Voluntary Transition Assessment and Plan
For Rabbi Stephen Wise Towers

Summary Statement

The New York City Housing Authority (NYCHA) is seeking approval from the Federal Department of Housing and Urban Development (HUD) pursuant to section 22 of the United States Housing Act of 1937, 42 USC §1437t to voluntarily transition 8,400 apartments at 21 developments, including Wise Towers, from public housing to affordable housing using Section 8 tenant-based assistance. The following is NYCHA's combined Voluntary Transition Assessment and Plan.

Background:

Wise Towers is one of 21 developments built by New York City and New York State that contain 20,170 units of public housing. A listing of the 21 City and State developments is attached (Attachment A).

On their own, the City and State developments receive no continuing governmental subsidy to fill the gap between the cost of operating the buildings and rents collected. As a part of a 1995 agreement between NYCHA and the U.S. Department of Housing and Urban Development (HUD), the City and State developments are allowed to "share" in the federal subsidies that are provided to the Authority's Federal developments. While the "sharing" arrangement worked initially, the past several years have seen substantial reductions in Federal assistance for public housing along with an unprecedented rise in non-discretionary operating costs (fuel, pensions, etc.). To provide adequate assistance to the City and State developments, during 2005 alone, NYCHA diverted more than $82 million in HUD subsidies from its Federal developments to offset the operating deficits at the City and State locations.

NYCHA cannot continue to fund these developments in this manner as it endangers the financial stability of all developments operated by the Authority. The proposed Section 8 Voluntary Transition Program will bring needed resources to the City and State developments and also ensure that the rents paid by affected NYCHA residents remain affordable.

Ownership, Future Use and Assurance

NYCHA will continue to own and operate the 21 City and State developments following the proposed voluntary transition. These properties will be permanently preserved as affordable housing by virtue of their continued ownership by NYCHA. All families in the development will be afforded with the legal protections currently provided to public housing residents. Participation in this program by current residents is strictly voluntary. The Housing Authority ensures residents of Wise Towers that each qualified household transitioning to Section 8 assistance may elect to remain in their apartment, subject to the family's size, and can use tenant-based Section 8 assistance towards rent. Households that do not transition to tenant-based Section 8 will continue to be public housing residents and afforded with all rights associated with their public housing tenancy.

Transition Assessment & Plan

1 Implementation Plan

a) Description of any actions NYCHA plans to take in transitioning the development.

To ensure that New York's stock of affordable housing remains viable for current and future generations and to avoid the actions taken by housing authorities in other cities, where public housing has been sold or demolished, NYCHA proposes to leverage a portion of its current Section 8 funding stream to subsidize the operations of the 21 City and State developments and maintain them as housing for low-income New Yorkers. Providing Section 8 vouchers to approximately 8,400 of the 20,170 apartments at the City and State developments will establish a foundation for preserving this housing resource by providing a new source of revenue to these developments.

At Wise Towers, NYCHA has determined that providing Section 8 tenant-based assistance to a minimum of 200 of the 399 apartments will provide additional revenue to offset operating expenses. A chart reflecting the approximate number of units to be transitioned to Section 8 assistance for each of the City and State developments is annexed as Attachment A.

Section 8 Voucher Options:

Applying for Section 8 assistance would be voluntary and at the option of the household. Section 8 vouchers would be made available on a limited first-come, first-served basis to residents at the 21 City and State developments. Section 8 vouchers are portable and offer the rare opportunity for the family to remain in-place at the development or to move anywhere within the United States or U.S. possession.

For residents choosing the voucher option, rents would be set at the HUD Fair Market Rents (FMR). Fair market value is set by HUD and is the maximum rent for a unit in the Section 8 program. Voucher recipients would pay 30% of their adjusted family income as the resident's rent share, and the balance of the operating costs would be drawn from the Section 8 subsidy. Approximately 71% of residents in City and State developments who are now paying the statutory rent (30% of gross income) may be impacted by a minimal rent increase with this option, depending on their family composition. NYCHA is committed to providing residents considering the voucher option with clear, written information about all of their rent options and procedures. Apartments that transition to Section 8 tenant-based assistance would thereafter be financed under Section 8 and would no longer be included as part of NYCHA's public housing inventory. Residents opting not to seek a voucher could continue as public housing tenants, and could remain in place or transfer at NYCHA's expense, with the highest relocation priority, to the Federal public housing development of their choice.

Eligibility

Section 8 Vouchers would be made available to current residents in-place in City or State developments on a voluntary basis. All new residents to the development (either transfers or individuals moving in off the public housing wait list) will be required to accept a Section 8 voucher as a condition of occupancy. HUD regulations indicate that there are no income limits for current public housing residents transitioning to Section 8 assistance. Criminal background checks would be waived for residents requesting Section 8 vouchers, and income checks would not be necessary if the last annual review was done in the last six months. New residents must meet Section 8 income requirements and comply with all other program requirements.

1. **In-place residents:**
    a. Residents in City and State developments would be offered the opportunity to transition to the Section 8 program by receiving a voucher for their current apartment.
    b. Overcrowded families would be permitted to "split". One part of the family would either accept a voucher to transfer to private housing or another City/State unit from off of the waiting list or transfer to a Federal development (at NYCHA's expense); and the residual family would receive a voucher to remain in place if they are in the proper size apartment, or transfer to a correct size unit within a City or State development.
    c. Under-occupied residents would not be eligible to participate in-place since Section 8 subsidies are based on family size, not apartment size. Residents in under-occupied apartments can be

eligible for a voucher only if they move to a right-sized unit in a City or State development or to private housing.

2. **Transfers:**
   a. Residents would only be permitted to transfer into these developments, or within them, if they agree to do so as Section 8 tenants.
   b. Residents who chose not to opt into the Section 8 program and who are interested in transferring to a Federal development would be given the highest relocation priority. Transferees to Federal developments would also receive the same incentives as current relocated residents (reimbursed moving fees, payments for reinstallation fees for phone, cable, etc.).

3. **New Applicants:**
   Vacancies at the City and State developments would be rented only with Section 8 assistance to applicants selected from the existing public housing waiting list. Applicants can select these developments any time they appear on the Guide of Anticipated Vacancies as long as their family income does not exceed 50% of Area Median Income and they are willing to move in as a Section 8 tenant. A letter has been sent to certified applicants and transfers currently on the waiting list at the 21 developments to inform them of NYCHA's intention to submit a transition plan and their option to either participate in the program or move their application to a federal development. Once the plan is approved, individuals on the waiting lists will be presented with their options again.

b) General description of planned future use for the development.

