

Executive Summary

NYCHA's Draft Agency Plan for FY 2026

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

The Draft Agency Plan for Fiscal Year 2026 will be available for public review on NYCHA's website: on.nyc.gov/nycha-annual-plan. NYCHA will also provide a copy of the Draft Agency Plan to each development's Resident Association President. The Draft Plan 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, 2025, and accept written comments on the Draft Agency Plan through August 2, 2025 (please see the notices starting on page 9 for more information). NYCHA met with the Resident Advisory Board members for their comments in 12 meetings from March to June 2025.

NYCHA's Final Agency Plan will be submitted to the U.S. Department of Housing and Urban Development (HUD) by October 18, 2025. Following NYCHA's submission, HUD has 75 days to review and approve the plan.

NYCHA's priorities for the coming year are outlined on pages 21 through 37. NYCHA aims to strengthen its business model through its Transformation Plan and raise much-needed capital funding for its developments through the NYC Public Housing Preservation Trust, Permanent Affordability Commitment Together (PACT) initiative, and other preservation programs. In January 2019, NYCHA and the City of New York signed an Agreement with HUD, which outlined specific deadlines and objective compliance standards for making significant improvements in several high-priority areas, including lead-based paint, mold, heat, elevators, annual inspections, pests, and waste management. NYCHA is committed to achieving these deadlines, and updates for each of these high-priority areas are highlighted below. With NYCHA's capital projects work, the Authority is investing in projects outlined in its City Capital Action Plan, initiatives that are already underway, and projects focused on environmental resiliency and sustainability. Finally, NYCHA continues to pursue other initiatives that fund vital building and apartment upgrades.

NYCHA's Transformation Plan and the NYC Public Housing Preservation Trust

NYCHA's **Transformation Plan** is a top-to-bottom reorganization of NYCHA, with proposed strategies for restructuring NYCHA's business model and operations to improve the delivery of services to residents.

Transformation Plan and NYCHA's Monitoring Agreement

On January 31, 2019, NYCHA and the City of New York signed an Agreement with HUD. The Agreement's overarching goal is to remedy the deficient physical conditions in NYCHA properties to benefit residents across the city. It establishes a foundation to continue strengthening the Authority and improving residents' quality of life. The Agreement sets performance targets in seven high-priority areas: lead-based paint, mold, heat, elevators, inspections, pests, and waste management. The work undertaken as part of the Agreement is overseen by an independent federal Monitor. The term of NYCHA's first federal Monitor, Guidepost Solutions, ended in February 2024, and NYCHA's new federal Monitor for a second five-year term is the law firm Jenner & Block. The Agreement's requirements will continue under the new Monitor.

Efforts under the Agreement include, for instance, conducting visual assessments and completing interim controls for lead-based paint each calendar year, improving the response times for heat and elevator outages, completing capital improvements to replace aging boilers and elevators, remediating mold conditions and preventing mold recurrence, utilizing Integrated Pest Management practices, and performing annual apartment inspections. The Agreement also required an "Organizational Plan" to "achieve sustained compliance with [the] obligations under [the] Agreement."

NYCHA issued three documents in response to this Agreement obligation — the Transformation Plan, issued in March 2021, followed by two Implementation Plans, issued in February 2022 and February 2023. Together, the Transformation Plan and the two Implementation Plans comprise the Organizational Plan required under the HUD Agreement¹. The plans include a set of strategies designed to improve the resident experience and set the agency on a path to a stronger future.

The plans include changes to NYCHA's governance and leadership structure, property management systems, and central support functions. The release of the Transformation Plan marked the beginning of a multi-year implementation process, which now enters its fourth year.

As of spring 2024, NYCHA has implemented several key changes to NYCHA's operating model, as well as numerous business process improvements that focus on service delivery pain points identified by residents and employees. The agency has moved to the Neighborhood Model, pushing resources and decision-making authority away from its central office and into the 29 Neighborhood offices spread across the city. The agency continues to improve the model as more resident services are provided locally.

Additional resident-facing business process changes include: a full overhaul of our repair and work order management process, changes to our approach to janitorial work and cleanliness, and a new

¹ The Chair Memorandum effective February 12, 2023, and the QA Memorandum effective May 1, 2023, modified provisions of the Organizational Plan.

approach to lease enforcement issues at developments. The agency is also making new investments in training to ensure its workforce can deliver on the agency's mission. In addition, NYCHA is also pursuing a set of central office reforms, including a comprehensive asset management strategy and a focus on human resources to ensure staffing at all sites and prevent vacancies that disrupt service delivery to residents.

NYC 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 their rights and protections (including permanently affordable rent) and providing economic opportunities, under current State law, NYCHA can transfer a maximum of 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 more than NYCHA's current federal Section 9 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.

The Trust bill went into effect 60 days after the date that Governor Hochul signed it into law—after which, NYCHA was required to and did 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 are critical to the Trust's governance and operations.

