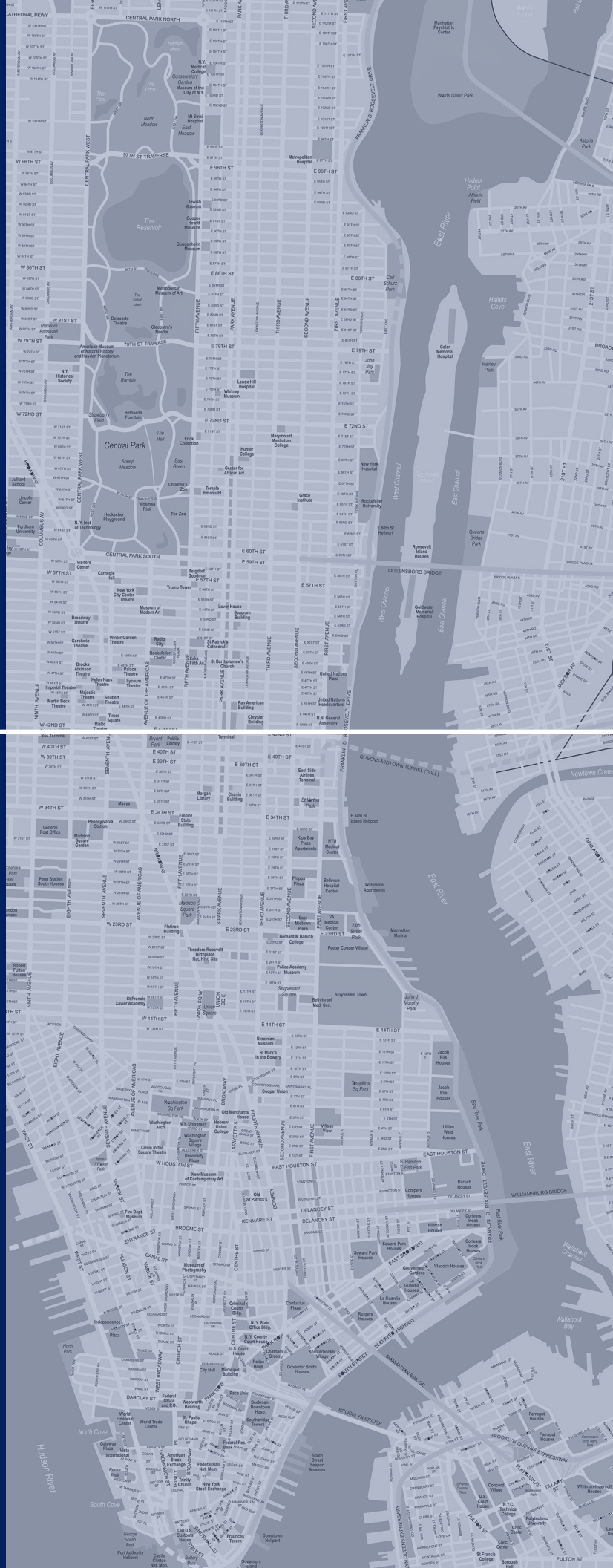


# New York City Housing Authority Monitorship

Monitors' Report  
December 19, 2024

Neil M. Barofsky and Matthew D. Cipolla  
Jenner & Block LLP  
1155 Avenue of the Americas  
New York, New York 10036

[www.nychamonitor.com](http://www.nychamonitor.com)





EXECUTIVE SUMMARY .....	1
SECTION I: PROPERTY MANAGEMENT .....	11
I.1 Heat.....	13
A. NYCHA’s Boiler Replacements (Requirement No. H1) .....	13
B. Heat Restoration Obligations (Requirement Nos. H9-H11) .....	15
C. Heating Failure Investigations (Requirement No. H14) .....	18
D. Mandatory Minimum Indoor Temperature Violations and Accompanying Action Plan (Requirement Nos. H6-H8) .....	19
E. Installation and Monitoring of Electronic Temperature Sensors and Public Disclosure Plan (Requirement Nos. H4-H5 and H15) .....	19
F. Completed and In Compliance Obligations.....	21
I.2 Elevators .....	29
A. Elevator Replacements (Requirement Nos. E1-E2) .....	30
B. No-Service Conditions (Requirement Nos. E7-E8, E14-E16, E22) .....	32
1. Frequency of No-Service Conditions (Requirement Nos. E6-E8) .....	33
a. One or Fewer No-Service Conditions Per Year (Requirement Nos. E6, E7) .....	33
b. Three or Fewer No-Service Conditions Per Year (Requirement No. E8) .....	34
2. Duration of No-Service Conditions (Requirement Nos. E14- E16) .....	35
a. Four-Hour Obligation (Requirement No. E15) .....	35
b. Twelve-Hour Obligation (Requirement No. E16) .....	36
3. Timing of No-Service Conditions and Providing Advance Notice to Residents and Monitors (Requirement Nos. E20- E22) .....	38
C. Elevator Car Outages (Requirement Nos. E9-E12, E17-E19).....	40
1. Frequency of Unplanned Elevator Car Outages (Requirement Nos. E9-E12) .....	41
a. Eight-Outage Obligation (Requirement Nos. E9, E10) .....	41
b. Twelve-Outage Obligation (Requirement No. E12) .....	42

2.	Duration of Elevator Car Outages (Requirement Nos. E17-E19).....	42
a.	Percentage Reduction in Outage Duration (Requirement No. E17) .....	43
b.	Ten-Hour Outage Obligation (Requirement No. E18) .....	44
c.	Eighteen-Hour Outage Obligation (Requirement No. E19) .....	45
D.	Remote Elevator Monitoring (Requirement No. E5) .....	46
E.	Completed and In Compliance Obligations.....	47
I.3	Pests & Waste .....	55
A.	Pests and Waste Management Infrastructure (Requirement Nos. P1-P4).....	56
B.	Respond to Resident Pest Complaints (Requirement Nos. P14-P15).....	57
1.	Responses to Rat Complaints (Requirement No. P14).....	57
2.	Responses to Other Pest Complaints (Requirement No. P15).....	59
C.	Address Pest Complaints from Residents with Health Conditions in an Expedited Manner (Requirement No. P17) .....	62
D.	Integrated Pest Management (Requirement Nos. P16, P18-P19).....	63
1.	Apply Effective Pest Control Methods in a Timely Manner (Requirement No. P16).....	64
2.	Implement and Apply Integrated Pest Management Techniques .....	65
3.	Address Common Area Pest Complaints .....	66
E.	Pest Population Reporting and Reduction Targets (Requirement Nos. P7-P11).....	67
F.	Waste Management (Requirement No. P11) .....	67
1.	Inspect and Correct Negative Waste Conditions .....	68
2.	Waste Management Capital Projects .....	70
I.4	Mold & Leaks .....	79
A.	Timely Remediation of Mold and Leaks (Requirements Nos. M5-M7).....	81
1.	Work Plan Distribution (Requirement No. M5) .....	82
2.	Removal and Remediation of Mold (Requirement No. M6) .....	83

3.	Abating Floods, Leaks from Above, and Other Moisture Conditions (Requirement No. M7).....	87
B.	Prevention of Mold Growth and Recurrence (Requirements Nos. M2-M4).....	89
1.	Recurrence of Verified Mold Complaints (Requirement No. M2).....	89
2.	Existence of Large Mold Growths (Requirement No. M3).....	90
3.	Recurrence of Mold (Requirement No. M4) .....	91
4.	Initiatives to Address Mold Growth and Recurrence.....	93
a.	Mold Trainings .....	93
b.	Damper Replacement Initiative .....	94
c.	Mold Related Capital Projects .....	95
i.	Comprehensive Modernization .....	96
ii.	Building Line Initiative .....	98
C.	Compliance with <i>Baez</i> (Requirement No. M2).....	99
I.5	Lead .....	104
A.	Testing and Abatement Progress in Apartments (Agreement, Ex. A ¶ 8-11) .....	104
1.	XRF Testing in Apartments .....	105
2.	Abatement in Apartments .....	107
B.	Protecting Residents from Lead Exposure During Maintenance Work (Agreement, Ex. A ¶ 15(j)).....	109
C.	Abating Common Areas (Agreement, Ex. A ¶¶ 8-11 (apartment units and interior common areas); Agreement, Ex. A ¶ 12 (exterior common areas)).....	111
1.	Interior Common Areas.....	112
2.	Exterior Common Areas.....	113
D.	Remediating Deficiencies Identified During Visual Assessments (Agreement, Ex. A ¶¶ 5(b), 17) .....	114
E.	Ensuring PACT Partner Compliance with Abatement Requirements (Agreement, Ex. A ¶¶ 8-12 (abatement deadlines); ¶ 14 (regulatory requirements for conducting abatement)).....	114
F.	Completed and In Compliance Obligations.....	116
I.6	Inspections .....	124

A.	Annual Inspections Action Plan (Requirement No. I1).....	124
B.	Annual Self-Inspections (Requirement No. I3).....	125
1.	Inspections Completed .....	125
2.	Results of Inspections .....	127
C.	Repairs of Deficiencies (Requirement No. I4) .....	128
1.	Minor Repairs .....	128
2.	Skilled Trade Repairs .....	129
3.	High-Priority Repairs .....	129
D.	HUD's Guidance and Standards (Requirement Nos. I5 and I7).....	130
E.	Industry Standards (Requirement No. I6) .....	133
1.	Quality Assurance Unit (QAU) .....	134
2.	Compliance Department - Monitoring Unit (MU) .....	135
3.	Supervisory Inspections .....	137
F.	Deceptive Practices, Internal Controls, and Chief Compliance Officer Obligations (Requirement Nos. I8-I10).....	139
1.	Monitoring Unit .....	140
2.	Compliance Inquiry Review and Assessment Unit.....	141
3.	Monitors' Inspection Team .....	141
G.	Completed Obligations.....	142
SECTION II: ORGANIZATIONAL CHANGE .....		149
A.	NYCHA In-Unit Repairs and Work Order Backlog .....	152
1.	Work Order Reform and the Skilled Trades Backlog .....	152
2.	Efforts to Reduce the Backlog .....	153
B.	NYCHA-Resident Communications Related to In-Unit Inspections and Repair .....	155
1.	Background .....	156
2.	NYCHA's Current Processes for Communication .....	157
3.	Monitors' Attempts to Measure the Problem .....	162
4.	NYCHA Improvement Initiatives .....	163
a.	Skilled Trades.....	164
b.	Pests and Waste.....	166
5.	Potential Paths Forward .....	167

C.	Neighborhood Model Initiatives .....	168
1.	Department Connect: A New and Improved NYCHA Communications Tool .....	169
2.	Increased Handheld Training and Access .....	170
3.	Improved Customer Service Training .....	171
4.	Vendor Evaluation.....	173
5.	Property Based Budgeting .....	175
D.	Performance and Accountability .....	176
1.	Managerial Performance Reviews.....	177
a.	NYCHA's Process for Performance Evaluations.....	178
b.	Potential Issues and Improvements .....	179
2.	Benchmarks and Key Performance Indicators .....	182
3.	Quality Assurance Dashboard.....	183
a.	QA Unit Background.....	184
b.	The Creation of the QA Dashboard .....	185
c.	NYCHA's Use of the QA Dashboard .....	186
d.	Further Enhancements of the QA Dashboard .....	188
E.	Human Capital Management System .....	190
1.	Background .....	190
2.	Plan and Process for Completion .....	190
3.	Key Goals for HCMS and NYCHA HR .....	191
4.	Lessons Learned for NYCHA IT .....	192
	ENDNOTES .....	195
	APPENDIX.....	205





## **EXECUTIVE SUMMARY**



On January 31, 2019, the New York City Housing Authority ("NYCHA") committed to implementing essential reforms to improve housing conditions for NYCHA residents through an agreement (the "HUD Agreement" or "Agreement") with the U.S. Attorney's Office for the Southern District of New York ("SDNY"), the U.S. Department of Housing and Urban Development ("HUD"), and the City of New York (the "City"). As part of the terms, a monitor was appointed to oversee and evaluate adherence to the Agreement. After the First Monitor completed a five-year term, on February 28, 2024, the current co-Monitors ("Monitors"), Neil Barofsky and Matthew Cipolla of Jenner & Block LLP, began their five-year term. This is their second report.

In their [August 2024 Report](#), the Monitors detailed their assessment of NYCHA's compliance five years into the monitorship, including NYCHA's successes and the challenges still facing the agency. The report included the Monitors' quantitative and qualitative assessment of NYCHA's progress to date in meeting each of the numerous requirements imposed on NYCHA by the HUD Agreement. As stated in that report, the Monitors' preliminary assessment was that NYCHA has made important progress in laying the foundation for significant improvements at its developments, but that much more must be done to translate that progress into widespread improvement to residents' quality of life.

In this report, and in others going forward, the Monitors will provide regular updates on NYCHA's progress in meeting the HUD Agreement's requirements. These updates include data showing NYCHA's improvement or regression on a quarterly basis, as well as updates on the various initiatives that NYCHA is undertaking in consultation with the Monitors to meet its obligations to the federal government and its residents. The quarterly cadence for the Monitors' reports going forward will cover February 1-April 30 (first quarter), May 1-July 31 (second quarter), August 1-October 31 (third quarter), and November 1-January 31 (fourth quarter). These quarterly updates will ensure that relevant stakeholders—including the federal government, NYCHA personnel, resident and political leaders, and residents themselves—have a clear and transparent picture of the state of NYCHA's progress against the obligations of the HUD Agreement, in order to drive accountability for NYCHA in meeting them.

As set forth further below, for the current quarter, NYCHA continues to make progress to better its performance under the HUD

Agreement, including newly reaching compliance with certain HUD Agreement obligations. But there is still much room for improvement, with too many obligations under the HUD Agreement that remain unmet and past due. And NYCHA and the Monitors must continue to work together to measure and enable reporting on the requirements under the HUD Agreement that still do not have agreed upon metrics.

In doing that work this quarter, the Monitors have continued to benefit from the constructive and collaborative approach taken by NYCHA's leadership and staff throughout the agency; the critical feedback received from the numerous NYCHA residents and resident leaders who have taken time to engage with the Monitors through the variety of forums noted below; the ongoing expertise and direct engagement from SDNY and HUD; and engagement from other stakeholders.

### **Property Management and Organizational Change**

The report details two main areas of NYCHA's progress under the HUD Agreement. First, under the HUD Agreement, NYCHA committed to various obligations related to heat, elevators, pests and waste, lead, mold, and inspections. Further detail concerning these topics is contained in **Section I** of this report. Second, NYCHA also committed to change its management, organizational, and workforce structure, in a manner to ensure sustained compliance with the Agreement's requirements, and NYCHA has adopted a Transformation Plan to achieve this goal. Further detail concerning these topics is contained in **Section II** of this report.

As described below, since the Monitors' August 2024 Report, NYCHA has shown progress in some areas but remains out of compliance with key obligations across several categories.

Some key highlights of the progress that NYCHA has made in this quarter include the following:

- Lead. NYCHA reached an important milestone of abating lead from 10,000 apartments and it continues to make progress abating apartments at a rate that

should enable it to meet the HUD Agreement abatement deadlines for apartments.

- Pests. NYCHA now complies with the HUD Agreement requirement that it respond to 90% of resident rat complaints within two business days, and it nearly complies with the HUD Agreement requirement to respond to 100% of resident rat complaints within five calendar days.
- Elevator service. NYCHA met the Agreement's requirement to install remote elevator monitoring systems in 70% of elevators, completing this obligation during the reporting period. Additionally, NYCHA has demonstrated progress toward meeting its obligation to resolve 85% of elevator car outages within ten hours of learning of them. If it sustains its current performance, NYCHA is on track to meet this obligation for the first time by the end of the year.
- Inspections. NYCHA is on track to inspect 100% of occupied apartments by year-end, with 82% inspected as of October 31, 2024. Additionally, over two dozen developments have moved from failing to passing scores after HUD's inspections this year.
- Resident Communications and Repair Appointments. NYCHA and the Monitors will soon finalize an internal dashboard for measuring missed repair appointments by NYCHA workers, which NYCHA and the Monitors will use to examine the root causes of those missed appointments and work towards solutions.
- Neighborhood Model. NYCHA and the Monitors have developed a new communication tool, a prototype of which will be rolled out soon, that should improve the connections between NYCHA's developments and its central office functions, which is a key goal of the Neighborhood Model, the new operating structure that

is intended to empower developments to be more responsive to residents' needs.

At the same time, as detailed further in the report, NYCHA continues to struggle in key areas, as NYCHA's ability to meet its obligations will require the agency to overcome longstanding and entrenched challenges, such as aging infrastructure and staffing constraints. Some of the most notable areas requiring continued focus from NYCHA, detailed further in the report include:

- Mold and Leaks. NYCHA has not complied with various requirements to prevent mold growth and recurrence and to timely repair mold and leak issues. For example, 84% of mold complaints involve mold covering ten or more square feet, against a HUD Agreement requirement that no more than 15% of mold incidences may be that large. NYCHA removes or remediates mold and its root causes within specified timeframes only 9% of the time, against a HUD Agreement requirement that it meet those targets 95% of the time.
- Elevators. NYCHA has replaced only 143 of the 275 elevators required by December 31, 2024, and, although it is working on additional replacements, NYCHA is not on track to meet this obligation by the deadline.
- Inspections. 70 of 122 developments failed HUD's inspection this year and NYCHA does not currently comply with HUD's requirement to self-inspect the developments that fail HUD's evaluation within 60 days.
- Repair Wait Times. NYCHA residents are still waiting several months, and in some cases over a year, for scheduled repairs, and NYCHA residents consistently report failures of communication with NYCHA relating to repairs.

As noted in the August 2024 Report, there also remain key areas where NYCHA has not measured its compliance with the Agreement's requirements, and the Monitors are continuing to work with NYCHA in those areas. For example, because the pest population protocols have not been finalized, NYCHA cannot report

on quarterly pest population estimates, and the Monitors cannot determine whether NYCHA achieved the Agreement's pest population reduction targets. Since the Monitors' August 2024 Report, however, the Monitors developed pest population protocols and submitted them to NYCHA for consultation. The Monitors expect to issue these protocols and report on NYCHA's performance in meeting them in the next quarterly report.

In all, the Monitors continue to closely observe NYCHA's activity in all these areas, and the others detailed further in the report, and will continue to work with NYCHA on improvements.

### **Capital Expenditures**

Progress on many of the commitments NYCHA made in the HUD Agreement will depend on the effective use of capital funds to repair and replace aging infrastructure. Since the August 2024 Report, the Monitors continue to assess the capital projects designed to provide systemic and long-lasting improvements to residents' quality of life by addressing issues that cannot be resolved through ongoing maintenance or isolated, temporary repairs. The HUD Agreement requires NYCHA to tackle persistent challenges across property management areas by replacing outdated heating systems, elevators, and plumbing infrastructure, installing measures to combat pest infestations, and improving waste management systems. NYCHA is also undertaking the long-term rehabilitation of apartments, particularly focusing on the root causes of mold: aging plumbing, poor airflow, and structural deficiencies through its Comprehensive Modernization ("Comp Mod") program and the Building Line Initiative ("BLI").

But NYCHA's progress has been slowed by delays driven by internal factors like scope changes, budget constraints, and coordination challenges, as well as external factors such as contractor performance issues, regulatory approvals, and supply chain disruptions. These delays have made it harder for NYCHA to complete these critical improvements on time and as budgeted.

NYCHA must also ensure that it uses the significant funding allocated under CCAP effectively and efficiently to meet these ambitious goals. As of this report, the City has provided a total of \$1.4 billion in capital funding through CCAP to support NYCHA's compliance with the HUD Agreement. Since the Monitors' August

2024 Report, NYCHA has spent or contracted to spend nearly all the available funding. NYCHA has spent approximately \$300 million so far and has entered into contracts to spend a little under \$1.1 billion. These funds are critical to advancing the capital projects discussed above.

The Monitors are undertaking an in-depth review of the root causes of the delays and the associated costs, including field visits to assess progress firsthand and gathering insights from project teams about ongoing challenges. The Monitors will provide the results of their review, along with recommendations to help NYCHA if warranted, in future reporting.

### **Stakeholder Engagement**

Since the August 2024 Report, the Monitors have continued to engage with residents and other stakeholders. Examples of these engagements during the quarter include:

- Meetings of the Community Advisory Committee (“CAC”)
- A town hall at the Beach 41<sup>st</sup> Community Center
- A meeting with the Citywide Council of Presidents
- A development visit at the Alfred E. Smith Houses
- Monitoring and inspections visits at 66 developments
- Responses to over 200 phone calls and emails received from residents through the Monitors’ email and phone lines
- Testimony before the Committee on Public Housing of the New York City Council; and
- Regular engagement with SDNY and HUD.

The Monitors encourage suggestions for improvement in stakeholder engagement and seek to continuously improve. For example, during this quarter, in response to resident feedback, the Monitors expanded the participation in their CAC meetings to include remote participation by residents who are not formally members of the CAC



and, during the most recent meeting, were able to facilitate feedback from a broader group of resident leaders. The Monitors will continue to look for additional ways to engage with residents and obtain their feedback.

\* \* \*

Pursuant to Paragraph 28 of the HUD Agreement, NYCHA does not yet meet the criteria for termination. Further detail is set forth in the remainder of the report.



# **SECTION I: PROPERTY MANAGEMENT**



## I.1 Heat

The HUD Agreement requires NYCHA to improve heating conditions for NYCHA residents through a variety of measures, such as (1) replacing a specified number of boilers, (2) establishing systems for responding to heating failures, (3) timely restoring heat to apartments affected by a heating failure, (4) investigating failures to timely restore heat, (5) notifying residents of **heating outages**, (6) monitoring the temperature in apartments, and (7) reducing the number of heating failures experienced by residents.<sup>1</sup>

With regard to boiler replacements, NYCHA expects to meet its requirement to replace 133 boilers by the end of 2024, and, as of October 31, 2024, it is close to doing so, having replaced 128 boilers, which is commendable. To meet the final boiler replacement deadline, 297 boilers by the end of 2026, NYCHA will need to accelerate its pace, which poses some challenges as discussed below.

Alongside **boiler replacement**, this section examines NYCHA's readiness for the 2024-2025 **heating season**, which began on October 1, 2024, as well as early performance indicators. For the period from October 1 to October 31, 2024, there were four heating outages compared to the same period last year when there were 15 outages.<sup>2</sup> NYCHA's preventive maintenance efforts may have contributed to this improvement, and this section highlights preventive maintenance measures conducted over the summer to support service continuity and focuses on NYCHA's progress from June 30, 2024, through September 30, 2024—the portion of the most recent heating off-season not covered in the Monitors' August 2024 Report.

The Monitors will continue to track NYCHA's efforts to complete its outstanding obligations and provide an update on these efforts in future reporting. A table summarizing the state of NYCHA's compliance with unmet and ongoing obligations is contained at the end of this section; a table listing the obligations that NYCHA has previously completed appears as Appendix A.

### A. NYCHA's Boiler Replacements (Requirement No. H1)

Under the HUD Agreement, NYCHA must replace 297 boilers by December 31, 2026. The Agreement requires NYCHA to replace 133 of the 297 boilers by the end of 2024. As of October 31, 2024,

**Heating Outage:** A failure of the central heating system that prevents the system from delivering heat to multiple apartments. It does not include instances when heat is not being provided to an individual apartment, such as when a single radiator malfunctions.

**Boiler Replacement Data:** For boiler replacements, the Monitors' August 2024 Report included data through June 30, 2024; for all other requirements, the Monitors' August 2024 Report described the requirement and the status of NYCHA's compliance through the 2023-2024 heating season, the most recent season for which data was available.

**Heating Season:** October 1 to May 31. This is the period when resident-occupied buildings in New York City are required to be provided with heat from a central heating system. The off-season occurs in the summer, from June 1 to September 30.

NYCHA has replaced 128 boilers, and NYCHA anticipates completing 18 additional boiler replacements by the end of 2024, for a total of 146 boiler replacements. Building on this progress, NYCHA projects that it will complete the remaining 151 boiler replacements on schedule by the December 31, 2026 deadline.<sup>3</sup>

Meeting its boiler replacement requirements by December 31, 2026, will require NYCHA to minimize the types of delays that the boiler replacement program has experienced thus far. The Monitors are working with NYCHA to better understand the factors causing these delays, and the Monitors have conducted field visits, analyzed NYCHA's project scheduling data, and discussed the delays with NYCHA personnel.

NYCHA's Asset & Capital Management Division ("A&CM"), which runs the boiler replacement program, has identified several factors contributing to delays. According to NYCHA, delays stem from internal factors such as budget allocation constraints, adjustments to project designs in response to additional site conditions identified and stakeholder concerns, and coordination challenges between capital projects at the same site, as well as external factors including delays related to consultant or contractor performance, vendor background checks, approval processes by city agencies, and scheduling constraints or delays involving utility work. For example, the boiler replacement project at Marcy Houses was delayed for 484 days due to internal and external factors. NYCHA reported an initial delay of 239 days because the team needed to make design changes to the original plans to accommodate stakeholder concerns and delays from the design consultant, and because external agency approvals took longer than expected. The project was then delayed by another 92 days when the preparation of bid documents was delayed and bidders requested additional site visits. Finally, the project was delayed a third time by 151 days when procurement and construction took longer than expected due in part to delays in the vendor background check.

To address these internal and external challenges, NYCHA reports that it has enhanced project management practices and controls, increased pre-design and design site investigations, strengthened internal coordination with stakeholders, established regular coordination meetings with city agencies, and strengthened vendor performance management. The Monitors will conduct an in-depth review of the causes of the delays NYCHA has identified and

support NYCHA's efforts to address them, so that NYCHA can replace the remaining boilers more quickly and efficiently. The Monitors will provide the results of their review, along with recommendations for improvement, in future reporting.

The HUD Agreement also requires NYCHA to address an additional 200 boilers by transferring them to third-party management through the **Permanent Affordability Commitment Together ("PACT")** program by December 31, 2026.<sup>4</sup> As discussed in the Monitors' August 2024 Report, NYCHA represented that PACT developers had already completed more than the required 200 boiler repairs or replacements.<sup>5</sup> The Monitors have visited ten PACT developments and verified that NYCHA's PACT partners had replaced 210 boilers, confirming NYCHA's compliance with this requirement.

## **B. Heat Restoration Obligations (Requirement Nos. H9-H11)**

The HUD Agreement's heating outage obligations apply to all heating failures, including both individual apartment-level heating failures as well as systemwide outages that impact multiple apartments within the same building.<sup>6</sup> Before the Monitors' August 2024 Report, NYCHA was not measuring its performance with respect to providing and restoring heat in individual apartments, although, according to NYCHA, it tracks and responds to complaints concerning individual apartments in accordance with its standard procedures.<sup>7</sup> Following discussions with the Southern District of New York ("SDNY"), HUD, and NYCHA, the Monitors emphasized the need to implement the terms of the Agreement by addressing all heating failures. NYCHA proposed a plan for tracking, reporting, and measuring the remediation of heat failures in individual apartments. The Monitors are reviewing this proposed plan and working with NYCHA to establish a method for assessing and reporting on NYCHA's restoration times for individual apartments so that the Monitors can measure and report on its compliance with the Agreement's requirements. The Monitors will provide an update on these obligations in future reporting.

The 2024-2025 heating season began on October 1, 2024, and while it is early in the season, preliminary data reveals some areas of improvement and some ongoing challenges. Compared to last year, NYCHA is reporting fewer heating outages but for a longer average duration. As of October 31, 2024, NYCHA reported four heating outages, each lasting an average of 9.62 hours. By comparison, as of

**Permanent Affordability Commitment Together ("PACT"):** When a NYCHA building enters the PACT program, NYCHA continues to own the building and handle certain administrative tasks, but a third-party developer assumes management responsibilities for the building, including conducting repairs.

October 31, 2023, NYCHA had experienced 15 heating outages; however, those outages lasted an average of 6.22 hours.<sup>8</sup> Although this early indicator suggests some progress in managing heating issues, the Monitors emphasize that this data is preliminary and of a small sample size, and a full assessment of NYCHA's performance will require additional data as the season progresses. The Monitors will continue to track and analyze compliance with these obligations and will provide an update in future reporting.

Separately, for reliable heating service, NYCHA's Heating Management Services Department ("HMSD") must conduct proactive preventive maintenance. To prepare NYCHA's systems for the heating season, HMSD carries out annual preventive maintenance on critical heating equipment, including boilers, distribution equipment, and hot water assets, to identify and fix issues to decrease future outages. Maintenance preparations began early in the year in February, with the bulk of the work occurring during the heating off-season from June 1 to September 30. As of October 1, 2024, HMSD reported 44 open work orders, including 34 open corrective maintenance work orders that resulted from boilers deemed to be in unsatisfactory condition during inspections by NYCHA heating superintendents.<sup>9</sup> By October 31, 2024, HMSD had closed all but nine of those work orders. The Monitors will continue to track NYCHA's preventive maintenance efforts each year and analyze the nature and scope of open work orders at the start of the heating season, and will discuss their findings in future reporting.

Unresolved work orders at the start of the heating season can undermine NYCHA's efforts to ensure reliable service throughout the winter. Although summer maintenance reduces the likelihood of outages, past heating seasons have shown that lingering repair needs frequently lead to service disruptions. For example, NYCHA began the 2023-2024 heating season with outstanding preventive maintenance overhaul work orders on two of the five boilers at Johnson Houses, meaning that two of the boilers were not usable at the beginning of the heating season. According to NYCHA, these boilers were not prioritized for corrective maintenance because NYCHA expected mobile boilers to be delivered in time for the heating season, but those mobile boilers did not arrive on time. Because Johnson Houses requires at least three boilers online to provide heat to the development, and because two boilers were offline with no replacement, the development experienced an outage



in the first month of the heating season that lasted 4.2 hours when a boiler went down, disrupting heating service to residents.

Beyond maintenance on permanent boilers, NYCHA's effort to provide reliable heating service to residents must include projects related to mobile boilers, which provide a temporary heating solution during outages. These temporary systems often support developments that are undergoing boiler replacement projects and developments with high outage rates. According to NYCHA, during the 2023-2024 heating season, five of the ten developments with the most frequent outages relied on mobile boilers. For instance, on November 22, 2023, Pelham Parkway Houses experienced an 18-hour outage when a mobile boiler failed. Although the existence of mobile boilers is recorded in the Maximo system, the system does not currently have the ability to track the status of maintenance projects related to mobile boilers because the mobile boilers are not tied to a location, making it challenging to manage repairs and ensure consistent service. According to NYCHA, these mobile boilers are owned or rented by HMSD or owned or rented by a contractor, who is managed by A&CM, and these departments track both preventive and corrective maintenance projects on mobile boilers outside of Maximo. NYCHA has started the process to update Maximo so that the system can be used to track mobile boiler maintenance. This is important to provide more insight into maintenance and performance trends of all of NYCHA's heating assets. The Monitors will conduct an analysis of NYCHA's tracking, oversight, and maintenance of mobile boilers and will provide an update in future reporting.

Staffing shortages also continue to be a challenge for HMSD, leading to NYCHA being unable to complete all summer preventive maintenance work before the start of the heating season. As discussed in the Monitors' August 2024 Report, in 2024, NYCHA ended preventive maintenance contracts with third-party vendors to save \$22.3 million to address budget shortfalls.<sup>10</sup> According to NYCHA, this shifted responsibility for almost 900 pieces of heating equipment connected to 46 boiler rooms to in-house staff, straining resources. Although the Monitors' August 2024 Report noted that after ending contracts with third-party vendors, NYCHA had made significant progress on summer preventive maintenance efforts in anticipation of the 2024-2025 heating season, the added responsibility of maintaining the additional equipment challenged

NYCHA's ability to timely complete overhaul of all boilers in the NYCHA portfolio. As a result, some summer preventive maintenance work orders remained open as of the start of the heating season on October 1, 2024. The Monitors will analyze the types of work orders that remain open at the start of each heating season in future reporting.

The Monitors will continue to assess NYCHA's progress, focusing on efforts to strengthen maintenance processes, improve data systems, and encourage staff to manage both preventive and corrective maintenance efficiently and thoroughly, reducing the risk of outages throughout the heating season.

### C. Heating Failure Investigations (Requirement No. H14)

The HUD Agreement requires NYCHA to investigate instances when it takes more than 12 hours to restore heat to a particular apartment so that NYCHA can work to prevent future failures.<sup>11</sup> The investigation must determine the cause of both the initial heating failure and the failure to restore heat within 12 hours, and identify and implement corrections to prevent or decrease the recurrence of these failures.<sup>12</sup> While NYCHA does not normally conduct or report on investigations of heating failures that impact individual apartments, NYCHA's Environmental Health & Safety ("EH&S") Department conducts investigations of some resident complaints received through NYCHA's **Complaint Portal**. The findings of EH&S's investigations, which include recommended corrective actions, are shared with HMSD leadership.<sup>13</sup> NYCHA's proposed plan, discussed above in **Section II.1.B**, in which NYCHA outlined its heat restoration plan for individual apartments, also addresses the agency's obligation to investigate heating failures of more than 12 hours in individual apartments. The Monitors continue to evaluate NYCHA's proposed plan and will provide an update in future reporting.