NYCHA will continue to own and operate the 21 City and State developments following the proposed voluntary transition. These properties will be preserved as affordable housing. Each qualified household transitioning to Section 8 assistance, may elect to remain in their apartment, subject to the family's size, and can use tenant-based Section 8 assistance towards rent. Individual apartments that do not transition to tenant-based Section 8 will continue to be used as public housing.

c) The means and timetable for accomplishing such uses.

NYCHA's goal is to introduce Section 8 assistance to at least 8,400 City and State units by the end of 2008. Management staff at the 21 developments will assist interested households in completing the Section 8 application and will forward the application to NYCHA's Applications and Tenancy Administration Department. Current residents of these developments can place their names on a Section 8 wait list within their development and once HUD has approved the program will be contacted by NYCHA staff to commence the application process.

Rentals & Conditions of Tenancy

- A new lease for the Section 8 transitioned units will be developed by NYCHA's Law Department. It will include, both, the contract /fair market rent and the tenant's share of the rent; which will also be reflected on their monthly bill.
- For residents participating in the Section 8 program, they will be responsible only for the share of rent equal to 30% of their income. In the event that their subsidy is suspended or their voucher terminated, the tenant becomes liable for the full contract rent (up to FMR). Development staff will do an interim rent change to reflect the tenant's responsibility for paying the full contract rent for the unit.

- Suspension or termination from the Section 8 program can occur due to failure to comply with mandatory program requirements; for example, recertification, allowing access for annual inspection, maintaining income eligibility, moving out of unit without approved transfer, fraud, serious lease violations, or eviction by NYCHA as landlord. On a case by case basis, a suspended or terminated tenant can be restored, either in the same unit or in a different unit through a Section 8 transfer, to the program by meeting current program standards. If NYCHA suspends or terminates improperly, restoration is mandatory and subsidy is resumed retroactively to date of termination.
- NYCHA has voluntarily agreed to provide Section 8 tenants of the affected 21 developments with the same rights as all public housing tenants. Therefore termination of tenancy actions due to non-compliance with lease requirements will be handled by development staff. City and State Section 8 tenants would be granted the same "Escalera" rights as all other NYCHA tenants (Escalera mandates that before a tenancy in public housing can be terminated for other than nonpayment of rent or excess income, the tenant must be accorded a trial-type administrative hearing held by an impartial Hearing Officer, on specific written charges of which the tenant must have had prior notification). Development staff will also send warning letters to non-compliant residents at risk of having their Section 8 subsidy suspended or voucher terminated.
- City and State Section 8 residents who lose their subsidy due to excess income lasting more than 6 months would be allowed to remain in place so long as they pay the Fair Market Rent for the apartment. However, a new lease will be required since the tenant is no longer either a Public Housing or a Section 8 tenant. If their income subsequently declines they may be restored to the Section 8 program.
- Families who become under-occupied (e.g. - family members move out) subsequent to transitioning to Section 8 would have their subsidy reduced, since it's based on family, not apartment, size. Under-occupied Section 8 tenants in City and State developments would be given a grace period during which they would not be charged the amount in excess of 30% of their income. This would give the tenant time to move with a voucher to the correct size apartment either within the 21 developments or in private housing. If the tenant does not move by the end of the grace period they would be charged the full amount of the difference between the FMR for the apartment and the subsidy for their family size.

Annual Review & Inspection Processes

- HUD rules do not permit Public Housing Authorities to inspect Section 8 units if they also own the units. NYCHA will contract with an outside contractor to perform the pre-occupancy and annual inspections for a fee.
- Management would incorporate annual reviews for Section 8 tenants into their existing quarterly schedule by stair-hall. The initial Section 8 lease, which cannot have a term less than 12 months, would be for one year plus however many months remain until the next quarterly annual review for that stair-hall. However, the first annual review and inspection would be conducted in less than twelve months to coincide with the quarterly schedule. Afterwards, the lease, annual review and inspection would be done at the same time every twelve months, according to the quarterly annual review schedule for that development and stair-hall.
- As required by HUD, quality control inspections would be done by NYCHA's Leased Housing Quality Control Unit.

2 Cost Analysis. NYCHA has completed the required cost analysis utilizing the methodology promulgated by HUD in the appendix to 24 CFR Part 972. The analysis compares the cost of providing Section 8 tenant-based assistance with the cost of continuing to operate the development as public housing. For Wise Towers, it will cost $1,643 a month, per unit to continue operating the development as public housing compared to $1,232 a month, per unit if the property transitions to Section 8 tenant-based assistance. As a part of the conversion criteria, HUD requires that the per unit cost of Section 8 be less than that for public housing. The full *Cost Analysis* is annexed as Attachment B.

3 **Analysis of Market Value.** NYCHA's Transition Assessment and Plan does not include the disposition or demolition of public housing. As a result, the Authority is seeking to waive the required *Analysis of Market Value*.

4 **Analysis of Rental Market Value**
HUD requires an analysis of the likely success of using tenant-based assistance for the residents of the development which includes an assessment of the availability of decent, safe and sanitary dwelling units rented at or below the Section 8 payment standard for the jurisdiction or the designated part of the Fair Market Rent area where the development is located.

The likely success of using Section 8 tenant-based assistance for residents of Wise Towers is assured because under NYCHA's transition plan, residents may elect to remain in their current apartments. Additionally, upon the approval of the plan, Section 8 assistance will be applied to applicants and transfers moving into vacant apartments at the development.

Since NYCHA's Transition Assessment and Plan does not include the disposition or demolition of public housing, the purpose of the Analysis of Rental Market Value is not applicable. As a result, the Authority is seeking a waiver for this component of the assessment and plan.