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

In late 2023 and 2024, the first such resident votes began taking place at Nostrand Houses, Coney Island Houses and Coney Island (Site 1B) (also known as Unity Towers), and Hylan Houses in Brooklyn and Bronx River Addition in the Bronx. 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. Residents could vote by mail, online, or, during the last 10 days of the voting period, in person. Results were certified by a third-party voting administrator. Nostrand Houses, Coney Island (Site 1B)/Unity Towers, Bronx River Addition, and Hylan Houses voted to enter the Trust while residents from Coney Island Houses elected to keep their development under the traditional Section 9 model. In 2025, additional votes were held at Throggs Neck Addition which elected to stay in the Section 9 program and Randall-Balcom which elected to convert through the PACT program. Subsequent votes will continue to be rolled out at additional developments in the months ahead.

Future Annual Plans and Significant Amendments will include more detailed information on the Trust and on proposed leasehold transfers to the Trust.

Leveraging New Sources of Revenue to Preserve Homes and Renovate Buildings

Considering the multibillion-dollar decline in federal Section 9 funding and massive repair needs across its portfolio, NYCHA must pursue innovative ways to fund the building and apartment upgrades that residents deserve.

NYCHA's 2023 Physical Needs Assessment (PNA) estimates 20-year physical needs of \$78.3 billion, which is a 73 percent increase from the 2017 PNA's total estimated needs of \$45.3 billion. As part of its Permanent Affordability Commitment Together (PACT) initiative, NYCHA will address overdue repairs in 62,000 apartments – a third of its units and home to approximately 140,000 New Yorkers. PACT relies on partnerships with private and non-profit development partners and converts developments to a more stable, federally funded program called Project-Based Section 8 through federal mechanisms such as RAD and the Section 18 program.

NYCHA will enter into public-private partnerships to undertake the major improvements to public housing developments while preserving long-term affordability and maintaining strong resident rights in line with public housing protections. To date, NYCHA has closed on financing over \$7 billion for capital repairs across the city. Over 25,000 apartments have converted to Project-Based Section 8 and over 13,000 apartments are in the planning and engagement phase of the program. NYCHA has made significant progress towards our goal of 62,000 apartments in the past several years.

All 62,000 apartments converted to Section 8 funding will remain permanently affordable. The Project-Based Section 8 program provides a more stable flow of federal subsidy and allows NYCHA and its development partners to raise external financing to address a development's capital repair needs. Once developments are converted, private managers are responsible for the day-to-day maintenance and operation of the buildings. The PACT program provides residents with important rights and protections. Authorized residents will only pay up to 30 percent of their household income towards rent, will not have their household applications re-screened, and will have the right to return to an assisted unit at the project if relocated during the construction or renovations.

The PACT program allows NYCHA to reinvest in, restore, and rebuild publicly controlled affordable housing in a way that reflects the priorities of the communities it serves. The program has provided residents with new kitchens, bathrooms, windows, and common areas while addressing critical repairs to elevators, boilers, roofs, and facades. The PACT program also enhances on-site social services by funding valuable community programming catered to meet the needs of each development.

Approximately \$2.25 billion in renovations have been completed at more than 11,000 apartments. An additional 14,000 apartments are under construction, totaling \$5 billion in major upgrades. An additional 13,000 apartments are part of active development projects in the process of resident

engagement or pre-development. In sum, NYCHA has over 39,000 apartments completed, in construction, or in a stage of resident engagement or pre-development.

Infill, Redevelopment, and Other Tools:

By leveraging its real estate assets, NYCHA can redevelop underused land to raise funding for building rehabilitation, build new housing for NYCHA residents, or completely redevelop a NYCHA campus. Building on underutilized land can be done as a standalone transaction or in connection with other tools like PACT and the transfer of air rights, Transfer of Assistance as defined below and using Project-Based Vouchers. Proceeds generated by these transactions will be used to reinvest in, restore, or rebuild existing NYCHA campuses.

New residential buildings can be subject to Mandatory Inclusionary Housing (MIH) levels of affordability and increase the permanently affordable housing stock. NYCHA continues to tap into its extensive unused development rights, known as “air rights,” in order to raise revenue for the Authority. By transferring a portion of the Authority’s approximately 80 million square feet of air rights, NYCHA expects to generate funding for capital repairs at adjacent developments which generated the air rights that were transferred. The sale of unused transferable development rights to owners of privately owned sites has already generated \$55 million in revenue to pay for capital repairs at NYCHA developments. In 2020, NYCHA completed two air rights transfers, one at Ingersoll Houses in Brooklyn for nearly \$25 million and another at Hobbs Court in Manhattan for \$2.6 million. In 2022, NYCHA completed a sale at Manhattanville Houses for \$28 million. In 2024, NYCHA completed another sale at Campos Plaza for \$19 million, for a total of \$74 million in proceeds for capital repairs for the adjacent developments. In 2025, NYCHA is planning to leverage a tool called “Transfer of Assistance” under HUD’s Rental Assistance Demonstration (“RAD”) program to offer new apartments to NYCHA residents in a residential building to be constructed at Howard Houses in Brooklyn. Under Transfer of Assistance, subsidy for a certain number of units at Howard Houses will be transferred to the newly constructed building, providing the NYCHA residents of such units the opportunity to move to the new building as Section 8 residents under RAD.

Commitments to Build New 100% Affordable Housing

New York City is confronting an affordable housing crisis, and New Yorkers have called for more affordable housing. NYCHA has pledged to provide underused land (such as parking lots and storage spaces) for the creation of new, affordable apartments for both families and seniors.

