

## **Executive Summary**

### **NYCHA's Final Agency Plan for FY 2010**

According to 24 CFR 903.17, a Public Housing Authority's ("PHA") board must conduct a public hearing to discuss the Five-Year Action Plan and/or Annual Plan and invite the public to comment on the annual plan. The regulation provides a 45-day notice period informing the public that the information is available for review and inspection and announcing the public hearing. Federal law allows public housing authorities to modify or amend its annual plan. Significant amendments of the Plan are subject to the same requirements as the original plan.

For all PHAs accepting American Recovery and Reinvestment (the "Recovery Act") grant funds, the HUD Secretary used the waiver authority in the Recovery Act to reduce this public notice period to 10 calendar days for PHAs amending their Five-Year Action Plan and/or Annual Plan due in part to these grant funds. The Secretary determined that this waiver provides for adequate notice, but does not limit the information and activities required to be performed by the PHA. This waiver also permits these PHAs to continue planning and ultimately obligate and expend these funds as intended by the Recovery Act.

NYCHA consulted with the Resident Advisory Board ("RAB") regarding the FY 2010 Agency Plan, provided a 10-day public review period, and held a public hearing to receive comments from residents and the public on the Revised Draft Plan. In addition, written comments on Plan were received through the post office box that NYCHA maintained during the statutory review period, which ran through December 17, 2009. Faxed comments were also accepted at (212) 306-7905.

The Final 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](http://www.nyc.gov/nycha)). NYCHA has also provided a copy of the Final Agency Plan to each public housing Resident Association President.

The Final Agency Plan for FY 2010 will be submitted to HUD for review. HUD has 75 days in which to consider the Plan amendment.

#### ***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.

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 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 December 31, 2009, NYCHA has authorized the award of contracts totaling \$362.6 million and has expended \$26.3 million. The addition of these stimulus funds increases NYCHA's 5-year capital plan to more than \$2.0 billion.

The Recovery Act also provided for a one-time exception to the Faircloth Amendment which prohibits federal support for additional public housing units. NYCHA is amending its FY 2010 Plan to exercise its right to use the exception provided by the Recovery Act to submit a mixed finance modernization plan to develop units at 21 of its developments.

## ***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 unfunded City and State built public housing 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.

## ***NYCHA's 21 State and City Built Public Housing Developments***

The 21 unfunded City and State developments include 344 East 28<sup>th</sup> Street, Amsterdam Addition, Baychester, Bay View, Boulevard, Bushwick, Castle Hill, Chelsea, Drew-Hamilton, Samuel (City), Independence Tower, Linden, Manhattanville, Marble Hill, Marlboro, Murphy, Rutgers, St. Mary's Park, Stapleton, Williams Plaza, and Wise Towers (the "21 Developments"). The 21 Developments were constructed with City and State general obligation bonds from 1949 to 1978 with no debt service payable from properties or mortgages. These properties have always been owned, managed and maintained by NYCHA. Since 1995, these properties have been operated as federal public housing pursuant to an amendment to NYCHA's Annual Contributions Contract, but without the federal operating and capital subsidies to which they would otherwise be entitled. Presently, no operating funds are provided to NYCHA from any source for the continued operation of the 21 Developments. At the 21 Developments there are 20,139 units with 97% occupancy and tenant incomes comparable to all NYCHA's federal public housing. Support of these units has contributed an estimated \$88 million annually to NYCHA's structural deficit. These deficits adversely impact the 178,000 families in all NYCHA's public housing units.

On September 11, 2008, HUD approved NYCHA's Section 8 Voluntary Transition Plan to move 8,400 apartments at the 21 Developments into the Section 8 Program as they become vacant. As of December 28, 2009, there were 2,178 Section 8 rentals in the 21 Developments. The Section 8 Voluntary Transition Plan was expected to reduce the operating deficits at the City and State Developments by \$75 million annually. However, lower turnover and federal budget cuts to the Section 8 program will result in a much lower projected number of Section 8 conversions. NYCHA will request an amendment of the Voluntary Conversion Agreement (VCA).

The Recovery Act provides for a one-time exception to the Faircloth Amendment which prohibits federal support for additional public housing units. The Recovery Act exception will enable NYCHA to address an ongoing structural deficit at the 21 Developments using a HUD-approved mixed finance modernization plan. Under the mixed finance modernization plan NYCHA will have a long-term solution to preserve all units as affordable public housing by qualifying the units at the 21 Developments for federal operating and capital subsidies, protect and preserve the tenancy of existing residents, improve building standards and conditions and maintain long-term NYCHA regulation and control of the developments.

As part of the mixed finance modernization plan, NYCHA will provide a ground-lease of the land at 21 Developments to a limited partnership/limited liability company and sell the buildings to a limited partnerships/limited liability company at their appraised value. NYCHA will be general partner/managing member in a limited liability partnership/limited liability company.

**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**  
Along with NYCHA’s efforts to secure dedicated Federal funding for the 21 built City and State developments, which it is awaiting approval, the Authority 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 December 28, 2009, there were 2,178 Section 8 rentals in the City and State developments. Interested voucher holders can access NYCHA’s web site at [www.nyc.gov/nycha/s8apts](http://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](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***

The New York City Housing Authority faces severe funding cuts from the federal government for its Section 8 program. There has been an all-time high demand for this housing assistance program and the turnover rate for those in the program has dropped by half. NYCHA has worked aggressively on the federal and local levels to secure funding to meet the demands for this initiative. Despite our best efforts, however, effective immediately NYCHA can no longer accept or process any new applications or vouchers for Section 8. For the 2008 calendar year, NYCHA completed 12,003 new Section 8 applicant rentals. As of November 30, 2009, NYCHA's Section 8 program has 101,559 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 1188 Section 8 VASH vouchers have been issued through December 31, 2009. The remaining 107 vouchers now available pursuant to the new award are expected to be issued in 2010. Among the vouchers already issued, 546 are now approved for rental with Section 8 subsidy, while 661 continue searching for apartments at this time. NYCHA has budget approval for another 742 rental approvals by the end of 2010.

## ***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](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.