In doing this assessment, HUD requires consideration of:

a) *NYCHA's overall use of vouchers under lease and success rate for using Section 8 tenant based assistance in New York City, by bedroom size:*

   Wise Towers is located in Community District (CD) 7 in Upper West Side in the borough of Manhattan. As of January 1, 2006, there were 669 Section 8 voucher households in CD 7 with a median monthly rent of $750. Residents choosing to move with vouchers should expect to have about the same success rate (approximately 65-70%) in finding approvable Section 8 units as all of NYCHA's other tenant based voucher holders. If residents seek to move and are unsuccessful in finding a new unit, they may elect to remain in their current unit as a Section 8 tenant. NYCHA will also seek to maximize the success rate for this group through more flexibility with: a) reasonable accommodations for disabled residents; b) time extensions for search duration; and c) search assistance by real estate brokers at NYCHA's expense. NYCHA expects to have enough vouchers available for the projected number of State/City residents choosing to stay or to move with vouchers.

b) *NYCHA's recent success rate for units renting at or below the payment standard:*

   Approximately 97% of NYCHA's Section 8 apartments rent for less than the Fair Market Rent (FMR) by bedroom size for New York City. Below is FMR by bedroom size.

2007 Fair Market Rent (FMR) by Bedroom Size for New York City						
Studio	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	5 Bedrooms	6 Bedrooms
$988	$1,069	$1,189	$1,462	$1,645	$1,892	$2,176

Actual rent for a unit is based upon a market study comparing the affected unit to similar units in the area. Tenant share of the rent will be set at 30 % of the residents' income.

The median Section 8 monthly rent in CD 7 by bedroom size is $740 for one bedroom, $785 for two bedrooms and $1,661 for three bedroom apartments. According to the preliminary findings from the 2005 New York City Housing and Vacancy Survey, the median monthly rent in New York City as a whole is $920 and for CD 7 is $1,200. Much of the success in having such a large percentage of apartments with rents less than the FMR is due to the fact that 64% of the Section 8 voucher households live in rent stabilized/controlled apartments or in Mitchell-Lama apartments, which have regulated rents.

c) *Particular characteristics of residents at Wise Towers that may affect their ability to be housed:*

As of January 1, 2006, Wise Towers had 760 residents living in 394 households. Their average gross household income was $20,976, their average gross monthly rent was $321 and their average family size was 1.9. While 46% of the households are below the federal poverty guidelines, 35% of the households are working families with at least one member with income from a job. Elderly-headed households comprise about 200 (51%) of the total households and non-elderly disabled headed households comprise 53 (13%) of the total.

These factors will not negatively affect residents' ability to be housed because they will have the option to remain in their apartments or transfer to a NYCHA Federal development.

5 Impact Analysis (as required by HUD)

a) *Analysis of the likely impact of the transition on the neighborhood in which the development is located.*
b) *Impact on the availability of affordable housing in the neighborhood.*
c) *Impact on the concentration of poverty in the neighborhood.*
d) *Other substantial impacts resulting from the transition on the neighborhood.*

According to the recently released report, "*State of New York City's Housing and Neighborhoods 2005*", from the Furman Center for Real Estate and Urban Policy at New York University, Community District 7 in Manhattan has over 119,220 housing units with a vacancy rate of 4% and a poverty rate of 9%.

The voluntary transition of Wise Towers will not impact Community District 7 in Manhattan since NYCHA will continue to own and operate this development after the transition as affordable housing. Households that do not transition to Section 8 tenant-based assistance will continue to be public housing residents. Residents of Wise Towers are not being displaced; they can choose to stay with or without vouchers or they can choose to transfer at the Authority's expense to a NYCHA Federal development.

Approximately 71% of residents in City and State developments who are now paying the statutory rent (30% of gross income) may be impacted by a minimal rent increase with this option, depending on their family composition. However, they will gain a significant benefit from the option to remain in their apartment or move, with their voucher, now or later, to another location in any part of the country that accepts Section 8 for rent. NYCHA is committed to providing residents considering the voucher option with clear, written information about all of their rent options and procedures.

Specifically for Wise Towers, approximately 89% of the households may have a minimal rent increase. Only 39 (10%) of Wise Towers's households had gross incomes greater than 80% of Area Median Income (AMI); which is the ceiling threshold for Section 8 and public housing eligibility. City/State households with incomes greater than 80% of AMI have an average income of $68,089. If these households chose not to transition to Section 8 tenant-based assistance, they could choose to stay in place as public housing residents or transfer to NYCHA Federal development.

6 Demonstration of Conditions Allowing Transition

a) *Will not be more expensive than continuing to operate as public housing.*

It will not be more expensive to operate units with Section 8 assistance than to continue as public housing. See Transition Assessment- Cost Analysis section. The full *Cost Analysis* is annexed as Attachment B.

b) *Will principally benefit the residents of the development, Public Housing Authority, and the community.*

The proposed Section 8 voluntary transition program will principally benefit the residents of Wise Towers, NYCHA, and the community. Wise Towers in Manhattan is located near the number 1 train and a couple of bus routes (7 and 11) which provide access to midtown and lower Manhattan. There are three public schools within blocks of the development. According to the 2000 U.S. Census, the unemployment rate in Community District 7 in Manhattan was 5% as compared to 9% for Manhattan and 9.6% for New York City as a whole.

Implementation of the plan will bring needed resources to Wise Towers and also ensure that rents remain affordable since the City and State NYCHA developments receive no continuing governmental subsidy to fill the gap between the cost of operating the buildings and rents collected. Approximately 89% of the households in Wise Towers may have a minimal rent increase if they choose to transition to Section 8 assistance. However, they will actually gain a significant benefit from the option to remain in their apartment or choosing to move with their voucher to any part of the country.

The proposed transition does not conflict with any litigation settlement agreements, voluntary compliance agreements, or other remedial agreements between NYCHA and HUD.

For additional benefits to residents, NYCHA, and the community, please reference the Rental Market Analysis and Impact Analysis.

c) *Will not adversely affect the availability of affordable housing in the community.*

Introducing a form of federal financial assistance will allow the development to continue as affordable housing for the community. By adding a new stream of funding assistance, it is assured that Wise Towers will continue as an affordable housing resource into the future. Nothing in this undertaking will cause any of the development's residential structures to be sold or demolished and will therefore not affect the availability of affordable housing in Community District 7 in Manhattan. HUD has determined that the provision of Section 8 tenant-based rental assistance is an activity that would not alter any conditions that require a review or compliance determination under federal environmental laws 24 CFR 58.25(b). Please see the Rental Market Analysis and Impact Analysis for more details.

