

Executive Summary

NYCHA's Draft Amendment to the Annual PHA Plan for FY 2024

Federal law allows a public housing authority to modify or amend its Annual Public Housing Agency (PHA) Plan or "Plan." Significant amendments to the Plan are subject to the same requirements as the original plan.

NYCHA's Draft Amendment to the Annual PHA Plan for Fiscal Year (FY) 2024 is available for public review on NYCHA's website: on.nyc.gov/nycha-annual-plan. NYCHA will also provide a copy of the Draft Significant Amendment to each development's Resident Association President. The Draft Amendment will also be made available at the management office of every NYCHA public housing development during regular business hours.

NYCHA will hold a hybrid in-person and virtual public hearing on July 30, 2024, and accept written comments on the Draft Significant Amendment through August 2, 2024. Please see the Notice on page 2. NYCHA met with the Resident Advisory Board members for their comments in 12 meetings from April to June 2024.

Housing Opportunity Through Modernization Act (HOTMA) Sections 102 and 104

The U.S. Department of Housing and Urban Development (HUD) published new regulations in February 2023 implementing changes under the Housing Opportunity Through Modernization Act (HOTMA). Sections 102 and 104 of HOTMA make changes to the United States Housing Act of 1937, particularly those affecting income calculations and reviews. Section 102 changes requirements related to income reviews for public housing and Section 8 programs. Section 104 sets maximum asset limits for public housing and Section 8 applicants and participants. Please see Attachment B on pages 12 to 18 for more information on the changes that will apply to the NYCHA's Housing Choice Voucher (HCV) and public housing programs.

Real Estate Activities *(Revised)*

Demolition Disposition Activities

NYCHA will use every tool available to protect the affordability of New York City's housing stock and strengthen public housing for this and future generations of New Yorkers. As part of this Significant Amendment to the FY 2024 Annual Plan, NYCHA is requesting HUD approval for demolition/disposition activities at the following developments: Bronx River Addition, Nostrand, and Wagner.

New York City Public Housing Preservation Trust - In June 2022, the State legislature passed a bill establishing the New York City Public Housing Preservation Trust (the Trust), and it was signed into law by Governor Kathy Hochul.

To dramatically improve residents' quality of life through comprehensive building renovations while preserving all their rights and protections (including permanently affordable rent) and providing economic opportunities, NYCHA plans to transfer an initial 25,000 apartments to the Trust. NYCHA will continue to own and manage the properties, entering into a long-term ground lease with the Trust to secure project-based vouchers, which have a subsidy worth double NYCHA's current federal subsidy. Similar to how other government entities raise funding for capital improvements, the Trust will pursue conventional financing or bonds that fund comprehensive building renovations (with input and partnership from residents at the development), including the latest sustainable technologies. And the Trust can hire better vendors who can complete high-quality work, faster.

The Trust bill went into effect 60 days after the date that Governor Hochul signed it into law—after which, NYCHA was required to meet certain obligations, such as publishing the draft resident opt-in voting procedures for public comment and incorporating appropriate feedback from residents into the final version of the voting procedures. In accordance with these requirements, draft voting procedures were issued in October 2022 and finalized in December 2022. In May 2023, the first members of the Trust board, including NYCHA residents, were appointed; they will be critical to the Trust's governance and operations.

Transfers to the Trust will not happen without extensive resident engagement, including a vote by residents at properties proposed for transfer on whether they want the transfer to occur.

In late 2023 and early 2024, the first such resident votes began taking place at Nostrand Houses in the Sheepshead Bay neighborhood of Brooklyn and Bronx River Addition in the Bronx, respectively. One hundred days of public engagement at the developments were followed by 30 days of voting, during which time residents could choose from three ballot options: joining the Trust, entering the PACT program, or remaining Section 9. Votes could be placed by mail, online, or, during the last 10 days of the voting period, in person. Results were certified by an independent, third-party voting administrator, with both developments selecting to convert to the Trust. It will take up to two years to transfer the properties into the Trust — after which time the first stages of the repair process may begin.

Subsequent votes will continue to be rolled out at additional developments in the months ahead.

MTA Easement at Wagner Houses - NYCHA plans for a disposition to the Metropolitan Transportation Authority (MTA) of a permanent subsurface easement located within the NYCHA public housing development Wagner Houses. The proposed disposition of the approximately 19,314-square-foot permanent subsurface easement appurtenant to the development will facilitate the expansion of the MTA's Second Avenue Subway. The added capacity of the Second Avenue Subway will provide much-needed transit access to residents of the development (as well as to all residents of the community) and will improve service. Section 18 application materials will be submitted in 2024 with an anticipated construction start date in 2025.

Permanent Affordability Commitment Together (PACT) - In this Significant Amendment to the FY 2024 Annual Plan, NYCHA is requesting HUD approval to convert Glebe Avenue-Westchester Avenue through the Rental Assistance Demonstration (RAD) program. Through this action, all units in the development will be operated outside the federal Public Housing program. Households will be transitioned to Project-Based Section 8 assistance.

Capital Improvements – FY 2024 Capital Fund Annual Statement/Performance and Evaluation Report and Five-Year 2024-2028 Action Plan

On May 21 and May 23, 2024, NYCHA presented an overview of the Authority's Capital Planning Program and the FY 2024 Capital Plan and Five-Year 2024-2028 Action Plan to the Resident Advisory Board.

NYCHA's FY 2024 Capital Fund Annual Statement/Performance and Evaluation Report and Five-Year Capital Action Plan are included in the Amendment in Attachment G, on pages 42 through 58.

NYCHA's FY 2024 Capital Plan and Five-Year Action Plan continue to focus investment to address the key issues outlined in the HUD Agreement: (1) investments in roofs, facades, and plumbing components to help address mold, (2) investments in heating and elevator systems to address boiler and elevator deficiencies, (3) investments in the waste management plan to control pest issues, and (4) safety and security investments in fire alarms, new entrances, and closed-circuit television (CCTV) systems. In addition, to address sites with a (i) high incidence of mold complaints and/or (ii) potential lead paint risks, NYCHA will be undertaking comprehensive modernization efforts with a variety of funding sources, including federal funds. The Five-Year Capital Action Plan reflects the estimated capital budget for the RAD pre-closing costs by development.

The Capital Fund Program Action Plan is complemented by similar investments, including roofs, heating plants, elevators, waste management, and comprehensive modernization projects, that will be funded with City and State resources.