda, Commissioner Margarita López, has embarked on an ambitious plan to meet with resident groups at every development to present NYCHA's multi-phase energy efficiency building retrofit program and enlist residents' cooperation in reducing water and energy consumption. Each development site is being asked to create a Resident Green Committee to develop a tree stewardship and gardening program and serve as liaisons with management to help organize events that will inform all residents of the building retrofit program, as well as attendant service disruptions. Residents have also been urged to register with NYCHA's Resident Employment Services to apply for job training and employment by contractors and service providers who will be awarded "green" contracts pursuant to the Stimulus Package and other programs.

Corsi Houses Community Center was selected for the installation of the first green roof at NYCHA. The promenade roof is above a 2-story building which will enable the roofing material to be viewed from street level. The advantages of this roof include; reduction in storm water runoff, reduction in heating and cooling loads, prolonged life of the roofing membrane below the plantings, and it will provide a beautiful and interesting aesthetic to the neighborhood.

Energy Performance Contracting Program (EPC)

NYCHA and other government and energy-industry partners are actively pursuing an ambitious, multi-phase energy-efficiency building retrofit program to protect the planet and fulfill cost containment objectives. On October 1, 2008, NYCHA received HUD approval of a preliminary plan for a Multi-Phase Energy Performance Contracting Program ("EPC Program"). NYCHA is now concluding the detailed program planning and development for Phase 1 of the EPC Program, which includes more than \$400 million in energy efficiency building-retrofits. NYCHA will initiate design, procurement, and construction when it receives HUD approval for the final plan for Phase 1 of the EPC program.

Utilizing both current capital funds and funding to be obtained through the EPC Program, NYCHA is in the process of converting its aging tank-based domestic water heating systems to new instantaneous models. NYCHA will continue its city-wide deployment of instantaneous hot water heaters with the goal of replacing 1,352 hot water heaters by the end of 2011 as part of its over-all plan of energy-efficient improvements.

Additional energy efficiency improvements targeted for Phase I include: wide-ranging indoor common-area and apartment lighting upgrades; and replacement of boiler rooms and associated heating equipment at 36 NYCHA developments. These upgrades will generate approximately \$30 million of savings annually, some of which will be for investment in later phases. Funding for these projects will come primarily from private financing – obtained with help from the Clinton Climate Initiative through its banking industry partners and with grants and incentives from the New York State Energy and Research Authority, Con Edison and National Grid.

Million Trees NYC Initiative

As part of Mayor Bloomberg's Million Trees NYC initiative, 10,700 trees will be planted throughout NYCHA developments. Not only does this initiative improve the physical beauty of the City, it also helps reduce the energy required to cool apartments in the summer while improving air quality. NYCHA in collaboration with New York

Restoration Project and Trees NY planted approximately 11,000 trees at NYCHA developments throughout the five boroughs. Corporate Sponsors including American Express, Jet Blue, NBC Universal, Colliers, Timberland and IABC hosted events at NYCHA developments where residents, community volunteers and corporate employees planted trees. NYCHA recognizes the critical role that resident cooperation and participation play in maximizing and sustaining the energy savings associated with its Green Initiatives. NYCHA has included resident community education and “green collar” employment as key components of its green efforts.

Regulatory Requirements

Stop Loss

Under the federal Operating Fund rule, public housing authorities that experience a decline in funding can have their losses “stopped” by demonstrating a successful conversion to asset management. The stop-loss process consists of the review of an application, an onsite evaluation of one or more properties, and a final assessment. In October 2007 and April 2008, NYCHA submitted documentation demonstrating its successful conversion to the asset management requirements. The onsite review portion of the process was completed in July 2008. On December 21, 2008, HUD notified NYCHA that it has demonstrated successful conversion to asset management for Year 2 stop loss. Effective in 2009, NYCHA’s operating subsidy loss will be capped at 24%.

NYCHA’s Language Assistance Services

NYCHA is committed to ensuring meaningful access to its programs, services and activities for persons with Limited English Proficiency (“LEP”). NYCHA utilizes bilingual housing assistants, Language Services Unit staff interpreters, Language Bank volunteers and a vendor, Language Line, to provide interpretation and translation services. The Language Services Unit, which translates all official NYCHA documents, was expanded in 2008 to include two interpreters/translators for each of the most frequently encountered languages -- Spanish, Chinese and Russian. NYCHA submitted its draft Language Access Implementation Plan to the Mayor’s Office of Operations on December 31, 2008. In January 2009, the Mayor’s Office found NYCHA’s plan to be “a well thought out comprehensive and clear plan.” NYCHA’s Language Access Plan is posted on its website (http://www.nyc.gov/html/nycha/html/about/language_access_plan.shtml) and on the City of New York’s website. In May 2009, the Board adopted as the policy of NYCHA to take reasonable steps to ensure that persons with limited English proficiency have meaningful access to NYCHA’s programs, services, and activities, and designated the Director of the Department of Equal Opportunity as the agency’s Language Access Coordinator.