7. **Description of how Transition Plan is consistent with the Transition Assessment.**
   NYCHA's Transition Plan is consistent with and supported by the findings of the Transition Assessment which demonstrates that in the City and State developments: it is cost effective to transition public housing apartments to Section 8 assistance and the use of Section 8 funding to support units that otherwise receive no government subsidy will preserve affordable housing which benefits current NYCHA residents, the community and NYCHA.

8. **Demonstrate Significant Resident Participation**
   NYCHA released its "Plan to Preserve Public Housing" on April 20, 2006. As a part of that plan, NYCHA proposed to transition 8,400 units in City/State developments to Section 8 and included this proposal as a part of the FY2007 Agency Plan process. Over the following 2 ½ months, NYCHA held over 200 public meetings on the plan. On April 26, 2006, NYCHA held its first meeting with the residents of Wise Towers to discuss the Authority's plan to leverage a portion of its Section 8 funding stream to subsidize the operation of 8,400 public housing units at developments originally constructed with State or City assistance.

   NYCHA's Transition Assessment and Plan was available for review and comment by residents between September 8th and October 10th in the Management Offices and Community Centers of the 21 City and State developments. In order to obtain significant participation by the residents of the development, NYCHA held a second meeting with the residents and Resident Association of Wise Towers on September 27, 2006. At the meeting, the requirements of §22 of the Housing Act of 1937 and 24 CFR Part 972 were explained, especially as they affect the residents of a development proposed for transition to tenant-based assistance. Additionally, residents had an opportunity to review and ask questions about the Assessment and Proposed Plan. Because the development will be used for housing following transition, residents were assured that they may choose to remain in their housing unit, using tenant-based assistance towards rent. A schedule of the meetings with the Resident Associations and residents of affected developments is attached as Attachment A.

   Written comments could also be sent to NYCHA, ATTN: Comments- Section 8 Transition Plan, Church Street Station, P.O. Box 3422, New York, NY 10008-3422 until October 10th.

   In developing the final Transition Assessment and Plan, NYCHA took into consideration the comments made by the residents and the Resident Association. A summary of resident comments as well as NYCHA's response to significant issues is attached as Attachment D.

9. **Proceeds**
   There are no "net proceeds" arising from the proposed action inasmuch as the Transition Plan does not involve the disposition or demolition of public housing and the development will continue to be used for housing. The provisions of §18(a) (5) of the Housing Act of 1937, 42 USC §1437p (5), are therefore not applicable to the proposed transition.

10. **Consultation with Appropriate Public Officials**
    Annexed to this submission as Attachment C is a copy of the certification from the appropriate local official that NYCHA's Transition Plan is consistent with the New York City Consolidated Plan.

    Additionally, on September 21, 2006, senior NYCHA staff held a special briefing for affected local public officials on the draft Transition Assessment and Plan. In developing the final Transition Assessment and Plan, NYCHA took into consideration the comments made by the local public officials at the aforementioned briefing. A summary of comments from the local public officials as well as NYCHA's response to significant issues are summarized in Attachment D

11. Relocation Plan

NYCHA's transition plan does not require residents to relocate. The residents of the development will not be displaced as a direct result of any demolition, acquisition or rehabilitation of the federally assisted property targeted for transition to Section 8 tenant-based assistance. Therefore the requirements of the *Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970*, 42 USC §1601 and the regulations at 49 CFR Part 24 are not applicable to this undertaking.

Nevertheless, residents of City and State developments opting not to seek a voucher could transfer at NYCHA's expense, with the highest relocation priority, to the Federal public housing development of their choice. The reimbursement cost for relocation expenses will be charged to Section 8 administrative fees.

Relocating families will be reimbursed for the following expenses:

1. Moving fees as per HUD guidelines:

Number of Rooms								***Each Additional Room***
1	2	3	4	5	6	7	8	
$350	$500	$650	$750	$850	$950	$1050	$1150	$100

2. Telephone Reinstallation
3. Cable Reinstallation
4. Miscellaneous expenses for personal belongings that cannot be removed from an apartment will be considered on a case-by-case basis.

Attachment A

New York City Housing Authority
New York City and New York State Developments

Development Name	Program	Borough	Total Apartments	Minimum Number of Apartments Targeted for Conversion (Transition)	Resident Meeting Schedule
Bay View	City	Brooklyn	1,610	447	October 5, 2006
Boulevard	City	Brooklyn	1,441	438	September 27, 2006
Linden	City	Brooklyn	1,586	442	September 18, 2006
Marble Hill	City	Bronx	1,682	498	September 28, 2006
Saint Mary's Park	City	Bronx	1,007	362	September 21, 2006
Samuel (City)	City	Manhattan	664	347	September 19, 2006
344 East 28th Street	State	Manhattan	225	107	September 13, 2006
Amsterdam Addition	State	Manhattan	175	107	September 27, 2006
Baychester	State	Bronx	441	234	September 20, 2006
Bushwick	State	Brooklyn	1,220	471	October 5, 2006
Castle Hill	State	Bronx	2,025	1,097	September 21, 2006
Chelsea	State	Manhattan	425	179	October 3, 2006
Drew-Hamilton	State	Manhattan	1,217	525	September 28, 2006
Independence	State	Brooklyn	744	332	September 26, 2006
Manhattanville	State	Manhattan	1,272	575	September 20, 2006
Marlboro	State	Brooklyn	1,765	775	September 13, 2006
Murphy	State	Bronx	281	201	October 3, 2006
Rutgers	State	Manhattan	721	277	September 13, 2006
Stapleton	State	Staten Island	693	471	September 28, 2006
Williams Plaza	State	Brooklyn	577	315	September 19, 2006
Wise Towers	State	Manhattan	399	200	September 27, 2006
		Total	**20,170**	**8,400**	

Attachment B

Cost Analysis

Public Housing Operating Cost

1. Calculation of Projected Operating Cost for the Revitalized Development

Enter the PHA's projected monthly costs for operating the development after revitalization or modernization in the green cells below. This estimate should reflect the costs of operating comparable developments and must be reasonable in light of the revitalization/modernization plan proposed.

a.	Non-utility costs (including pro-rated share of overhead costs)	$181,751
	Utilities	$119,458
	Utility Allowances	
	Total Projected Monthly Operating Costs for Revitalized Development	$301,209
b.	Total Number of Units in Revitalized Development	398
c.	Projected Monthly Operating Costs Per Unit	$757
d.	Total Projected Annual Operating Costs	$3,614,508

2. Reasonableness Tests

Projected operating costs must be shown to be reasonable. This test compares projected monthly per-unit costs (above) with the current operating costs of the property. If projected costs are more than 10% lower than current costs, a narrative description must be provided detailing how this reduction in costs will be achieved. Current operating costs are calculated using either the development-based method or the PHA-wide method. If the development has a current vacancy rate of less than 20% and there is reliable development-level data on operating costs, use the develelopment-based method (A). If the development has a current vacancy rate of 20% or greater or there is no reliable development-level data available, use the PHA-wide method (B).