As described in the Monitors' August 2024 Report, EH&S conducts a heat failure investigation with respect to heating outages that impact multiple apartments for more than 12 hours.<sup>14</sup> Since the Monitors' August 2024 Report, the Monitors are continuing to review NYCHA's heat failure investigations and the remedial actions NYCHA takes in response to EH&S's proposals for corrective action. In particular, at the Monitors' request, HMSD reviewed and responded to fifteen open recommendations from EH&S's review of outages that impacted multiple apartments in prior heating seasons. The Monitors'

**Complaint Portal:** To make an anonymous complaint regarding potential violations of laws, rules, or regulations; improper maintenance work intended to hide actual building conditions; poor quality maintenance work in an apartment or building; previously reported unsafe health and safety conditions, including lead, mold, pests, heating, elevators, building cleanliness, and fire safety, that were not corrected; or unsafe conditions for NYCHA staff call NYCHA's Customer Contact Center (CCC) at 718-707-7771 and select menu option 7 when prompted or visit [on.nyc.gov/Submit-Concern](https://on.nyc.gov/Submit-Concern). Depending on the nature of the issue, your complaint will be routed to NYCHA's Compliance Department, Environmental Health and Safety Department, or Quality Assurance Unit.

review indicated that HMSD has yet to implement corrective actions from these and several other of EH&S's recommendations.<sup>15</sup> The Monitors will investigate these open recommendations and report on their findings in future reporting. The Monitors will also continue to track and support NYCHA's efforts to implement EH&S's recommendations.

#### **D. Mandatory Minimum Indoor Temperature Violations and Accompanying Action Plan (Requirement Nos. H6-H8)**

Under the HUD Agreement, NYCHA must create a plan to monitor apartment temperatures, track heat failures, and ensure apartments stay above the **mandatory minimum temperatures** required by the New York City Code during the heating season. In particular, the Agreement requires that no more than 15% of occupied apartments have a temperature below the mandatory minimum indoor temperature each heating season, beginning with the current 2024-2025 heating season.<sup>16</sup> For this provision, the Agreement specifies that the measurement will be calculated according to procedures agreed upon in an action plan, and that those procedures may include a reliable sampling method.<sup>17</sup> The Agreement also requires that no apartment can have the temperature fall below the mandatory minimum indoor temperature on more than three separate occasions during a heating season.<sup>18</sup>

##### **Minimum Temperature:**

During the day (6AM to 10PM), apartments must be at least 68 degrees when the outside temperature is below 55 degrees, and at least 62 degrees at night (10 PM to 6AM) regardless of the outside temperature.

At the time of the Monitors' August 2024 Report, NYCHA submitted a proposed plan to the Monitors, discussed above in **Section II.1.B**, detailing how it would measure compliance with the HUD Agreement's temperature monitoring and in-apartment heating failure obligations.<sup>19</sup> Since then, the Monitors have been reviewing this proposed plan and working with NYCHA to establish a reliable method for tracking apartment temperatures. The Monitors are also tracking NYCHA's progress toward finalizing an action plan that will detail the procedures for compliance measurement. The Monitors will discuss these obligations in future reporting to ensure accountability in meeting the requirements of the Agreement.

#### **E. Installation and Monitoring of Electronic Temperature Sensors and Public Disclosure Plan (Requirement Nos. H4-H5 and H15)**

The HUD Agreement requires NYCHA to install temperature sensors in at least 30% of the apartments in 44 developments with

**Building Management**

**Systems:** Building Management Systems are computerized controls that provide automation, remote monitoring, and remote control for building mechanical system such as boiler plants.

modernized **Building Management Systems** by December 31, 2020, to draft an action plan with a schedule for installing electronic temperature monitoring systems in the remaining developments, and to set deadlines for installing these sensors across all developments.<sup>20</sup> The Agreement also requires NYCHA to include a mechanism for publicly disclosing temperature information from the sensors in that action plan.<sup>21</sup>

The Monitors' August 2024 Report noted that NYCHA had not met the initial requirement to install temperature sensors in at least 30% of the apartments in 44 developments.<sup>22</sup> According to NYCHA, as of October 31, 2024, it has installed sensors in 30% of apartments at 42 developments. NYCHA has reported that sensors have not yet been installed at five apartments at the remaining two developments due to challenges accessing the apartments. Additionally, NYCHA informed the Monitors that this summer, 33% or more of the sensors in several developments were offline, and that it undertook repairs to the network and BMS infrastructure to bring them back online. The Monitors will track and verify NYCHA's installation of sensors and their statuses. The Monitors are also continuing to assess the functionality and reliability of these sensors to determine their effectiveness in providing accurate heating data and will include their findings in future reporting.

NYCHA's 2019 Heat Action Plan includes a timeline for completing the installation of sensors across 277 developments.<sup>23</sup> The HUD Agreement also requires NYCHA to create a system that identifies apartments where sensors detect temperatures below the required minimum, and to share this information with relevant NYCHA personnel, development managers, the Monitors, HUD, SDNY, and the public.<sup>24</sup> The 2019 Heat Action Plan committed NYCHA to publishing information about temperature violations on its website.<sup>25</sup> NYCHA has made real-time temperature data from sensors in 66 developments available to personnel responsible for heating, as well as to the Monitors, HUD, and SDNY, as required by the Agreement.<sup>26</sup> While NYCHA initially made sensor data available on its website, it later removed this information due to concerns about the accuracy of sensor readings. NYCHA is in the process of updating this action plan, and the Monitors will provide further updates in future reporting.<sup>27</sup>

## **F. Completed and In Compliance Obligations**

The HUD Agreement obligations that NYCHA met prior to the period covered by this report (**Requirement Nos. H2, H3, H12, and H13**) are listed in Appendix A.

### **Overview of Outstanding Heating Obligations**

The following table summarizes the status of NYCHA's compliance with the outstanding requirements of the HUD Agreement through October 31, 2024, unless otherwise noted, and categorizes each requirement as a one-time requirement (blue); occurrence obligation (yellow); response obligation (orange); or policy and practice obligation (green). Completed obligations are listed in Appendix A.

<b>Req. No.</b>	<b>Description</b>	<b>Status</b>	<b>Compliance Details</b>
<b>One-Time Requirements</b>			
H1 (Ex. B ¶ 14(c))	<b>Boiler Replacement– NYCHA:</b> NYCHA will replace 297 boilers by December 31, 2026. Of the 297 boilers, 70 will be replaced by December 31, 2022, and another 63 (total of 133) will be replaced by December 31, 2024.	TBD. As of October 31, 2024, NYCHA has replaced 128 boilers.	NYCHA met its obligation to replace 70 boilers by December 31, 2022. NYCHA has completed 128 boiler replacements as of October 31, 2024, and is on track to meet the interim requirement of replacing 133 boilers by December 31, 2024. NYCHA also projects that it will complete all 297 boiler replacements by the December 31, 2026 deadline. The Monitors will track the agency's progress toward meeting this Agreement obligation.
H4 (Ex. B ¶ 7)	<b>Installation of Electronic Temperature Monitoring Devices:</b> NYCHA will install electronic temperature sensing devices sufficient to	Incomplete	NYCHA has installed temperature sensors in at least 30% of apartments in 42 developments. According to NYCHA, 33% of sensors in developments with Building Management Systems were offline this

Req. No.	Description	Status	Compliance Details
	provide NYCHA a comprehensive understanding of heating conditions in 30% of apartments in 44 developments by December 31, 2020.		summer, and NYCHA undertook repairs to the network and BMS infrastructure to bring them back online. The Monitors are assessing whether the temperature sensors provide NYCHA with a comprehensive understanding of heating conditions.
H5 (Ex. B ¶¶ 6- 7)	<b>Action Plans for Installing Temperature Monitoring and Disclosing Temperature Information.</b> NYCHA will draft an action plan to set electronic temperature sensing device installation deadlines for the rest of all the developments and provide an appropriate mechanism for disclosing information from electronic temperature reading devices to the public.	Incomplete	One of NYCHA's priorities this year is to complete a supplemental action plan that includes a timeline for installing electronic temperature monitoring devices at all developments. NYCHA removed reporting about the mandatory minimum indoor temperatures from its website because of its concerns about the accuracy of the sensors' temperature readings.
H6 (Ex. B ¶ 2(a))	<b>Action Plan for Heat Mandatory Minimum Indoor Temperature:</b>	Incomplete	NYCHA has submitted a proposed plan to the Monitors. The Monitors are reviewing this submission, and after consulting with NYCHA,

Req. No.	Description	Status	Compliance Details
	Establish an Action Plan setting forth a reliable sampling method to measure what percentage of occupied apartments have had the temperatures fall below the mandatory minimum indoor temperature by October 1, 2024.		SDNY, and HUD, will provide an update in future reporting.
<b>Occurrence Obligations</b>			
H7 (Ex. B ¶ 2(a))	<b>Apartments with One Violation:</b> Beginning in the 2024-2025 Heating Season, no more than 15% of occupied apartments shall have an occasion in which the temperatures fall below the mandatory minimum indoor temperature.	TBD	The Monitors will begin reporting on this requirement after coming to an agreement with NYCHA regarding how to measure compliance with the HUD Agreement regarding heating failures in individual apartments, and after collecting sufficient data on the 2024-2025 Heating Season.
H8 (Ex. B ¶ 2(b))	<b>Apartments with More Than Three</b>	TBD	The Monitors will begin reporting on this requirement after



Req. No.	Description	Status	Compliance Details
	<b>Violations:</b> Beginning in the 2024-2025 Heating Season, no apartment shall have an occasion in which the temperatures fall below the mandatory minimum indoor temperature on more than three separate occasions.		coming to an agreement with NYCHA regarding how to measure compliance with the HUD Agreement regarding heating failures in individual apartments, and after collecting sufficient data on the 2024-2025 Heating Season.
<b>Response Obligations</b>			
H9 (Ex. B ¶ 9(a))	<b>12 Hour Average Heat Restoration:</b> Starting with the Heating Season beginning October 1, 2019, NYCHA will restore heat to apartments affected by a heating failure within an average of 12 hours.	Partial compliance; 6.61 hours per outage for those impacting multiple apartments during the last heating season.	NYCHA responds to heating outages impacting multiple apartments within an average of 12 hours. NYCHA has submitted a proposed plan to the Monitors, SDNY, and HUD regarding the heat restoration obligations for individual apartments. The Monitors are reviewing this submission, and after consulting with NYCHA, SDNY, and HUD, will provide an update in future reporting.
H10 (Ex. B ¶ 9(b))	<b>Overall Heat Restoration I - (2019-2024):</b> NYCHA will restore heat to	Partial compliance; no longer operative	Because NYCHA was not measuring its performance with respect to providing and restoring heat in

Req. No.	Description	Status	Compliance Details
	affected apartments within (i) 24 hours for 85% of heating failures, and (ii) 48 hours for 100% of heating failures.	(i) 99.61% for outages (ii) 100% for outages	<p>individual apartments, the Monitors cannot credit NYCHA with meeting these initial response time requirements between 2019 and 2024.</p> <p>In the most recent heating season, NYCHA resolved 99.61% of heating outages within 24 hours and 100% of heating outages impacting multiple apartments within 48 hours.</p> <p>Pursuant to the HUD Agreement and as noted below, stricter response time obligations are now in force.</p>
H11 (Ex. B ¶ 10(a))	<b>Overall Heat Restoration II - (2024-2029):</b> NYCHA will restore heat to affected apartments within (i) 12 hours for 85% of heating failures, and (ii) 24 hours for 100% of heating failures.	TBD at the conclusion of the 2024/2025 heating season	Supersedes H10 (Ex. B ¶ 9(b)). NYCHA has submitted a proposed plan to the Monitors, SDNY, and HUD regarding the heat restoration obligations for individual apartments. The Monitors are reviewing this submission, and after consulting with NYCHA, SDNY, and HUD, will provide an update in future reporting.

Req. No.	Description	Status	Compliance Details
<b>Policy and Practice Obligations</b>			
H14 (Ex. B ¶¶ 9(c), 10(b))	<b>Heating Failure Investigation:</b> Starting in October 2019, a root cause investigation will be performed for all heating failures where heat was not restored within 12 hours in a unit. Starting in October 2024, the investigation shall be performed by the Quality Assurance Unit.	Partial compliance	NYCHA has performed the required root cause investigations for all heating outages impacting multiple apartments that lasted 12 or more hours. NYCHA has submitted a proposed plan to the Monitors, SDNY, and HUD regarding the heat restoration obligations for individual apartments. The Monitors are reviewing this submission, and after consulting with NYCHA, SDNY, and HUD, will provide an update in future reporting. The Monitors are also assessing NYCHA's proposed plan that EH&S continue performing investigations.
H15 (Ex. B ¶¶ 3-5)	<b>Information from Electronic Temperature Sensing Devices:</b> For apartments with electronic temperature sensors, NYCHA shall institute and maintain a system that identifies apartments in violation of City	Partial Compliance	NYCHA has a procedure in place for monitoring the sensors and contacting residents when they record temperatures that are below the mandatory minimum, and the Monitors are in the process of verifying whether NYCHA follows these procedures. NYCHA has made live temperature readings that are reported by

Req. No.	Description	Status	Compliance Details
	temperature code requirements and the in unit and outdoor temperatures associated with the violations by April 1, 2019. This information will be available to all NYCHA personnel, the Monitor, HUD, and SDNY.		electronic temperature sensors available to NYCHA development managers, the Monitors, HUD, and SDNY.

## I.2 Elevators

The HUD Agreement requires NYCHA to (1) reduce the frequency and duration of occasions when all of the elevator cars in a bank are not in service (“**no-service conditions**”);<sup>28</sup> (2) reduce the frequency and duration of outages for all elevator cars;<sup>29</sup> (3) give prompt notice about elevator car outages and collect data about them;<sup>30</sup> (4) replace a set number of elevators;<sup>31</sup> (5) install remote elevator monitoring systems;<sup>32</sup> and (6) establish schedules for cleaning elevators and other planned elevator car outages that limit the inconvenience caused to residents.<sup>33</sup> The section below provides an update on NYCHA’s progress with respect to outstanding elevator-related obligations under the Agreement for the period ending October 31, 2024.

Since the Monitors’ August 2024 Report, NYCHA has made progress in several areas. For example, as of October 31, 2024, it has installed Remote Elevator Monitoring Systems (“REMS”) in 73.7% of its elevators, exceeding the required 70% threshold, and it has improved performance in certain areas, such as by reducing the frequency and duration of no-service conditions and elevator car outages. In particular, NYCHA is on track to meet its obligation to resolve 85% or more of elevator car outages within ten hours of learning of them, assuming it maintains the rate it is currently achieving for the remainder of the year.

NYCHA’s investments in elevator replacements and preventive maintenance have contributed to these gains, delivering meaningful improvements in elevator service for residents, reducing outages, and enhancing reliability. These improvements highlight the importance of NYCHA continuing to expand preventive maintenance and to accelerate elevator replacements to ensure it sustains and builds on this progress.

Yet, NYCHA has not met its elevator replacement obligation for December 31, 2024. As of October 31, 2024, NYCHA has replaced 143 of the 275 elevators it was required to complete by the end of this calendar year. Nor has NYCHA aligned its preventive maintenance work with the HUD Agreement’s requirements to avoid service disruptions during peak hours, between 6 a.m. and 9 a.m. and between 4 p.m. and 8 p.m., or to provide notice to residents in advance.

### No-Service Condition:

The HUD Agreement defines “no-service conditions” to include only a situation where all elevators are out of service at one *building*. However, NYCHA, HUD, and SDNY have agreed that it is consistent with the purpose of the Agreement for “no-service conditions” to also include a situation where all elevators that serve an apartment are out of service, which generally means all elevators in one *bank* are out of service. For example, a single building may have one bank of elevators that serves the northern half of the building, and a second bank of elevators that serves the southern half of the building. If all of the elevators that serve the northern half of the building stop working, that would be considered a no-service condition because the apartments on the northern half of the building cannot be accessed by elevator, even though other elevators in the building continue to function.

Additionally, while NYCHA has improved its performance on key HUD Agreement requirements, it remains out of compliance with many of them. For example, NYCHA did not comply with the Agreement requirement that at least 85% of multi-elevator banks have no more than one no-service condition per year and that 100% of multi-elevator banks have no more than three no-service conditions per year. Similarly, NYCHA did not comply with the Agreement requirement that it resolve 85% of no-service conditions within four hours of learning of them.

The Monitors will continue to track and support NYCHA's efforts to complete its outstanding obligations, with a particular focus on accelerating elevator replacements, scheduling preventive maintenance work outside of peak hours and notifying residents of the associated shutdowns of the affected elevators, expanding its preventive maintenance program, and better leveraging REMS data to target preventive maintenance. Obligations that NYCHA is complying with or has completed may be found in Appendix A.

#### **A. Elevator Replacements (Requirement Nos. E1-E2)**

The HUD Agreement requires NYCHA to replace 275 elevators in its buildings by December 31, 2024.<sup>34</sup> Of these 275 elevators, NYCHA was required to replace 108 by December 31, 2022, and the remaining 167 by December 31, 2024.<sup>35</sup> As described in the Monitors' August 2024 Report, NYCHA expected to fall short of the Agreement's obligation, projecting at that time to complete only 138 elevator replacements by the end of 2024,<sup>36</sup> or 137 fewer than required by the Agreement.<sup>37</sup> As of October 31, 2024, NYCHA has made 143 of the required elevator replacements, completing 20 elevators since the Monitors' August 2024 Report. As of December 5, 2024, NYCHA expects to complete 22 additional elevators by the end of the year, for a total of 165 elevators.

Even if NYCHA completes these elevator replacements, it will remain more than 100 elevators behind the HUD Agreement's requirement to install 275 elevators by the end of 2024.<sup>38</sup> A review of NYCHA's work order data shows that when it replaces elevators, it substantially improves elevator service. For example, across six developments at which NYCHA has recently completed elevator replacements, the average monthly outage count decreased by 80% once the new elevators were put into service. This decrease in outage count underscores the urgent need for NYCHA to complete elevator

projects on schedule, as new installations improve service reliability for residents and reduce the strain on NYCHA's Elevator Service and Repair Department ("ESRD"), allowing them to focus on other essential repairs and preventive maintenance tasks.

To deliver projects on schedule going forward, NYCHA will need to minimize the types of delays that its elevator replacement program has previously experienced. The Monitors are working with NYCHA to better understand the factors causing these delays, and the Monitors have conducted field visits, reviewed and analyzed NYCHA's project scheduling data, and discussed the delays with NYCHA personnel.

NYCHA's Asset & Capital Management Division ("A&CM"), which runs the elevator replacement program, has identified several factors contributing to delays. According to NYCHA, delays against the original project timelines stem from internal factors such as the revision of unrealistic schedules through the implementation of new and more detailed project scheduling templates and changes to the scope or design of the project, and external factors such as low vendor participation in bids, changes in code requirements, supply chain issues, site conditions, challenges in coordinating with regulatory agencies and utilities, and vendor performance.

Many projects experience multiple delays, further extending the projects' timelines. For example, in the elevator replacement project at Coney Island Houses, NYCHA reported extending the bid period twice for a total of 43 days because it did not receive the minimum number of bids required for competitive pricing. Then, according to NYCHA, necessary regulatory approvals took 18 days longer than anticipated. Finally, NYCHA reported that the paint specified for the elevator door was discontinued and the project was again delayed while the team sought approval for a replacement.

To address these internal and external challenges, NYCHA has informed the Monitors that it has implemented strategies such as increased vendor outreach, focus on pre-design site investigations and surveys to take site-specific details into consideration and provide more accurate preliminary budgets, improved coordination mechanisms with internal stakeholders as well as regulatory agencies and utilities, and continued training for employees on NYCHA's enhanced schedule management policies and practices. The Monitors will conduct an in-depth review of the causes of the delays

NYCHA logs in its elevator replacement projects and support NYCHA's efforts to address them so that NYCHA can replace elevators more quickly and efficiently. The Monitors will provide the results of their review, along with recommendations for improvement, in future reporting.

The HUD Agreement also required NYCHA to address 150 additional elevators by transferring them to third-party management through the PACT program by December 31, 2024.<sup>39</sup> As discussed in the Monitors' August 2024 Report, NYCHA represented to the Monitors that it had transferred 68 developments with more than 150 elevators total to PACT developers.<sup>40</sup> As of October 31, 2024, the Monitors have visited ten PACT developments and verified that NYCHA's PACT partners replaced all 40 elevators in those developments. The Monitors will continue their efforts to verify NYCHA's compliance with this obligation.

**B. No-Service Conditions (Requirement Nos. E7-E8, E14-E16, E22)**

The HUD Agreement requires NYCHA to reduce how often and for how long residents face no-service conditions, as defined above. This subsection reports on NYCHA's compliance with its obligations regarding no-service conditions.

Overall, NYCHA reduced the frequency and duration of no-service conditions in the first three quarters of Year 6, compared to this same period last year, marking the third straight year that NYCHA has improved its performance in these categories. Nevertheless, NYCHA remains out of compliance with these requirements. NYCHA is also out of compliance with its obligation to avoid causing no-service conditions as a result of planned outages or preventive maintenance during certain hours.<sup>41</sup>

The subsections below provide an update on NYCHA's (1) obligation to reduce the frequency of no-service conditions in elevator banks with multiple elevators; (2) obligation to reduce the duration of all no-service conditions; and (3) obligation to avoid scheduling planned outages that will result in a no-service condition during peak hours, between 6 a.m. and 9 a.m. and between 4 p.m. and 8 p.m.

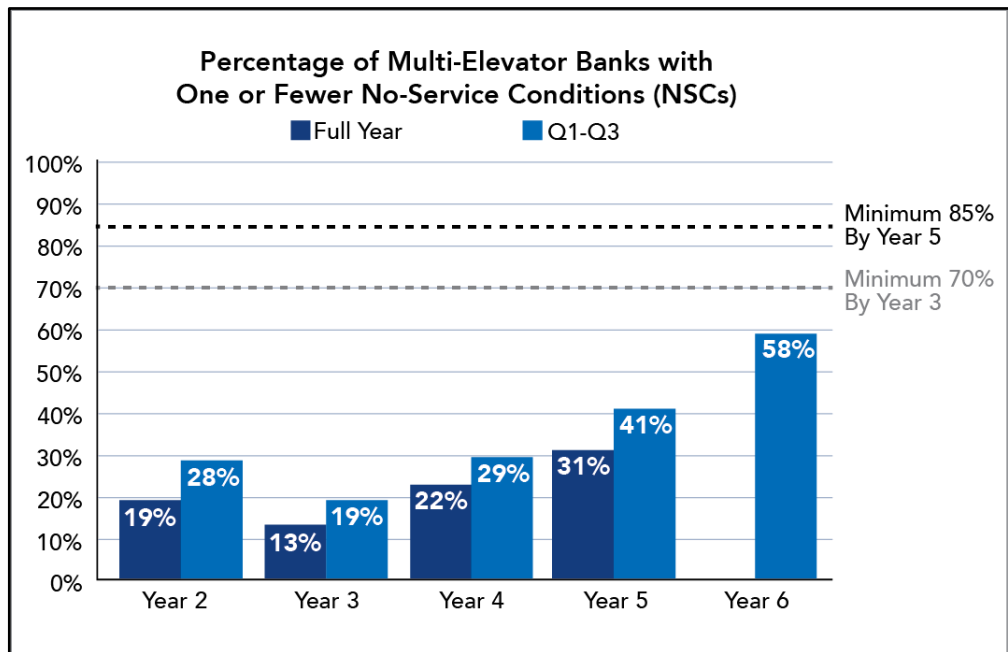


## **1. Frequency of No-Service Conditions (Requirement Nos. E6-E8)**

The HUD Agreement requires NYCHA to reduce the frequency of no-service conditions in elevator banks with multiple elevators. In NYCHA developments, there are 722 elevator banks with multiple elevators.

### **a. One or Fewer No-Service Conditions Per Year (Requirement Nos. E6, E7)**

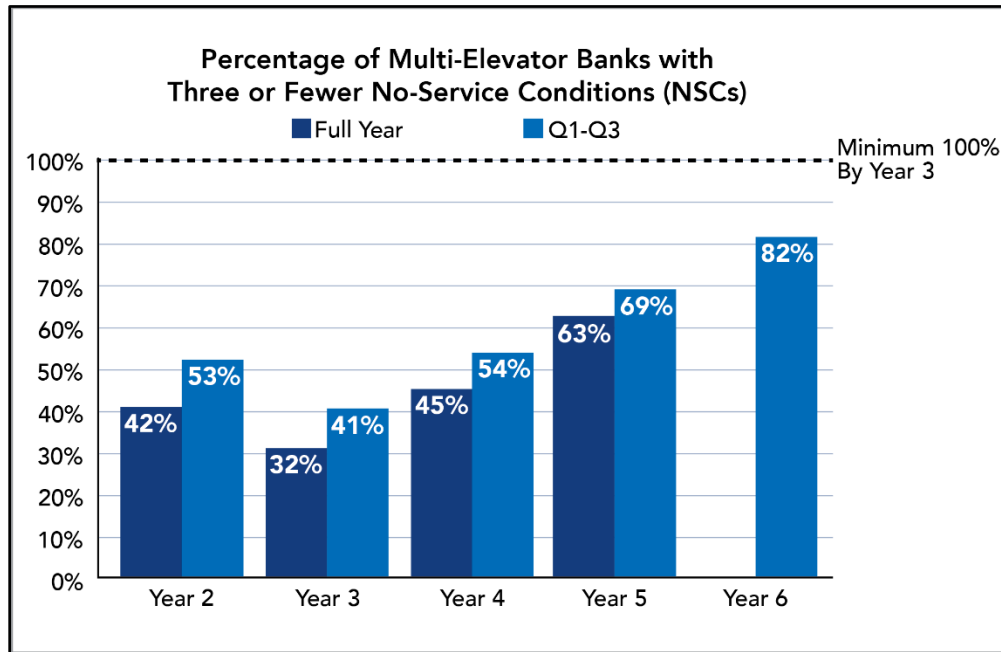
The HUD Agreement sets a minimum number of multi-elevator banks that must have no more than one no-service condition per year. During Years 3 and 4, the Agreement required that at least 70% of multi-elevator banks have no more than one no-service condition per year, and this requirement increased to 85% beginning in Year 5.<sup>42</sup> As described in the Monitors' August 2024 Report, in Year 5, NYCHA improved its performance compared to the previous years of the monitorship but was still far short of the Agreement's requirements.<sup>43</sup> NYCHA has meaningfully improved its performance on this obligation in the first three quarters of Year 6 as compared to the same period last year, as illustrated in the graph below.<sup>44</sup> As of October 31, 2024, 58% of multi-elevator banks have experienced one or fewer no-service conditions. During this same period last year, only 41% of multi-elevator banks experienced one or fewer no-service conditions. Despite this improvement, NYCHA will not meet this requirement in Year 6.



The Monitors will continue to track and support NYCHA's efforts to meet this obligation.

**b. Three or Fewer No-Service Conditions Per Year (Requirement No. E8)**

The HUD Agreement also requires that, beginning in Year 3, 100% of multi-elevator banks have three or fewer no-service conditions per year.<sup>45</sup> As described in the Monitors' August 2024 Report, NYCHA did not meet this requirement in Year 5, but NYCHA improved its performance compared to the previous years of the monitorship.<sup>46</sup> Here too, NYCHA has significantly improved its performance on this obligation in the first three quarters of Year 6 as compared to the same period in Year 5, as illustrated in the graph below. As of October 31, 2024, 82% of multi-elevator banks have experienced three or fewer no-service conditions, ahead of NYCHA's performance during this same period last year, when only 69% of multi-elevator banks experienced three or fewer no-service conditions. Despite the improvement, NYCHA will not meet this requirement in Year 6, since the Agreement requires that 100% of multi-elevator banks have three or fewer no-service conditions per year.



The Monitors will continue to track and support NYCHA's efforts to meet this obligation.

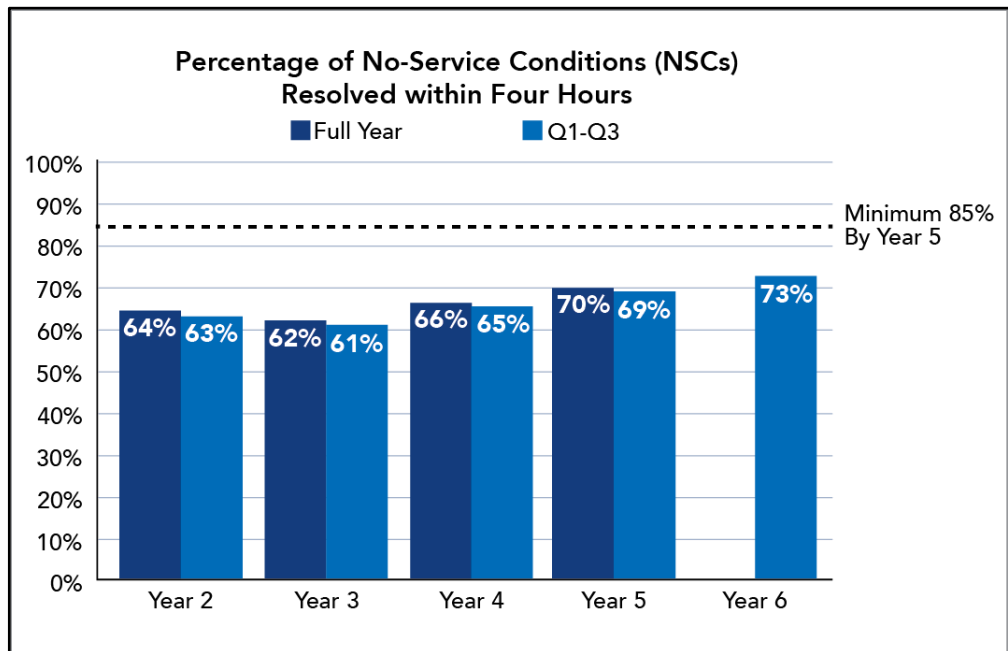
## **2. Duration of No-Service Conditions (Requirement Nos. E14-E16)**

The HUD Agreement requires NYCHA to reduce the duration of all no-service conditions, regardless of whether they occur in multi-elevator banks or single-elevator banks. By the end of Year 1, the Agreement required NYCHA to resolve 75% of no-service conditions within eighteen hours of learning of them.<sup>47</sup> As described in the Monitors' August 2024 Report, NYCHA has consistently met this obligation starting in Year 2, the first year with complete data, by resolving 98% of no-service conditions within eighteen hours of learning of them.<sup>48</sup> In Year 5, this requirement was superseded by the obligation to resolve 85% of no-service conditions within four hours of learning of them and 100% of no-service conditions within twelve hours.<sup>49</sup>

### **a. Four-Hour Obligation (Requirement No. E15)**

Since Year 5, the HUD Agreement has required NYCHA to resolve 85% of no-service conditions within four hours of learning of them.<sup>50</sup> As described in the Monitors' August 2024 Report, NYCHA did not meet this requirement in Year 5.<sup>51</sup> Based on data for the first

three quarters of Year 6, NYCHA is not presently meeting this requirement, as illustrated in the graph below. NYCHA has, however, continued to improve its performance with respect to this obligation. As of October 31, 2024, NYCHA has resolved 73% of no-service conditions within four hours, which is an improvement compared to the same period last year, when NYCHA resolved 69% of no-service conditions within four hours.



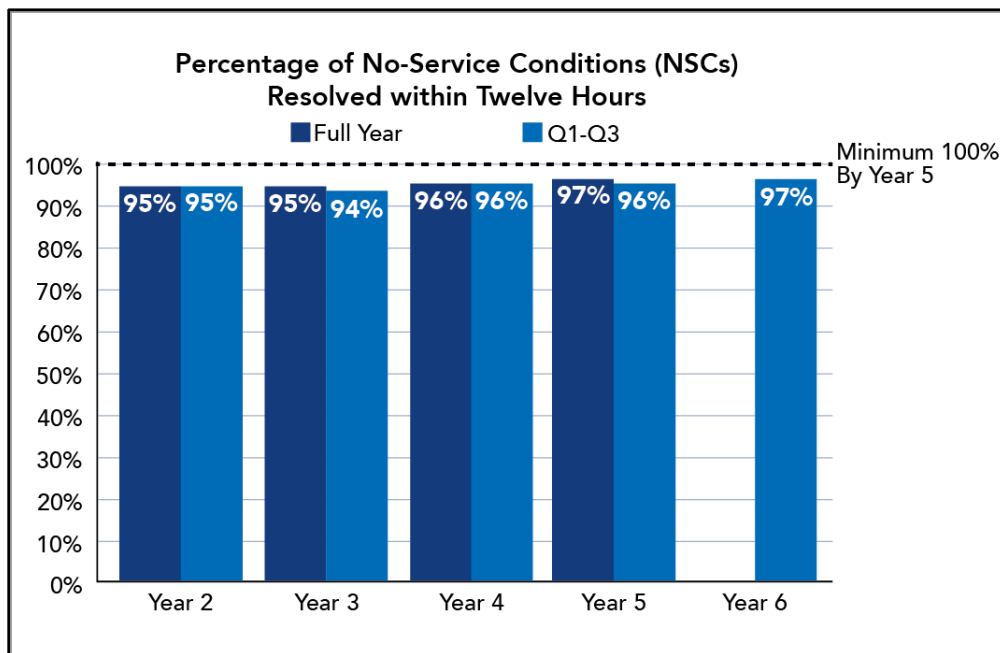
The Monitors will continue to track and support NYCHA's efforts to meet this obligation.

**b. Twelve-Hour Obligation (Requirement No. E16)**

The HUD Agreement also requires that, beginning in Year 5, NYCHA must resolve 100% of no-service conditions within twelve hours.<sup>52</sup> As discussed in the Monitors' August 2024 Report, although there are three exceptions to this requirement, NYCHA only tracks and avails itself of one of them. NYCHA tracks outages due to elevator rehabilitation or replacement, and the Monitors have exempted those outages from the data. NYCHA does not, however, track whether a no-service condition falls under an exception because it had an industry-accepted repair time of longer than twelve hours or because a part was unavailable.<sup>53</sup> Accordingly, the Monitors'

assessment of NYCHA's performance on this obligation may include such outages.

As described in the Monitors' August 2024 Report, NYCHA did not meet this requirement in Year 5, but it came close.<sup>54</sup> As of October 31, 2024, NYCHA has improved its performance, as illustrated in the graph below. In the first three quarters of Year 6, NYCHA resolved 97% of no-service conditions within twelve hours, slightly ahead of NYCHA's performance during this same period last year, when it resolved 96% of no-service conditions within twelve hours.