Since 2015, NYCHA has closed on 18 transactions located in the Bronx, Brooklyn, Manhattan, and Queens. To date, 2,623 affordable apartments have been built or are under construction. An additional 72 co-op homeownership units began construction at the end of 2020 and welcomed home first-time home buyers in 2024.

Many of these buildings will include community facilities and neighborhood retail that will serve new and current residents. For instance, The Atrium at Sumner in Bedford-Stuyvesant features 130 studio apartments and 59 one-bedroom apartments, as well as one two-bedroom superintendent apartment. The 11-story building is organized around a central atrium with corridors overlooking a year-round indoor garden on the ground floor. The Atrium at Sumner is designed to Passive House Standards, resulting in 60 to 70 percent less energy consumption compared to the average New

York City apartment building. Its common areas include an exercise room as well as a library, conference rooms, and a large multi-purpose room that will be home to educational and arts classes and programming to meet the needs of seniors. The building started to welcome residents in 2024, with a subset of units set aside for existing NYCHA seniors.

A Culture of Compliance

As required under the Agreement with HUD, NYCHA established new departments and units – a Compliance Department, an Environmental Health and Safety Department, and a Quality Assurance Unit – which have established programs for monitoring NYCHA’s work at its developments, making recommendations for improvements and then providing technical assistance to development staff to improve performance. In the coming year, NYCHA will continue to scale up these departments and units while using data-centered risk assessments, sampling, and field monitoring to ensure Operations complies with all local, state, and federal regulations and internal policies and procedures.

Compliance Pillar Areas

The Agreement requires NYCHA to remediate living conditions at its properties by specific deadlines and to meet strict, objective compliance standards regarding the aforementioned high-priority areas of lead-based paint, mold, heat, elevators, inspections, pests, and waste management. NYCHA is setting up systems and has established a dedicated unit, Strategy & Innovation, to track its progress on all the deadlines outlined in the Agreement. NYCHA has built dashboards and other analytical reporting tools for each pillar area to show progress towards meeting these metrics. If any managing jurisdiction is not meeting the clearly defined, data-driven benchmarks, they will need to design a plan – in partnership with their colleagues in other departments – to solve the problem.

The Agreement goals, as well as other priority areas, are outlined in the Goals Section of the Draft Agency Plan (pages 190 to 200). The following text includes examples of progress in Compliance pillar areas to date, as well as anticipated future progress.

Lead-Based Paint:

In April 2019, NYCHA kicked off an unprecedented effort to test approximately 134,000 apartments for the presence of lead-based paint using an x-ray fluorescence (XRF) analyzer. The XRF testing initiative was initially based on the definition of lead-based paint being 1.0 milligram per square centimeter (mg/cm²). NYCHA attempted to test 119,161 units (89% of the target universe of 134,000 units) and completed tests in 108,236 units (81% of the target universe) using this standard. On December 1, 2021, the New York City Department of Housing Preservation and Development (HPD) issued a regulation changing the definition of lead-based paint from paint with lead content measured at 1.0 mg/cm² to paint with lead content measured at 0.5 mg/cm² for purposes of New York City’s Local Law 1. When the City changed its standard, NYCHA suspended its program to test units at 1.0 mg/cm² and pivoted to retest the child under 6 (CU6) units at the new and lowered threshold of 0.5 mg/cm² (0.5 Standard). As of March 31, 2024, testing has expanded to

include all NYCHA apartments, both CU6 and non-CU6 units, at the 0.5 Standard. As of April 1, 2025, NYCHA successfully completed XRF testing in 109,952 units at the lower 0.5 mg/cm² threshold.

Additionally, NYCHA annually notifies residents to identify units where children under 6 years old live or spend 10 or more hours a week as required under New York City's Local Law 1 so that these units can remain a focus of lead-based paint response, as described below. In cases where residents fail to respond to the notice, NYCHA conducts door-to-door visits to identify units with CU6. This initiative is ongoing as NYCHA continues its efforts to identify units where CU6 either reside or spend more than 10 hours per week.

The biennial risk assessment project began in July 2024, and all the field work has been completed. A follow-up risk assessment started in May 2025. NYCHA has intensified its efforts to address deteriorated paint conditions in units with confirmed or presumed positive lead-based paint where a CU6 lives or spends ten or more hours per week.

Moreover, as of December 2021 NYCHA expanded its abatement efforts to comply with the City's lowered lead-based paint threshold of 0.5 mg/cm². Following testing at the new lower standard, NYCHA issues abatement work orders for positive units and offers expedited abatement services if residents agree to temporary relocation from both CU6 and non-CU6 apartments.

NYCHA is currently working with a project management firm, inclusive of case managers, who oversee the lead-based paint abatements at NYCHA developments as well as temporary resident relocation during the abatement process. As of April 1, 2025, NYCHA completed lead abatements in 13,041 units. NYCHA is continuing its efforts with lead abatements in units citywide.

Under the PACT program, NYCHA requires the PACT partner to test the units and common areas of buildings built prior to 1978 for lead-based paint. Based on this testing, the PACT partner must develop a plan to abate all lead-based paint. The PACT partner then completes the required abatement as part of their scope of work and reports on progress to NYCHA.