What is the current vacancy rate of the development?	Enter vacancy rate here:	1%	
Is there reliable development based data available?	Enter Yes or No here:	YES	
Method to be used:		Use Development-Based Method	Go to Section

2A. Development-Based Method

A1 Total Current Operating Cost for the Development: $3,614,508

A2 Calculation of Vacancy-Adjusted Units for the Property (Enter the number of units of each type.)

Occupancy Adjustment	Property Units - Current	
	Units	Adjusted
# of Occupied units (x1)	395	395
# of Vacant Fully Funded (x1)	2	2
# of Long-Term Vacant (x0.2)	1	0
Total	398	397

397

A3 Current Operating Costs Per Unit Per Month (PUM) ((A1/A2)/12): $758

2B. PHA-Wide Method

B1 Total Current Operating Cost for the Agency

B2 Calculation of Vacancy-Adjusted Units for the PHA (Enter the number of units of each type.)

Occupancy Adjustment	PHA Units	
	Units	Adjusted
# of Occupied units (x1)		NA
# of Vacant Fully Funded (x1)		NA
# of Long-Term Vacant (x0.2)		NA
Total	NA	NA

NA

B3 Current Operating Costs Per Unit Per Month (PUM) ((B1/B2)/12): NA

B4 Calculation of Bedroom Adjustment Factor (Enter the number of units of each type.)

Bedroom Adjustment		PHA Units: Units	PHA Units: Unit Cost Factor	Property Units - Current: Units	Property Units - Current: Unit Cost Factor
0 BR	0.7		NA		NA
1 BR	0.85		NA		NA
2 BR	1		NA		NA
3 BR	1.25		NA		NA
4 BR	1.4		NA		NA
5 BR	1.61		NA		NA
6 BR	1.82		NA		NA
Total		NA	NA	NA	NA
Adjustment Factors		x	NA	y	NA

B5 Overall Bedroom Adjustment Factor (y/x) NA

B6 Current Monthly Operating Cost per Unit (B3*B5) NA

3. Comparison of Projected and Current Operating Costs (and Justification)

Projected Operating Costs (from Section 1)		$757
Current Operating Cost	Using Development-Based Method	$758
Percent difference		0.2%

If current costs exceed the PHA's projection by more than 10 percent, the PHA must justify the use of the lower amount in the space below.

Not Applicable

Public Housing Capital Cost

1 Type of Modernization (Select one option)

- ☐ Light or Moderate Modernization (20 Yrs)
- ☐ Addresses All Backlog (30 Yrs)
- ☒ Equivalent to New Construction (40 Yrs)

2 Type of Conversion (Select one option)

- ☐ Required
- ☒ Voluntary

3 Initial Capital Costs (Enter costs over the appropriate time span)

		Year1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
a	Modernization Cost	$250,000	$0	$0	$0							
b	Total Initial Capital Cost	$250,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$250,000
c	Total Number of Units in Revitalized Development	398										
d	Capital Cost per Unit	$628										

4 Accrual (Enter the applicable HCC limits below, along with the bedroom distribution for the revitalized development.)

	Detached/Semi-Detached		Row House		Walkup		Elevator	
	# of Units	HCC Limit	# of Units	HCC Limit	# of Units	HCC Limit	# of Units	HCC Limit
0BR								
1BR							162	$95,383
2BR							146	$122,636
3BR							68	$163,515
4BR							19	$204,393
5BR							3	$231,646
	0	$0	0	$0	0	$0	398	$49,054,327

a	HCC, per unit average	$123,252
b	Total Number of Units in Revitalized Development	398
c	50% of Capital Cost per Unit	$314
d	Adjusted HCC (HCC (a) minus 50% of Capital Cost per Unit (c))	$122,938
e	Annual per Unit Accrual for 40 Year Replacement Cycle (Adjusted ACC (d) x 0.025)	$3,073
f	Annual Accrual after Modification (e x b)	$1,223,233

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
g	Annual Accrual	$0	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233

(Accrual begins in the year after modernization is complete.)

5 **Opportunity Cost** (If this is a voluntary conversion, enter the following costs)

a	Demolition Cost Paid for by PHA	
b	Remediation Cost (if not in demo) Paid for by PHA	

			Year 2	Year 3	Year 4	Year 5
c	Market Value of Property	$14,171,286				
d	Residual Value	$14,171,286				

Voucher Cost

Voucher Cost

Enter the number of units in the revitalized development by bedroom size and corresponding voucher costs per month.

	a	b	c
Unit Size Post Revitalization	# of Units	Voucher Costs	Units X Cost
0BR	0	$374	$0
1BR	162	$561	$90,882
2BR	146	$748	$109,208
3BR	68	$935	$63,580
4BR	19	$1,122	$21,318
5BR	3	$1,309	$3,927
	398		$288,915

d	Monthly Voucher Cost Per Unit (c / a)	$726
e	Monthly Section 8 Administrative Fee (per unit)	$65
f	Annual Voucher and Administrative Costs	$3,777,420
g	Per Unit Relocation Costs	$1,000
h	Total Relocation Costs	$398,000

HUD - REQUIRED COST ANALYSIS

Assumptions

	20 Year	30/40 Year
OMB Nominal Discount Rate	5.3%	5.2%
OMB Real Discount Rate	3.0%	3.0%
Useful Life (20, 30 or 40 Years)	40	
Inflation Rate for the Selected Useful Life	2.14%	1.021
Real Discount Rate for the Selected Useful Life	3.00%	1.030
Units	398	

Uninflated/Undiscounted Cost Summary

Public Housing	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Annual Operating Cost	$3,614,508									
Capital Cost	$250,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
Annual Accrual after Modification	$0	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233
Residual Value	$14,171,286									

Vouchers	
Annual Voucher and Administrative Costs	$3,777,420
Year 1 Relocation Costs	$398,000

PUM Cost Comparisons:	Net Present Value (Required Conversions Only)	New Budget Authority (Voluntary Conversion only)
Public Housing		$1,643
Vouchers		$1,232
Difference		25%
Final Result		Public Housing Cost exceeds Voucher Cost

* The HUD required cost analysis indicates that it will be less expensive to operate units with Section 8 assistance than to continue as public housing.