The Monitors will continue to track and support NYCHA's efforts to meet this obligation.

Overall, as discussed in the Monitors' August 2024 Report, NYCHA continues to work on reducing the frequency and duration of its no-service conditions through an extended elevator cleaning schedule and a more robust preventive maintenance program that specifically targets underperforming developments and focuses on preemptively inspecting and repairing components in the motor room, checking elevator hatch doors and car door operators, cleaning the elevator pits, and repairing elevator call buttons so that NYCHA can maintain its aging elevator stock.<sup>55</sup> As a result of the enhanced preventive maintenance program, NYCHA has successfully reduced both the numbers and duration of service outages.

According to NYCHA's data, ESRD field teams are now dedicating more time to proactive maintenance of NYCHA's elevator systems than reactive response to outages, which shows commendable progress. It is critical that NYCHA grow its preventive maintenance program and increase the pace on replacing its poorest performing elevators through the capital projects initiatives to continue to improve elevator service for residents.

### **3. Timing of No-Service Conditions and Providing Advance Notice to Residents and Monitors (Requirement Nos. E20-E22)**

The HUD Agreement requires NYCHA to avoid scheduling planned outages that will result in a no-service condition between 6 a.m. and 9 a.m. and between 4 p.m. and 8 p.m.<sup>56</sup> This requirement is intended to address residents' needs for reliable elevator service during peak morning and evening hours. As discussed in the Monitors' August 2024 Report, there are only two exceptions to this rule—elevator replacement or rehabilitation, which can require an elevator to be out of service for weeks at a time, and a governmental agency or regulatory entity mandated outage, such as when the Department of Buildings conducts an elevator inspection.<sup>57</sup> Additionally, the Agreement requires NYCHA to provide residents with advanced notice of 24 hours for planned outages via robocall, postings in the building, and postings on NYCHA's website.<sup>58</sup>

NYCHA does not comply with these requirements. Although no-service conditions resulting from preventive maintenance should be considered planned outages, NYCHA does not classify preventive maintenance work as "planned" because it is not formally scheduled in advance and NYCHA does not provide advanced notice of 24 hours to residents and to the Monitors. This is because elevator mechanics handle preventive maintenance work orders only after addressing unplanned outages, making the timing unpredictable. As a result, NYCHA does not include preventive maintenance outages in its planned outage data.

Although preventive maintenance work reduces outages in the long term, the frequent unscheduled shutdowns create immediate challenges for residents. Residents have repeatedly highlighted the difficulties of these unscheduled and unannounced preventive maintenance elevator shutdowns in their communications with the Monitors. In a recent meeting with the Citywide Council of Presidents,

council members have said that the shutdowns due to unscheduled preventive maintenance seemed arbitrary and were “disastrous” for residents with disabilities. The impact on residents underscores the importance of NYCHA accurately reporting no-service conditions caused by preventive maintenance and warning residents in advance of these outages. The Monitors continue to work with NYCHA to consolidate data regarding no-service conditions resulting from planned and unplanned outages as well as from preventive maintenance and will discuss that data in future reporting.

While NYCHA recognizes that elevator preventive maintenance work can lead to no-service conditions and cause great disruption to residents, especially during peak elevator usage hours, NYCHA has also identified various challenges in avoiding preventive maintenance work during the prohibited hours and in providing the required notice to residents.

- First, NYCHA said that the agency does not schedule its monthly preventive maintenance work ahead of time because staff generally conduct preventive maintenance during periods when they are not handling unplanned elevator car outages. In other words, if a mechanic has availability after addressing pending outages or repairs, only then is the mechanic assigned a preventive maintenance work order. This is to prioritize repair work on elevators with unplanned outages.
- Second, NYCHA said that because of staff shortages, preventive maintenance work is rarely completed in one session. Since elevator mechanics must prioritize outages, they are often redirected from ongoing preventive maintenance work to address more immediate outages. In other words, elevator mechanics often complete their preventive maintenance on elevators in multiple phases, which requires NYCHA to take elevators offline for a few hours at a time several times in a month to conduct preventive maintenance.
- Third, NYCHA explained that elevator mechanics generally begin their workdays at 8 a.m. To avoid mechanics sitting idle for an hour, dispatch will assign them preventive maintenance work orders before the prohibited hours have passed.

- Finally, the HUD Agreement requires NYCHA to provide 24 hours' advanced notice to residents via robocall and website posting for planned elevator car outages. NYCHA has stated that if it were to classify preventive maintenance work as a planned outage, the agency would need to meet this notification obligation, which, given the frequency of preventive maintenance, would be challenging.

To address this issue, NYCHA is planning to initiate a pilot program at South Jamaica Houses to assess the feasibility of scheduling preventive maintenance and notifying residents by robocall 24 hours in advance. The Monitors will track and support NYCHA's efforts to conduct and expand this pilot program and will report on NYCHA's progress in a future report.

### **C. Elevator Car Outages (Requirement Nos. E9-E12, E17-E19)**

The HUD Agreement also requires NYCHA to reduce how often and how long an elevator car experiences an outage, regardless of whether the outage causes a no-service condition. This subsection reports on NYCHA's compliance with its obligations regarding elevator car outages.

Overall, NYCHA has reduced the frequency and duration of elevator car outages in the first three quarters of Year 6, compared to this same period last year, marking the third straight year that NYCHA has improved its performance in these categories. While NYCHA remains out of compliance with its obligation to reduce the frequency of unplanned elevator car outages, it is on track to meet its obligation to resolve 85% of elevator car outages in ten hours and close to meeting its requirement to resolve 100% of elevator car outages in eighteen hours. Through the first three quarters of Year 6, NYCHA has reduced the duration of outages by nearly 25% over that same period in Year 5.

The subsections below provide an update on NYCHA's (1) obligation to reduce the frequency of unplanned outages in elevator cars; and (2) obligation to reduce the duration of outages in elevator cars.

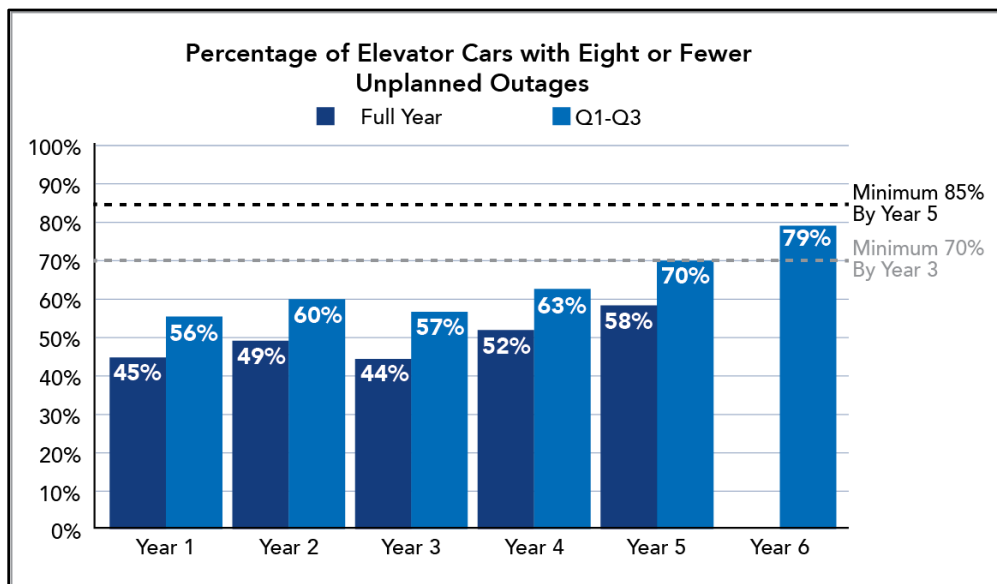


## 1. Frequency of Unplanned Elevator Car Outages (Requirement Nos. E9-E12)

The HUD Agreement requires NYCHA to reduce the frequency of unplanned elevator car outages. During Years 3 and 4, the Agreement required NYCHA to ensure that 70% of elevator cars had no more than eight unplanned outages per year. In Year 5, that requirement increased to 85%. During Years 3 and 4, the Agreement also required NYCHA to ensure that no elevator car have more than fifteen unplanned outages per year. This obligation was superseded in Year 5, requiring NYCHA to ensure that no elevator car had more than twelve unplanned outages per year.<sup>59</sup>

### a. Eight-Outage Obligation (Requirement Nos. E9, E10)

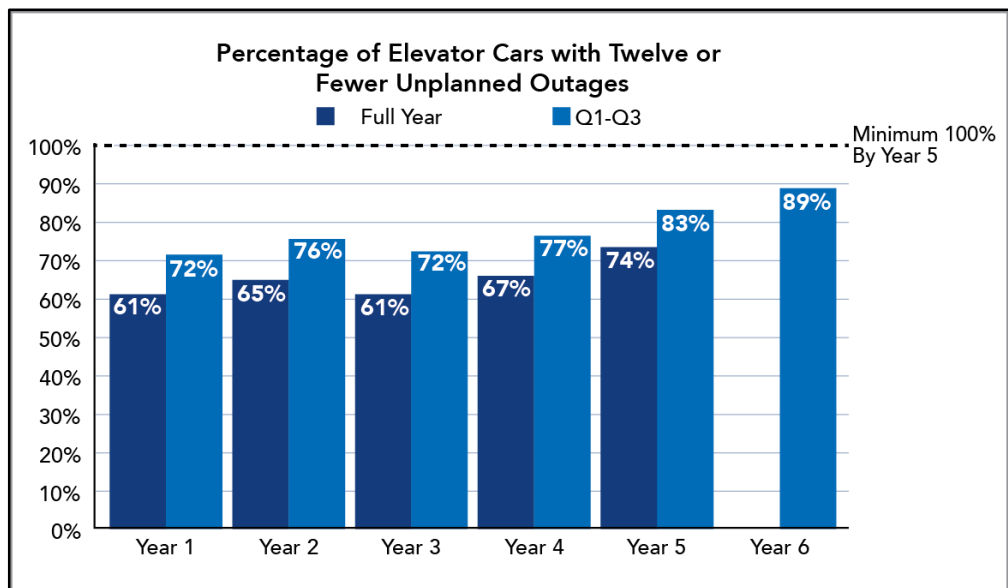
Since Year 5, the HUD Agreement has required NYCHA to ensure that 85% of elevator cars had no more than eight unplanned outages per year.<sup>60</sup> As described in the Monitors' August 2024 Report, NYCHA did not meet this requirement in Year 5, but NYCHA improved its performance compared to the previous years of the monitorship.<sup>61</sup> Based on data for the first three quarters of Year 6, NYCHA continues to improve its performance on this obligation, but will still not meet it, as illustrated in the graph below. As of October 31, 2024, 79% of elevator cars have eight or fewer unplanned outages, ahead of NYCHA's performance during this same period last year, when 70% of elevator cars had eight or fewer unplanned outages.



The Monitors will continue to track and support NYCHA's efforts to meet this obligation.

**b. Twelve-Outage Obligation (Requirement No. E12)**

The HUD Agreement also requires that, beginning in Year 5, no elevator car experience more than twelve unplanned outages per year.<sup>62</sup> As described in the Monitors' August 2024 Report, NYCHA did not meet this requirement in Year 5.<sup>63</sup> As of October 31, 2024, NYCHA has improved its performance, but has not yet met the requirement, as illustrated in the graph below. In the first three quarters of Year 6, 89% of elevator cars had twelve or fewer unplanned outages, ahead of NYCHA's performance during this same period last year, when 83% of elevator cars had twelve or fewer unplanned outages.



The Monitors will continue to track and support NYCHA's efforts to meet this obligation.

**2. Duration of Elevator Car Outages (Requirement Nos. E17-E19)**

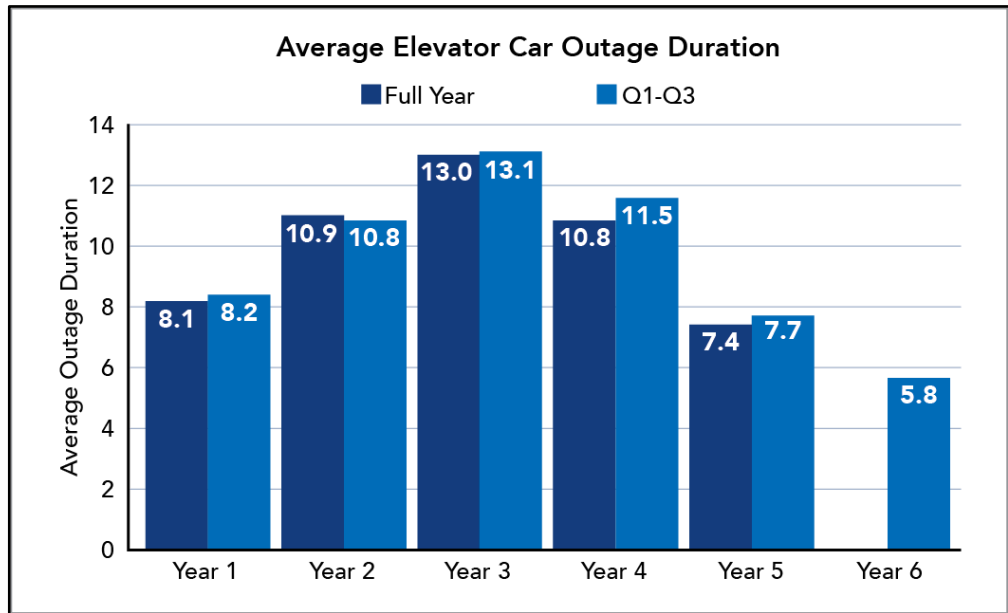
The HUD Agreement requires NYCHA to comply with a series of obligations to reduce the duration of elevator car outages. The Agreement requires NYCHA to reduce the average outage duration by a certain rate each year, beginning in Year 1. Beginning in Year 5,

the Agreement has required NYCHA to resolve 85% of all elevator car outages within ten hours and 100% of all elevator car outages within eighteen hours.<sup>64</sup> NYCHA has made important strides in reducing the average time of elevator car outages. NYCHA has met, or come close to meeting, several of the Agreement's requirements and continues to improve.

**a. Percentage Reduction in Outage Duration  
(Requirement No. E17)**

The HUD Agreement required NYCHA to reduce the duration of service outages by 10% in Year 1 of the monitorship. After Year 1, the Agreement requires NYCHA to reduce the average outage duration by a rate set by the First Monitor based on data that NYCHA provided to them.<sup>65</sup> As described in the Monitors' August 2024 Report, NYCHA reduced its outage duration by 18% in Year 1, but the First Monitor did not formally establish a percentage reduction target for future years.<sup>66</sup>

Based on data for the first three quarters of Year 6, NYCHA has continued to improve its performance in this area, as illustrated in the graph below. As of October 31, 2024, the average elevator car outage duration has been 5.8 hours, ahead of NYCHA's performance during this same period last year, when the average elevator car outage duration was 7.7 hours. This represents a nearly 25% reduction in the duration of elevator car outages compared to the same period last year.

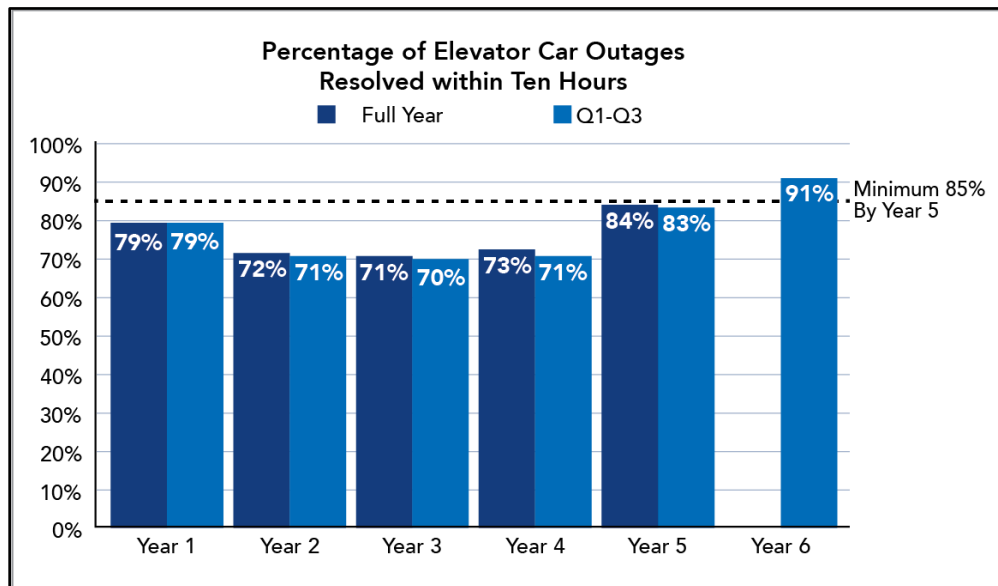


The Monitors will discuss a formal percentage reduction target for Year 7 with NYCHA and will report on those discussions in future reporting. NYCHA continues to improve its average elevator outage duration times, and the Monitors will continue to track and support NYCHA's efforts to further reduce the duration of those outages.

**b. Ten-Hour Outage Obligation (Requirement No. E18)**

Beginning in Year 5, the HUD Agreement has required NYCHA to resolve 85% of all elevator car outages within ten hours of learning of them.<sup>67</sup> As described in the Monitors' August 2024 Report, NYCHA came close to meeting this requirement in Year 5, but fell slightly short.<sup>68</sup>

As of October 31, 2024, NYCHA is on track to meet this requirement in Year 6, as illustrated in the graph below. In the first three quarters of Year 6, NYCHA has resolved 91% of elevator car outages within ten hours of learning of them, exceeding the 85% threshold and ahead of NYCHA's performance during this same period last year, when 83% of elevator car outages were resolved within ten hours of NYCHA learning about them.



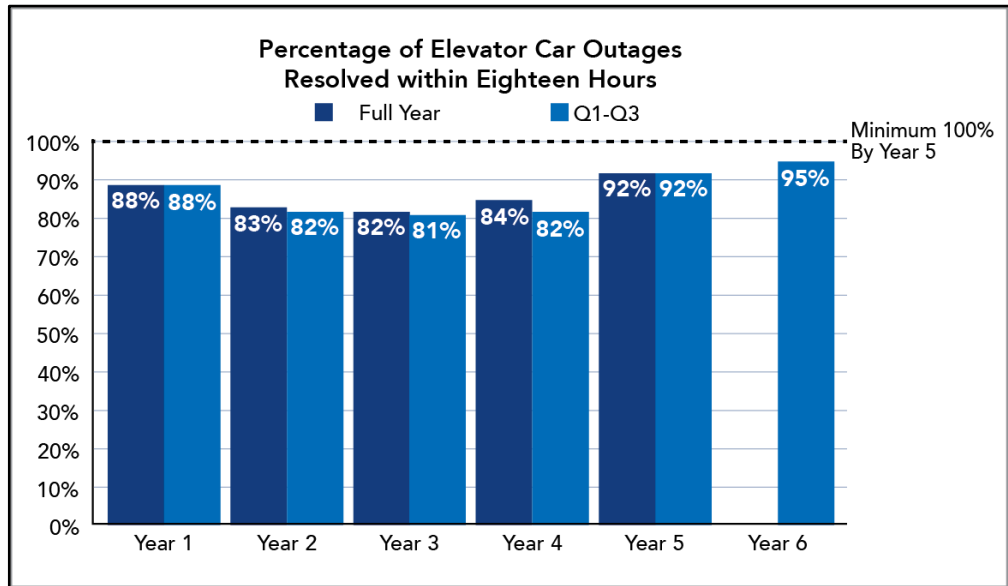
The Monitors commend NYCHA for its efforts to reduce the duration of elevator car outages. They will continue to track and support NYCHA's efforts to meet this obligation.

### **c. Eighteen-Hour Outage Obligation (Requirement No. E19)**

The HUD Agreement also requires NYCHA to resolve 100% of elevator car outages within eighteen hours beginning in Year 5.<sup>69</sup> As discussed in the Monitors' August 2024 Report, although there are two exceptions to this requirement, NYCHA only tracks and avails itself of one of them. NYCHA tracks outages due to elevator rehabilitation or replacement and the Monitors have excluded those outages for purposes of assessing the agency's performance under this obligation. NYCHA does not, however, track whether an elevator car outage falls under an exception because it has an industry-accepted repair time of longer than eighteen hours.<sup>70</sup> Accordingly, the Monitors' assessment of NYCHA's performance on this obligation may currently include such outages.

As described in the Monitors' August 2024 Report, NYCHA did not meet this requirement in Year 5, but it came close.<sup>71</sup> As of October 31, 2024, NYCHA has further improved its performance but has not yet met the requirement, as illustrated in the graph below. In the first three quarters of Year 6, NYCHA resolved 95% of elevator car outages within eighteen hours, ahead of NYCHA's performance

during this same period last year, when it resolved 92% of elevator car outages within eighteen hours.



The Monitors will continue to support NYCHA's efforts to identify and address the underlying causes of elevator car outages to reduce their duration.

#### **D. Remote Elevator Monitoring (Requirement No. E5)**

The HUD Agreement requires NYCHA to establish continuous remote monitoring in 70% of its elevators by January 31, 2024.<sup>72</sup> As described in the Monitors' August 2024 Report, as of June 30, 2024, NYCHA reported that 64.2% of its elevators have technology, called Remote Elevator Monitoring Systems (REMS), capable of continuous remote monitoring.<sup>73</sup> As of October 31, 2024, NYCHA has installed REMS in 73.7% of its elevators and has satisfied its obligation to establish continuous remote monitoring in at least 70% of its elevators.

REMS provide real-time monitoring by tracking elevator performance through sensors that detect faults. When a sensor is triggered, it generates a fault code that is sent to a cloud-based monitoring system, alerting dispatch, the Supervisor of Elevator Mechanics (SEMS), elevator administrators, and elevator special teams. The fault codes deliver high-level information about potential malfunctions, facilitating quicker response and resolution. NYCHA piloted REMS at Glenwood Houses to better understand how NYCHA

could enhance operations and identify which fault codes require urgent action. The pilot has helped NYCHA identify 12 high-priority fault codes, including those related to open hatch issues and brake monitoring switches, which represent critical safety risks. For these high-priority fault codes, ESRD dispatch immediately generates a work order, notifies SEMS, and sends an elevator mechanic team for field assessment. Lower-priority faults are evaluated on a case-by-case basis by the elevator special teams and supervisors. According to ESRD, mechanics also leverage REMS during preventive maintenance inspections, using the data to diagnose and resolve faults efficiently. The insights gained from this ongoing pilot will help NYCHA continue to refine its use of REMS for better operational efficiency.

While REMS have the capacity to track both fault codes and outages, NYCHA did not include outage tracking as part of its REMS installation. According to NYCHA, it originally conceived of REMS as a method of targeting its preventive maintenance efforts on known issues with each elevator, and not as a method of tracking elevator car outages. As such, NYCHA did not see a clear benefit in paying for REMS that included the ability to track outages. Instead, NYCHA relies on work orders to monitor elevator car outages and their durations. Although the system of tracking work orders satisfies NYCHA's obligations under the HUD Agreement, the Monitors are working with the agency to explore further enhancements to NYCHA's REMS. The Monitors will also support efforts to optimize the REMS and maximize their benefits for both NYCHA's operations and residents.

## **E. Completed and In Compliance Obligations**

The HUD Agreement obligations that NYCHA met prior to the period covered by this report (**Requirement Nos. E3, E4, E13, E23**) are listed in Appendix A.

### **Overview of Outstanding Elevator Obligations**

The following table summarizes the status of NYCHA's compliance with the requirements of the HUD Agreement through the end of the third quarter of Year 6 (October 31, 2024), unless otherwise noted, and categorizes each requirement as a one-time requirement (blue); occurrence obligation (yellow); response obligation (orange); or policy and practice obligation (green). Completed obligations are listed in Appendix A.

<b>Req. No.</b>	<b>Description</b>	<b>Status</b>	<b>Compliance Details</b>
<b>One-Time Requirements</b>			
E1 (Ex. B ¶ 34(b))	<b>Elevator Replacement - NYCHA:</b> By December 31, 2024, NYCHA will replace 275 elevators.	Incomplete	As of October 31, 2024, NYCHA has completed 143 of the required elevator replacements.
E2 (Ex. B ¶ 34(b))	<b>Elevator Replacement - PACT:</b> By December 31, 2024, NYCHA will transfer 150 elevators to third-party management through the PACT program. The developer selected will replace elevators as needed.	Complete	NYCHA has represented to the Monitors that NYCHA has transferred 68 developments to PACT developers, and those developments included more than 150 elevators. NYCHA has further represented that the PACT developers have repaired or replaced 129 elevators. As of October 31, 2024, the Monitors have visited ten PACT developments and verified that NYCHA's PACT partners replaced all 40 elevators in those developments. The



Req. No.	Description	Status	Compliance Details
			Monitors will continue their efforts to verify NYCHA's compliance with this obligation.
E5 (Ex. B ¶ 31)	<b>Remote Elevator Monitoring System:</b> NYCHA will install continuous remote elevator monitoring systems (REMS) in 70% of its elevators.	Complete	NYCHA has reported that approximately 73.7% of NYCHA's elevators have technology capable of continuous remote monitoring. The Monitors have confirmed that these systems are functional.
<b>Occurrence Obligations</b>			
E6 (Ex. B ¶ 23(a))	<b>Buildings with One No-Service Condition:</b> Beginning in Year 3, 70% of elevator banks with more than one elevator will have no more than one no-service condition.	Not met; no longer operative; 13% in Year 3 and 22% in Year 4	NYCHA did not meet these requirements in Years 3 and 4. In Year 3, 87% of elevator banks with more than one elevator had more than one no-service condition, and in Year 4, 78% of elevator banks with more than one elevator had more than one no-service condition. Pursuant to the HUD Agreement and as noted below, stricter obligations are now in force.
E7 (Ex. B ¶ 24(a))	<b>Buildings with One No-Service Condition:</b> Beginning in Year 5, 85% of elevator banks with more than	Not in compliance; 58% as of Q3 Year 6	NYCHA does not comply with this requirement. As of October 31, 2024, 42% of multi-elevator banks have had more

Req. No.	Description	Status	Compliance Details
	one elevator will have no more than one instance per year where all elevators are out of service.		than one no-service condition.
E8 (Ex. B ¶¶ 23(a), 24(a))	<b>Buildings with Three No-Service Conditions:</b> Beginning in Year 3, no elevator bank with more than one elevator should have more than three no-service conditions.	Not in compliance; 82% as of Q3 Year 6	NYCHA does not comply with this requirement. As of October 31, 2024, 18% of multi-elevator banks have had more than three no-service conditions.
E9 (Ex. B ¶ 23(b))	<b>Eight Unplanned Outages:</b> Beginning in Year 3, for at least 70% of elevators, there will be no more than 8 unplanned outages per year.	Not met; no longer operative; 44% in Year 3 and 52% in Year 4	NYCHA did not meet these requirements in Years 3 and 4. In Year 3, 56% of elevators had more than eight unplanned outages, and in Year 4, 48% of elevators had more than eight unplanned outages. Pursuant to the HUD Agreement and as noted below, stricter obligations are now in force.
E10 (Ex. B ¶ 24(b))	<b>Eight Unplanned Outages:</b> Beginning in Year 5, for at least 85% of all elevators in NYCHA buildings, there	Not in compliance; 79% as of Q3 Year 6	NYCHA does not comply with this requirement. As of October 31, 2024, 21% of elevators have had more than eight unplanned outages.

Req. No.	Description	Status	Compliance Details
	shall be no more than eight unplanned outages per year.		
E11 (Ex. B ¶ 23(b))	<b>Fifteen Unplanned Outages:</b> Beginning in Year 3, no elevator shall have more than fifteen unplanned outages per year.	Not met; no longer operative; 69% in Year 3 and 76% in Year 4	NYCHA did not meet these requirements in Years 3 and 4. In Year 3, 31% of elevators had more than fifteen unplanned outages, and in Year 4, 24% of elevators had more than fifteen unplanned outages. Pursuant to the HUD Agreement and as noted below, stricter obligations are now in force.
E12 (Ex. B ¶ 24(b))	<b>Twelve Unplanned Outages:</b> Beginning in Year 5, no elevator shall have unplanned outages more than twelve times per year.	Not in compliance; 89% as of Q3 Year 6	NYCHA does not comply with this requirement. As of October 31, 2024, 11% of elevators have had more than twelve unplanned outages.
<b>Response Obligations</b>			
E14 (Ex. B ¶ 28)	<b>Eighteen-Hour No-Service Conditions:</b> Beginning in Year 1, 75% of no-service conditions shall be resolved within eighteen hours of the time	Complete; no longer operative; 98% as of Year 2	The Monitors cannot verify compliance in Year 1 of the monitorship because NYCHA began reporting complete data regarding no-service conditions in August 2019, approximately halfway through Year 1. But,

Req. No.	Description	Status	Compliance Details
	NYCHA learns of them.		beginning in Year 2, the first full year for which NYCHA collected data, NYCHA reports that it has consistently resolved 98% of no-service conditions within eighteen hours of learning of them. Pursuant to the HUD Agreement and as noted below, stricter obligations are now in force.
E15 (Ex. B ¶ 29(a)(i))	<b>Four-Hour No-Service Conditions:</b> Beginning in Year 5, 85% of no-service conditions shall be resolved within four hours of the time NYCHA learns of them.	Not in compliance; 73% as of Q3 Year 6	NYCHA does not comply with this obligation. As of October 31, 2024, 27% of no-service conditions have lasted more than four hours.
E16 (Ex. B ¶ 29(a)(ii))	<b>Twelve-Hour No-Service Conditions:</b> Beginning in Year 5, no no-service condition shall last more than twelve hours.	Not in compliance; 97% as of Q3 Year 6	Based on NYCHA's data, it does not comply with this obligation, but it is close to complying with this obligation: 3% of no-service conditions in the first three quarters of Year 6 lasted more than twelve hours.
E17 (Ex. B ¶ 28)	<b>Improved Outage Duration:</b> After Year 1, the outage duration shall improve	Partial compliance; 25% reduction in outage duration compared to	NYCHA decreased its outage duration from 7.7 hours in the first three quarters of Year 5 to 5.8 hours in the first three quarters of

Req. No.	Description	Status	Compliance Details
	over the prior year by a rate set by the First Monitor.	the same period last year	Year 6, a significant improvement.
E18 (Ex. B ¶ 29(b)(iii))	<b>Ten-Hour Elevator Car Outages:</b> Beginning in Year 5, 85% of elevator car outages shall be resolved within ten hours of the time NYCHA learns of them.	On track to comply; 91% as of Q3 Year 6	NYCHA is on track to comply with this requirement. As of October 31, 2024, only 9% of elevator car outages have lasted more than ten hours.
E19 (Ex. B ¶ 29(b)(iv))	<b>Eighteen-Hour Elevator Car Outages:</b> Beginning in Year 5, no elevator car outage shall last more than eighteen hours.	Not in compliance; 95% as of Q3 Year 6	Based on NYCHA's data, it does not comply with this requirement. As of October 31, 2024, 5% of elevator car outages have lasted more than eighteen hours.
E20 (Ex. B ¶ 32)	<b>Resident Outage Notification System:</b> By July 31, 2019, NYCHA will establish a system that provides 24 hours' advanced notice of all planned outages and notice of all unplanned outages within two hours.	Not in compliance	NYCHA is not in compliance with this requirement because it does not provide notice to residents for outages due to preventive maintenance.
E21 (Ex. B ¶ 33)	<b>Monitor Outage Notification System:</b> NYCHA will provide the	Not in compliance	NYCHA is not in compliance with this requirement because it does not provide

Req. No.	Description	Status	Compliance Details
	Monitor 24-hour advance notice of any planned outage and shall notify the Monitors of any unplanned outage within two hours of learning about it.		notice to the Monitors for outages due to preventive maintenance.
<b>Policy and Practice Obligation</b>			
E22 (Ex. B ¶ 27)	<b>Planned Outages:</b> By February 1, 2020, NYCHA shall not have planned outages resulting in a no-service condition between 6 a.m. and 9 a.m. or between 4 p.m. and 8 p.m., except for planned elevator rehabilitation or replacement or outages mandated by another governmental agency or regulatory entity.	Not in compliance	NYCHA is not in compliance with this obligation. As of October 31, 2024, planned outages, including outages due to preventive maintenance, continue to result in no-service conditions during the prohibited hours.

### I.3 Pests & Waste

Under the HUD Agreement, NYCHA must (1) upgrade specified pest and waste management infrastructure;<sup>74</sup> (2) respond to residents' **pest** complaints within prescribed deadlines;<sup>75</sup> (3) apply timely and effective pest management techniques informed by **Integrated Pest Management ("IPM")** practices;<sup>76</sup> (4) estimate and report on the size of the pest population at each development, and reduce those pest populations by specific percentages over time;<sup>77</sup> and (5) increase cleanliness at developments by improving waste management practices.<sup>78</sup> The subsection below is an update on NYCHA's progress on its outstanding pest- and waste-related requirements for the period ending October 31, 2024.

In the first three quarters of Year 6, NYCHA continued to make important progress in certain areas. In particular, NYCHA should be commended for its dramatic reductions in **response times** to pest complaints, and in particular its reduction in response times to rat complaints.<sup>79</sup> In quarter three, NYCHA complied with the HUD Agreement requirement that it respond to 90% of resident rat complaints within two business days, and it nearly complied with the Agreement requirement that it respond to 100% of resident rat complaints within five days. In addition, NYCHA continued to address pest complaints from residents whose health conditions may be caused or exacerbated by exposure to pest infestations in an expedited manner as is required under the Agreement.

Despite this progress, NYCHA did not comply with certain HUD Agreement requirements. For example, although NYCHA mandates the use of industry-standard IPM techniques in building operations across NYCHA developments pursuant to the related Agreement requirement, NYCHA struggles to ensure that exterminators consistently and effectively follow NYCHA's standard procedures for IPM-based pest control. This inconsistency underscores the need for NYCHA to improve employee performance management and accountability.