From January 2019 to March 31, 2025, the PACT program has converted 19,411 units, of which 4,977 units are expected to need abatement. As of March 31, 2025, PACT partners have reported that 3,606 units have been abated of lead-based paint, approximately 72% of the units. This includes 3,557 units abated at the City's new lead-based paint standard.

Mold

NYCHA established the Office of Mold Assessment and Remediation (OMAR) in July 2018 and the Compliance Department in 2019 in response to the 2018 Baez Amended Consent Decree and the 2019 HUD Agreement, to manage the Authority's response to mold and leaks. The Office of Mold Assessment and Remediation, under the Healthy Homes Division is a specialized team that has launched various initiatives in recent years to address mold, leak, and ventilation issues. These efforts include the development/implementation of new standard procedures, Authority-wide ventilation improvements, using data to drive mold and leak compliance, and backlog reduction efforts.

Development/Implementation of New Standard Procedures

From January through September 2019, NYCHA rolled out the *Mold/Mildew Control in NYCHA Residential Buildings Standard Procedure*. In April 2020, NYCHA began working on its new *Leak and Excessive Moisture Control Standard Procedure*. NYCHA has since completed two pilot programs (2020 – 2023) and is currently working towards the Authority-wide rollout (2025 – 2027). In July 2021, NYCHA published the *Roof Fan Inspections at NYCHA Residential Buildings Standard Procedure*, which provided staff guidance for monthly preventative maintenance roof fan inspections to address any ventilation issues. In June 2024, NYCHA published an updated mold standard procedure and is currently working to update its related training course accordingly.

Authority-Wide Ventilation Improvements

In 2020, NYCHA began its roof fan replacement efforts; in May 2022, NYCHA reached its milestone to replace or retain 8,436 roof fans and began labeling the fans with their Maximo assets to tie the monthly inspections on the handheld devices to Maximo assets in the system. Additionally, in 2020, NYCHA began the Clean Vent Initiative (CVI), its in-unit vent cleaning project, and completed CVI by finishing the third round of attempts to perform vent cleaning by July 31, 2023. As part of CVI, NYCHA cleaned lateral ducts in approximately 74,000 residential units. In June 2023, NYCHA launched its multi-year initiative to replace approximately 95,000 vents, including in-unit dampers and hallway dampers. As of April 1, 2025, approximately 29% (27,480 dampers) have been installed.

Using Data Analysis to Drive Mold and Leak Compliance

In May 2022, NYCHA introduced and continues to use the Mold and Leak Performance Scorecard and Dashboard and the Enhanced Oversight Program (EOP)² to identify and assist NYCHA consolidations in need of additional support to improve compliance with court-ordered mold and leak performance parameters. The Scorecard measures the performance of consolidations regarding mold and leaks based on 11 key metrics. As part of the EOP, OMAR works with lower performing consolidations to identify and address key areas of non-compliance through weekly check-ins with property management and skilled trades staff and providing additional support through deployment of specialized teams to address priority work orders, work order verification, and additional training. Furthermore, OMAR utilizes its in-house and seasonal teams to assist NYCHA Operations with addressing the high-priority work order backlog through the Mold Inspection Initiative (MII), Mold Cleaning Initiative (MCI) and Mold Painting Initiative.

Additional Backlog Reduction Efforts

In May 2022, NYCHA launched Operation Mold Clean Up (OMC) to reduce the backlog of open mold removal and mold-resistant paint work orders which remove the hazardous conditions. As of March 31, 2025, NYCHA completed 90% (or 32,919 out of 36,489) work orders identified for closure as part of this initiative. In April 2023, NYCHA launched Operation Dry Out (ODO) to reduce the backlog of aging tub enclosure and plumbing work orders related to mold and leak complaints. This work is considered root cause work which addresses the underlining issue that's causing a mold and/or leak condition. As of March 31, 2025, 62% (4,740) of identified tub enclosure work orders and 76% (7,776) of identified plumbing work orders have been completed.

² The EOP was launched in partnership with Independent Data Analyst (Stout) and Independent Mold Analyst (Microecologies).

In June 2024, to reduce its mold and leak work order backlog and improve staff efficiency, NYCHA, in partnership with the Ombudsperson Call Center (OCC), launched its Work Order Verification Project, to identify and close aging mold and leak work orders that do not require work following emails and phone outreach to residents. As of March 31, 2025, the OCC has been able to connect with residents for 6,024 work orders (WO) - 60.8% (3,660 WOs) were verified as “still needed” and were escalated for scheduling, and 31.6% (1,903 WOs) were verified as “no longer needed” due to work being previously completed by NYCHA or the resident, no longer required, or because the resident no longer resides in the unit. Finally, to address some of its oldest mold and leak work orders, in March 2025, NYCHA launched Operation Backlog Busters targeting child work orders associated with mold inspections created in 2019 and 2020. As of March 31, 2025, NYCHA closed 20% (66 out of 325 WOs).

Over the next year, NYCHA will continue to execute the initiatives listed above to achieve the following goals:

- Decrease mold incidence and recurrence
- Improve compliance related to key performance parameters, including time to complete initial inspections, mold removal, remediation, and related repairs
- Ensure that key staff are trained in mold inspections and remediation.
- Launch the Leak Standard Procedure (Leak SP) and begin to train staff on the enhanced leak inspection process.