WISE TOWERS - Voluntary Conversion 40 Years

Required Conversion Calculation
Net Present Value of the Stream of Costs

Public Housing	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
Operating	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508
Initial Capital	$250,000	$0	$0	$0	$0	$0	$0	$0	$0	$0			
Accrual		$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233
Residual	$14,171,286												
TOTAL	$18,035,794	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741
Discount Rates	1.000000	0.970874	0.942596	0.915142	0.888487	0.862609	0.837484	0.813092	0.789409	0.766417	0.744094	0.722421	0.701380
Discounted Costs	$18,035,794	$4,696,836	$4,560,035	$4,427,218	$4,298,270	$4,173,078	$4,051,532	$3,933,526	$3,818,958	$3,707,726	$3,599,734	$3,494,887	$3,393,094

Required Conversion Net Present Value:	20 Year	30 Year	40 Year
Total			$128,376,035
Per Unit			$322,552.85
Per Unit Month			$672

Voucher	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
Voucher	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420
Relocation	$398,000												
TOTAL	$4,175,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420
Discount Rates	1.000000	0.970874	0.942596	0.915142	0.888487	0.862609	0.837484	0.813092	0.789409	0.766417	0.744094	0.722421	0.701380
Discounted Costs	$4,175,420	$3,667,398	$3,560,581	$3,456,874	$3,356,189	$3,258,436	$3,163,530	$3,071,388	$2,981,930	$2,895,078	$2,810,755	$2,728,889	$2,649,406

Required Conversion Net Present Value:	20 Year	30 Year	40 Year
Total			$90,331,628
Per Unit			$226,964
Per Unit Month			$473

Required Conversion Net Present Value DELTA:	20 Year	30 Year	40 Year
Dollar			$199
Percent			30%

Public Housing	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28
Operating	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508
Initial Capital															
Accrual	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233
Residual															
TOTAL	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741
Discount Rates	0.680951	0.661118	0.641862	0.623167	0.605016	0.587395	0.570286	0.553676	0.537549	0.521893	0.506692	0.491934	0.477606	0.463695	0.450189
Discounted Costs	$3,294,266	$3,198,317	$3,105,162	$3,014,720	$2,926,913	$2,841,663	$2,758,896	$2,678,540	$2,600,524	$2,524,781	$2,451,244	$2,379,848	$2,310,532	$2,243,235	$2,177,898

Voucher	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28
Voucher	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420
Relocation															
TOTAL	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420
Discount Rates	0.680951	0.661118	0.641862	0.623167	0.605016	0.587395	0.570286	0.553676	0.537549	0.521893	0.506692	0.491934	0.477606	0.463695	0.450189
Discounted Costs	$2,572,239	$2,497,320	$2,424,582	$2,353,963	$2,285,401	$2,218,836	$2,154,210	$2,091,466	$2,030,549	$1,971,407	$1,913,988	$1,858,240	$1,804,117	$1,751,570	$1,700,553

Public Housing	Year 29	Year 30	Year 31	Year 32	Year 33	Year 34	Year 35	Year 36	Year 37	Year 38	Year 39	Year 40
Operating	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508	$3,614,508
Initial Capital Accrual	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233	$1,223,233
Residual												
TOTAL	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741	$4,837,741
Discount Rates	0.437077	0.424346	0.411987	0.399987	0.388337	0.377026	0.366045	0.355383	0.345032	0.334983	0.325226	0.315754
Discounted Costs	$2,114,464	$2,052,878	$1,993,085	$1,935,034	$1,878,674	$1,823,955	$1,770,830	$1,719,253	$1,669,178	$1,620,561	$1,573,360	$1,527,534

Voucher	Year 29	Year 30	Year 31	Year 32	Year 33	Year 34	Year 35	Year 36	Year 37	Year 38	Year 39	Year 40
Voucher	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420
Relocation												
TOTAL	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420	$3,777,420
Discount Rates	0.437077	0.424346	0.411987	0.399987	0.388337	0.377026	0.366045	0.355383	0.345032	0.334983	0.325226	0.315754
Discounted Costs	$1,651,022	$1,602,934	$1,556,247	$1,510,919	$1,466,912	$1,424,186	$1,382,705	$1,342,432	$1,303,332	$1,265,371	$1,228,516	$1,192,734

Voluntary Conversion Calculation
New Budget Authority

Public Housing	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14
Operating	$3,614,508	$3,691,711	$3,770,563	$3,851,099	$3,933,356	$4,017,369	$4,103,177	$4,190,818	$4,280,331	$4,371,755	$4,465,132	$4,560,504	$4,657,913	$4,757,402
Initial Capital	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0				
Accrual		$1,249,360	$1,276,046	$1,303,301	$1,331,139	$1,359,571	$1,388,610	$1,418,270	$1,448,563	$1,479,503	$1,511,104	$1,543,380	$1,576,346	$1,610,015
Residual	$14,171,286													
TOTAL	$17,785,794	$4,941,072	$5,046,609	$5,154,401	$5,264,495	$5,376,940	$5,491,787	$5,609,088	$5,728,894	$5,851,258	$5,976,237	$6,103,884	$6,234,259	$6,367,417
Inflation Factor	1.000	1.0214	1.0432	1.0655	1.0882	1.1115	1.1352	1.1594	1.1842	1.2095	1.2353	1.2617	1.2887	1.3162