NYCHA also cannot report on its pest populations, as required under the HUD Agreement,<sup>80</sup> and the Monitors cannot determine whether NYCHA achieved the Agreement's pest population reduction targets because pest population protocols have not been established. Although NYCHA and the Monitors are making progress

**Pests:** Under the HUD Agreement, the term "pests" refers to rats, mice, cockroaches, and bed bugs.

**Integrated Pest Management ("IPM"):** An environmentally friendly, commonsense approach to pest control. Unlike traditional pest management, which involves the routine application of pesticide, IPM focuses on the prevention of pests and uses pesticide only as needed. It involves multiple forms of pest controls, and has a four-tiered approach: (1) identify pests and monitor progress, (2) set action thresholds, (3) prevent pests, and (4) control pests.

**Response Time:** This is the time from when NYCHA receives a resident pest complaint to when a NYCHA employee arrives to perform the inspection and initial treatment.

in their discussion on the protocols, these protocols have not been finalized.

**Action Plan:** An Action Plan sets forth policies and practices to be adopted and specific actions to be taken by NYCHA to achieve the terms and requirements of the HUD Agreement.

**Rat Slabs:** Rat slabs are thin layers of concrete poured over areas of exposed sand or dirt within basements and crawl spaces of buildings where rats burrow. They are intended to prevent rats from establishing burrows inside buildings.

**Door Sweeps:** Door sweeps are strips of rubber or plastic that are attached to the bottom of a door to create a seal against the threshold, preventing pests from entering the building.

Finally, NYCHA struggles to timely complete certain large-scale infrastructure and/or capital projects required under the HUD Agreement or committed to via an **Action Plan**. For instance, in October 2024, NYCHA advised the Monitors that it anticipates further delays in completing the remaining **rat slabs**, which the Agreement required NYCHA to complete in 2020.

The Monitors will continue to track NYCHA's efforts to complete its outstanding requirements under the HUD Agreement.

#### **A. Pests and Waste Management Infrastructure (Requirement Nos. P1-P4)**

Under the HUD Agreement, NYCHA was required to install (1) 50 rat slabs, (2) 8,000 **door sweeps**, and (3) exterior bulk crushers or retrofit exterior compactors with auger bulk crushers at ten developments within specific timeframes.<sup>81</sup> It was also required to dedicate 20 full-time exterminators to conducting preventive maintenance treatments in public spaces of developments within designated areas of New York City with high levels of rat activity within a specific timeframe.<sup>82</sup> As reported in the Monitors' August 2024 Report, NYCHA has completed each of these requirements except for installing the required number of rat slabs.<sup>83</sup>

The HUD Agreement required NYCHA to install 50 rat slabs by December 31, 2020.<sup>84</sup> NYCHA completed installation of 37 rat slabs as of June 2024. No rat slabs have been installed since then.

Since the Monitors' August 2024 Report, in which NYCHA committed to completing all of the required rat slabs by October 2025, NYCHA retained a contractor for one project and began construction on another. Although NYCHA has stated that the 13 remaining rat slabs will be completed by that date, necessary structural repairs at Jacob Riis Houses, which must be completed before five of the remaining rat slabs can be installed, may cause a delay in the schedule. The Monitors will continue to track NYCHA's progress and provide updates in future reporting.



## **B. Respond to Resident Pest Complaints (Requirement Nos. P14-P15)**

Under the HUD Agreement, NYCHA is required to respond to resident pest complaints in apartments within certain timeframes depending on the pest type.<sup>85</sup>

Overall, NYCHA has improved its response rate to all pest complaints during the first three quarters of Year 6, as compared to Year 5. During this period, NYCHA complied or nearly complied with the HUD Agreement's rat response-time requirements, a significant milestone. For **other pests**, NYCHA remained out of compliance with those response-time requirements but has improved its response times.

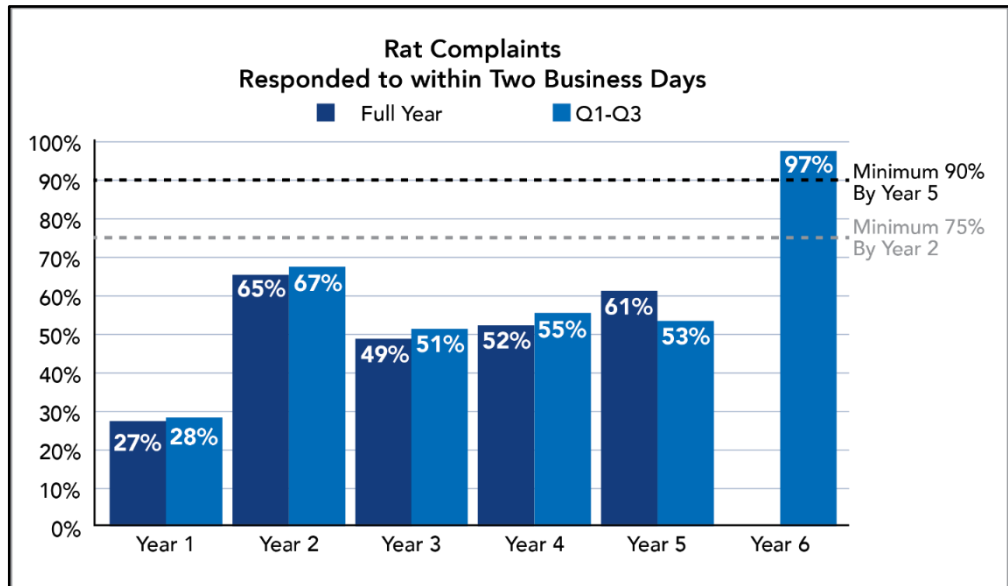
**Other Pests:** Under the HUD Agreement, these are mice, cockroaches, and bed bugs.

The subsections below provide an update on NYCHA's (1) response times to rat complaints and (2) response times to other pest complaints.

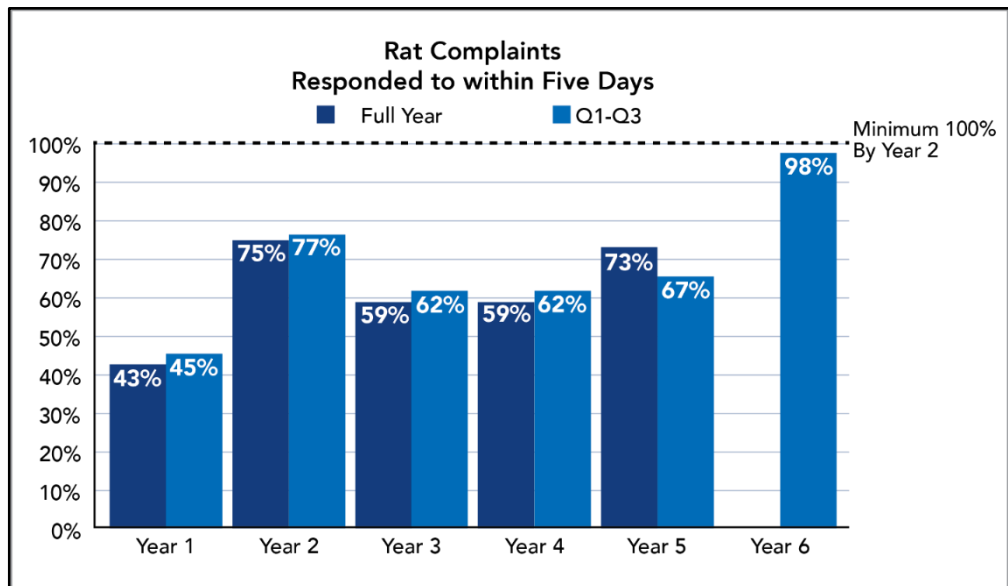
### **1. Responses to Rat Complaints (Requirement No. P14)**

The HUD Agreement required NYCHA to respond to 90% of all rat complaints within two business days, and to respond to 100% of rat complaints within five days, by the end of Year 5.<sup>86</sup> As described in the Monitors' August 2024 Report, NYCHA did not meet these requirements by the end of Year 5.<sup>87</sup> As the charts below depict, however, NYCHA has substantially improved its response times to resident rat complaints in Year 6.

During the first three quarters of Year 6, NYCHA responded to 97% of residents' rat complaints within two business days, exceeding the HUD Agreement-specified response-time requirement by 7 percentage points.



Similarly, and as depicted in the chart below, NYCHA responded to 98% of resident rat complaints within five days. This is significant progress from the same period in Year 5, when the response rate was 67%. NYCHA's response rate also remained consistent over Year 6's first three quarters despite seasonal fluctuations in rat populations.



The Monitors commend NYCHA's efforts, which demonstrate NYCHA's commitment to improving their response times to rat complaints in apartments. According to NYCHA, these improvements

are due, in part, to improved pest management techniques, such as the formation of a specialized rat team, as discussed in the Monitors' August 2024 Report.<sup>88</sup> Relatedly, the quality of NYCHA's pest management services has improved, which has led to fewer pest complaints, enabling NYCHA to respond more quickly to the ones that are submitted.

NYCHA also attributes these improvements to enhancements in its resident communication processes, including the creation and development of a centralized planning unit housed within the Pest Management Department. The Pest Management Department launched this new planning unit in Year 5. The planning unit coordinates the Pest Management Department's response to pest complaints across NYCHA developments. Previously, Neighborhood Planners—NYCHA employees tasked with coordinating skilled trade appointments for groups of developments in a specific geographic area—scheduled pest-related appointments.

According to NYCHA, after experiencing early growing pains, the planning unit has since developed effective protocols for scheduling visits and gaining entry to apartments, including the use of a text message-based confirmation and reminder system to notify NYCHA residents of upcoming inspection and treatment appointments. As a result, exterminators have been gaining entry to apartments faster and more frequently than in previous years, which, in turn, has led to reduced response times to resident pest complaints in Year 6.

The Monitors will continue to track NYCHA's compliance with the response-time requirements. The Monitors will also further assess the effectiveness of the Pest Management Department's planning unit to determine whether its success can be replicated across other NYCHA planning units and developments to improve NYCHA's resident communication. The Monitors discuss NYCHA's efforts to improve resident communication in greater detail in **Section III.B.** of this report.

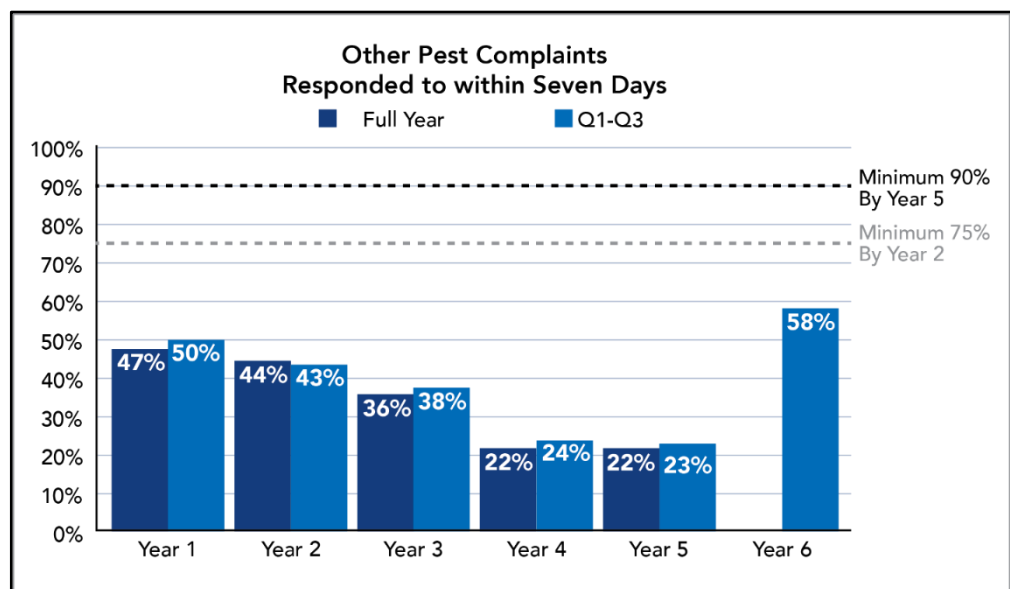
## **2. Responses to Other Pest Complaints (Requirement No. P15)**

The HUD Agreement required NYCHA to respond to 90% of other pest complaints within seven days by the end of Year 5, and 100% of other pest complaints within ten days by the end of Year 5.<sup>89</sup>

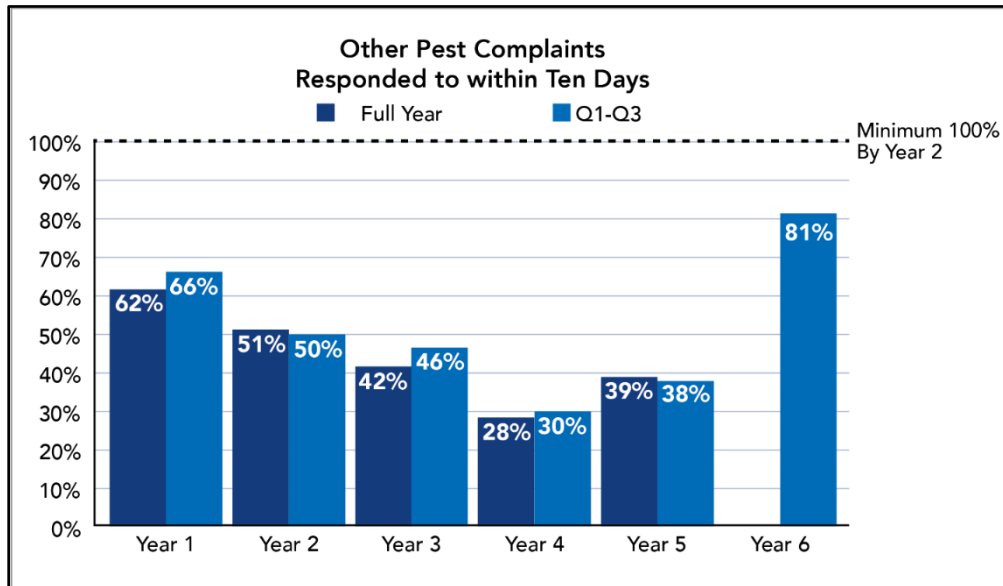
As described in the Monitors' August 2024 Report, NYCHA did not achieve these response-time targets during the first five years of the monitorship.<sup>90</sup>

As depicted in the charts below, during the first three quarters of Year 6, although NYCHA did not meet the response-time targets, it significantly improved its response times for other pests as compared to previous years.

In the first three quarters of Year 6, NYCHA responded to 58% of other pest complaints within seven days. Though NYCHA fell short of the 90% requirement in the HUD Agreement, its response time reflects a 35 percentage points improvement over the same period in Year 5. NYCHA also improved its response time quarter-over-quarter in Year 6, demonstrating an encouraging trend.



Similarly, though NYCHA does not yet respond to 100% of other pest complaints within ten days, it has significantly improved its response time in Year 6 as compared to previous years. As depicted in the chart below, in the first three quarters of Year 6, NYCHA responded to 81% of other pest complaints within ten days, as compared to 38% of complaints during the first three quarters of Year 5.



As discussed above, according to NYCHA, these improvements are due in part to improved pest management and to the Pest Management Department's planning unit's efforts to develop effective protocols for scheduling visits and gaining entry to residents' apartments.

NYCHA also attributes these improvements in part to the filling of staff vacancies in the Pest Management Department. As discussed in the Monitors' August 2024 Report, from January 2024 to July 2024, with respect to the 151 budgeted exterminator positions, the number of vacancies declined from 50 to 18 positions.<sup>91</sup> As of October 31, 2024, 142 positions were filled, leaving nine open positions.

NYCHA points to the Office of Resident Economic Empowerment and Sustainability ("REES") program as a factor in its success in filling these vacancies. Among other things, REES provides NYCHA residents with access to pest control training through the NYCHA Resident Training Academy and establishes a pipeline to employment. Program graduates have obtained employment in NYCHA's Pest Management Department.

The Monitors applaud NYCHA's efforts to fill vacant positions and focus on employing NYCHA residents. To continue this positive momentum, NYCHA must continue to hire, train, and retain staff sufficient to address pest complaints in a timely manner.

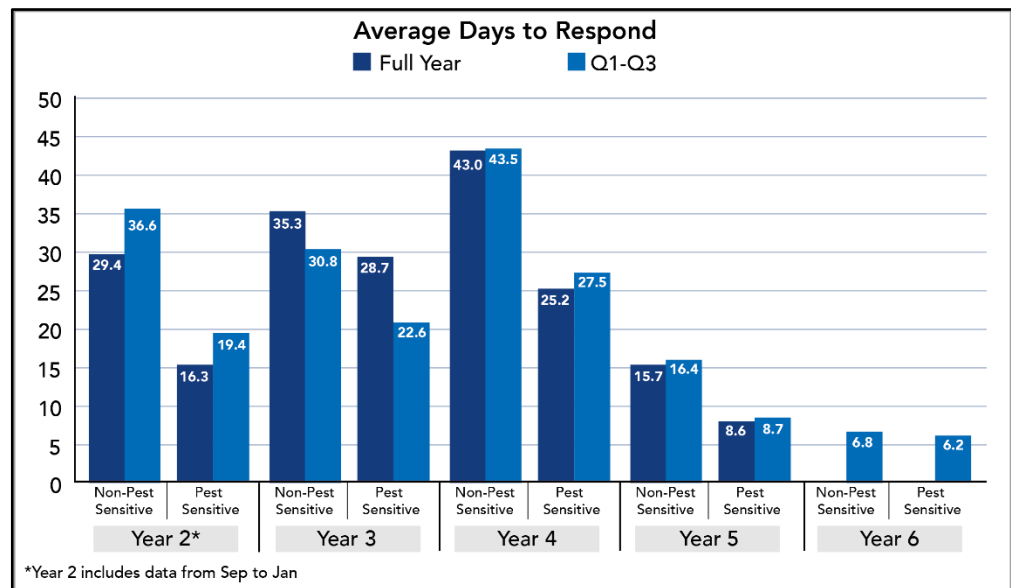
### C. Address Pest Complaints from Residents with Health Conditions in an Expedited Manner (Requirement No. P17)

The HUD Agreement requires NYCHA to respond to pest complaints in apartments occupied by residents whose health conditions may be caused or exacerbated by exposure to pest infestations ("Pest Sensitive Apartments") and to **apply** pest control methods in Pest Sensitive Apartments in an expedited manner.<sup>92</sup>

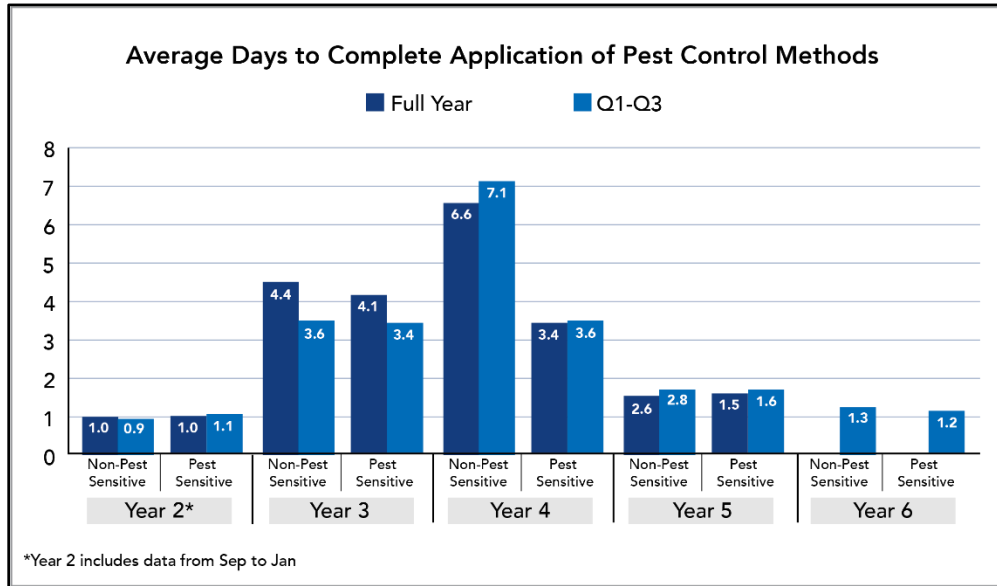
The First Monitor and NYCHA agreed that to satisfy this requirement, NYCHA would address pest complaints in Pest Sensitive Apartments more quickly than in other apartments.<sup>93</sup> As described in the Monitors' August 2024 Report, NYCHA developed a process for residents to report relevant health conditions, enabling NYCHA to identify Pest Sensitive Apartments, which NYCHA now tracks.<sup>94</sup> NYCHA also complied with the requirement that it address pest complaints from residents in Pest Sensitive Apartments more quickly than non-Pest Sensitive Apartments during the first five years of the monitorship.<sup>95</sup>

As depicted in the chart below, NYCHA responded to pest complaints in Pest Sensitive Apartments more quickly than in other apartments in the first three quarters of Year 6 as compared to the same period in Year 5.

**Apply:** Under the definition agreed to by the First Monitor and NYCHA, this is the time from the moment a complaint is verified, to the moment that NYCHA staff completes the initial work order for inspection and initial treatment. Typically, the same NYCHA staff member who responds to the initial work order applies the initial pest control treatment during the same visit. Application of pest control methods should take, on average, forty-five minutes.



As depicted in the chart below, NYCHA also applied pest control methods more quickly in Pest Sensitive s in the first three quarters of Year 6 as compared to the same period in Year 5.



The Monitors will continue to track whether NYCHA provides faster service to Pest Sensitive Apartments.

#### **D. Integrated Pest Management (Requirement Nos. P16, P18-P19)**

The HUD Agreement requires NYCHA to consistently and comprehensively implement IPM practices.<sup>96</sup> Specifically, NYCHA must (1) apply effective pest control in a timely manner, (2) incorporate industry-standard IPM into building operations in all NYCHA developments, and (3) send staff appropriately trained in IPM to respond to all pest complaints.<sup>97</sup>

As discussed in the Monitors' August 2024 Report, NYCHA requires the use of IPM techniques, aims to train its staff on these techniques, and is expanding and improving related training.<sup>98</sup>

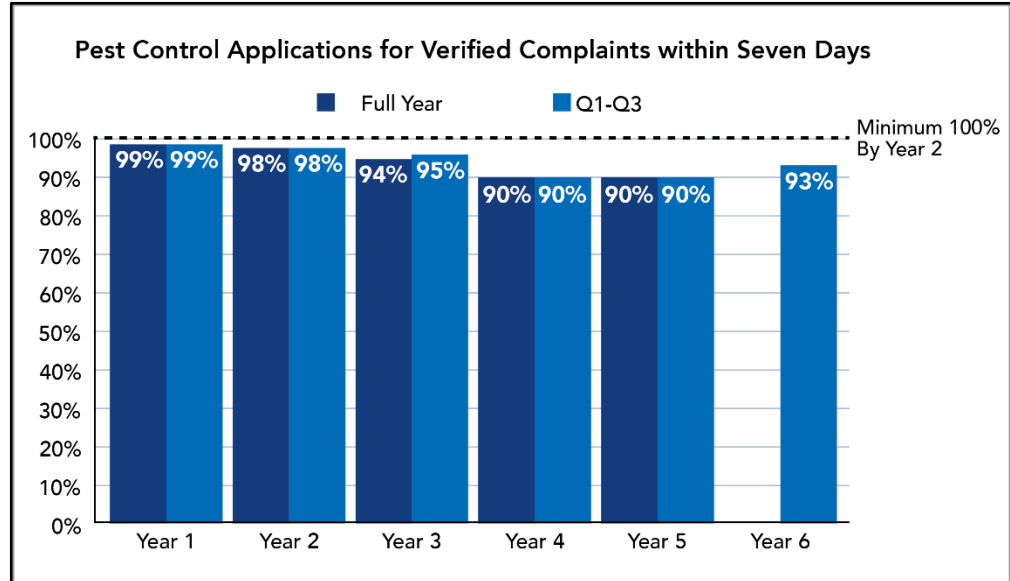
To meet the HUD Agreement's IPM requirements, NYCHA should continue to improve its trainings. In particular, the Monitors' consulting urban entomologists recommend that NYCHA expand opportunities for hands-on learning. For instance, NYCHA could provide participants with pest control material during pest control material training. To its credit, NYCHA has prioritized this

improvement. For example, in constructing its new training center, which is scheduled to open early next year, NYCHA included a mock kitchen in which exterminators can practice IPM techniques. The subsections below detail NYCHA's progress in meeting the IPM requirements.

### 1. Apply Effective Pest Control Methods in a Timely Manner (Requirement No. P16)

Under the HUD Agreement, NYCHA must apply effective pest control methods within seven days of verifying the presence of a pest.<sup>99</sup> As described in the Monitors' August 2024 Report, although NYCHA was close to achieving compliance with the requirement for Years 1-5, it did not reach compliance, and its performance regressed from Year 2 to Year 5.<sup>100</sup>

As depicted in the chart below, in the first three quarters of Year 6, NYCHA improved its performance, in comparison with the same period of Year 5 by 3%. But NYCHA does not yet comply with the requirement.<sup>101</sup>



#### **Pest Standard Procedure ("Pest SP"):**

The Pest SP provides instructions to NYCHA staff on how to implement and comply with preventative and responsive measures to control pest infestations. It also creates protocols to protect the health of residents, employees, and vendors when removing and reducing pest activity using IPM techniques.

Additionally, NYCHA does not currently assess whether the pest control methods used are applied effectively when determining compliance with this requirement. Effective pest control application requires that exterminators apply pest control methods correctly and according to NYCHA's **pest standard procedure ("Pest SP")**. This means the exterminator must follow all instructions provided in the



training, apply the pest control method(s) in the accepted manner, and treat all the appropriate areas.

The Monitors believe that measuring the efficacy of pest control application is critical for assessing NYCHA's compliance with this requirement. To that end, the Monitors' consulting urban entomologist, Dr. Richard Cooper, conducts monthly field visits to assess the work of a sample of exterminators. Dr. Cooper shadows exterminators on their daily rounds, providing real-time feedback to the exterminators and written observations to NYCHA and the Monitors. Dr. Cooper's field visits suggest that NYCHA's exterminators have made progress, but that their performance is uneven.<sup>102</sup> On the one hand, Dr. Cooper observed exemplary work. For example, he reported that the specialized bed bug team spent five hours effectively treating an apartment with a severe bed bug infestation in a thorough and professional manner. On the other hand, Dr. Cooper has observed substandard work. For example, he reported that one exterminator was unprepared, spent only 15 minutes in each apartment, and did not follow the Pest SP.

To complement Dr. Cooper's sample testing, the Monitors have begun a work order analysis. As part of this effort, the Monitors will perform a review of resident complaint work order data, which show the pest type and treatment methods the exterminators applied, to assess whether NYCHA exterminators are effectively applying pest control methods. For example, the Monitors can assess whether an exterminator applied the correct amount of cockroach bait by comparing the chemical quantities recorded with the chemical quantities required in NYCHA's Pest SP. The Monitors will report on these findings in future reporting.

## **2. Implement and Apply Integrated Pest Management Techniques**

The HUD Agreement requires NYCHA to incorporate IPM practices into building operations at all developments and to send staff who are appropriately trained on IPM to respond to all pest complaints.<sup>103</sup>

As described in the Monitors' August 2024 Report, to achieve compliance with these requirements, NYCHA must provide more and better training for all Pest Management Department staff.<sup>104</sup> To its

credit, NYCHA recognizes the importance of IPM, and is actively improving and expanding its training portfolio.<sup>105</sup>

Since the Monitors' August 2024 Report, and as of October 31, 2024, the Pest Management Department has implemented new training on the recently revised Pest SP, which was published in June 2024. NYCHA also debuted an agency-wide **snap trap** training in the fourth quarter of Year 6, which trained staff on how to appropriately use snap traps, an important rodent control method.

**Snap Trap:** A snap trap is a pest control device intended to trap and eliminate rodents, using bait and a quick trigger system.

NYCHA uses snap traps to control the house mouse population, in combination with other research-tested devices, rodent proofing and exclusion, and sanitation improvements.

To facilitate this progress, the Monitors will continue to assist and support NYCHA in improving its current trainings and developing new ones. Through the work order analysis described above, the Monitors will identify specific challenges in pest control methods so that NYCHA can focus on revising procedures and improving trainings to support exterminators in correctly applying appropriate IPM techniques.

### 3. Address Common Area Pest Complaints

IPM practices require NYCHA to eliminate pests' access to food, water, and shelter across its developments, including in common areas.<sup>106</sup> As discussed in the Monitors' August 2024 Report, NYCHA, HUD, and SDNY agreed that for NYCHA to comply with the IPM requirements, it must, among other things, respond to common-area pest complaints in a timely manner.<sup>107</sup>

Accordingly, the parties agreed that NYCHA would respond to common-area pest complaints within certain pest- and location-specific timeframes proposed by the Monitors' consulting urban entomologists. Specifically, NYCHA must (1) respond to 100% of other pest complaints in internal and external common areas within ten business days; (2) respond to 90% of rat complaints in internal common areas within two business days, and to 100% of complaints within five days; and (3) respond to 100% of rat complaints in external common areas within ten days.<sup>108</sup> For rat complaints in high traffic areas, including playgrounds, the parties agreed that NYCHA will respond in an expedited manner.<sup>109</sup>

To begin tracking progress, NYCHA and the Monitors will define outstanding proposal terms, including "high-traffic exterior areas" and "expedited manner," and develop methodologies to track all types of common area pest complaints. The Monitors will provide

updates on NYCHA's progress in measuring and complying with the common area response times in future reporting.

#### **E. Pest Population Reporting and Reduction Targets (Requirement Nos. P7-P11)**

The HUD Agreement requires the Monitors, in consultation with NYCHA, to establish reasonable protocols to determine pest population estimates so NYCHA can publish quarterly pest population estimates by pest type and development on NYCHA's website.<sup>110</sup> The Monitors can then determine whether NYCHA met certain pest population reduction targets set out in the Agreement.<sup>111</sup>

As discussed in the Monitors' August 2024 Report, these protocols will allow NYCHA to determine pest population estimates, which in turn, will allow NYCHA to assess HUD Agreement compliance; they will also provide an important data point on NYCHA residents' day-to-day experiences with pest infestations.<sup>112</sup> Accordingly, the Monitors are prioritizing the establishment of these protocols, and NYCHA has committed to supporting the finalization of the protocols and complying with the related requirements.

In the third quarter of Year 6, the Monitors, with the consulting urban entomologists and data analysts, developed pest population protocols and sent them to NYCHA for consultation pursuant to the HUD Agreement. NYCHA is currently reviewing the protocols. The Monitors expect to issue these protocols in the fourth quarter of Year 6.

#### **F. Waste Management (Requirement No. P11)**

The HUD Agreement requires NYCHA to inspect grounds and common areas at every development and correct negative conditions at least once a day ("Waste Management Requirement").<sup>113</sup> In particular, NYCHA must ensure that trash on the grounds or common areas of each NYCHA development is collected and either removed from the premises or stored in a manner that prevents access by pests at least once every 24 hours.<sup>114</sup>

To facilitate compliance with its Waste Management Requirement, NYCHA committed to several capital projects aimed at improving its waste management capabilities.<sup>115</sup> The scope of these projects includes the construction of new waste yards and trash

collection systems, as well as equipment replacements and upgrades.<sup>116</sup>

The subsections below provide an update on (1) NYCHA's compliance with the Waste Management Obligation, as verified by the Monitors' inspection team, and (2) an update on the various waste management capital projects.

### **1. Inspect and Correct Negative Waste Conditions**

Currently, NYCHA measures compliance with the Waste Management obligation through Clean Compounds, an initiative that requires consolidations to submit daily photographs of certain areas and attestations from grounds supervisors as to the cleanliness of the compounds. NYCHA also launched Scorecard 1.5, a NYCHA-based version of the Waste Management Measurement Application ("WAMMA"), an application the First Monitor helped create to track development-level cleanliness, as a follow-up measure. NYCHA inspects developments on a quarterly, bimonthly, or monthly basis based on their cleanliness levels. Scorecard 1.5 is not compatible with Maximo (and therefore cannot automatically generate work orders). In the future, NYCHA plans to upgrade this system into Scorecard 2.0, which will feed into NYCHA's Maximo system and enable Scorecard inspectors to automatically generate work orders based on their observations in the field. This, in turn, will allow NYCHA to quickly address on-site deficiencies and maintain cleanliness in its developments.

Since the Monitors' August 2024 Report, and as of October 31, 2024, NYCHA has advised the Monitors that NYCHA will likely not launch Scorecard 2.0 until the summer of 2025.

In the meantime, to improve cleanliness and facilitate compliance with the Waste Management Requirement, the Waste Management Department shares the results of its Scorecard 1.5 inspections with the developments it inspects. It also conducts annual Internal Waste Action Plan Meetings in which Waste Management Department inspectors assess each development to identify waste management challenges and work with property management staff to develop an individualized action plan to ensure that the development is addressing deficiencies.

In addition, the Monitors have conducted their own inspections using a representative sample of developments to confirm NYCHA's compliance with the Waste Management Obligation.

As of October 31, 2024, the Monitors have conducted over 400 building and grounds inspections across over 90 developments. These inspections assessed the cleanliness conditions of development grounds, including outside grounds, curbside collection points, short-term storage areas, waste yards, and walkways, and the cleanliness conditions of interior common areas, including lobbies, elevators, and stair halls.