Despite these efforts, NYCHA understands that substantial, comprehensive capital investments will be necessary to effectively address the root causes of mold. Sustained investment and completed capital upgrades will be crucial in addition to the more immediate operational and maintenance work already underway. The ongoing mold and moisture problems in NYCHA buildings are indicative of the capital problems that have been postponed for so long, as well as the lack of reinvestment that all buildings need. Many of NYCHA’s buildings are more than a half century old and have not received the required capital improvements vital to their infrastructure. To address the factors that have led to mold growth, leaks, and moisture complaints, NYCHA must invest in the comprehensive modernization of all its properties with chronic mold and leak problems across its entire portfolio.

Heat

In the 2024-2025 heat season (as of April 30, 2025), NYCHA resolved its heat outages on average in 6.86 hours. 100% of outages (543 out of 543) were resolved within 24 hours. NYCHA continues to utilize a heating team dedicated to resolving service interruptions 24/7 and continues to activate a “Situation Room” during periods of extreme cold to coordinate the response to interruptions and mobilization of resources in real time. NYCHA constantly monitors outage data through the use of dashboards and reports to identify issues proactively. NYCHA also reviews the causes of outages to identify system components that may require extensive repair and/or replacement. NYCHA then uses this data to develop an operational investment strategy that uses operating dollars to make the identified repairs.

Since the HUD Agreement was signed in 2019, NYCHA has replaced 138 boilers at 41 developments. At another 33 developments, NYCHA has ongoing, active projects to replace another 159 boilers by the end of 2026, totaling 297 boilers. These projects are funded through a range of sources, including

City capital dollars (including funds allocated pursuant to the City Capital Action Plan), State capital dollars, Sandy Recovery and Resilience funding, and federal capital funds, among others.

In addition, as of December 2024, NYCHA has repaired or replaced 237 boilers through the Permanent Affordability Commitment Together (PACT) Section 8 conversion program, and construction is in progress that will repair or replace an additional 283 boilers.

Elevators

NYCHA continues to strive to make improvements to its elevator operations. NYCHA continues to hire and train additional elevator mechanic teams while investing in air conditioners in motor rooms, door lock monitors, and other equipment that will help improve elevator service.

Since the HUD Agreement was signed in 2019, construction has been completed at 197 elevators across 18 developments. An additional 78 elevators are being addressed through projects which are in the construction phase, with a total of 275 elevators forecasted to complete construction by the end of 2025. As of December 2024, 288 elevators have already been transferred to third-party management through the PACT Section 8 conversion program.

Additional updates include:

- Installing air conditioners in motor rooms to reduce overheating equipment. As of March 2025, 2,229 air conditioners have been installed and are operational.
- Upgrading to Master Operator Variable Frequency (MOVFR) waterproof door operators to help prevent weather-related outages. As of March 2025, 304 water-resistant operators have been installed.
- NYCHA's Elevator Services Repair Department (ESRD) has installed Electric Voltage Regulators (EVR) to increase voltage at select developments during summer months. This equipment will help prevent "no service conditions" in senior buildings when the local utility company lowers voltage.
- As of March 2025, 13 EVR units have been installed, 11 are complete, and 2 are pending NYC Department of Buildings (DOB) inspection of the electrical portion of the installation. In addition, the Elevator Department has asked NYCHA's Capital Projects team to include EVRs on all future modernizations.

Pests and Waste Management:

In 2023, NYCHA reduced the backlog of extermination work orders that had grown due to COVID restrictions, exterminator vacancies, and repeat infestations. In January 2023, there were 16,762 open work orders. As of March 24, 2025, there were 4,035 open extermination work orders; however, only 4 are older than 30 days in occupied apartments that have a complaint not tied to a follow up, mold inspection, or court case. NYCHA had 50 pest management vacancies in January 2023 and currently has 12, which are being filled in collaboration with NYCHA's Office of Resident Economic Empowerment & Sustainability (REES), which has offered three exterminator training courses for residents. The final factor leading to reduced tickets is an increase in the quality of work. Exterminators now use vacuums, seal holes, use more targeted pesticides, have better training, and

make follow-up visits. These efforts have helped NYCHA to meet response times laid out in the HUD Agreement: (a) respond to 75% of all rat complaints within 2 business days and to all rat complaints within 5 days, and (b) respond to 75% of mice, bedbug, and roach complaints within 7 days and to all complaints within 10 days. The current average response time to resident complaints for rats is 1.6 days and 4.48 days for the other pests (mice, roaches, and bedbugs).

NYCHA is using City Capital Action Plan (CCAP) funds to replace most interior and exterior compactors that are past their useful lifespans. These funds provide for the replacement and room restoration of 1,211 interior compactors and the redesign of approximately 120 waste yards. These changes will provide significant improvements in equipment and working conditions for NYCHA staff to handle waste and recyclables.

- As of April 2025, 453 interior compactors have been fully replaced along with other compactor room improvements. 150 additional compactors are about to move into construction, and an additional 608 compactors are in procurement, design or planning.
- As of April 2025, 8 waste yards with exterior auger compactors and other equipment are completed, an additional 22 are in procurement, 13 are in design, and 70 are moving to design.