Voucher	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14
Voucher	$3,777,420	$3,858,103	$3,940,509	$4,024,675	$4,110,639	$4,198,439	$4,288,114	$4,379,705	$4,473,252	$4,568,798	$4,666,383	$4,766,054	$4,867,853	$4,971,827
Relocation	$398,000													
TOTAL	$4,175,420	$3,858,103	$3,940,509	$4,024,675	$4,110,639	$4,198,439	$4,288,114	$4,379,705	$4,473,252	$4,568,798	$4,666,383	$4,766,054	$4,867,853	$4,971,827
Inflation Factor	1.000	1.0214	1.0432	1.0655	1.0882	1.1115	1.1352	1.1594	1.1842	1.2095	1.2353	1.2617	1.2887	1.3162

Voluntary Conversion New Budget Authority	20 Year	30 Year	40 Year
Public Housing PUM			$1,643
Voucher PUM			$1,232
Delta Dollar			$411
Delta Percent			25%

Public Housing	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28
Operating	$4,859,017	$4,962,802	$5,068,803	$5,177,069	$5,287,647	$5,400,587	$5,515,939	$5,633,756	$5,754,088	$5,876,991	$6,002,519	$6,130,728	$6,261,676	$6,395,420
Initial Capital														
Accrual	$1,644,404	$1,679,527	$1,715,400	$1,752,040	$1,789,462	$1,827,684	$1,866,722	$1,906,593	$1,947,317	$1,988,910	$2,031,391	$2,074,780	$2,119,096	$2,164,358
Residual														
TOTAL	$6,503,421	$6,642,329	$6,784,204	$6,929,109	$7,077,109	$7,228,271	$7,382,661	$7,540,349	$7,701,405	$7,865,901	$8,033,911	$8,205,509	$8,380,772	$8,559,779
Inflation Factor	1.3443	1.3730	1.4023	1.4323	1.4629	1.4941	1.5261	1.5587	1.5919	1.6259	1.6607	1.6961	1.7324	1.7694

Voucher	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28
Voucher	$5,078,021	$5,186,484	$5,297,263	$5,410,408	$5,525,970	$5,644,001	$5,764,552	$5,887,679	$6,013,435	$6,141,877	$6,273,063	$6,407,051	$6,543,900	$6,683,673
Relocation														
TOTAL	$5,078,021	$5,186,484	$5,297,263	$5,410,408	$5,525,970	$5,644,001	$5,764,552	$5,887,679	$6,013,435	$6,141,877	$6,273,063	$6,407,051	$6,543,900	$6,683,673
Inflation Factor	1.3443	1.3730	1.4023	1.4323	1.4629	1.4941	1.5261	1.5587	1.5919	1.6259	1.6607	1.6961	1.7324	1.7694

Public Housing	Year 29	Year 30	Year 31	Year 32	Year 33	Year 34	Year 35	Year 36	Year 37	Year 38	Year 39	Year 40
Operating	$6,532,022	$6,671,541	$6,814,039	$6,959,582	$7,108,233	$7,260,060	$7,415,129	$7,573,510	$7,735,275	$7,900,494	$8,069,242	$8,241,595
Initial Capital												
Accrual	$2,210,587	$2,257,804	$2,306,029	$2,355,284	$2,405,591	$2,456,972	$2,509,451	$2,563,051	$2,617,796	$2,673,710	$2,730,818	$2,789,147
Residual												
TOTAL	$8,742,609	$8,929,344	$9,120,068	$9,314,866	$9,513,824	$9,717,032	$9,924,580	$10,136,561	$10,353,071	$10,574,204	$10,800,061	$11,030,742
Inflation Factor	1.8072	1.8458	1.8852	1.9255	1.9666	2.0086	2.0515	2.0953	2.1401	2.1858	2.2325	2.2801

Voucher	Year 29	Year 30	Year 31	Year 32	Year 33	Year 34	Year 35	Year 36	Year 37	Year 38	Year 39	Year 40
Voucher	$6,826,431	$6,972,238	$7,121,160	$7,273,262	$7,428,613	$7,587,283	$7,749,341	$7,914,861	$8,083,917	$8,256,583	$8,432,937	$8,613,058
Relocation												
TOTAL	$6,826,431	$6,972,238	$7,121,160	$7,273,262	$7,428,613	$7,587,283	$7,749,341	$7,914,861	$8,083,917	$8,256,583	$8,432,937	$8,613,058
Inflation Factor	1.8072	1.8458	1.8852	1.9255	1.9666	2.0086	2.0515	2.0953	2.1401	2.1858	2.2325	2.2801

Attachment C

Certification of Compliance with the New York City Consolidated Plan

Certification by State or Local Official of PHA Voluntary Assessments and Plans Consistency with the Consolidated Plan

I, Richard Barth, the Executive Director of the New York City Department of City Planning certify that the Voluntary Assessments and Plans developed by the New York City Housing Authority for the 21 developments listed below are consistent with the Consolidated Plan of the City of New York.

Richard Barth 5/22/06
Signed/Dated by Appropriate State or Local Official

Brooklyn
- Bay View
- Boulevard
- Bushwick
- Independence
- Linden
- Marlboro
- Williams Plaza

Manhattan
- 344 East 28th Street
- Amsterdam Addition
- Chelsea
- Drew Hamilton
- Manhattanville
- Rutgers
- Frederick E. Samuel (City)
- Wise Towers

Bronx
- Baychester
- Castle Hill
- Marble Hill
- Murphy
- Saint Mary's Park

Staten Island
- Stapleton

Attachment D

Questions and Comments from the Public

Comment: ***Will all new residents coming into the affected developments receive Section 8 vouchers?***

Response: *Vacancies will be filled from the existing public housing waiting list, which includes both new applicants and transferees for that development. Residents moving into a City/State development after HUD has approved the plan would be required to accept Section 8 rental assistance. New residents must meet all Section 8 program requirements to qualify, including the family income limit, which is 50% of the area median income.*

Comment: ***Why is NYCHA implementing this program when people at the Annual Plan public hearing voiced opposition to it?***

Response: *NYCHA began its 2006 fiscal year with a $168 million deficit, half of which is attributable to the costs of the City/State developments. Up to now, NYCHA has used its federal subsidy to fund operations at these 21 developments. Given that federal funding is not keeping pace with rising costs, NYCHA can no longer maintain the City's public housing stock without a new funding stream. Therefore, 8,400 Section 8 vouchers will be used in the City/State developments as one of several actions intended to close the Authority's $168 million funding gap.*