Based on the results of these inspections, the Monitors conclude that NYCHA does not fully comply with the Waste Management Obligation. Overall, the Monitors observed many well-maintained interior and exterior common areas and many NYCHA staff members working hard to keep developments clean. The Monitors applaud these efforts and recognize the challenges to keep over 300 developments clean on a daily basis. That said, inspectors found that cleanliness conditions varied. At several developments, the inspectors observed grounds and/or interior common areas in poor condition. The inspectors observed litter scattered throughout the grounds and dog feces and debris near exterior walkways. The inspectors also observed interior common areas in poor condition. They noted improper trash disposal and waste in interior areas.

These poor conditions reflect what some residents have told the Monitors—that the grounds and interiors of their buildings are insufficiently maintained to the point that it affects their quality of life. During meetings with the Monitors, residents have expressed frustration, noting that they are forced to “live like slobs.” One resident reported that “garbage piled up in the front of buildings, which brings a lot of rats, mice, and roaches” at their development. Another resident noted that the hallway outside their apartment was not cleaned for six months and, as a result, they had “to mop and clean the floor” themselves. This is not acceptable. NYCHA must ensure that all developments consistently comply with the Waste Management Obligation.

To facilitate compliance, the Monitors will continue to conduct independent building and grounds inspections. The Monitors will also review the Scorecard 1.5 inspection results and assess NYCHA's

self-reported progress and how it compares to the Monitors' own inspection results.

## 2. Waste Management Capital Projects

Under the HUD Agreement, NYCHA is required to implement specific waste management measures to address pest issues and improve sanitation across its developments.<sup>117</sup> As discussed above, NYCHA met its obligation under the Agreement to install ten exterior bulk crushers and 8,000 door sweeps, and is working on installing the 13 remaining rat slabs the Agreement requires.<sup>118</sup>

Building on this baseline, NYCHA made more extensive commitments using funds provided by New York City under the HUD Agreement, as reflected in the **City Capital Action Plan ("CCAP")**. This includes interior compactor projects at up to 130 developments and waste yard projects at up to 191 developments, aiming to achieve waste management improvements at up to 197 developments by 2030.<sup>119</sup> As certain developments are now scheduled to undergo conversion to the PACT program, NYCHA subsequently reduced the number of developments designated to receive waste management improvements because those improvements will instead be made by the PACT developers instead of NYCHA. NYCHA also removed developments whose needs were addressed by other initiatives in the last two years through urgent operational investments in new equipment. Finally, NYCHA removed developments whose sites it deemed unsuitable for dedicated waste yards through field assessments and technical review. As of now, NYCHA plans to install 1,211 interior compactors at 92 developments and 120 waste yards at 83 developments. In addition, NYCHA states that, in 2024, it took steps to address significant unexpected market price escalation due to COVID. This included examining past projects and visiting sites with the Waste Management Department to reduce costs associated with delivering these projects by salvaging a greater portion of existing materials, reducing scope, and using in-house staff. According to NYCHA, these reductions in the number of interior compactors and waste yards as well as project costs helped limit the price escalation for waste yards to approximately 20% and identify \$80 million in cost savings overall. The Monitors will track and verify NYCHA's efforts to address market price escalation and will include their findings in future reporting.

### **City Capital Action Plan ("CCAP"):**

Under the HUD Agreement, New York City must provide \$2.2 billion in capital funding to NYCHA over a ten-year period starting in 2019 (\$250 million per year for the first four years, and \$200 million per year for the final six years). These funds are committed to capital projects and can only be spent pursuant to an Action Plan. The City Capital Action Plan was approved by the First Monitor on May 8, 2021, and was amended in September 2023.

As of October 31, 2024, NYCHA has completed interior compactor projects at 38 developments, slightly ahead of the timelines laid out in the CCAP, but is significantly behind the timelines laid out in the CCAP for waste yards, having only completed them at six developments. Completing the remaining waste management projects by 2030 will require NYCHA to minimize the types of delays that the waste yard projects have experienced thus far. The Monitors are working with NYCHA to better understand the factors causing these delays and have conducted field visits, reviewed and analyzed NYCHA's project scheduling data, and discussed the delays with NYCHA personnel.

NYCHA's Asset & Capital Management Division ("A&CM"), which oversees these waste management projects, has identified several factors contributing to delays. According to NYCHA, delays stem from internal factors such as changes to project scope and design to reduce costs and challenges coordinating with other departments, as well as external factors including unforeseen site conditions, challenges coordinating with regulatory agencies, manufacturing delays, and vendor performance.

To address these internal and external challenges, NYCHA has informed the Monitors that it has implemented strategies such as a focus on pre-design site investigations and surveys to take site-specific details into consideration and provide more accurate preliminary budgets, introduction of a Construction Manager Oversight Team to improve performance, coordination with manufacturers to speed up production and installation, implementation of dashboards to better identify and resolve systematic performance issues, and increased coordination with regulatory stakeholders. The Monitors will conduct an in-depth review of the causes of the delays NYCHA has identified and support NYCHA's efforts to address them so that NYCHA can complete its waste management projects more quickly and efficiently. The Monitors will provide the results of their review, along with recommendations for improvement, in future reporting.



### **Overview of Outstanding Pests and Waste Obligations**

The following table summarizes the status of NYCHA's compliance with the outstanding requirements of the HUD Agreement as of October 31, 2024, unless otherwise noted. The table categorizes each requirement as a one-time requirement (blue); occurrence obligation (yellow); response obligation (orange); or policy and practice obligation (green). Completed obligations are listed in Appendix A.

<b>Req. No.</b>	<b>Description</b>	<b>Status</b>	<b>Compliance Details</b>
<b>One-Time Requirements</b>			
P2 (Ex. B ¶ 46(b))	<b>Rat Slabs:</b> By December 31, 2020, NYCHA must install 50 rat slabs.	74%	NYCHA has installed 37 of 50 rat slabs as of October 31, 2024, and expects to complete the remaining 13 rat slabs by October 2025.
P7 (Ex. B ¶ 35)	<b>Pest Population Protocols:</b> The Monitors shall establish reasonable protocols by which IPM professionals can develop and provide reliable estimates, at least quarterly, of the pest populations at each NYCHA development by July 31, 2019.	In process	The Monitors have developed protocols to estimate pest populations and have circulated the protocols to NYCHA for its review.
<b>Occurrence Obligations</b>			
P8 (Ex. B ¶ 35)	<b>Pest Population Publication:</b> NYCHA shall	TBD	Because pest population protocols have not been finalized,



Req. No.	Description	Status	Compliance Details
	publish reliable estimates of the pest populations at each NYCHA development on its website quarterly starting by July 31, 2019.		NYCHA has not yet developed and provided reliable pest population estimates, and NYCHA does not report on these pest populations on its website.
P9 (Ex. B ¶ 36)	<b>Pest Population Reduction Targets I:</b> Beginning in Year 3, NYCHA shall achieve (i) a 50% reduction in its rat population; (ii) 40% reduction in its mice and cockroach populations; and (iii) a percentage reduction in its bedbug population determined by the Monitor.	TBD	Because pest population protocols have not been finalized, IPM professionals have not developed or provided reliable pest population estimates from which percentage reductions could be determined. Once the pest population protocols are finalized, the Monitors will determine a bed bug reduction percentage and assess whether NYCHA achieved the specified reduction percentages.
P10 (Ex. B ¶ 37)	<b>Pest Population Reduction Targets II:</b> Beginning in Year 5, NYCHA shall achieve a further 50% reduction of all pest populations.	TBD	Because pest population protocols have not been finalized, IPM professionals have not developed or provided reliable pest population estimates from which percentage reductions could be determined. Once the pest population protocols are finalized, the Monitors will determine whether NYCHA satisfied the

Req. No.	Description	Status	Compliance Details
			50% reduction percentages.
P11 (Ex. B ¶ 45)	<b>Waste Management:</b> Beginning in Year 1, NYCHA shall inspect the grounds and common areas of each building for cleaning and maintenance needs at least every 24 hours. In particular, NYCHA shall ensure that trash on the grounds or common areas of each NYCHA development is collected and either removed from the premises or stored in a manner that prevents access by pests.	Not in compliance.	Although NYCHA has made progress in achieving the Waste Management requirement, the Monitors' independent inspections indicate that NYCHA's performance is inconsistent across developments.
<b>Response Obligations</b>			
P12 (Ex. B ¶ 38(a))	<b>Rat Response I:</b> By January 31, 2021, NYCHA shall respond to (i) 75% of rat complaints within two business days and (ii) to all rat complaints within five days.	Not met; no longer operative. (i): 65% (ii): 75%	NYCHA did not meet these initial response time requirements.  NYCHA responded to (i) 65% of all rat complaints regarding apartments within two business days and (ii) 75% of all rat

Req. No.	Description	Status	Compliance Details
			<p>complaints regarding apartments within five days.</p> <p>Pursuant to the HUD Agreement and as noted below, stricter response time obligations are now in force.</p>
P13 (Ex. B ¶ 38(b))	<p><b>Other Pest Response I:</b> By January 31, 2021, NYCHA shall respond to (i) 75% of all other pest complaints within seven days and (ii) all other pest complaints within ten days.</p>	<p>Not met; no longer operative. (i): 45% (ii): 52%</p>	<p>NYCHA did not meet these initial response time requirements.</p> <p>NYCHA responded to (i) 45% of all rat complaints regarding apartments within two business days and (ii) 52% of all rat complaints regarding apartments within five days.</p> <p>Pursuant to the HUD Agreement and as noted below, stricter response time obligations are now in force.</p>
P14 (Ex. B ¶ 39(a))	<p><b>Rat Response II:</b> Beginning in Year 5, NYCHA shall respond to (i) 90% of all rat complaints within two business days and (ii) all rat complaints within five days.</p>	<p>In compliance. (i): 97% (ii): 98%</p>	<p>Although NYCHA did not timely meet these requirements, as of October 31, 2024, NYCHA complied with the first requirement and nearly complied with the second.</p>

Req. No.	Description	Status	Compliance Details
P15 (Ex. B ¶ 39(b))	<b>Other Pest Response II:</b> Beginning in Year 5, NYCHA shall respond to 90% of all other pest complaints within seven days and to all other pest complaints within ten days.	Not in compliance. (i): 58% (ii): 81%	NYCHA did not timely meet these requirements.  As of October 31, 2024, NYCHA's response times have improved as compared to the same period in Year 5.
P16 (Ex. B ¶ 38(c))	<b>Effective Pest Control Application:</b> Beginning in Year 2, NYCHA shall apply effective pest control methods to address complaints within seven days.	Not in compliance. 93%	While its application rates have improved in the first three quarters of Year 6, NYCHA does not yet comply with this requirement.
P17 (Ex. B ¶ 38(d))	<b>Expedited Response / Application in Pest Sensitive Units</b> Beginning in Year 2, NYCHA shall provide expedited response and application of pest control methods in cases where NYCHA is aware that a resident of the apartment has a condition generally recognized as being caused or exacerbated by	100%	By developing an IT enhancement to flag the apartments of residents with relevant health conditions, NYCHA prioritizes pest complaints from these apartments and addresses them in an expedited manner.

Req. No.	Description	Status	Compliance Details
	exposure to pest infestations.		
<b>Policy and Practice Obligations</b>			
P18 (Ex. B ¶ 43)	<b>IPM Practices:</b> Beginning in Year 1, NYCHA shall incorporate industry standard IPM practices into building operations in all developments.	In progress	<p>NYCHA has improved its pest management practices and upgraded and expanded its trainings.</p> <p>But NYCHA does not yet consistently and/or effectively use IPM practices in building operation in all developments.</p>
P19 (Ex. B ¶ 44)	<b>IPM Training:</b> Beginning in Year 1, NYCHA shall send staff appropriately trained on IPM to respond to any pest complaint.	In progress	<p>NYCHA has developed a training program that incorporates IPM techniques and continues to improve training and education.</p> <p>The Monitors' consulting urban entomologists advise that these trainings can be improved. Among other things, the consulting urban entomologists propose increasing hands-on learning opportunities.</p> <p>The Monitors commend NYCHA for already beginning this process and committing to increasing</p>

Req. No.	Description	Status	Compliance Details
			opportunities for hands-on training, including through the opening of a new training center in early 2025.

## I.4 Mold & Leaks

As discussed in **Section II.4** of the Monitors' August 2024 Report, the HUD Agreement requires NYCHA to timely remediate mold and leaks, prevent mold growth and recurrence, and stop NYCHA employees from improperly closing work orders.<sup>120</sup> The Agreement also requires NYCHA to comply with a separate set of obligations established by court orders in a federal class action lawsuit, ***Baez v. NYCHA, No. 13 Civ. 8915 ("Baez")***, brought by NYCHA residents to address mold and leaks in NYCHA developments.<sup>121</sup>

The subsections below provide an update on NYCHA's compliance with the outstanding mold and leak requirements under the HUD Agreement as of October 31, 2024, the end of the third quarter of Year 6.<sup>122</sup>

Since the Monitors' August 2024 Report, NYCHA has continued to work on various initiatives to address mold and leaks and their root causes. NYCHA has made certain progress, including reducing the number of days it takes to remove mold and complete complex mold repairs in residents' apartments. In addition, the number of verified mold complaints has declined.

***Baez v. NYCHA, No. 13 Civ. 8915 ("Baez"):***

*Baez* is a federal class action lawsuit brought by NYCHA residents suffering from asthma and living in apartments with mold and excessive moisture. NYCHA settled *Baez* in 2014. The resulting consent decrees impose various requirements on NYCHA that are similar but not identical to the HUD Agreement obligations and aim to help NYCHA effectively remediate mold and moisture in a timely manner.

**Comprehensive Modernization ("Comp Mod"):** Comp Mod undertakes large-scale renovations, including replacing roofs and building façades, to treat structural causes of mold and leaks.

**Building Line Initiative ("BLI"):** BLI program identifies and replaces high-leak plumbing lines in NYCHA developments, thereby addressing the root cause of mold and leaks in the apartments served by the line.

**Damper Replacement Initiative:** NYCHA is currently replacing fire and volume dampers portfolio-wide, which will improve the distribution of airflow across developments. Improved airflow will help reduce shower condensation, which is a cause of mold growth.

NYCHA also continues to work on the long-term rehabilitation of apartments, including renovating kitchens and bathrooms and replacing roofs, building façades, and HVAC and plumbing systems through the **Comprehensive Modernization ("Comp Mod")** program; replacing high-leak plumbing lines through the **Building Line Initiative ("BLI")**; and replacing volume and fire dampers through the **Damper Replacement Initiative**. These programs address the root causes of mold by addressing aging plumbing, poor airflow, and structural deficiencies. While these initiatives provide critical upgrades, Comp Mod and BLI have limited reach within NYCHA's extensive housing portfolio. Comp Mod currently targets just over 2,000 units in selected developments, and BLI efforts at Tompkins Houses and Red Hook East Houses address fewer than 30 units.

Since the Monitors' August 2024 Report, NYCHA has made progress on Comp Mod, BLI, and the Damper Replacement Initiative. For Comp Mod, NYCHA issued vendor approvals ahead of schedule, brought key personnel on board, completed initial site inspections, and began resident engagement efforts. For BLI, NYCHA continued construction at Tompkins Houses and selected a second site at Red Hook East Houses, for which it is preparing resident engagement materials. For the Damper Replacement Initiative, NYCHA continued to replace improperly functioning volume and fire dampers. Efforts are also in progress to direct additional funding from the City to BLI to initiate new projects, such as an initiative to replace waste plumbing lines.

Despite these efforts, NYCHA remains out of compliance with many key HUD Agreement requirements. For example, in the first three quarters of Year 6, NYCHA did not comply with the Agreement requirement that it remove or remediate mold and its root cause(s) within specified time frames at least 95% of the time. In fact, NYCHA's compliance with this requirement regressed compared to the same period in Year 5. Similarly, in the first three quarters of Year 6, NYCHA did not comply with the requirement that no more than 15% of mold complaints may be for visible mold covering ten or more square feet. Here, too, NYCHA regressed in its compliance with this requirement compared to the same period in Year 5.

Additionally, NYCHA cannot track compliance with the HUD Agreement requirement that it remove standing water resulting from floods, leaks from above, and other conditions that cause sustained



or recurrent moisture in a resident's apartment ("Other Moisture Conditions") within 48 hours. This is because NYCHA has not finalized the standard procedure for leaks (the "**Leak SP**").<sup>123</sup> Moreover, the lack of a formal, standardized approach to addressing leaks and their root causes contributes to persistent and pervasive leaks, which in turn, lead to mold growth.

The backlog of mold and leak work orders has remained relatively unchanged since the Monitors' August 2024 Report, growing from over 73,000 to over 74,000 open mold and leak work orders.<sup>124</sup>

Relatedly, although NYCHA has reduced the time in which it addresses certain mold issues, it remains outside the HUD Agreement timeframes.<sup>125</sup> From January 1, 2024, to October 31, 2024, on average, NYCHA removed mold in 41 days and addressed simple and complex mold repairs in 30 days and 88 days, respectively. The HUD Agreement, however, requires NYCHA to remove mold in five days and to address simple and complex mold repairs in seven and fifteen days, respectively.<sup>126</sup> Taken together, this confirms what residents have been saying: some mold and leak issues are slightly better, but there are too many open mold and leak work orders and residents are waiting too long for these work orders to be addressed.

The Monitors will continue to track NYCHA's efforts to achieve the outstanding mold and leak requirements under the HUD Agreement. To facilitate compliance, the Monitors are working with NYCHA to update and improve NYCHA's existing mold training courses, finalize and implement the Leak SP as quickly as possible, and support the Damper Replacement Initiative. The Monitors also will continue to support NYCHA's other efforts to reduce the mold and leak work order backlog, including **Operation Mold Clean Up**, **Operation Dry Out**, the **Enhanced Oversight Program**, and its use of a specialized team to address mold cleaning work orders, as part of NYCHA's larger effort to reduce the overall work order backlog, as discussed in **Section III.A.1**.

#### **A. Timely Remediation of Mold and Leaks (Requirements Nos. M5-M7)**

The HUD Agreement requires NYCHA to timely address residents' mold and leak complaints. Specifically, NYCHA must timely (1) provide residents with work plans that explain how NYCHA will

**Leak SP:** A standardized process for identifying, tracing, and addressing the root causes of leaks across all NYCHA developments.

**Operation Mold Clean Up:** Operation Mold Clean Up is an initiative intended to reduce the number of outstanding mold removal and mold-resistant paint work orders authority-wide.

**Operation Dry Out:** Operation Dry Out is an authority-wide initiative to address the backlog of open plumbing work orders for leak and mold-related repairs. The project focuses on addressing certain aged tub enclosure and plumbing work orders.

**Enhanced Oversight Program:** The Enhanced Oversight Program is an initiative in which NYCHA identifies developments with poor air quality and mold conditions and provides targeted assistance and addresses development-specific challenges.

address mold and its root cause(s); (2) remove or remediate mold and its root cause(s) within specified timeframes; and (3) abate the root cause(s) of sustained moisture and remove all resulting standing water (the “Response-Time Requirements”).<sup>127</sup>

As discussed in **Section II.4.B** of the Monitors’ August 2024 Report, from Year 1 to Year 5, NYCHA was significantly out of compliance with the Response-Time Requirements and, as of July 2024, had a backlog of mold and leak work orders totaling more than 73,000 work orders.<sup>128</sup>

Since the Monitors’ August 2024 Report, and as of October 31, 2024, NYCHA’s overall compliance with the Response-Time Requirements has regressed.

In the subsections below, the Monitors provide an update on NYCHA’s progress meeting each of the Response-Time Requirements.<sup>129</sup>

### 1. **Work Plan Distribution (Requirement No. M5)**

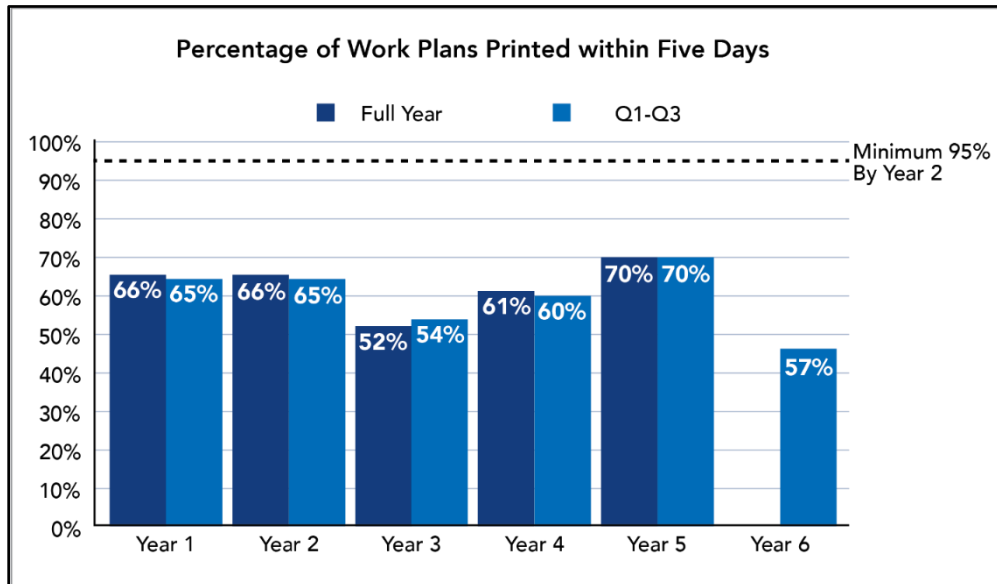
Under the HUD Agreement, NYCHA is required to provide a resident with a **work plan** that explains how NYCHA will address the mold and its root cause(s) within five business days of the resident’s verified mold complaint at least 95% of the time.<sup>130</sup>

To assess compliance with this requirement, NYCHA uses a proxy measurement. Under the proxy, NYCHA measures the time it takes to *print* the work plan, rather than the time it takes to deliver the work plan from the central location at which it is printed.<sup>131</sup>

As discussed in **Section II.4.B.1** of the Monitors’ August 2024 Report, NYCHA has not achieved compliance with this requirement.<sup>132</sup>

Since the Monitors’ August 2024 Report, and as of October 31, 2024, NYCHA has remained out of compliance with this requirement. And, as depicted in the chart below, NYCHA’s compliance in the first three quarters of Year 6 has worsened compared to its compliance in the first three quarters of Year 5. This regression occurred notwithstanding NYCHA’s attempts to implement certain process improvements, including deploying additional mold inspectors and prioritizing work plans in the printing queue.

**Work Plan:** A work plan is a document that a mold inspector generates after their inspection, containing a description of the inspection and root cause findings, a list of next steps to address the mold and its root cause, and instructions on how to prevent mold and its root cause in the future. Under the Mold SP, a work plan is automatically generated following a verified mold inspection.



According to NYCHA, this regression is due in part to capacity constraints resulting from development-level staff turnover and additional work orders generated by the HUD Agreement requirement that NYCHA inspect 100% of its apartments annually (rather than 50% of its apartments, as was previously required). NYCHA also notes that an IT error in October 2024 could have contributed to the regression, but NYCHA has not yet determined the effect of the issue on this requirement. The Monitors have encouraged NYCHA to expeditiously resolve this issue.

## 2. Removal and Remediation of Mold (Requirement No. M6)

Under the HUD Agreement, NYCHA is required to remove or remediate mold and its root cause(s) within specified timeframes at least 95% of the time.<sup>133</sup> The time in which NYCHA must address the mold depends on whether NYCHA elects to **remove** or **remediate** the mold and its root cause(s) and on the complexity of the remediation work. Specifically, NYCHA must remove mold within five days of a resident's mold complaint or remediate mold and its root cause(s) within seven days for a **simple repair** or 15 days for a **complex repair**.<sup>134</sup>

The rate at which NYCHA removes or remediates mold and its root cause(s) within specified timeframes is its "blended rate" of compliance. In the subsection below, the Monitors report on NYCHA's progress achieving the blended rate requirement and

**Remove:** Removing mold refers to cleaning visible mold and/or removing building materials with mold.

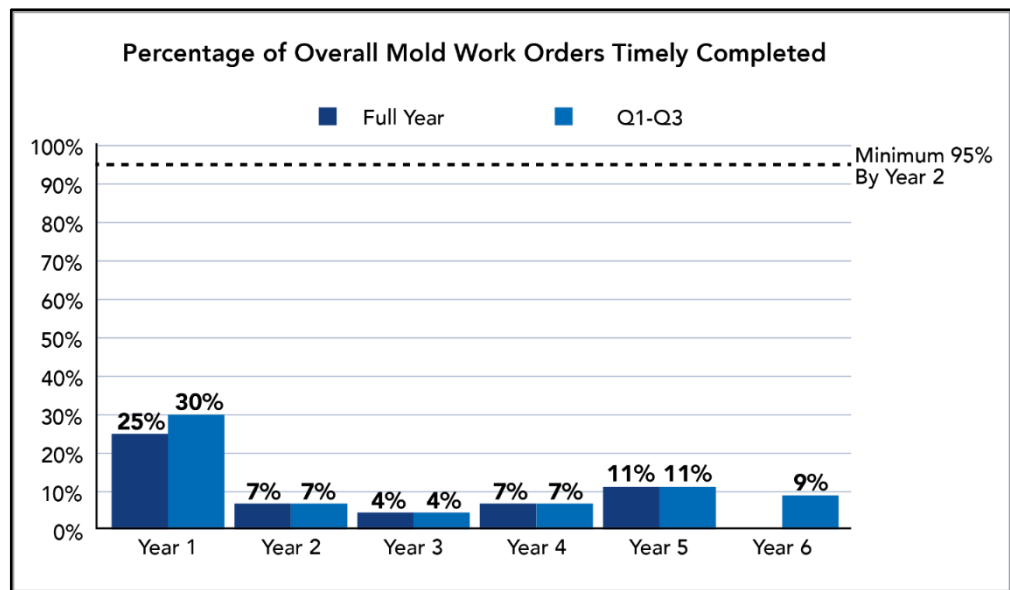
**Remediate:** Remediating mold means addressing mold and its root causes. Remediation might include repairing a section of leaky pipe and replacing the mold-covered wall containing the pipe.

**Simple Repair:** A simple repair is one that can be performed by a maintenance worker or caretaker.

**Complex Repair:** A complex repair is one that must be performed by skilled trade workers or other specialized staff.

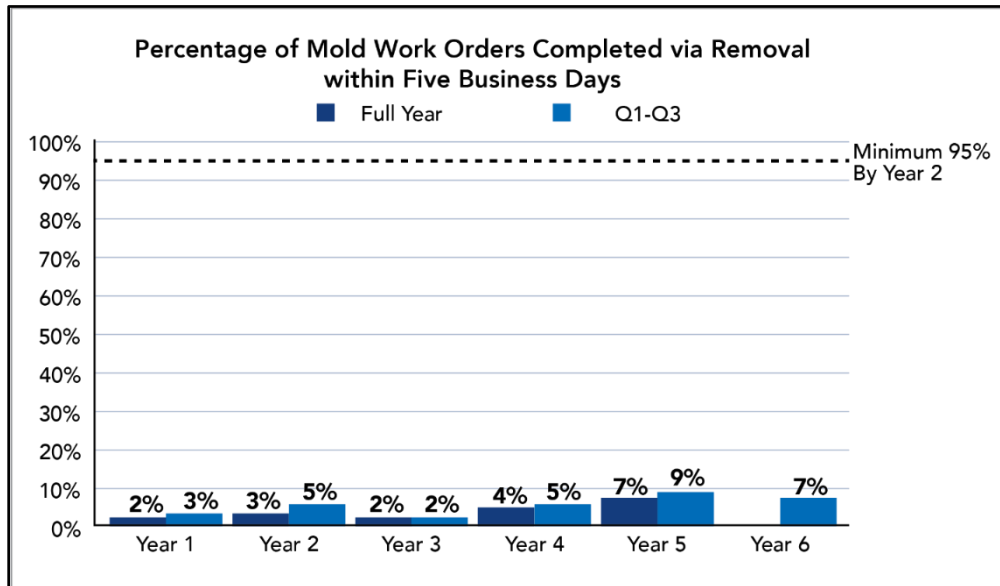
meeting the specific timeframes for mold removal and remediation via simple and complex repairs.<sup>135</sup>

As discussed in the Monitors' August 2024 Report, NYCHA has not yet achieved compliance with the blended rate requirement.<sup>136</sup> Since the Monitors' August 2024 Report, and as of October 31, 2024, NYCHA remains out of compliance. As depicted in the chart below, NYCHA's compliance in the first three quarters of Year 6 has regressed compared to its compliance in the first three quarters of Year 5.

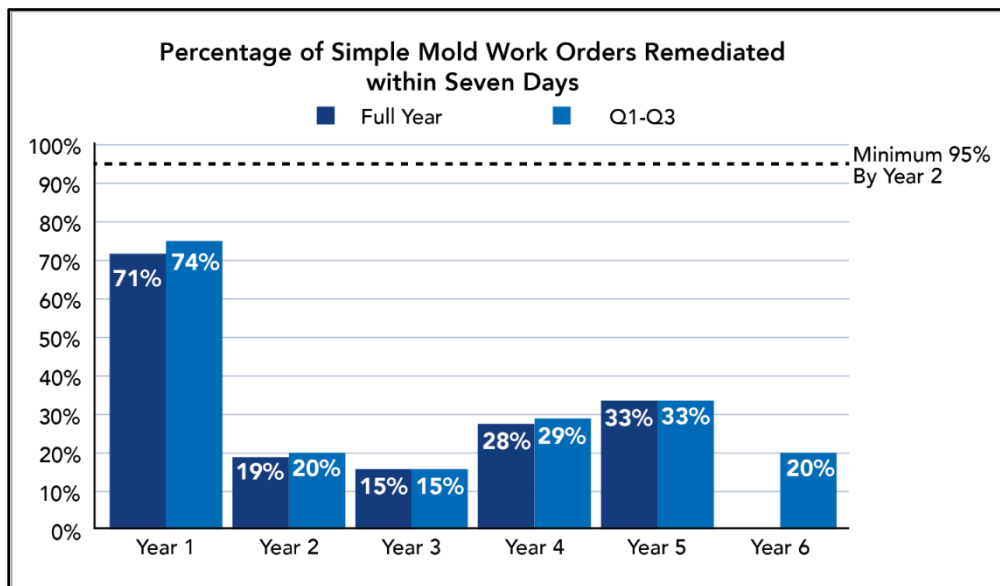


According to NYCHA, this regression is the result of systemic factors, including a lack of funding to upgrade NYCHA's aging infrastructure, the complexity and time required to remediate mold and its root cause(s), the backlog of mold and leak work orders, and skilled trade staffing shortages.

As depicted in the chart below, NYCHA removed mold within five days of a resident's mold complaint 7% of the time in the first three quarters of Year 6, which was worse than its performance during the same period in Year 5.

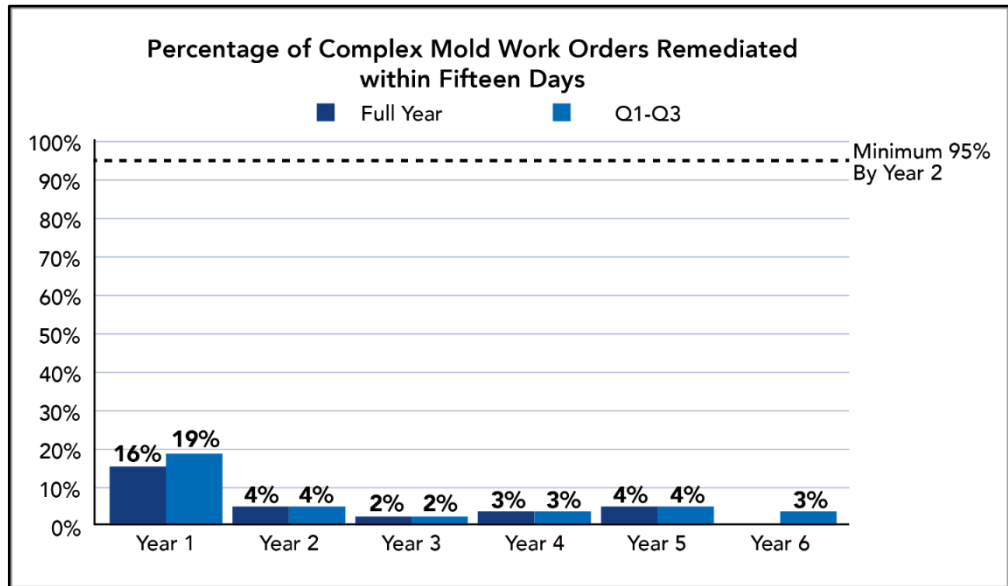


As illustrated in the chart below, NYCHA remediated mold and its root cause(s) via simple repairs within seven days of a resident's mold complaint 20% of the time in the first three quarters of Year 6, a 12 percentage points reduction in performance compared to the same period in Year 5.



As depicted in the chart below, NYCHA remediated mold and its root cause(s) via complex repairs within 15 days of a resident's mold complaint 3% of the time in the first three quarters of Year 6, a

1 percentage point regression in compliance compared to the first three quarters of Year 5.



As illustrated in the charts above, NYCHA is far from addressing mold and its root cause(s) within the timeframes set by the HUD Agreement, and, in some cases, its compliance is regressing.

These charts do not fully convey NYCHA's progress in addressing mold, however. Although NYCHA's compliance with the blended rate requirement has decreased, its response times to remove or remediate mold and its root cause(s) have improved or only incrementally regressed. Specifically, the average number of days to (1) remove mold decreased from 55 days in 2023 to 41 days between January 1, 2024, and October 31, 2024; (2) remediate mold via simple repairs increased from 28 days in 2023 to 30 days between January 1, 2024, and October 31, 2024; (3) remediate mold via complex repairs decreased from 129 days in 2023 to 88 days between January 1, 2024, and October 31, 2024.