Public Housing Assessment System (PHAS) and Annual Inspections:

As of September 2024, NYCHA completed the following key activities:

- As of January 1, 2024, NYCHA started inspecting 100% of apartments per year.
- Updated the PHAS Standard Procedure (SP) to include new National Standards for the Physical Inspection of Real Estate (NSPIRE) requirements and other updates. The SP was issued on February 15, 2024.
- Updated the Apartment Inspections SP to include inspecting 100% of apartments per year, new NSPIRE requirements, and other updates. The SP was issued on September 4, 2024.
- Continued to include the new NSPIRE standards that are replacing Uniform Physical Condition Standards (UPCS) in staff training. The training is required for all NYCHA staff who had been previously trained under the UPCS and consists of two days of classroom sessions as well as a half-day session in the field. The training launched in October 2023.
- As of March 5, 2025, 1,753 staff completed classroom training and 1,098 staff completed site-based training.
- Updated the list of questions for annual apartment inspections to reflect new NSPIRE requirements.

Capital Projects

Over the course of 2024, \$1 billion of capital funds were expended across NYCHA's capital programs, with 135 projects completing construction, 34 paused projects restarted, and 105 new projects initiated. These programs include:

- Heating system replacements or upgrades, including space and domestic hot water decoupling, in-kind boiler replacements, decentralized gas and geothermal systems, and heat pumps;
- Elevator system replacements;

- Roof replacements;
- Waste management infrastructure upgrades, including interior and exterior compactors and new waste yards;
- Comprehensive modernization;
- Building exterior improvements, including façade restoration and window upgrades;
- Safety and security, including closed-circuit television (CCTV), layered access controls doors, and lighting;
- Flood damage remediation and mitigation, including Superstorm Sandy recovery and resilience work;
- Energy-efficiency and weatherization upgrades;
- Grounds upgrades, including playgrounds and sports courts, and green infrastructure; and,
- Common area renovations, including lobbies, and renovation of community, senior, and daycare centers.

Progress on several of these programs – as well as NYCHA’s work on innovation pilots, community partnerships, and Connected Communities initiatives – are further explored below.

In 2024, NYCHA’s Asset & Capital Management Division (A&CM) negotiated \$140 million in State grants focused on façade repairs and heating systems which are expected to be available for use in 2025 and received \$90 million in sustainability and resiliency-related grants, as well as \$11.5 million in grants for third-party-implemented capital projects on NYCHA sites.

At the beginning of 2025, A&CM had 592 active projects with a total budget of \$6.9 billion funded over the next few years. In 2025, A&CM is also targeting securing more than \$465 million in sustainability and resiliency-related grants, including Federal disaster recovery funding related to Ida storm damage remediation and mitigation, as well as \$6 million in grants for third-party-implemented capital projects on NYCHA sites.

Over the course of 2025, A&CM is targeting to expend \$1.1 billion and complete construction on 135 projects, as well as start (or restart) approximately 80 new (or paused) projects.

Looking ahead to the years beyond 2025, the 5-year Capital Plan allocates an additional \$1.2 billion of Federal funds and \$1.6 billion of City funds in 2026 through 2029 for capital projects managed by A&CM, or approximately \$700 million per year on average. Much of this funding will continue to be invested in HUD Agreement Pillar areas, including heating systems, elevators, waste management infrastructure, and comprehensive modernization, as well as roofs and façade restoration. These investments underscore NYCHA’s commitment to bringing our properties up to a state of good repair, improving residents’ quality of life, and strengthening sustainability and resiliency to climate change.

Recovery & Resilience Programs

As of April 2025, NYCHA has invested over \$3.1 billion in funding from FEMA, Community Development Block Grant Disaster Recovery (CDBG-DR), and insurance proceeds at the 35 developments most severely impacted by Superstorm Sandy. Completed work includes 52 new boilers providing heat and hot water to almost 3,483 units in 43 buildings, 187 roofs replaced, 164 full-power backup generators operational with 110 turned over to serve over 15,621 apartments in 173 buildings, and storm surge protection installation at 25 developments protecting over 163 buildings, which are now ready for the 2025 hurricane season.

NYCHA secured approximately \$170 million in CDBG-DR funding related to Hurricane Ida, which took place in September 2021, and continues to work with FEMA to finalize a public assistance award to comprehensively restore properties damaged by the storm and mitigate damages in future floods. NYCHA has identified major damage at 13 developments under management and one PACT property, which are the focus of this recovery program. NYCHA has provided FEMA with detailed scope and cost outlines for repair, replacement, and mitigation work to restore and protect NYCHA developments against future storms. To supplement the anticipated, substantial FEMA funds, NYCHA has secured \$30 million of CDBG-DR funds to cover the estimated local match, an additional \$30 million for unfunded mitigation measures, and \$26 million for plumbing line replacements at 1471 Watson and Leavitt St-34th Avenue, two single-building developments with significant Ida impacts. NYCHA has also worked with the PACT program to provide \$51 million of CDBG-DR funding to Hope Gardens and Bushwick Houses, two former NYCHA developments now in the PACT program which suffered major and unprecedented rain-driven flooding during Hurricane Ida and in subsequent rain events.