Comment: ***Doesn't this program take vouchers away from other needy families waiting for Section 8 housing?***

Response: *This program is necessary to maintain over 20,000 units of affordable housing and is a wise investment to do so. In addition to this program, NYCHA has committed to continue to offer available vouchers to families on the Section 8 waiting list.*

Comment: ***Under this program, does your rent increase as your income increases?***

Response: *Yes. Section 8 residents are required to pay 30% of their income in rent up to the Fair Market Rent (FMR) amount. FMR is determined annually by HUD and is the maximum rent that NYCHA or any Section 8 landlord can charge Section 8 residents. Once a resident's income is sufficient to pay the entire rent, they will no longer be eligible to receive a Section 8 subsidy but they may remain in their apartment regardless of income.*

Comment: ***What happens if my income later decreases?***

Response: *If you remain in a City/State development, you can request to be restored to the Section 8 program and pay 30% of income towards rent. If residing in a private building, and your income goes down within one year after subsidy is lost, it may be reestablished.*

Comment: ***If I take a Section 8 voucher, can I move to a different development?***

Response: *You may transfer to another City/State development with a high priority. Also, residents can use vouchers to move to private buildings anywhere in the city or across the country. In addition,* *residents who are in an overcrowded apartment can receive a Section 8 voucher for their current unit and a second voucher to allow family members to relocate.*

Comment: ***If I take the voucher, and then later want to move back to public housing, can I do that?***

Response: *No. In this circumstance, the resident would need to apply as a new applicant for public housing.*

Comment: ***Will the Section 8 Program end?***

Response: *The Section 8 program has been in existence since 1974, and in fact has been growing more rapidly than the public housing program in the last few years. Over 125,000 New York City families currently participate in the program.*

Comment: ***How easy is it to find a Section 8 apartment in the private market?***

Response: *Apartments whose rents are less than Fair Market Rents (FMR) and pass inspection are available for Section 8 use. NYCHA's Leased Housing Department can assist you by providing listings of available apartments.*

Comment: ***Does NYCHA plan to sell the City and State developments?***

Response: *No. NYCHA is not planning to sell any of these developments, or to change any of the management practices or rules and regulations related to these developments.*

Comment: **How will Section 8 benefit me?**

Response: *Section 8 provides residents with mobility; that is they may choose to use the voucher in their current unit or use it for any other apartment in the city or throughout the country. In addition, residents who are in an overcrowded apartment can receive a Section 8 voucher for their current unit and a second voucher to allow family members to relocate. Pursuant to Federal law, Section 8 is not covered by the community service requirement, thus residents who participate in the Section 8 Voluntary Transition Program are not required to perform community service.*

Comment: **If I choose Section 8, will my apartment still be inspected annually?**

Response: *Yes, but not by NYCHA staff. An outside agency will conduct the inspection.*

Comment: **Will I be eligible for this program if I am on public assistance?**

Response: *Yes – the same calculations will apply.*

Comment: **Will there be a criminal background check for this program?**

Response: *Criminal background and income checks will be waived for a current public housing resident if a check was conducted within the last six months.*

Comment: **Is this program advantageous to families currently paying the ceiling rent in public housing?**

Response: *If you are paying ceiling rent in public housing, your rent will not go above ceiling, even if your income increases. For Section 8, you pay 30% of your income for rent – there is no ceiling, but a voucher allows mobility which is not an option in public housing. So, accepting a Section 8 voucher is an individual household choice and may not be the right choice for all families.*

Comment: How will you decide who gets the 8,400 vouchers?

Response: *Once you are deemed eligible, it will be first come first served for those who sign up for the program.*

Comment: What happens if you decide to accept the Section 8 voucher, and you move into a private building, and then the landlord decides to opt out of the program?

Response: *The family is entitled to an emergency transfer. The New York State Appellate Court recently ruled that landlords are not permitted to opt out of the Section 8 program. Owners are obligated to accept Section 8 assistance and that obligation is a material term of a rent-stabilized tenant's lease.*

Comment: Can the Section 8 program assist you in buying your own home?

Response: *NYCHA does not operate a Section 8 homeownership program at this time.*

Comment: Are seniors and the disabled eligible for this program?

Response: *Yes.*

Comment: Are you allowed to have pets in the Section 8 program?

Response: *It is up to the landlord to decide.*

Comment: Will this program reduce the size of the Section 8 waiting list?

Response: *No, this program will reduce the size of the public housing waiting list – those new families that come into these 21 developments will come in with Section 8 assistance.*

Comment: The diversion of critical Section 8 vouchers to City and State developments means that families on the Section 8 waiting list will not receive housing.

Response: *This program is necessary in order for NYCHA to introduce a new funding stream for these 21 unsubsidized developments. This program will bring needed resources to City and State developments and ensure that the rents remain affordable. Section 8 waiting list families will still have access as vouchers become available. In fact, in 2007, NYCHA anticipates the rental of over 12,000 new vouchers which will benefit these families.*

Comment: NYCHA should assure families who take the voucher that if they lose their voucher due to an increase in income, that their voucher will be restored if their income decreases again.

Response: *Where City or State development families lose their Section 8 subsidy because family income increases, NYCHA is committed to allowing subsidy restoration for a period longer than the one-year standard permitted for other Section 8 assisted families.*

Comment: **NYCHA should give residents clear information about portability options and procedures.**

Response: *If a resident chooses this option, they will be provided with clear, written information about portability options and procedures. NYCHA has held two public meetings in each of the 21 developments and provided a written detailed plan and Frequently Asked Questions to residents. In addition, over 2,000 residents have had detailed discussions with NYCHA staff to better understand their options. After HUD approves the plan, and before any resident makes a final decision, they will meet with NYCHA staff to fully understand their options.*

Comment: **NYCHA should provide residents with clear, accurate, readable materials describing their options and likely consequences.**

Response: *NYCHA provided a list of "Frequently asked questions" about this program at all 21 public meetings, and answered questions from residents. If a resident opts for the program, they will be individually counseled about their particular situation and possible consequences.*

Comment: **NYCHA should give residents a grace period of one year during which they are free to relinquish the voucher and resume their standing as public housing tenants.**

Response: *The Transition Program is a voluntary program. Residents will have information readily available and time to make an informed decision about the right choice for their family.*