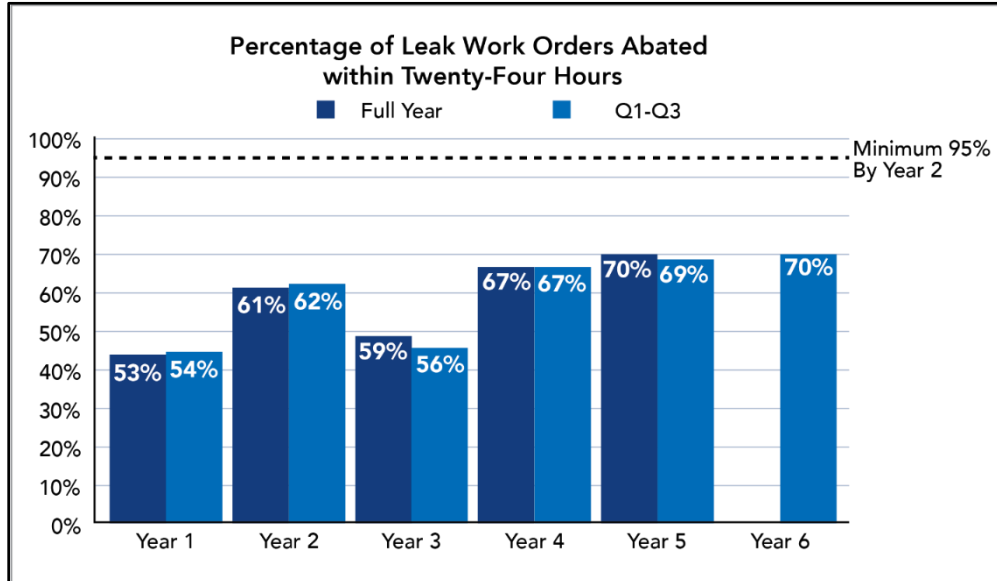
The Monitors will continue to track NYCHA's compliance with the HUD Agreement's Response-Time Requirements. The Monitors will also continue to track the time it takes NYCHA to address mold complaints to determine if NYCHA's positive progress continues. Moreover, the Monitors will prioritize collaborating with NYCHA to identify a path toward overall compliance with the Response-Time Requirements.

### 3. Abating Floods, Leaks from Above, and Other Moisture Conditions (Requirement No. M7)

Under the HUD Agreement, NYCHA is required to abate floods, leaks from above, and Other Moisture Conditions within 24 hours of a resident's complaint. NYCHA must also remove any resulting standing water within 48 hours of a resident's complaint at least 95% of the time.<sup>137</sup>

As discussed in **Section II.4.B.3** of the Monitors' August 2024 Report, NYCHA has not complied with the requirement to timely abate floods, leaks from above, and Other Moisture Conditions at least 95% of the time.<sup>138</sup>

Since the Monitors' August 2024 Report, and as of October 31, 2024, NYCHA has remained out of compliance with this requirement. As depicted in the chart below, NYCHA abated floods, leaks from above, and Other Moisture Conditions 70% of the time in the first three quarters of Year 6, a slight improvement compared to the same period in Year 5.



As discussed in **Section II.4.B.3** of the Monitors' August 2024 Report, NYCHA cannot track its compliance with the requirement to remove standing water within 48 hours of a resident's complaint because, according to NYCHA, it has not finalized or implemented a Leak SP.<sup>139</sup>



Finalizing the Leak SP is critical for NYCHA to comply with this HUD Agreement requirement and to address frequent, repeated leaks, which cause excessive moisture conditions that lead to mold growth and recurrence.<sup>140</sup> According to NYCHA, the completed Leak SP will allow NYCHA to better identify and track floods, leaks from above, Other Moisture Conditions, and resulting standing water by documenting these issues in NYCHA's work order management system. The Leak SP will also help establish standard processes to trace leaks and sequence repair work orders based on site-specific information collected by inspectors.<sup>141</sup> These improvements, in turn, will allow for consistent, higher-quality inspections and repair work.<sup>142</sup>

**Independent Mold Analyst ("IMA"):** The IMA is an entity appointed under the Baez Consent Decree to perform quality assurance by inspecting a certain number of randomly selected apartments on a quarterly basis. The IMA also reports on its findings and makes recommendations for improved compliance.

**Independent Data Analyst ("IDA"):** The IDA is an entity appointed under a Baez Consent Decree to help the parties and Special Master develop a reporting system to track NYCHA's compliance with its obligations under Baez. The IDA is also tasked with reviewing and confirming the accuracy of the reporting and recommending improvements.

The Monitors have been working with NYCHA to finalize the Leak SP. In August 2024, NYCHA provided the Monitors with a preliminary timeline, projecting that the Leak SP rollout would begin in the spring of 2025.

In October 2024, however, NYCHA advised the Monitors that it would need to "reimagine" the Leak SP because NYCHA was unable to complete anticipated IT upgrades to its work order system. According to NYCHA, it believed that IT would be able to upgrade the work order system to automatically generate child work orders to address issues identified during leak inspections. Shortly before the IT upgrades were set to begin, however, NYCHA discovered that these upgrades could not be implemented as conceived. As a result, NYCHA is currently reconfiguring its proposed workflow and assessing what types of technological upgrades are possible to standardize leak identification and remediations.

NYCHA contends that, despite these setbacks, the new Leak SP will achieve its original aims—except, potentially, the automatic generation of work orders—and will roll out on schedule. The Monitors appreciate NYCHA's commitment to achieving the same goals on the same timeline with the new Leak SP. However, the Monitors are concerned that, because NYCHA identified these issues months into the implementation process, it may not be possible to implement the new Leak SP within the original timeframe.

The Monitors will continue to encourage NYCHA to prioritize the Leak SP and to collaborate with the Monitors, the **Independent Mold Analyst ("IMA")**, and the **Independent Data Analyst ("IDA")** to develop an effective Leak SP as quickly as possible. The Monitors



will also continue to track NYCHA's development of the Leak SP and provide updates in future reporting.

## **B. Prevention of Mold Growth and Recurrence (Requirements Nos. M2-M4)**

The HUD Agreement requires NYCHA to prevent mold from growing and recurring.<sup>143</sup> Specifically, (1) for 85% of mold complaints, there must not be a second verified mold complaint for the same apartment, common area room, or hallway within a 12-month period; (2) no more than 15% of mold complaints may be for visible mold covering ten or more square feet; and (3) mold must never occur more than three times in a single apartment over a 12-month period (the "Occurrence Requirements").<sup>144</sup>

Since the August 2024 Report, and as of October 31, 2024, NYCHA remains in compliance with one of the three Occurrence Requirements. The subsections below provide an update on NYCHA's progress in meeting the Occurrence Requirements and on NYCHA's key initiatives to improve compliance.

### **1. Recurrence of Verified Mold Complaints (Requirement No. M2)**

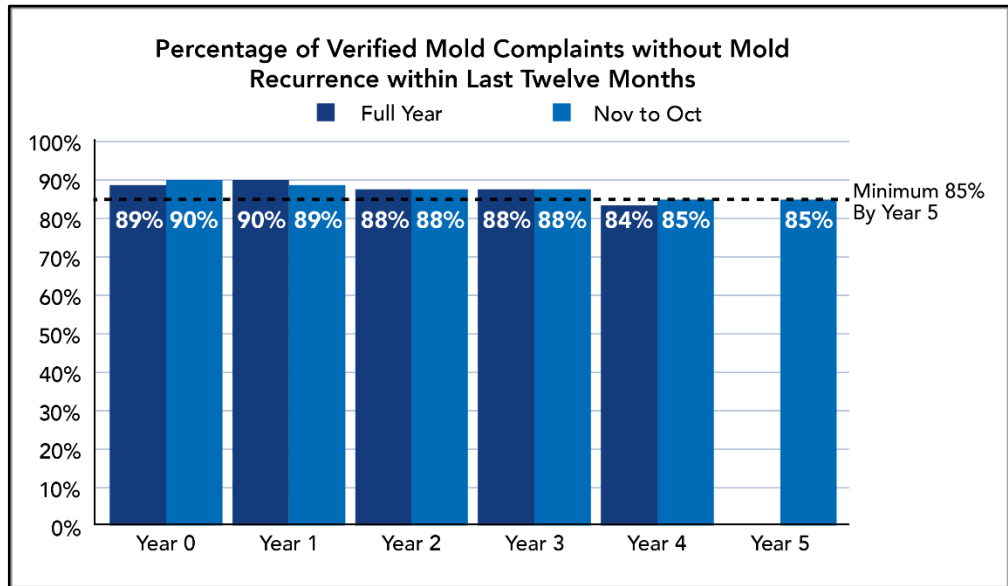
Under the HUD Agreement, for 85% of mold complaints verified by a NYCHA employee, there must not be a second verified mold complaint for the same apartment, common area room, or hallway within a 12-month period.<sup>145</sup>

As discussed in **Section II.4.C** of the Monitors' August 2024 Report, NYCHA complied with this requirement in Years 2, 3, and 4.<sup>146</sup> Because this requirement measures recurrence over a 12-month period, and the Year 5 reporting period ends on January 31, 2025, the Monitors provide updates on Year 5 progress through quarter three.

As depicted in the chart below, NYCHA remained in compliance with this requirement as of October 31, 2024.<sup>147</sup>

The Monitors commend NYCHA for consistently complying with this requirement. Doing so requires significant effort from various NYCHA offices, including property management, skilled trades, Operations, and the Office of Mold Assessment and

Remediation ("OMAR"), to ensure that mold and its root causes are properly identified, assessed, and repaired to prevent recurrence.

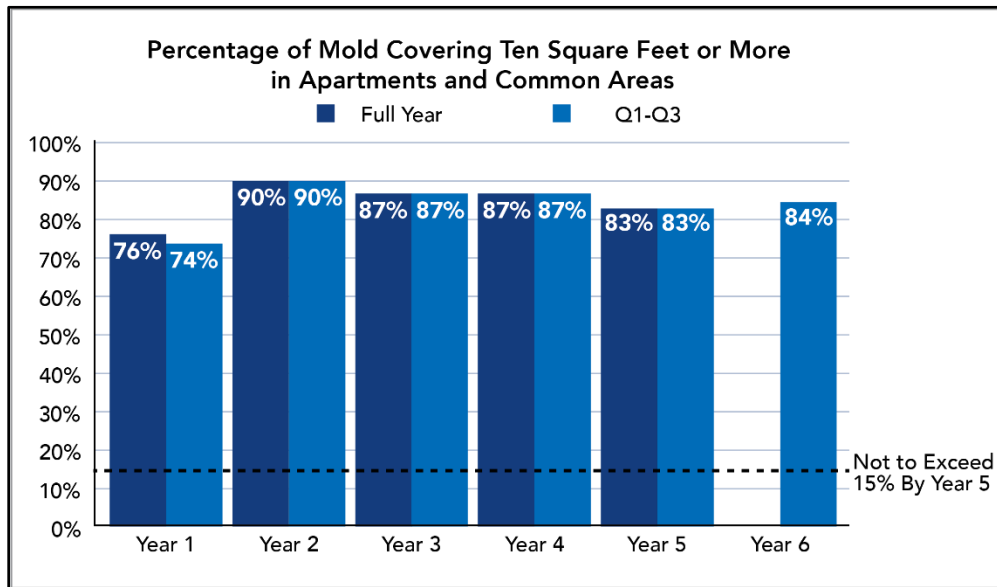


## 2. Existence of Large Mold Growths (Requirement No. M3)

Under the HUD Agreement, no more than 15% of mold complaints verified by a NYCHA employee may be for visible mold covering ten or more square feet ("Large Mold Growths").<sup>148</sup>

As discussed in **Section II.4.C** of the Monitors' August 2024 Report, NYCHA does not yet comply with this requirement.<sup>149</sup> For instance, in Year 5, 83% of verified mold complaints involved Large Mold Growths.<sup>150</sup>

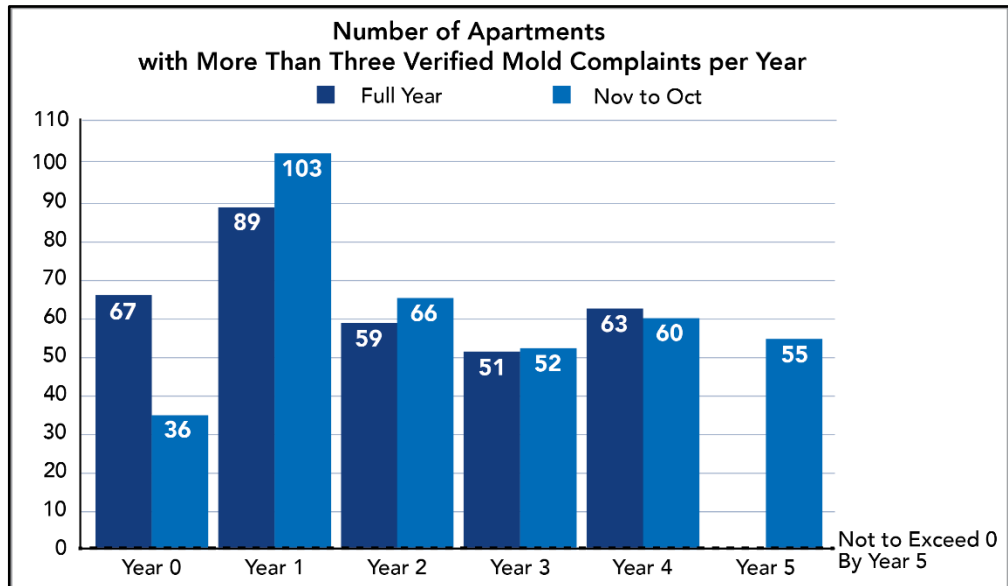
Since the Monitors' August 2024 Report, and as of October 31, 2024, NYCHA remained out of compliance with this requirement, and its performance has slightly regressed. From February 2024 to October 2024, residents' complaints about Large Mold Growths have constituted 84% of all mold complaints.



### 3. Recurrence of Mold (Requirement No. M4)

Under the HUD Agreement, mold must not occur more than three times in a single apartment over a 12-month period.<sup>151</sup> The Monitors provide updates on compliance with this requirement through the third quarter of Year 5. This is because the requirement measures recurrence over a 12-month period. As such, the Year 5 reporting period ends on January 31, 2025.

As discussed in **Section II.4.C** of the Monitors' August 2024 Report, NYCHA has not yet complied with this requirement.<sup>152</sup> Since the Monitors' August 2024 Report, and as of October 31, 2024, NYCHA remained out of compliance and its performance has worsened in Year 5 as compared to Year 4.<sup>153</sup>



NYCHA attributes its noncompliance with the Large Mold Growths and recurrence of mold requirements in part to residents' failure to proactively report visible mold. According to NYCHA, early detection and reporting of mold is critical. To improve, NYCHA notes that it engages in mold awareness campaigns and, as of October 2024, NYCHA staff has performed outreach to residents at 23 family days in Year 6. NYCHA also anticipates that its effort to inspect 100% of apartments pursuant to NSPIRE standards will also enable proactive identification of visible mold.

The Monitors agree that mold prevention is a shared responsibility in which residents play an important part. The Monitors also commend NYCHA for engaging in outreach and inspection work and strongly encourage NYCHA to continue to expand these efforts.

However, the Monitors have not independently confirmed NYCHA's position as to resident mold reporting. Indeed, the Monitors' conversations with residents, though anecdotal, indicate that residents actively report mold, and mold returns and/or increases in size as residents wait for NYCHA to inspect mold or close mold work orders. Further, conditions entirely outside of residents' control, including aging infrastructure and resulting chronic moisture conditions, drive mold growth and occurrence. Moving forward, the Monitors will evaluate NYCHA's position and summarize its conclusions in future reporting.

#### **4. Initiatives to Address Mold Growth and Recurrence**

As discussed in **Section II.4.A** of the Monitors' August 2024 Report, NYCHA points to serious structural issues as major factors preventing compliance with the Occurrence Requirements.<sup>154</sup>

To address these structural issues and to facilitate compliance, NYCHA committed to several initiatives and capital projects designed to reduce incidents of mold growth and recurrence.<sup>155</sup> The subsections below provide an update on key initiatives and capital projects intended to reduce mold occurrence and recurrence.

##### **a. Mold Trainings**

As discussed in **Section II.4.A.1** of the Monitors' August 2024 Report, in June 2024, NYCHA updated the mold standard procedure ("Mold SP")—a written policy document that describes how staff should perform mold inspections, remediation work, repairs, and quality assurance to protect the health of NYCHA residents and staff.<sup>156</sup>

Since the Monitors' August 2024 Report, and as of October 31, 2024, NYCHA has committed to updating two of its key mold training courses (the "Courses") to align with the revised Mold SP and to address concerns identified by the Monitors.

The Courses focus on the Mold SP, mold inspections, and the root causes of mold. The Courses consist primarily of classroom instruction conducted by a third-party vendor. NYCHA requires all property management staff involved in mold inspections to attend the training, but not other staff who perform quality assurance on mold inspections. The Courses are not graded; staff do not have to pass a formalized assessment before graduating. In addition, NYCHA does not require staff identified as poorly performing to retake the Courses.

During the second and third quarters of Year 6, the Monitors participated in the Courses, attending different cycles of the five-day training. The Monitors observed instructors providing information that contradicted the Mold SP and using YouTube videos unrelated to the Courses' core curriculum in lieu of interactive training. The Monitors also observed instructors permitting NYCHA staff to arrive late and leave early. NYCHA communicated the Monitors' feedback

to the training vendor, which has taken steps to address these issues, including updating the training agenda to ensure that staff attend the entire duration. The training vendor has also represented that they have removed videos that have not been approved by NYCHA. These observations, considered with NYCHA's rising fail rate on mold-related quality assurance inspections, indicate that the Courses should be improved to better train NYCHA staff to identify and address mold conditions. Indeed, some NYCHA staff voiced this concern, expressing to the Monitors that they felt underprepared to identify and address mold issues after completing the Courses.

Accordingly, the Monitors are working with NYCHA to implement specific upgrades to the Courses to reflect the June 2024 updates to the Mold SP. First, the Monitors have encouraged NYCHA to work with the third-party vendor to incorporate more field training or the use of simulated environments so that all participating NYCHA staff are able to use the relevant tools in real-world settings. Second, the Monitors have encouraged NYCHA to develop a post-course assessment, which employees must pass. Third, the Monitors have encouraged NYCHA to make the Courses mandatory for all NYCHA staff involved in mold inspections, including quality assurance staff. Fourth, the Monitors have encouraged NYCHA to require staff who have been identified as poorly performing to retake and pass the Courses.

The Monitors believe that making the above improvements is a cost-effective way for NYCHA to improve its performance on the Occurrence Requirements. Accordingly, the Monitors will continue to collaborate with the IMA and to consult with NYCHA to improve the Courses. The Monitors will share NYCHA's progress in future reporting.

#### **b. Damper Replacement Initiative**

As discussed in **Section II.4.A** of the Monitors' August 2024 Report, NYCHA has been replacing improperly functioning volume and fire dampers to combat sustained moisture, a root cause of mold. Dysfunctional dampers cause inadequate mechanical ventilation, which can lead to sustained moisture and mold growth.<sup>157</sup>

The IMA endorses this project, stating that replacing faulty dampers is one of the most cost-effective initiatives in NYCHA's inventory. As of October 31, 2024, NYCHA has replaced 21,253

dampers. With its current funding, NYCHA plans to replace an additional 12,500 dampers.

Despite NYCHA's progress and the program's efficacy, NYCHA has been unable to secure funding to continue this initiative. NYCHA estimates it would require approximately \$63 million to complete the project and replace approximately 63,000 remaining dampers.

The Monitors agree with the IMA that the Damper Replacement Initiative is a key program to reduce mold incidence and recurrence. Accordingly, the Monitors encourage NYCHA and its funding partners to prioritize the Damper Replacement Initiative.

### **c. Mold Related Capital Projects**

As discussed in **Section II.4.A** of the Monitors' August 2024 Report, NYCHA has launched the Comp Mod and BLI programs to address serious issues with mold due to aging plumbing and poor airflow. Old, damaged pipes are causing leaks and moisture buildup, creating the perfect environment for mold growth. This problem is expected to worsen as more and more pipes are pushed well beyond the end of their estimated life expectancy. The Comp Mod program addresses structural causes of mold through large-scale renovations, including replacing old pipes and fixing roofs. BLI renovates specific lines of apartments with plumbing issues, tackling leaks and mold on a smaller budget.

While these initiatives provide essential, thorough renovations, such as plumbing replacements, mold abatement, and heating and elevator upgrades, they impact only a small fraction of NYCHA's total housing stock. Comp Mod, for example, currently reaches just over 2,000 apartments across selected developments, a small subset of NYCHA's broader portfolio of apartments. Likewise, BLI projects, which are currently underway at Tompkins Houses and Red Hook East Houses, affect fewer than 30 apartments, focusing on specific lines with high-leak issues. While NYCHA's new waste plumbing replacement initiative will impact more apartments than the current BLI projects, NYCHA has limited funding for this new initiative. Despite their effectiveness for the residents served, these programs underscore the challenge of scaling comprehensive solutions across NYCHA's vast housing system.

### **i. Comprehensive Modernization**

NYCHA's Comp Mod program has advanced significantly, achieving key milestones in the last quarter. As discussed in **Section II.4.A** of the Monitors' August 2024 Report, the program aims to tackle aging infrastructure through large-scale, integrated renovations at individual developments.<sup>158</sup> Supported by capital funding from the City through the HUD Agreement, Comp Mod addresses persistent issues like mold through roof and façade repairs, plumbing replacements, ventilation upgrades, and kitchen and bathroom renovations. The program also comprehensively addresses other significant issues related to lead-based paint, heating, elevators, pests, and waste management. Due to the extensive and complex renovations associated with Comp Mod, residents must be temporarily relocated for the duration of the program. The first two developments being renovated under Comp Mod are Saint Nicholas Houses, impacting 1,526 apartments across 13 buildings, and Todt Hill Houses, impacting 502 apartments across 7 buildings.

Work at Saint Nicholas and Todt Hill Houses is ongoing, following an amendment to the CCAP on September 5, 2023. This amendment increased the total budget for both developments from \$450 million to \$678 million, using unallocated CCAP funds to ensure sufficient funding for planned improvements.

According to NYCHA, construction preparation is well underway, and NYCHA has reached key milestones for both developments. NYCHA issued approvals to the design-build vendors ahead of its June 30, 2024, deadline, thus facilitating initial planning, design, and coordination meetings. It has also retained key personnel, including designers, project managers, and environmental consultants, and completed initial site inspections and hazardous materials testing. Resident engagement efforts are underway, with mock apartments available for viewing at Todt Hill Houses, pictured below, and under construction at Saint Nicholas Houses, to gather feedback before phased relocations begin in December 2024.





### **Mock Apartments at Todt Hill Houses**

While work is progressing, simultaneously relocating residents and managing construction remains challenging. Both Comp Mod projects require close coordination with residents to ensure smooth transitions, and the Monitors will track NYCHA's efforts in this regard. In communication with the Monitors, resident leadership at Saint Nicholas Houses commented positively about communications with

NYCHA concerning the project, but did express frustration about the time it was taking to carry out NYCHA's relocation efforts in advance of beginning construction. Finally, approval processes involving other agencies could also cause delays.

Moving forward, NYCHA's focus is on finalizing key design plans, along with management, safety, and relocation strategies. Major construction is expected to begin in early 2025, with Todt Hill Houses targeted for completion in August 2026 and Saint Nicholas Houses in May 2029. Despite the complexity of these projects, both developments remain on schedule, and have made significant progress in the design phase. The Monitors will continue to track NYCHA's progress and provide further updates in future reports.

## **ii. Building Line Initiative**

NYCHA launched BLI to tackle one of the main causes of mold, namely leaks from failing plumbing lines. As discussed in the Monitors' August 2024 Report, the BLI program identifies entire plumbing lines within buildings (such as apartments 2A, 3A, and 4A within the "A" line) that suffer from frequent leaks and other plumbing issues and renovates the entire line. This approach allows for targeted, effective renovations, which include not only plumbing replacements but also mold remediation, repairs to damaged surfaces, and bathroom and kitchen upgrades.

NYCHA currently has one BLI project underway at Tompkins Houses and a second BLI project planned at Red Hook East Houses. At Tompkins Houses, the BLI project is currently in progress at the A-Line of 85 Tompkins Avenue, affecting 15 apartments. NYCHA began this project in January 2023, finished relocating residents in September 2023, and completed critical asbestos abatement and mold remediation in March 2024. General construction began in March 2024 and is expected to be completed in March 2025. At Red Hook East Houses, where NYCHA previously completed a BLI project in 2022, it selected a second site, located at the B-Line of 124 Bush Street, in July 2024, impacting 6 apartments. NYCHA is preparing resident engagement materials for this site and anticipates that construction will begin in April or May 2025.

To continue to build on the success of this initiative, NYCHA plans to reallocate \$50 million through CCAP to address widespread plumbing issues across multiple developments. Of this funding, \$10

million will be provided to OMAR to continue its BLI initiative. The remaining \$40 million will be allocated to a new initiative to replace waste plumbing lines. This initiative will be modeled on the plumbing-focused projects at Gowanus Houses and Wyckoff Gardens being implemented under the Comp Mod program, creating a scalable, cost-efficient method to replace waste plumbing lines and related branch plumbing, and kitchen and bathroom components across a development. NYCHA is in the process of identifying developments with several heavily deteriorated waste plumbing lines for this project.

### **C. Compliance with *Baez* (Requirement No. M2)**

Under the HUD Agreement, NYCHA must comply with the terms of court orders entered in *Baez*, a federal class action lawsuit brought by NYCHA residents suffering from asthma and living in apartments with mold and excessive moisture.<sup>159</sup> As discussed in **Section II.4.E** of the Monitors' August 2024 Report, NYCHA failed to comply with the court orders in *Baez* from Year 1 to Year 5 of the Monitorship.<sup>160</sup>

Since the Monitors' August 2024 Report, and as of October 31, 2024, NYCHA remains out of compliance with the court orders in *Baez*, which NYCHA also acknowledges.

The Monitors have continued to collaborate with the IMA, IDA, and *Baez* Plaintiffs to address NYCHA's mold and leak issues in a coordinated manner.<sup>161</sup>

### **Overview of Outstanding Mold and Leaks Obligations**

The following table summarizes the statuses of NYCHA's compliance with the outstanding requirements of the HUD Agreement as of the end of October 31, 2024, unless otherwise noted. The table categorizes each requirement as an occurrence obligation (yellow); response obligation (orange); or policy and practice obligation (green). Completed obligations are listed in Appendix A.

<b>Req. No.</b>	<b>Description</b>	<b>Status</b>	<b>Compliance Details</b>
<b>Occurrence Obligations</b>			
M2 (Ex. B ¶ 15(a))	<b>Recurrence of Verified Mold Complaints:</b> Beginning in Year 5, for 85% of mold complaints verified by a NYCHA employee, there must not be a second verified mold complaint for the same apartment, common area room, or hallway within a 12-month period.	In Compliance: 85% (as of the end of the third quarter of Year 5)	NYCHA is compliant with this requirement. As of the end of the third quarter of Year 5, for 85% of mold complaints, there was not a second mold complaint within a 12-month period.
M3 (Ex. B ¶ 15(b))	<b>Existence of Large Mold Growths:</b> Beginning in Year 5, fewer than 15% of mold complaints verified by a NYCHA employee may be for visible mold covering ten or more square feet.	Not in Compliance: 84% (in the first three quarters of Year 6)	NYCHA is not compliant with this requirement. In the first three quarters of Year 6, 84% of verified mold complaints concerned mold covering ten or more square feet.

Req. No.	Description	Status	Compliance Details
M4 (Ex. B. ¶ 15(c))	<b>Recurrence of Mold:</b> Beginning in Year 5, mold must never occur more than three times in a single apartment over a 12-month period.	Not in Compliance: 55 Apartments (as of the end of the third quarter of Year 5)	NYCHA is not compliant with this requirement. As of the end of the third quarter of Year 5, mold appeared more than three times per year in 55 apartments.
<b>Response-Time Obligations</b>			
M5 (Ex. B. ¶ 17(a))	<b>Work Plan Distribution:</b> Beginning in Year 2, for 95% of resident-made or NYCHA-identified verified mold complaints, NYCHA shall prepare and provide a work plan addressing the root cause(s) of the mold to the resident within five business days.	Not in Compliance: 57% (in the first three quarters of Year 6)	NYCHA is not compliant with this requirement. In the first three quarters of Year 6, NYCHA provided residents with a work plan within five business days 57% of the time.
M6 (Ex. B. ¶ 17(b))	<b>Mold Removal and Remediation:</b> Beginning in Year 2, for 95% of resident-made or NYCHA-identified verified mold complaints, NYCHA shall (1) remove visible mold within five business	Not in Compliance: 9% (in the first three quarters of Year 6)	NYCHA is not compliant with this requirement. In the first three quarters of Year 6, NYCHA addressed verified mold complaints within the timeframes specified by the HUD

Req. No.	Description	Status	Compliance Details
	days or (2) remediate the mold and its underlying root cause(s) within seven days for simple repairs or (3) remediate the mold and its underlying root cause(s) within 15 days for complex repairs.		Agreement 9% of the time.
M7 (Ex. B. ¶ 17(c))	<b>Leak Abatement:</b> Beginning in Year 2, NYCHA shall (1) abate all reports of floods, leaks from above, and other conditions that cause sustained or recurrent moisture to flow into a resident's apartment or apartment walls, within 24 hours of a resident's complaint and (2) remove any standing water within 48 hours of a resident's complaint 95% of the time.	(1) Not in Compliance: 70% (in the first three quarters of Year 6)  (2) Not Currently Measured	(1) NYCHA is not compliant with this requirement. In the first three quarters of Year 6, NYCHA abated all reported floods, leaks from above, and other conditions that cause sustained or recurrent moisture to flow into a resident's apartment or apartment walls within 24 hours 70% of the time.  (2) Because NYCHA has not developed a Leak SP, it does not currently measure whether the agency removes standing water within 48 hours.

Req. No.	Description	Status	Compliance Details
Policy and Practice Obligations			
M8 (Ex. B. ¶ 20)	<b>Compliance with <i>Baez</i>:</b> NYCHA must comply with terms of the orders in <i>Baez</i> as they may be entered or revised by the Court.	Not in Compliance	NYCHA reports, and the IDA and IMA confirm, that as of October 31, 2024, NYCHA does not meet the terms of the court orders in <i>Baez</i> .

## I.5 Lead

The HUD Agreement requires NYCHA to comply with federal, state, and city lead regulations, including compliance with lead safe work practices and timely completion of interim controls to mitigate the risks posed by existing lead paint.<sup>162</sup> Over time, the Agreement requires NYCHA to abate all lead-based paint in its developments.<sup>163</sup> This subsection gives an update on NYCHA's progress on its outstanding lead-related obligations under the Agreement for the period ending October 31, 2024.

Since the Monitors' August 2024 Report, and as of October 31, 2024, NYCHA has continued to abate apartments at an efficient rate and has completed Phase One of its XRF testing initiative, which includes apartments, among others, where children under age six live or spend time. Its progress is commendable. Indeed, in October, NYCHA achieved a significant milestone of abating lead from 10,000 apartments. Looking forward, NYCHA still has work to do with respect to addressing a backlog of paint deficiencies identified during visual assessments, as well as developing and implementing a plan for abating common areas. The Monitors will continue to track NYCHA's efforts to complete its outstanding obligations, including its obligation to abate 50% of apartments and interior common areas by 2029, as well its efforts to prioritize abatement of interior and exterior common areas where children under six spend time.

Obligations that NYCHA has completed may be found in Appendix A.

### A. Testing and Abatement Progress in Apartments (Agreement, Ex. A ¶ 8-11)

The HUD Agreement requires NYCHA to abate 50% of apartments by 2029, 75% of apartments by 2034, and 100% of apartments by 2039.<sup>164</sup> To identify apartments requiring abatement, NYCHA has voluntarily undertaken a robust campaign to conduct **X-ray fluorescence ("XRF") testing** in 100% of non-tested apartments across its developments to better understand the complete universe of apartments containing lead-based paint.<sup>165</sup>

**XRF Testing:** XRF testing is a non-destructive analytical technique that uses X-rays to determine the elemental composition of a material, including to determine whether lead is present.