More broadly, NYCHA is implementing its 2021 Climate Adaptation Plan, through projects that increase resilience to the three greatest climate-induced threats to New York City residents: extreme heat, coastal flooding, and extreme rain. NYCHA continues to identify resiliency needs, actively seeks federal and State grant funding to address them, and is implementing capital projects to protect the portfolio and NYCHA residents from damages and losses due to climate events. NYCHA is also working to integrate resiliency needs into its pipeline of capital work, including participation in the pilot phase of Local Law 41, New York City's law requiring that all City-funded projects follow the City's Climate Resiliency Design Guidelines beginning in 2026. Further efforts to coordinate the resiliency program with other NYCHA priorities include ongoing cooperation with PACT partners planning conversions at properties with existing resiliency work scopes, as well as seeking opportunities to join resiliency and electrification goals into holistically planned property improvements.

Energy-Efficiency Programs

In 2021, NYCHA released a Sustainability Agenda which outlines its commitment to healthy and comfortable homes that showcase environmental stewardship and sustainable design. There are currently \$341 million in active and complete Energy Performance Contracts, and \$25.7 million in weatherization upgrades are completed or in construction. In August 2022, NYCHA, in collaboration with the New York Power Authority and New York State Energy Research and Development Authority, selected two vendors, Midea America and Gradient, to develop affordable cold-climate window-packaged heat pumps. An initial 30,000 will be produced to help NYCHA reach its 80% reduction of greenhouse gas emissions by 2050. Woodside Houses has 24 apartments outfitted with

these new window heat pumps. NYCHA also has its first building operating on heat pumps for both space heating and domestic hot water at 1700 Hoe Avenue.

NYCHA also committed to host 30 megawatts (MW) of renewable energy on public housing and PACT roofs by 2026. As of April 2025, a total of 6.8 MW of community shared solar have been installed. An additional 12.5 MW of solar are in design or construction, with 5 MW of solar awarded, pending lease signature. The remaining 5.7 MW is to be planned.

Comprehensive Modernization Program

The Comprehensive Modernization program integrates comprehensive renovations spanning multiple building systems, interiors and exteriors, and grounds improvements at several developments. This will allow these developments to be comprehensively renovated more quickly, at a higher quality, and with better value for money. This approach also holistically addresses the HUD Agreement pillar areas and the broader needs of residents and reduces NYCHA's comparatively high operations and maintenance costs.

Four projects with a total budget of over \$1 billion, are underway in procurement and design: Saint Nicholas Houses, Todt Hill Houses, Gowanus Houses, and Wyckoff Gardens. These projects will be delivered using a design-build project delivery method and involve extensive resident engagement from early on in each project, including hundreds of meetings, vision sessions at each property, thousands of flyers, on-site engagement offices, and individual apartment canvassing. This ensures residents' voices are central to the renovation process and the design-builder evaluation and selection process.

The design-builders have started work at all four sites. Procurements for construction management services and special inspections services for these projects have been completed, so the required managerial and technical support resources are in place for NYCHA to effectively oversee these projects.

Innovation Pilots

In 2024, A&CM developed and/or managed the following innovation pilots:

- **Entryways:** Analyzed and evaluated NYCHA's 30-year-old storefront standard, piloted a new standard with thermally broken aluminum, steel-reinforced entrances across 5 pilot sites, and finalized the new standard based on the pilot feedback and evaluation.
- **Window Heat Pumps:** In partnership with the New York State Energy Research & Development (NYSERDA) and the New York Power Authority (NYPA), engaged heating, ventilation, and air conditioning (HVAC) manufacturers to develop and pilot a unitary, packaged cold-climate air-source heat pump (ASHP) intended to be easily installed through an existing window and not require electric upgrades, at Woodside Houses, with the long-term goal of purchasing 30,000 heat pumps to install in 10,000 apartments. The initial pilot is complete and the heat pumps will be installed in full buildings in 2025.
- **Clean Energy Academy:** Connects resident trainees to NYCHA's energy efficiency and renewable energy projects at NYCHA developments, customizing training curriculum to

contractor needs. NYCHA has graduated 80 public housing residents through the Clean Energy Academy as of May 2025. The Public Housing Community Fund, in collaboration with NYCHA, will train 3 cohorts in 2025, one of which concluded in May 2025.

- **Green Infrastructure:** Together with the NYC Department of Environmental Protection (DEP), piloting deeper green infrastructure retrofits to mitigate the impact of intense rain events, also called cloudburst events, at 4 pilot sites to make these properties more resilient in the face of climate change and improving the open space for residents.
- **Recycling Stations:** Piloting larger capacity and more conveniently located recycling and trash stations at multiple sites with the goal of improving the resident recycling experience and increasing the capture of recyclable material.
- **Pneumatic Waste Management System:** Fully modernizing trash collection and disposal methods at Polo Grounds Towers by retrofitting the existing garbage chute in each building to enable vacuum-based depositing of refuse and recyclables through an underground pipe system, improving working conditions for building staff and reducing operating costs. The system will be fully operational at all buildings by mid-2025.
- **Micromobility:** The NYC Department of Transportation is leading the installation, construction, and maintenance of approximately 173 e-micromobility charging stations near 53 NYCHA developments across all 5 boroughs.
- **Induction Stove Challenge:** With NYPA and NYSERDA, NYCHA issued a manufacturer challenge to replace its gas stoves with an affordable, retrofit-friendly electric induction stove that runs on 120 VAC and uses either smart controls, battery integration, or a combination thereof to eliminate the need for major electrical infrastructure upgrades. Pending a successful pilot demonstration of the proposed unit, NYCHA will purchase approximately 10,000 new stoves from the selected manufacturer.