Since the Monitors' August 2024 Report, and as of October 31, 2024, NYCHA continues to make significant progress towards identifying the remaining universe of apartments with lead-based

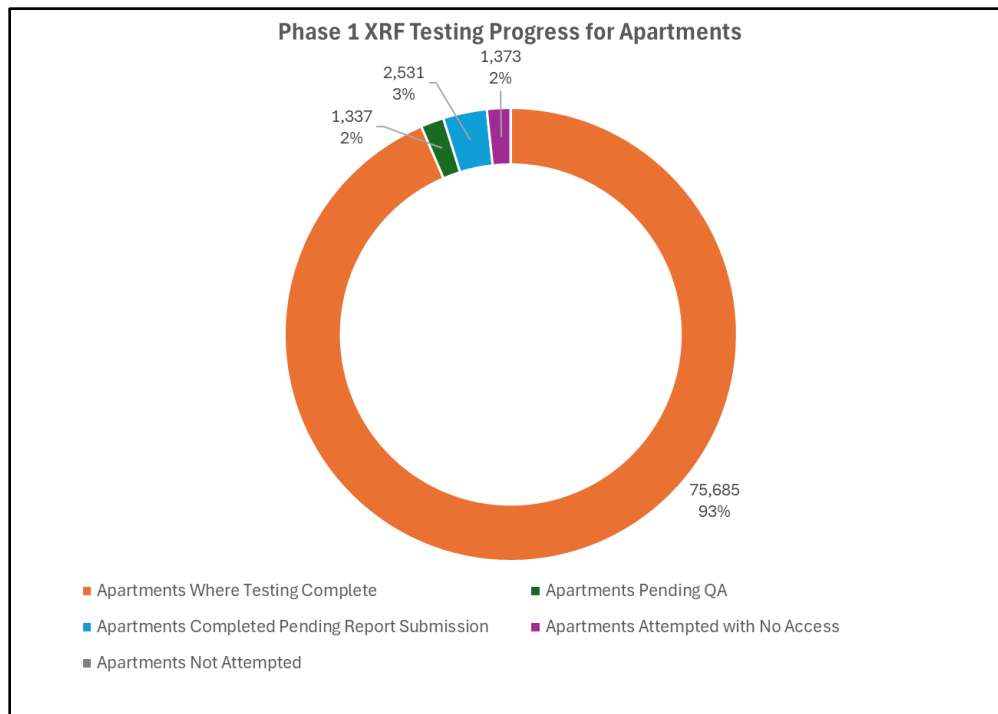


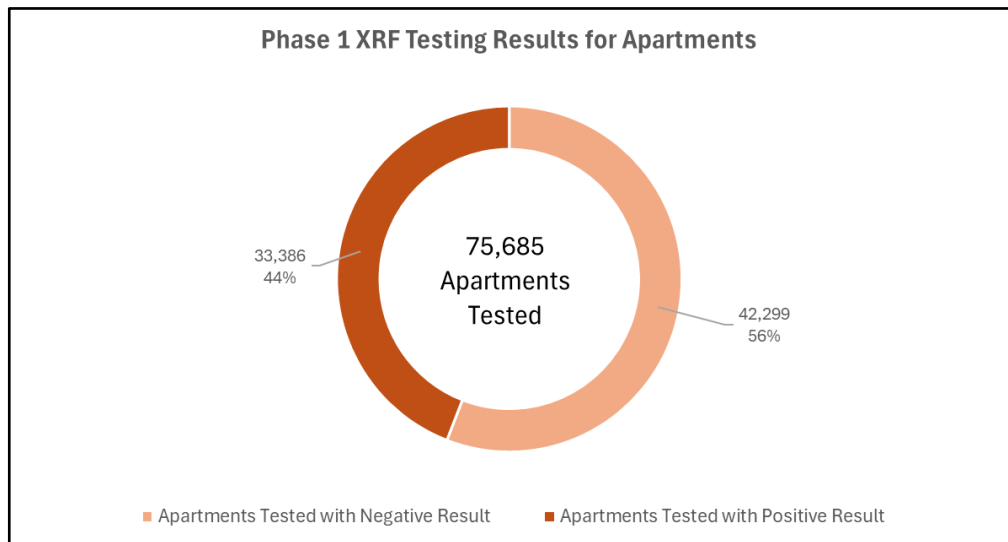
paint and abating lead-based paint. As outlined in the Monitors' August 2024 Report, NYCHA has adopted a risk-based approach toward testing and abatement, prioritizing apartments where children under age six live and spend time ("CU6 Apartments").<sup>166</sup> NYCHA's progress on testing and abatement as of October 31, 2024, is detailed below.

## 1. XRF Testing in Apartments

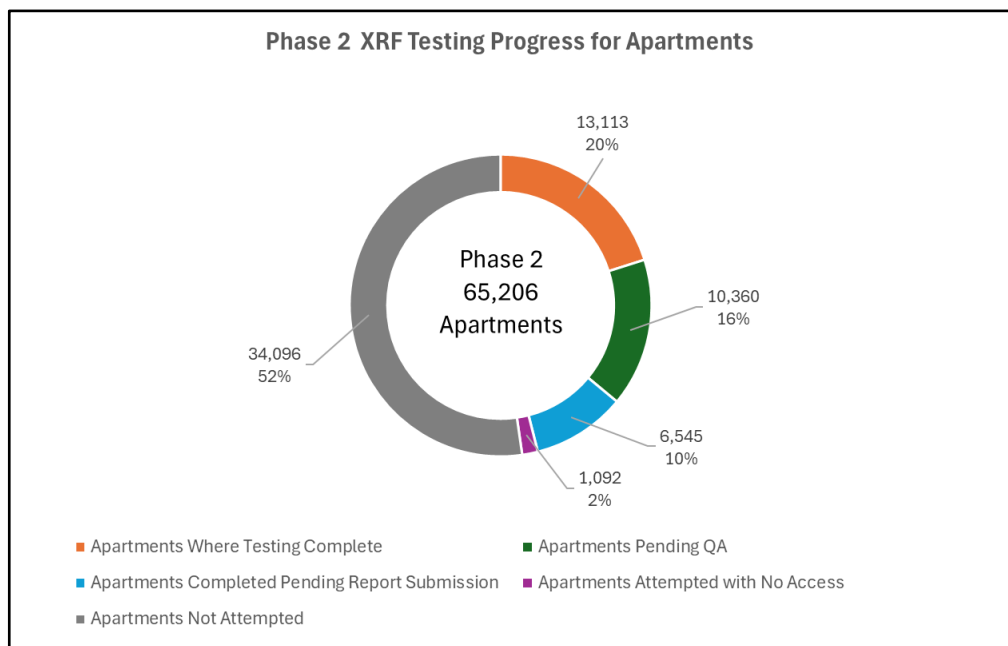
NYCHA is conducting apartment XRF testing in two phases, with Phase One prioritizing CU6 Apartments and Phase Two consisting of all remaining non-CU6 apartments.<sup>167</sup> NYCHA reported to the Monitors that it completed 98.8% of Phase One testing by July 31, 2024, and has since turned to Phase Two testing.

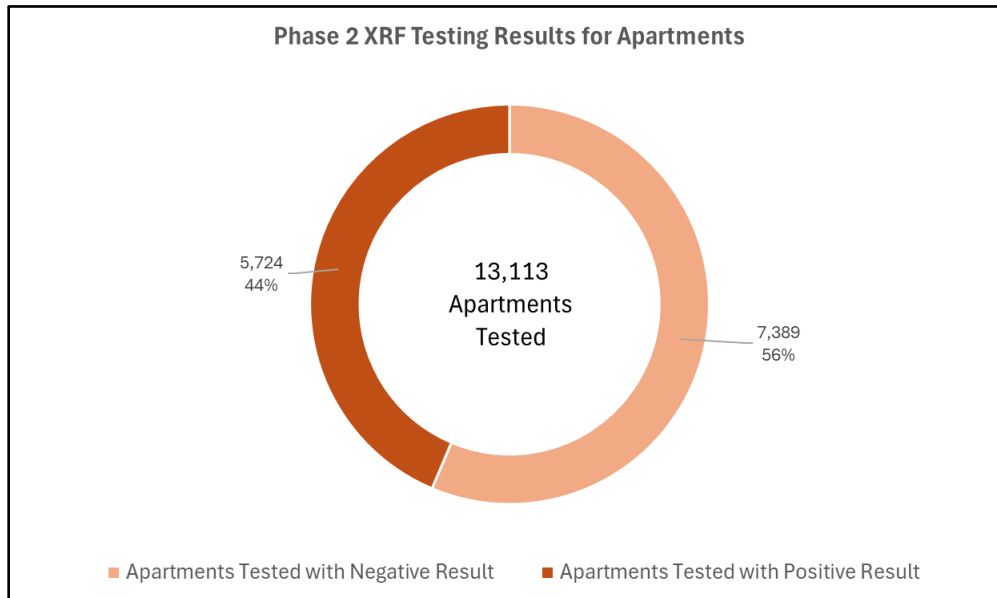
As illustrated by the graphs below, according to NYCHA's data,<sup>168</sup> of the 98.8% of apartments NYCHA tested in Phase One, 44% of those apartments tested positive for lead-based paint.<sup>169</sup>





As of October 31, 2024, NYCHA has made significant progress on Phase Two, having tested or attempted to test 48% of Phase Two apartments as illustrated by the graphs below.

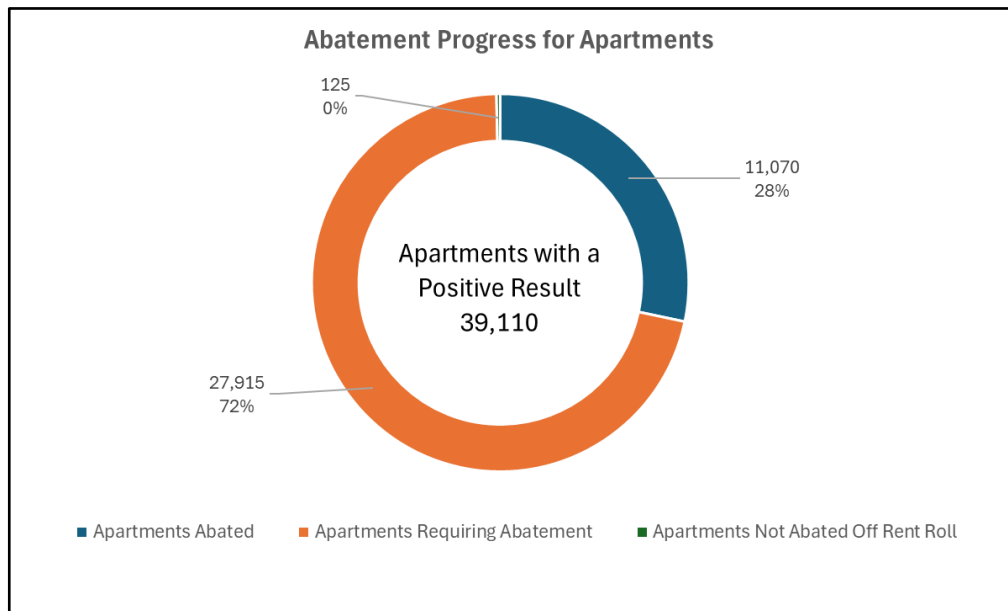




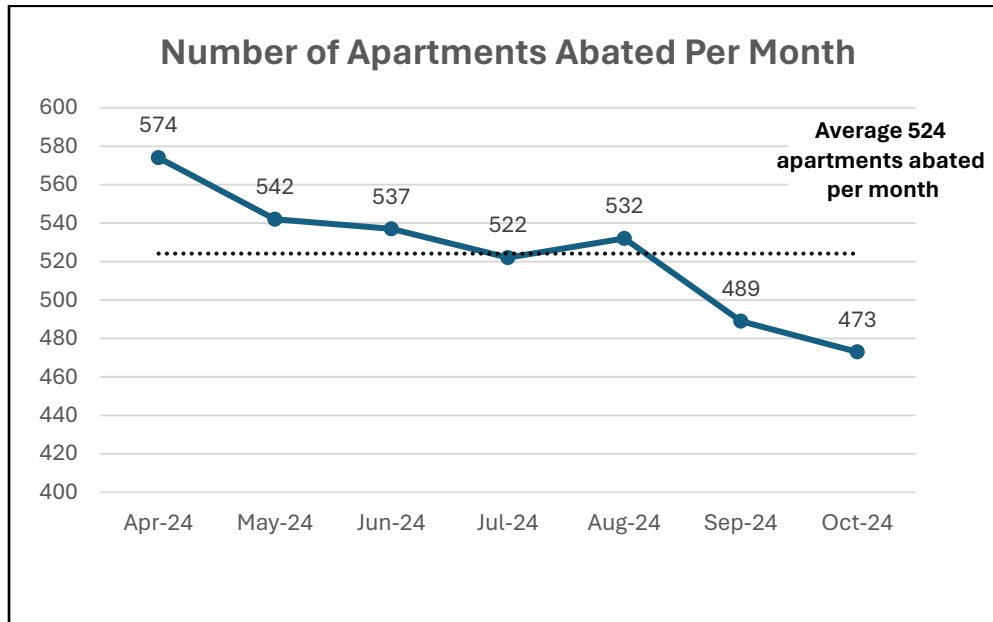
NYCHA reports that it expects to complete substantially all Phase Two testing by the end of the third quarter of 2025 and plans to spend the fourth quarter of 2025 returning to any apartments that it could not access. The Monitors will report on NYCHA's progress towards completing XRF testing in future reports.

## **2. Abatement in Apartments**

NYCHA continues to make significant progress towards abating apartments that have tested positive for lead-based paint and—as illustrated in the graph below—as of October 31, 2024, has abated approximately 28%<sup>170</sup> of the known universe of apartments with lead-based paint.<sup>171</sup>



NYCHA reports that it is abating an average of approximately 300-400 apartments a month across the three years it has been completing abatements, beginning in November 2021. NYCHA's rate of abatement has improved during that time period, and the data indicates that NYCHA achieved a substantially higher rate of abatement across much of 2024, as illustrated in the graph below. However, NYCHA's monthly rate of abatement can fluctuate substantially month-to-month depending on availability of hotel rooms for relocation, staffing resources, and other seasonal factors. The Monitors will continue to review NYCHA's monthly abatement rate.



NYCHA reports that it is well on track to meet or exceed its obligation under the HUD Agreement to abate 50% of apartments requiring abatement by the end of 2029. As the Monitors work towards independently validating NYCHA's lead abatement data, they will report on NYCHA's abatement trends and progress.

## **B. Protecting Residents from Lead Exposure During Maintenance Work (Agreement, Ex. A ¶ 15(j))**

The HUD Agreement requires NYCHA to comply with federal cleanup and safety regulations designed to protect both workers and residents during and after maintenance work that may disturb lead-based paint and create lead-based paint hazards.<sup>172</sup> Federal regulations require NYCHA, in certain circumstances, to temporarily relocate residents at the agency's expense during such work.<sup>173</sup>

As described in the Monitors' August 2024 Report, NYCHA does not comply with this regulation and maintains that it cannot do so because relocation apartments are often not available, relocation is cost prohibitive, and residents often do not consent to being relocated for routine maintenance work.<sup>174</sup> To develop a workable path towards compliance with the relocation requirement, NYCHA conducted a pilot study of a protocol by which it used **red rosin paper** in CU6 Apartments after conducting maintenance work that could disturb lead-based paint.<sup>175</sup> NYCHA completed the pilot and submitted a report of its findings to the Monitors and their consulting

**Red Rosin Paper:** Red rosin paper is a type of heavy-duty paper used to create a physical barrier before clearance dust testing results are received from a lab but after cleanup and repairs in the context of maintenance work that disturbs known or presumed lead paint. It is permitted by New York City local law to be used for maintenance work that may disturb lead-based paint.

lead expert.<sup>176</sup> The Monitors' consulting lead expert ultimately concluded that red rosin paper creates an effective barrier between residents and lead-based paint for at least 24 hours and, with the right procedures and guardrails in place, is potentially a workable and safe alternative to resident relocation when conducting such maintenance work.<sup>177</sup>

On November 4, 2024, NYCHA received notice from HUD (the "HUD Letter") that it agrees with the Monitors' consulting lead expert's opinion "that NYCHA has been able to effectively use red rosin paper as a temporary barrier in housing units undergoing maintenance work that disturbs known or presumed lead paint at or above the New York City definition of 0.5 mg/cm<sup>2</sup>."<sup>178</sup> The HUD Letter additionally states that HUD recommends NYCHA "develop updated procedures under the settlement agreement's work plan that formalize the use of rosin paper for maintenance work and interim controls in its target housing units and common areas with the following conditions:"<sup>179</sup>

- "NYCHA should use the form prepared to offer temporary relocation for families where there is a child under age six residing and where the work will exceed one workday and will include both the kitchen and the bathroom(s) in their housing unit."<sup>180</sup>
- "NYCHA shall monitor and document whether staff make an offer of relocation to families with children under age six where this is already required by the Lead Safe Housing Rule at 24 CFR 35.1345(a)(2)."<sup>181</sup>

The HUD Letter made the determination to allow the use of red rosin paper to ensure resident safety when performing maintenance work within the context of the HUD Agreement and only in specific circumstances.<sup>182</sup> HUD did not grant a formal waiver of the federal regulatory requirement to relocate or create a new accepted method for achieving clearance in the absence of resident relocation in any other contexts.<sup>183</sup>

NYCHA intends to develop a comprehensive plan for implementing the protocol pursuant to the guidance outlined in the HUD Letter in 2025; however, NYCHA has cited a number of obstacles to overcome before it can operationalize any such plan. For example, when NYCHA began the red rosin pilot program several

years ago, all lead remediation and abatement work was centrally managed. Now that such work has shifted to management at the borough level, NYCHA must consider how best to effectively train neighborhood planners on the protocol, as well as how to ensure that each development across the boroughs is appropriately stocked with red rosin paper, among other logistical hurdles. Additionally, NYCHA must consider the practicality of offering relocation where such an offer is required under the HUD Letter.

To avoid devoting excess resources to overcoming these obstacles and to continue advancing its broader abatement mandate, NYCHA is considering enhancing outreach to the CU6 Apartments to encourage the residents to agree to temporary relocation and full abatement of the lead in their apartment as opposed to the more limited remediation that could be accomplished through the red rosin paper project. Under this approach, residents would be relocated during abatement and, thereafter, maintenance work would be completed without the need to relocate or employ the red rosin paper protocol. NYCHA believes this will accelerate abatement of CU6 Apartments through the abatement program (which has sufficient access to resources for relocation and related logistics).

To help clear these logistical hurdles, the Monitors and their consulting lead expert have conferred and will continue to confer with NYCHA to establish a plan for operationalizing the red rosin paper protocol. The Monitors will report on deployment of resources to conduct the red rosin paper protocol, training for Maintenance Workers, appropriate resident disclosure, and education around the program in future reports. Once the protocol is operationalized, the Monitors will conduct field inspections across NYCHA's developments to ensure and report on resident safety.<sup>184</sup>

**C. Abating Common Areas (Agreement, Ex. A ¶¶ 8-11 (apartment units and interior common areas); Agreement, Ex. A ¶ 12 (exterior common areas))**

The HUD Agreement requires NYCHA to abate lead in both interior and exterior common areas.<sup>185</sup> The Agreement requires NYCHA to abate interior common areas on the same cadence as apartments, meaning NYCHA must abate 50% of common areas by 2029, 75% of common areas by 2034, and 100% of common areas by 2039.<sup>186</sup> For exterior common areas, the HUD Agreement only specifies that NYCHA "shall abate exterior common areas that contain

lead-based paint” and “shall develop an Action Plan setting forth an appropriate timeline for such abatement, prioritizing common areas posing a higher risk of exposure to children.”<sup>187</sup> The Agreement does not impose any specific deadlines for either mandate regarding exterior common areas, but it does direct a deadline to be set pursuant to an Action Plan.<sup>188</sup>

NYCHA still has not formalized a plan for abating interior or exterior common areas, nor has it maintained data on its progress towards achieving the various common area abatement milestones contemplated by the HUD Agreement.<sup>189</sup> NYCHA is, however, in the early stages of developing a plan to prioritize abatement of interior and exterior common areas that pose the highest risk to children.

### 1. Interior Common Areas

As outlined in the Monitors’ August 2024 Report, NYCHA lacks a formalized plan for abating interior common areas. However, consistent with its decision to prioritize abatement of CU6 Apartments, NYCHA currently reports that it is in the early stages of developing a plan to prioritize abatement of childcare centers on NYCHA properties ahead of other interior common areas.<sup>190</sup> The Monitors and their consulting lead expert are supportive of this approach, particularly because NYCHA received three reports of **EBLLs** over a two week period from October to November 2024, each originating from NYCHA childcare centers.<sup>191</sup>

**Elevated Blood Lead Level (“EBLL”):** EBLL is a confirmed concentration of lead in the blood of a child under age six equal to or greater than 3.5 micrograms per deciliter or higher.

As an initial step towards developing a plan for prioritizing abatement of these common areas, NYCHA is in the process of confirming the number of childcare centers in the relevant universe. NYCHA further reports that it plans to launch an initiative to conduct XRF testing in all childcare centers on its properties. After identifying the universe of childcare centers with lead-based paint, NYCHA will turn to abating these centers. The Monitors will support NYCHA to navigate challenges to implementing this approach, including the need to coordinate with the Department of Education and other relevant stakeholders in connection with closures while abatement is in process.

NYCHA reports that it plans to turn to abating other interior common areas after completing abatement in childcare centers. NYCHA currently reports that the most practicable approach to abating the remaining interior common areas will be to abate all



common areas in a particular development upon completing abatement of all apartments in that development. The Monitors' consulting lead expert agrees this approach is consistent with common abatement practice across the country. NYCHA additionally reports that abating common areas immediately after apartments on the same property would allow NYCHA to prioritize testing and abatement rather than dedicate time and resources to identifying, measuring, and counting interior common areas. This approach would also allow NYCHA to more efficiently leverage its abatement resources by concentrating those resources in a single development until completing abatement in that development. NYCHA reports that it has completed a rollout of this approach at the Gowanus Houses and is currently testing rollout at the Bronx River Houses, which the Monitors will report on in the future.

The Monitors and their consulting lead expert understand the benefits of NYCHA's proposed approach and will support NYCHA to develop a plan for formalizing and operationalizing its approach, prioritizing developments, and maintaining data demonstrating its progress.<sup>192</sup> A formally documented approach for abating interior common areas and for subsequently accounting for that abatement is necessary to ensure NYCHA can efficiently implement its proposed approach and comply with the 2039 deadline in the Agreement.

## **2. Exterior Common Areas**

As described in the Monitors' August 2024 Report, the HUD Agreement mandates that NYCHA establish a plan to abate exterior common areas, prioritizing those posing the highest risk to children.<sup>193</sup> The Agreement does not impose any specific deadline on these obligations,<sup>194</sup> but it does direct a deadline to be set pursuant to an Action Plan. NYCHA had not articulated a plan for completing these obligations as of the Monitors' August 2024 Report.

In connection with this obligation, NYCHA has stated that it will assess whether it is appropriate and feasible to abate exterior common areas associated with childcare centers—such as playgrounds—in conjunction with abating the centers themselves. The Monitors and their consulting lead expert encourage NYCHA to undertake this assessment as it begins the process of testing and abating childcare centers.

#### **D. Remediating Deficiencies Identified During Visual Assessments (Agreement, Ex. A ¶¶ 5(b), 17)**

The HUD Agreement incorporates relevant federal lead regulations that require NYCHA to conduct visual assessments of apartments known or presumed to contain lead-based paint and is additionally required to remediate any deficiencies identified during those assessments within certain federally mandated time periods.<sup>195</sup> However, as reported in the Monitors' August 2024 Report, NYCHA had and continues to have a backlog of remediation work orders.<sup>196</sup>

Since the Monitors' August 2024 Report, and as of October 31, 2024, NYCHA has taken steps to close out work orders in the backlog it determined were inappropriately identified as open. Specifically, in September 2024—with the approval of the Monitors, the Monitors' consulting lead expert, HUD, and SDNY–NYCHA administratively closed out outstanding work orders generated between 2017 and 2024 where it determined the remediation work was no longer needed because the apartment either subsequently tested negative for lead-based paint after the work order was open or was subsequently abated. This resulted in NYCHA closing out 8,682 work orders from the backlog across 4,783 unique apartments.

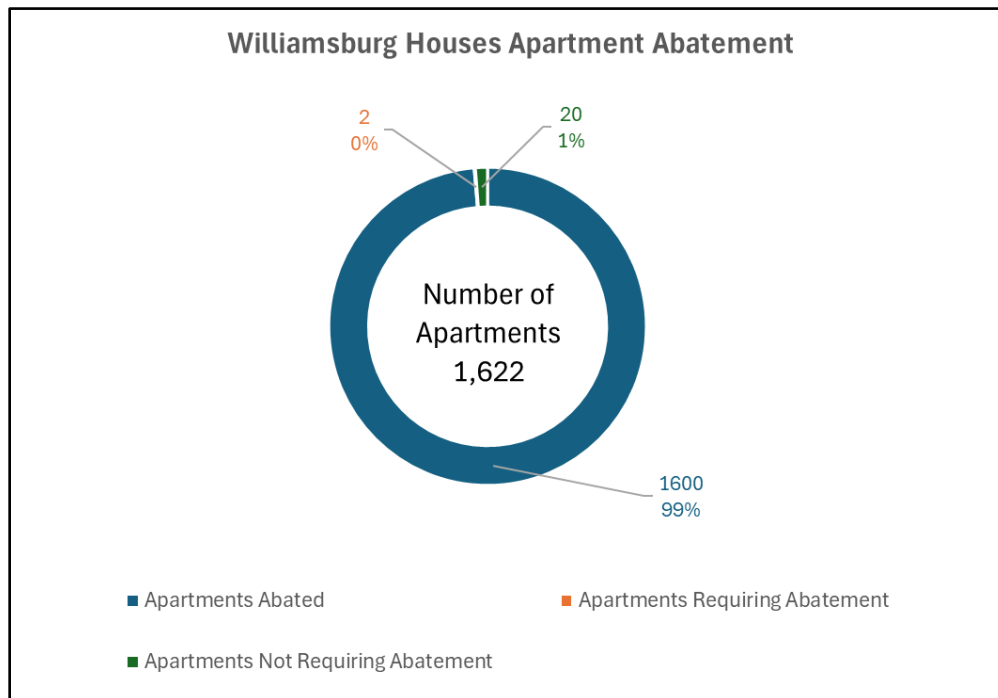
The Monitors will work with NYCHA in 2025 to better understand the size of the remaining backlog and reasons for delays in remediation. The Monitors continue to evaluate NYCHA's various processes intended to comply with the federal lead regulations requirement to remediate deficiencies within certain identified time periods and will provide further comment in a future report.

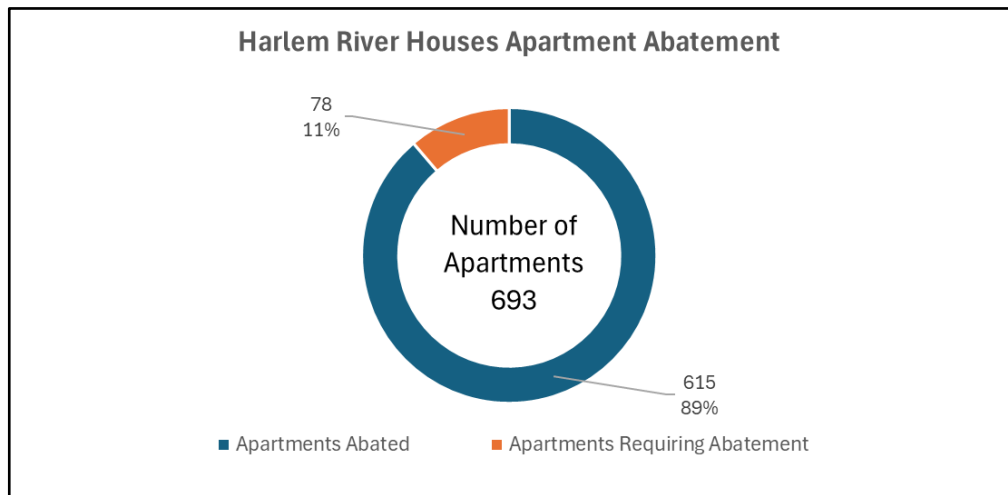
#### **E. Ensuring PACT Partner Compliance with Abatement Requirements (Agreement, Ex. A ¶¶ 8-12 (abatement deadlines); ¶ 14 (regulatory requirements for conducting abatement))**

As noted above, the HUD Agreement requires NYCHA to abate all apartments and interior common areas in its developments by 2039, as well as to meet interim abatement deadlines before that date.<sup>197</sup> As additionally described in the Monitors' August 2024 Report, NYCHA is also responsible for ensuring that its PACT partners conduct abatements, even though PACT partners assume responsibility for applicable lead regulatory compliance upon conversion.<sup>198</sup> The HUD Agreement also required NYCHA to ensure

two recently converted PACT developments known to have particularly high levels of lead—Harlem River Houses and Williamsburg Houses—were completely abated by January 31, 2024.<sup>199</sup> As of the Monitors' August 2024 Report, abatement was nearing completion at those developments. Residents in these developments have been relocated during abatement and pending clearance.

As illustrated in the graph below, as of October 31, 2024, the Harlem River Houses and Williamsburg Houses still have a small number of apartments still in need of abatement.





NYCHA reports that the delays are attributable to several factors, including the need for additional testing after New York City changed its standard for lead paint, closing delays, and COVID-19-related hurdles. NYCHA expects abatement in these two developments—including both interior and exterior common areas<sup>200</sup>—to be complete by February 2025.

Completing abatement of these two developments will constitute a major milestone in NYCHA’s abatement efforts, as these developments had some of the highest known levels of lead-based paint in NYCHA’s portfolio. Still, abatement of these developments will be more than one year past the HUD Agreement’s deadline. The Monitors will continue to support NYCHA in ensuring that abatement stays on schedule and will report on such progress in future reports.

## **F. Completed and In Compliance Obligations**

The HUD Agreement obligations that NYCHA met prior to the period covered by this report are listed in Appendix A.

### **Overview of Outstanding Lead-Based Paint Obligations**

The following table summarizes the status of NYCHA's compliance with the requirements of the HUD Agreement as of the end of the third quarter of Year 6 (October 31, 2024), unless otherwise noted, and categorizes each requirement as a one-time requirement (blue); occurrence obligation (yellow); response obligation (orange); or policy and practice obligation (green):

<b>Req. No.</b>	<b>Description</b>	<b>Status</b>	<b>Compliance Details</b>
<b>One-Time Requirement</b>			
Ex. A ¶ 8	<b>Development-Specific Abatement:</b> Abate all lead-based paint at the Harlem River Houses and Williamsburg Houses by January 31, 2024.	Incomplete	These developments were transferred to third-party management through the PACT program. Due to closing delays as well as the change in New York City's lead threshold, NYCHA's PACT partners did not abate all lead-based paint by the target deadline. NYCHA estimates that the PACT partners will abate all lead-based paint at both developments by February 2025.
<b>Occurrence Obligations</b>			
Ex. A ¶ 9	<b>50% Abatement:</b> Abate all lead-based paint in 50% of apartments that contain lead-based paint and interior common areas that contain lead-based paint in the same building as those	Not due	NYCHA reports that it is abating apartments with lead-based paint at a rate of approximately 300-400 apartments per month. If NYCHA maintains its current rate of abatement, the agency may meet the target deadline depending on

	apartments by January 31, 2029.		the total universe of apartments with lead that is determined through XRF testing. NYCHA has not developed a formal plan to abate common areas, which could affect its target date of completion.
Ex. A ¶ 10	<b>75% Abatement:</b> Abate all lead-based paint in 75% of apartments that contain lead-based paint and interior common areas that contain lead-based paint in the same building as those apartments by January 31, 2034.	Not due	NYCHA reports that it is abating apartments with lead-based paint at a rate of approximately 300-400 apartments per month. If NYCHA maintains its current rate of abatement, the agency may meet the target deadline. However, NYCHA has not developed a formal plan to abate common areas, which could affect its target date of completion.
Ex. A ¶ 11	<b>100% Abatement:</b> Abate all lead-based paint in 100% of apartments that contain lead-based paint and interior common areas that contain lead-based paint in the same building as those apartments by January 31, 2039.	Not due	NYCHA reports that it is abating apartments with lead-based paint at a rate of approximately 300-400 apartments per month. If NYCHA maintains its current rate of abatement, the agency may meet the target deadline. However, NYCHA has not developed a formal plan to abate common areas, which could affect its target date of completion.

Ex. A ¶ 12	<b>Exterior Common Areas:</b> Develop an Action Plan that sets forth a timeline for the abatement of exterior common areas that contain lead-based paint and prioritizes common areas posing a higher risk of exposure to children.	Incomplete	NYCHA has not yet developed a formal plan related to exterior common areas.
<b>Response Obligations</b>			
Ex. A ¶ 23	<b>EBLL Reporting:</b> Report to HUD each confirmed case of a child with an EBLL within five business days of being notified, in accordance with 24 C.F.R. § 35.1130.	In compliance	
Ex. A ¶ 25	<b>EBLL Abatement Orders:</b> Report to the Monitor and to the United States any NYC Department of Health and Mental Hygiene Commissioner order to abate lead-based paint within five days of receiving such order.	In compliance	
Ex. A ¶ 26	<b>Environmental Investigations:</b> To the extent the NYC Department of Health and Mental Hygiene Commissioner has not performed an	In compliance	

	environmental investigation of any apartment in which a child with an EBLL has been reported within 15 days of identifying such apartment, NYCHA shall perform an environmental investigation of that apartment and common areas servicing that apartment and perform abatement of any lead-based-paint hazards within 30 days.		
<b>Policy and Practice Obligations</b>			
Ex. A ¶ 14	<b>Compliance with 40 C.F.R. § 745.227:</b> When performing any abatement, comply with 40 C.F.R. § 745.227.	Partial compliance	NYCHA reports that it has made progress but cannot certify 100% compliance with this obligation because it needs more IT support to eliminate the need to manually develop notices of hazard reduction for all abatements.
Ex. A ¶ 15	<b>Lead-safe work practices:</b> Comply with lead-safe work-practice requirements when directing or performing renovation or maintenance work in lead-paint developments. These requirements are set forth in the	Partial compliance	As discussed in Subsection II.6.B, NYCHA does not currently comply with the relocation requirement set forth in these rules, although NYCHA is developing a path towards compliance.