All 2024 pilot initiatives are continuing in 2025 with the exception of the Entryways pilot, which is now complete (and new entryway standards will be incorporated into standard projects going forward).

In 2025, A&CM will begin one new pilot initiative:

- **Utility Thermal Energy Network (UTEN)** – National Grid will install a neighborhood geothermal UTEN as part of a pilot with funding from the Public Services Commission. NYCHA’s Vandalia Avenue development will participate in this effort as an offtaker of the energy generated from the network.

Capital Improvements – FY 2026 Capital Fund Annual Statement/Performance and Evaluation Report and Five-Year 2026-2030 Action Plan

On May 5 and May 7, 2025, NYCHA presented an overview of the Authority’s Capital Planning Program and the FY 2026 Capital Plan and Five-Year 2026-2030 Action Plan to the Resident Advisory Board (RAB).

NYCHA’s FY 2026 Capital Fund Annual Statement/Performance and Evaluation Report and Five-Year Capital Action Plan are included in the Draft Plan in Attachment C, on pages 172 through 182.

NYCHA's FY 2026 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 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.

Community Partnerships & Connected Communities

NYC Parks is leading design and construction across play areas at six NYCHA developments as part of its "Walk to a Park" initiative and will maintain and operate the renovated open spaces in accordance with an agreement between NYCHA and the City of New York acting through NYC Parks. Renovations at Pomonok, Redfern, 1471 Watson Ave., Sotomayor, Woodside Houses and Kingsborough are complete.

In addition, through the Connected Communities program, NYCHA has partnered with the Public Housing Community Fund to accept multiple philanthropic grants to improve open spaces at NYCHA. After a preliminary grant in 2019, the Helmsley Charitable Trust awarded an additional three-year \$3.2 million grant in 2022 for participatory design-led open space transformation across four developments — Patterson, Castle Hill, Roosevelt, and Marlboro Houses. The site selection was informed by climate vulnerability, health and crime indicators, and resident leadership capacity. Construction at Castle Hill Houses is complete, with the addition of NYCHA's first-ever dog park and a new BBQ area as part of the program. The construction for Patterson and Roosevelt Houses is slated to begin in summer 2025, with Marlboro Houses' construction beginning in fall 2025. In August 2023, the Mellon Foundation approved a \$2 million grant for the restoration of a historic artwork at Kingsborough Houses — a Works Progress Administration (WPA) 80-foot-long frieze on a freestanding wall, *Exodus and Dance*. The groundbreaking of the frieze restoration was celebrated with the community stakeholders and elected representatives in January 2024, with the capital restoration anticipated to be completed by May 2025. The project was also recently recognized by the New York Landmarks Conservancy with the Lucy G. Moses Award for its exceptional preservation efforts.

In November 2023, the Mellon Foundation approved and granted \$3 million to pilot a three-year artist-in-residency program across five NYCHA community centers with the NYC Department of Youth and Community Development (DYCD). NYCHA and the Public Housing Community Fund (PHCF) are collaborating with NYC's Public Design Commission (PDC) for this effort to lean on their expertise of citywide arts-based initiatives.

Additionally, PHCF secured \$3.6 million of philanthropic funding from the Pershing Square Foundation for grounds renovation at Harborview Terrace. The design process is currently underway, with groundbreaking anticipated in early 2026.

NYCHA continues to support other nonprofit investments of over \$1.5 million into smaller open space interventions. *Opening the Edge* at Wald Houses is an upcoming plaza under construction by the Economic Development Corporation (EDC) through a partnership with Design Trust for Public Space. That project is anticipated to be completed by the end of summer 2025.

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

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 L on pages 230 to 237 for more information on the changes that will apply to NYCHA's Housing Choice Voucher (HCV) and public housing programs.

Changes To Tenant Selection Assignment Plan (TSAP) Summary

NYCHA is proposing to make changes to our Admissions and Continued Occupancy Plan in the area of wait list management and admissions. The changes include 1) simplifying and updating our priority categories; 2) updating our selection cycle; and 3) modifying development and borough selection options.

Simplifying our prioritization scheme is a main focus of the proposed changes. Tenant transfers will be prioritized as either high priority (T0) or standard priority (T1). T0 will consist of 4 groups: 1) relocations due to uninhabitability or severe health or safety reasons; 2) relocations due to modernization; 3) emergency transfers involving the Violence Against Women Act (VAWA) and Intimidated Witnesses and Victims; and 4) reasonable accommodations. The T1 priority will consist of all other transfers, including right sizing. All of our former transfer priorities have been consolidated into these groups.

We are also proposing changes to applicant priorities. We are expanding the working family (W0) priority to include all City-referred applicants who qualify (and not just those referred by the Department of Homeless Services). We will upgrade Intimidated Witnesses referred by the District Attorney and domestic violence applicants residing in shelters referred by the Human Resources Administration from the N1 priority to N0. Other applicant priorities remain unchanged.

All current transfers and applicants will be re-prioritized to the new scheme for selection among the various transfer and applicant categories. The order of selection for these categories is described in Attachment M on page 238. In addition, going forward, applicants will have a borough choice waiting list option only.