	Lead-Safe Housing Rule, 24 C.F.R. part 35, subparts B-R, and the Renovation, Repair, and Painting Rule, 40 C.F.R. part 745, subpart E.		
Ex. A ¶ 16	<b>Visual assessments:</b> Perform visual assessments in developments that contain lead-based paint in compliance with federal regulations.	In compliance	
Ex. A ¶ 17	<b>Lead-based paint deficiencies identified during visual assessments:</b> Control deteriorated lead-based paint identified by visual assessments in compliance with federal regulations.	Not in compliance	NYCHA does not currently correct deficiencies identified during visual assessments within the timeframes specified by federal regulations. NYCHA also has a backlog of uncorrected lead-based paint deficiencies identified during visual assessments.
Ex. A ¶ 18	<b>Risk-Assessment Reevaluations:</b> Conduct risk-assessment reevaluations of all NYCHA housing that contains lead-based paint in accordance with 24 C.F.R. § 35.1355, which governs ongoing lead-based-paint maintenance and reevaluation activities.	In compliance	

Ex. A ¶ 27	<b>Lead Disclosures to New Residents:</b> Provide residents signing new leases (or, where required by regulations, renewal leases) with information about the presence of lead-based paint and lead-based-paint hazards in their apartments and developments.	Partial compliance	NYCHA reports that, according to EH&S random sampling reviews of "Tenant Folders" containing materials documenting resident disclosures, NYCHA was in compliance with this requirement 82.98% of the time. The Monitors will work to independently validate data related to this obligation.
Ex. A ¶ 28	<b>Physical Copies of Disclosures:</b> Ensure that physical copies of all disclosure materials are present, available for inspection, and permanently maintained at the management office for each development.	Partial compliance	NYCHA reports that, according to EH&S random sampling reviews of development binders containing relevant risk assessment results and disclosures, NYCHA was in compliance with this requirement 85.32% of the time. The Monitors will work to independently validate data related to this obligation.
Ex. A ¶ 29	<b>Electronic Copies of Disclosures:</b> Ensure that electronic copies of all disclosure materials are available to residents through an internet-based portal.	Partial compliance	The First Monitor reported that inspectors found NYCHA was compliant with these requirements in 95% of buildings. Electronic copies of disclosure materials to residents on the online resident portal, though NYCHA is currently reviewing the materials to make sure they are accurate.

Ex. A ¶ 30(b)	<b>Biannual Certification:</b> Provide the United States and the Monitor a certification describing compliance with abatement and lead-safe work practices obligations by July 2024 and every six months thereafter.	In compliance	
Ex. A ¶ 33(e)	<b>Ongoing Training:</b> Provide all resident building superintendents, assistant resident building superintendents, and property managers with training in RRP practices on an ongoing basis.	In compliance	

## **I.6 Inspections**

The HUD Agreement requires NYCHA (1) to comply with HUD's physical condition standards, (2) annually self-inspect its apartment units, (3) complete timely, industry standard repairs, and (4) prevent deceptive practices with respect to HUD's inspections. The subsection below is an update on NYCHA's progress with respect to outstanding inspection-related obligations under the Agreement for the period ending October 31, 2024.

Since the August 2024 Report, and as of October 31, 2024, NYCHA remains on track to complete 100% of its required annual self-inspections and has shown improvement in its passing rates on NYCHA properties inspected by HUD. But the majority of NYCHA developments still failed HUD's evaluation this year, and NYCHA has faced setbacks in its communications with residents about the annual inspection process. The Monitors will continue to track NYCHA's efforts to complete its outstanding obligations, including taking steps to complete a survey (i.e. additional self-inspection) within 60 days for properties that fail HUD's evaluation. Obligations that NYCHA has completed may be found in Appendix A.

### **A. Annual Inspections Action Plan (Requirement No. I1)**

Under the HUD Agreement, NYCHA is required to create an Annual Inspections Action Plan that outlines procedures to conduct annual inspections and schedule repairs that are discovered as a result of them.<sup>201</sup> As a result of changes to annual inspections due to the COVID-19 pandemic, NYCHA divided this requirement into two phases. NYCHA, in coordination with the First Monitor, created a Phase I Annual Inspections Action Plan in December 2020 that was intended to cover NYCHA's annual inspection process through June 2021.<sup>202</sup> This action plan was written at a time when HUD had temporarily waived the annual inspection requirements during the COVID-19 pandemic. The Phase I Action Plan addressed NYCHA's annual inspections standard procedures; improvements to NYCHA's inspection and repair capacity using a third-party vendor; improvements to its notifications to residents in advance of annual inspections; and a system of oversight for its various Property Management and Operations Support staff involved in the annual self-inspections process.

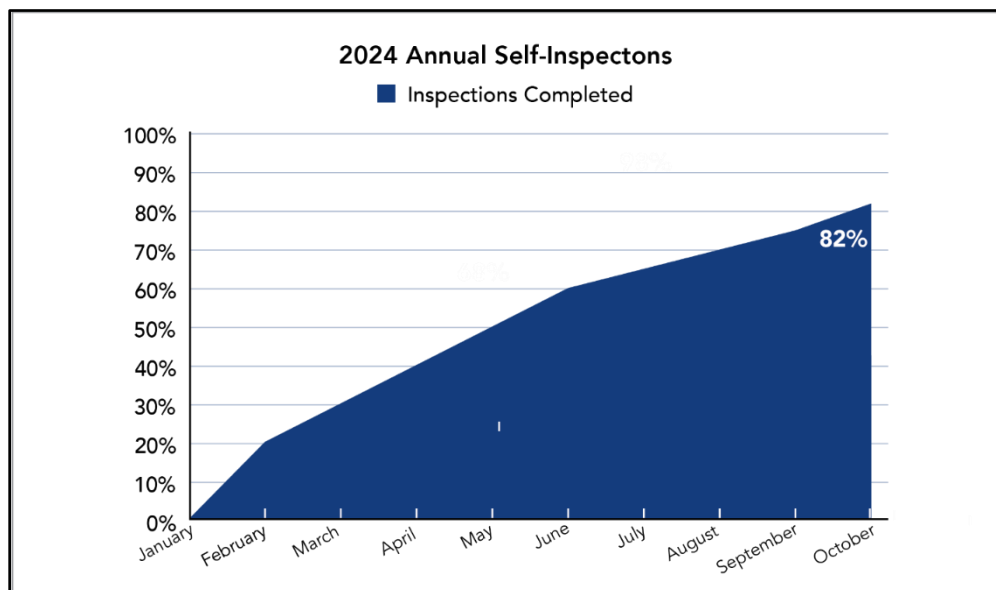
As of October 31, 2024, NYCHA is finalizing its Phase II Action Plan. NYCHA delayed completion of the Phase II plan as it awaited anticipated regulatory changes, such as HUD's 2023 implementation of a new inspection regime, **NSPIRE**, and HUD's 2024 requirement that NYCHA must inspect 100% of its units. NYCHA projects that it will finish its Phase II plan by the end of this calendar year, and that it will include updates to NYCHA's annual inspection procedures in response to NSPIRE; build on NYCHA's capacity to complete inspections with third-party assistance; and improve NYCHA's oversight regimen for tracking the results from its annual inspections.<sup>203</sup>

## B. Annual Self-Inspections (Requirement No. I3)

Under HUD regulations (as incorporated into the HUD Agreement), NYCHA is currently required to inspect 100% of its apartment units each year.<sup>204</sup> The subsections below provide an update on (1) NYCHA's completed inspections, including its efforts to communicate with residents about them, and (2) the results of NYCHA's inspections.

### 1. Inspections Completed

As of October 31, 2024, NYCHA has completed inspections in 82% of occupied units for the year, as depicted in the chart below:



### National Standards for the Inspection of Real Estate (NSPIRE):

In June 2023, the U.S. Department of Housing and Urban Development (HUD) finalized new standards to improve the inspection process for properties and units assisted or insured by HUD. NSPIRE replaced the former Uniform Physical Condition Standards (UPCS), observing that UPCS contained a disproportionate emphasis on repairing otherwise safe and functional items, while inadequate attention was paid to remediating health and safety conditions. NSPIRE places renewed attention to identifying and correcting health and safety defects such as carbon monoxide, fire safety, habitability, infestation, lead-based paint, mold, structural integrity, and water safety concerns.

In addition to tracking completed inspections, NYCHA is also tracking the apartments where it attempted an inspection but received no access. To obtain access, and thus to be able to complete an inspection in an apartment, NYCHA requires development staff to make at least two attempts to reach residents. As of October 2024, NYCHA has not been able to gain access to approximately 5% of the apartments it scheduled to inspect, even after having made a second attempt to access them.

As part of the Monitors' focus on resident outreach, the Monitors are examining NYCHA's efforts to provide residents with adequate notice and other pertinent information about the inspection process prior to the inspection. NYCHA's policy is to provide such information in multiple ways over the course of the year. Specifically, at the start of the year, NYCHA sends residents a rent-insert, detailing the inspection requirements. Development staff are also required to notify residents 21 days and seven days before the annual inspection, and NYCHA's IT Department is supposed to send a robocall one day before the inspection. However, between May 2023 and September 2024, NYCHA did not send the robocall due to the implementation of a new call management system in May 2023 that did not operate as intended. NYCHA learned about this issue in May 2024 and corrected it in September 2024.

In addition to the notifications described above, NYCHA implemented additional communication strategies to residents about the inspections process. Under the Phase I Annual Inspections Action Plan, the First Monitor approved NYCHA's Resident Engagement Plan, which included the development of resident-facing posters, videos, and handouts; enhancement of a web forum for residents to make complaints or raise concerns; and participation in resident information meetings, including engagement with the City-Wide Council of Presidents (CCOP); District Council of Presidents (DCOP); cluster meetings; and Property Management borough meetings. The benchmarks included the number of residents attending information meetings; the number of handouts distributed and video views on NYCHA applications; as well as the percentage of complaints correctly submitted. While NYCHA tracked video views, it has not tracked the other benchmarks for the plan. Going forward, NYCHA has committed to measuring the impact of NYCHA's resident engagement efforts in Year 6 and beyond. As part of this plan,

NYCHA will also include benchmarks for communicating with residents it could not reach during the 2024 inspections process.

## **2. Results of Inspections**

As discussed in the Monitors' August 2024 Report, of NYCHA's self-inspections that identified a deficiency, 25% were carbon monoxide alarms or electrical outlets in need of repair or replacement, both of which relate to new NSPIRE requirements.<sup>205</sup> Over half of the remaining deficiencies included moderate to minor paint-related jobs; damaged, missing, or loose floor tiles, kitchen cabinets, or bathtubs; and requests for cockroach exterminations. Since the August 2024 Report, and as of October 2024, the results of NYCHA's annual inspections are consistent with the results of the prior reporting period, with pest exterminations making up a higher portion of NYCHA's requested repairs for the year to date.

In addition to resolving the deficiencies identified through self-inspections, the NSPIRE standards require NYCHA to maintain the results of these inspections for at least three years.<sup>206</sup> Since the August 2024 Report, to help track the self-inspections, NYCHA has updated its inspection checklist and work order form to be inclusive of the recently implemented NSPIRE guidance. The Monitors found the checklist to be broadly inclusive of the NSPIRE standards but identified no requirement to inspect for blocked egresses, or the means of exit and entrance to and within NYCHA's apartments, which HUD considers a life-threatening deficiency under NSPIRE. Notably, NYCHA reported that HUD's inspectors frequently identified egress deficiencies during NSPIRE inspections, but NYCHA does not require its own inspectors to check several egress-related deficiencies. NYCHA reported that the agency currently inspects for broken apartment-entry-door-locks, but the deficiencies can also be resident caused, such as instances of hoarding or the installation of unpermitted locks, which NYCHA currently does not track. The Monitors have recommended that NYCHA inspect for each egress deficiencies identified under NSPIRE through its annual inspections process and educate residents about them as part of its Resident Engagement Plan described above. NYCHA has committed to reviewing its self-inspection procedures for potential modification and the Monitors will provide further detail in future reporting.

### C. Repairs of Deficiencies (Requirement No. I4)

Under the HUD Agreement, NYCHA is required to complete minor repairs of deficiencies discovered during annual apartment inspections and develop procedures for scheduling more significant repairs, such as skilled trade work.<sup>207</sup> As described in the Monitors' August 2024 Report, NYCHA, in coordination with the First Monitor, created a list of minor repairs that Maintenance Workers must complete during their inspections.<sup>208</sup> As a means of oversight for scheduling more significant repairs, NYCHA also created a dashboard to identify the completion of subsequent repairs, such as deferred minor repairs, skilled trade work, or high-priority repairs. The subsections below provides an update on (1) minor repairs completed at the time of the annual inspection; (2) skilled trade repairs; and (3) high-priority repairs.

#### 1. Minor Repairs

NYCHA tracks whether an inspected unit needs repairs and if that repair is completed or deferred. As of October 31, 2024, NYCHA reported that Maintenance Workers completed minor repairs in 27% of inspected apartments for the year to date and deferred minor repairs in 3% of inspected apartments for the year to date, as illustrated in the table below:

Minor Repairs Completed and Deferred		
Calendar Year	Inspected Apartments with Minor Repairs Performed	Inspected Apartments with Minor Repairs Deferred
Year 1	Not tracked	Not tracked
Year 2	Not tracked	Not tracked
Year 3	31%	4%
Year 4	21%	3%
Year 5	15%	3%
Year 6 (as of October 2024)	27%	3%



To track the 3% of minor repairs reported as deferred, NYCHA requires Maintenance Workers to document a reason for deferring the minor repair in the annual inspections work order to provide a means of oversight. Work orders reflecting minor repairs deferred are then uploaded into the dashboard that NYCHA uses to generate monthly reports to Neighborhood Administrators about outstanding repairs.<sup>209</sup> Neighborhood Administrators are then required to meet with Property Management staff to review inspection reports, highlighting units requiring additional repairs and the information that Maintenance Workers input into annual inspection work orders. Thereafter, Property Management staff are required to follow up with Maintenance Workers to address units in need of further repairs. NYCHA has acknowledged that Maintenance Workers have often not been properly documenting deficiencies they listed as deferred minor repairs, and there have been issues with their reporting regarding other conditions observed when performing annual apartment inspections. For example, in many instances, Maintenance Workers deferred the repair without providing a rationale for deferring it (instead of performing it on the spot), cited a separate issue that would not, on its face, prevent the minor repair from being completed (such as citing a need to caulk resident bathtubs when the required minor repair is to replace cover plate, diverter, shower heads, and stoppages), or incorrectly tagged the need for skilled trade work as a deferred minor repair.<sup>210</sup> The Monitors are tracking NYCHA's efforts to ensure Maintenance Workers properly code work orders. Given the challenges reported with respect to minor repairs deferred, the Monitors will also review the efficacy of the minor repairs reported as completed during the inspection and will provide further detail in future reporting.

## **2. Skilled Trade Repairs**

As described in the August 2024 Report, NYCHA maintains a backlog of skilled trade repairs, which includes work to be completed by carpenters, electricians, painters, plumbers, exterminators, and others. Since the August 2024 Report, the Monitors are evaluating NYCHA's efforts to make these repairs, as described in **Section II.A.2** of this report, and will provide further details in future reporting.

## **3. High-Priority Repairs**

As stated above, NYCHA also tracks the status of certain "high-priority" subsequent repair requests that are identified during self-

inspections, which include work to address flooding or leaks, high severity pest infestations, inadequate heat, and other emergency conditions.<sup>211</sup> As illustrated in the graph below, NYCHA has a track record of fulfilling these requests in nearly all cases by year-end and over 90% of cases in 24 hours from 2019-2023:

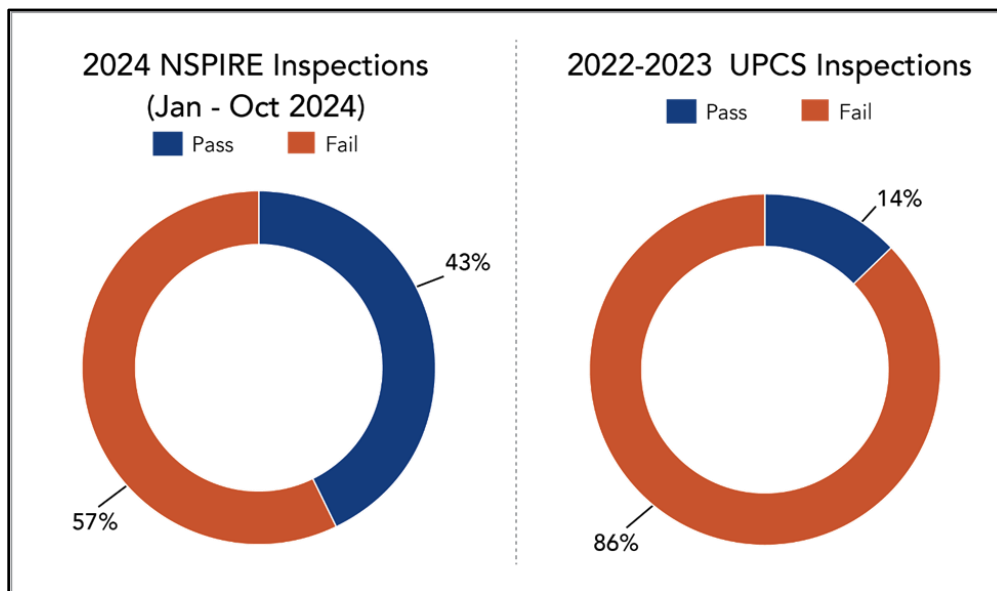
High Priority Repairs			
Calendar Year	Requested Repairs [Identified During Inspection]	Repairs Completed within 24 Hours	Open Repairs by Year End
Year 1	8,087	98%	0%
Year 2	4,021	98%	<1%
Year 3	13,937	92%	<1%
Year 4	17,081	90%	<1%
Year 5	12,946	90%	<1%
Year 6 (as of October 2024)	82,921	95%	1%

As also illustrated above, NYCHA reported to completing high-priority repairs in 95% of instances within 24 hours for the year to date. The Monitors are evaluating the comprehensiveness of NYCHA's high-priority repair list for compliance with the list of life-threatening and severe deficiencies identified by HUD in its NSPIRE inspections and will provide details in future reporting.

#### **D. HUD's Guidance and Standards (Requirement Nos. I5 and I7)**

Under the HUD Agreement, NYCHA is required to make all repairs in accordance with HUD's physical condition standards, NSPIRE.<sup>212</sup> As described in the Monitors' August 2024 Report, HUD regularly conducts inspections of NYCHA's developments to determine NYCHA's compliance with the NSPIRE standards.<sup>213</sup> The Monitors previously reported that the interim results from the 2024 cycle of inspections were reflecting improvement from the 2022-2023 cycle. At that time, one third of inspected developments passed HUD's evaluation, a marked improvement from the 14% of inspected developments that passed in the 2022-2023 cycle.<sup>214</sup>

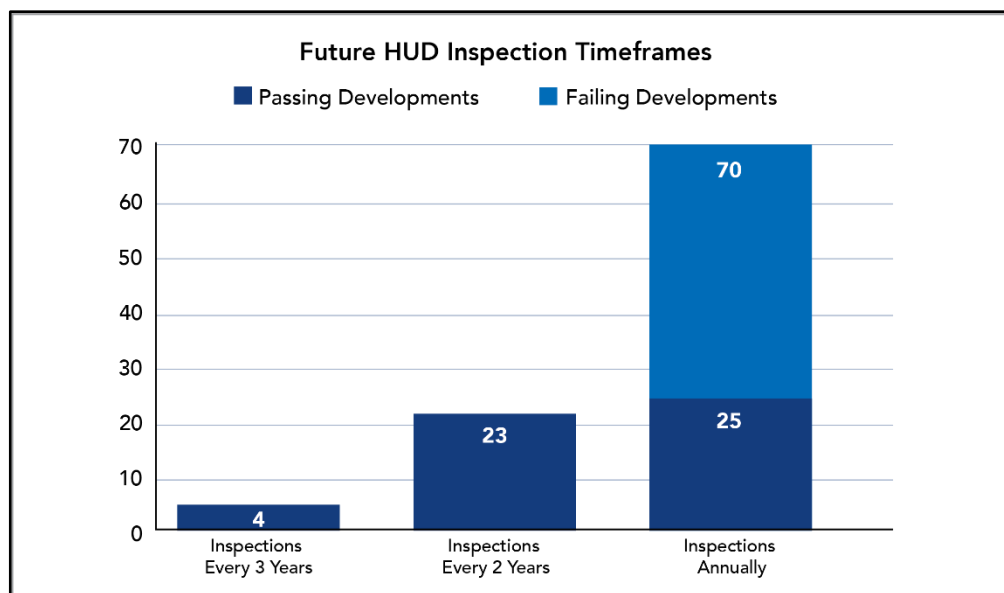
**NSPIRE Results.** Since the August 2024 Report, and as of October 31, 2024, the results of HUD's inspections of NYCHA's properties show an upward trajectory in meeting HUD's physical condition standards, but the majority of NYCHA's developments still failed the evaluation, pending NYCHA's appeals. As of October 31, 2024, NYCHA had received results for 122 inspected developments, with 16 more developments either not yet scored or inspected. Subject to NYCHA's appeal of 10 developments (8%), 70 (57%) NYCHA developments failed HUD's evaluation and 52 (43%) passed, as illustrated in the graph below:



As shown above, the results for the year to date continue to reflect improvement from the prior cycle. For the year to date, NYCHA's agencywide score is 61, whereas the agencywide average was 36 in 2022-2023. Still, it is important to note that the 2022-2023 inspections were conducted under then-current physical condition standards, UPCS, whereas this year's inspections are conducted under NSPIRE. To place the two inspection regimes into context, NSPIRE places greater weight on health and safety defects found within apartment units, while appearance issues like graffiti no longer impact the development's score. The new standards also implemented a requirement for NYCHA to survey failing developments and submit a copy of the results of the survey to HUD within 60 days.<sup>215</sup> NYCHA does not have an established process to comply with this new requirement, and the Monitors are tracking NYCHA's efforts to start one.

**2025 NSPIRE Inspection Timeframes.** In addition to reflecting a higher percentage of passing grades, higher scores can also lead to less frequent HUD inspections.<sup>216</sup> Properties scoring 60 and below will continue to be inspected annually. But properties scoring 90 points or higher may move to a tri-annual inspection schedule and those scoring 80 points or higher to a bi-annual schedule. By comparison, developments that score 30 or less may be referred to HUD's Department of Enforcement (DEC), which takes measures to improve HUD's troubled properties.

As illustrated in the graphic below, at least 23 NYCHA developments will be exempted from HUD inspections for one year, and at least four developments will be exempted from inspections for two years because of their results.



Further, three developments this cycle have scored below the threshold of 30 points, which NYCHA explained that HUD will closely monitor instead of referring them to the DEC. By comparison, 50 developments scored below 30 points under the prior inspection regime, UPCS.

**NSPIRE Appeals.** For the year to date, NYCHA submitted appeals for 21 developments. Of these appeals, two of the 21 developments were moved from failing to passing grades. One of the appeals had its post-appeal grade moved up to a score of 81, thereby moving it to a bi-annual inspection cycle for 2025. NYCHA's other 18

appeals did not result in a change of status. For eight of the developments, HUD denied the appeals, but NYCHA reports that HUD will reconsider six of them in early 2025 after resolving an IT issue that will allow NYCHA to submit reports showing negative results for lead-based-paint at these developments. For the remaining 10 developments, although HUD issued additional points, those changes were not sufficient to move the grade from failing to passing.

**NSPIRE Readiness Training.** To educate staff on the NSPIRE standards, NYCHA continues to operate its NSPIRE Readiness Training, which NYCHA has offered to a targeted population of 1,950 Property Management and Operations Support Services staff. It offers two types of training, classroom and site-based. The classroom training includes an instructional two-day course on the inspectable areas under NSPIRE and the impact of identifiable deficiencies to a development's NSPIRE score. During the site-based training, instructors review topics covered under the classroom training and demonstrate how a HUD inspector would inspect for deficiencies. As of October 2024, NYCHA reports that 80% of the targeted population has taken the new classroom training, with more than 97% of staff members passing the 10-question exam. NYCHA reports that 48% (929 individuals)<sup>217</sup> have taken the site-based training, which at this time requires no evaluation.

Further, the Monitors continue to assess the training needs for additional members of NYCHA's maintenance and repair staff who have not yet been trained. For instance, NYCHA's caretakers, who serve an important function in the maintenance of NYCHA's buildings and grounds, but typically do not conduct repairs inside apartment units, were offered NYCHA's classroom course on HUD's prior physical condition standards, UPCS.<sup>218</sup> The Monitors are evaluating NYCHA's 2024 caretaker muster overhaul training, wherein supervisors meet daily with caretakers about repairs and should cover training on the NSPIRE standards, and will provide further details in future reporting.

## **E. Industry Standards (Requirement No. 16)**

Under the HUD Agreement, NYCHA is required to perform maintenance repairs to established industry standards and workmanship.<sup>219</sup> As described in the Monitors' August 2024 Report,

NYCHA assesses compliance with these quality standards through various internal processes, including but not limited to, the (1) Quality and Cost Control Department's Quality Assurance Unit (QAU), (2) the Compliance Department's Monitoring Unit (MU), and (3) the Operations Department's supervisory inspections program.<sup>220</sup> The subsections below provide an update on the findings and sampling methodologies used for these three processes. Furthermore, the Monitors are tracking NYCHA's efforts to leverage the data from these programs to improve the repairs made through its annual self-inspections process, after NSPIRE inspections, and year-round efforts to make repairs that comply with HUD's physical condition standards.

### **1. Quality Assurance Unit (QAU)<sup>221</sup>**

As described in greater detail in **Section II** of this report, the Monitors continue to track the QAU's efforts to move from a randomized work order selection process to a risk-based sampling process<sup>222</sup> that will focus its limited number of inspections—currently covering less than 1% of corrective maintenance work orders completed annually—on the areas of greatest importance to NYCHA and its residents. In the meantime, the Monitors are closely following QAU's findings under the current randomized sampling process, which are summarized below.

**Annual Inspections and Minor Repairs.** QAU conducts visual inspections of a sample of apartments that were inspected by Maintenance Workers as part of NYCHA's annual self-inspections in the prior 15 days. During the inspection, QAU inspects 40 to 50 inspectable items within the apartment, including stoves, electrical outlets, and entry doors, and then flags substandard work for correction, including generating a follow up work order for the development to correct. For the period of January 2024 to March 2024, QAU inspected 47,955 inspectable items and reported that more than 97% of them met applicable standards. For the 3% of inspectable items that were not up to the required standard, QAU identified specific areas for improvement, including that close to 20% of combination smoke and carbon monoxide detectors (261 of 1366) did not meet required standard, 10% of extermination repairs (54 of 447) did not meet the required standard, and over 10% of GFCI outlet installations (95 of 921) also did not meet the required standard.

**NYCHA-wide repairs.** In addition to reviewing repairs made during the annual self-inspections process, QAU also samples closed

work orders from across NYCHA's portfolio, including resident requested repairs. For the period of January 2024 to March 2024, QAU reported that, across all staff, completed repairs were made up to standard in over 94% of the sampled instances, a number that is also consistent with reporting from 2023.

## **2. Compliance Department - Monitoring Unit (MU)**

**On-Site Monitoring.** The Compliance Department's Monitoring Unit ("MU") conducts inspections of developments considered to be at risk for issues such as pests, mold, elevator outages, heat outages, lead-based paint, and a lack of general maintenance. To identify these high-risk developments, the Monitoring Unit selects developments based on 27 "risk indicators," which help determine the greatest risk for non-compliance with the HUD Agreement, NYCHA policies and procedures, laws, and regulations. Some of the indicators include the development's annual inspection completion rate, rent collection rate, number of open maintenance, skilled trade and vendor work orders, time to complete and resolve elevator outages, and time to resolve pest and mold complaints. As of June 2024, Compliance classified 16% of developments as high risk, 67% as medium risk, and 17% as low risk. MU inspects high- and moderate-risk developments and tracks the status of repairs through corrective action trackers provided to developments. The corrective action trackers involve a list of deficiencies related to areas such as heating, lead, pests, mold, elevators and other key operational priorities including but not limited to fire safety violations, rent collection, annual recertifications, and employee safety. While MU does not directly manage the corrective action process, MU does send staff onsite to monitor conditions and track the amount of time that developments take to close the corrective action trackers. In 2024, MU reported the average closure of the corrective action reports was 13.5 months. For the first half of 2024, MU noted correcting fire safety deficiencies as a primary cause of delayed closure. Notably, in 2023, MU also highlighted several other challenges it has experienced in getting development staff to make the identified repairs, including new caretakers and Maintenance Workers who have not received adequate training, a lack of administrative support needed to document completed repair work and close the associated work orders, and supervisory staff turnover. The Monitors are tracking MU's efforts to oversee the

corrective action process for high-risk developments and will provide further details in future reporting.

**Post-NSPIRE Health and Safety Inspections.** The MU has also piloted a new inspection protocol to gauge a development's response to health and safety deficiencies found during an NSPIRE inspection. The pilot program is intended to confirm whether developments complied with applicable standard procedures, including the NSPIRE standards, which requires life-threatening and severe deficiencies to be repaired within 24 hours after they are identified. As of October 2024, MU has conducted evaluations at ten developments under this pilot program and intends to target 15% of developments in 2025.

As of October 2024, MU reported mixed outcomes across developments in meeting the 24-hour repair requirement for severe and life-threatening deficiencies. For instance, an MU post-NSPIRE inspection at Straus Houses in Manhattan found that nearly all deficiencies were repaired 24 hours after the NSPIRE inspection. By comparison, at Fort Independence Houses in the Bronx, the MU determined that development staff had not scheduled extermination work for an extensive cockroach infestation more than three months after the NSPIRE inspection. Further, the NSPIRE inspection identified "mold-like" conditions, but staff at the development had still not created the required mold inspection ticket four months later. The initial guidance that MU provided to the staff at Fort Independence was that they needed to improve communication with maintenance supervisory staff and pest-management personnel, and ensure mold inspection tickets are created after NSPIRE inspections. The guidance also reminded development staff to utilize NYCHA's "right to enter" procedure if NSPIRE inspectors identify an extensive infestation and a resident otherwise refuses to allow an exterminator to enter their apartment to treat the infestation.

The Monitors are tracking the results from the pilot, including whether the advisements to developments after NSPIRE inspections are improving the repair process during the 2025 NSPIRE inspection cycle.



### **3. Supervisory Inspections**

To ensure the work is performed to industry standards, supervisors of skilled trades workers and Maintenance Workers are responsible for performing routine supervisory inspections of a sample of work orders closed by those workers. Each skilled trades supervisor is assigned four supervisory inspections per week, while the supervisors of Maintenance Workers are collectively responsible for inspecting three closed work orders per maintenance worker each week.

However, since the inception of the monitorship, NYCHA has struggled to reach its targets for the skilled trades supervisory inspections. NYCHA's Property Management Operations ("PMO") leadership have indicated that improving completion rates for skilled trades supervisory inspections will be a priority in the coming months, that they will be emphasizing the importance of these inspections to skilled trades supervisors. Consistent with this, there was an uptick in the completion rate for these inspections in October 2024, with 51% of assigned inspections completed (compared to between 28% and 36% in July, August, and September).

Notwithstanding this improvement, NYCHA has indicated that there are technical obstacles to meeting its quotas for supervisory inspections. According to PMO leadership, it is often difficult for supervisors to complete inspection work-orders because of a combination of poor connectivity for the handheld devices on which they document their findings and unnecessarily long and complex inspection checklists that must be navigated on those devices; together, these factors reportedly lead to frequent timeouts and loss of work—a phenomenon PMO staff call "the Maximo blue circle of death," referring to the blue circle that appears on the handheld as the inspections data is uploading to Maximo.

While NYCHA is carefully tracking its progress on skilled trades supervisory inspections, it cannot do the same for maintenance work because it does not have relevant data. In contrast to the skilled trades, NYCHA does not have a process in place to generate work orders and record findings in Maximo for supervisory inspections of maintenance work. Instead, NYCHA's Standard Procedures require the property maintenance supervisor or assistant property maintenance supervisor to randomly select and review three recently closed work orders per week for each maintenance worker under their supervision.

NYCHA has told the Monitors that, to the extent records exist concerning these inspections, they are generally in the form of handwritten notes on printed copies of the subject work orders, which may be stored in development offices. NYCHA's IT department reports that it is developing a process for assigning and documenting maintenance supervisory inspections in Maximo comparable to the one used for the skilled trades, and it anticipates deploying this system in the first quarter of 2025.

In addition to supervisory inspections of closed skilled trades and maintenance work orders, supervisors of caretakers are required to inspect the buildings and grounds under their supervision every month. These inspections are also assigned and documented through Maximo work orders. Development management staff—the property manager, property maintenance supervisor, and assistant property maintenance supervisor—must review and approve the findings in Maximo and verify a sample of the findings in the field. As with skilled trades supervisory inspections, NYCHA has struggled to complete buildings-and-grounds supervisory inspections, though it has seen potentially significant progress recently: August, September, and October, saw 41%, 52%, and 80%, respectively, of these inspections completed and approved in Maximo.

However, as with the skilled trades supervisory inspections, PMO has indicated that problems with handheld devices and complex inspection checklists make it difficult to complete the full slate of buildings-and-grounds inspections. Moreover, according to PMO, managerial review and approval of these inspections in Maximo is unnecessarily complex and burdensome for managers, taking around 15 minutes per inspection. For this reason, PMO has requested that IT modify the Maximo process for buildings-and-grounds supervisory inspections to streamline the process. NYCHA has also indicated that even after this procedural bottleneck is removed, there are additional obstacles to completing its full quota of buildings-and-grounds supervisory inspections, including privately managed developments that do not currently have access to NYCHA's handheld devices.

The Monitors view supervisory inspections as crucial to ensuring the quality and integrity of NYCHA's repair work, particularly in light of the relatively small number of closed work orders the Quality Assurance Unit has the capacity to review, as discussed in **Section II** of this report. Instituting a more rigorous approach to

maintenance supervisory inspections in particular is important to ensure properties meet applicable standards given the large number of significant repairs handled by Maintenance Workers. The Monitors will continue to follow NYCHA's efforts to strengthen its supervisory-inspections program and provide updates in future reports.

**F. Deceptive Practices, Internal Controls, and Chief Compliance Officer Obligations (Requirement Nos. I8-I10)**

Under the HUD Agreement, NYCHA is required to refrain from using deceptive practices with respect to HUD's inspections, which include (a) covering up or hiding conditions so that they cannot be detected by HUD inspectors; (b) performing substandard repairs to cover up a problem quickly so that it is not noticed during an inspection; (c) performing work in common areas after an inspection begins, other than for emergency health and safety issues; and (d) performing non-emergency work in selected or alternate units after such units have been identified for inspection by HUD.<sup>223</sup> In its own policy statement, NYCHA has summed up these prohibitions as meaning that "[r]epairs and maintenance are year-round functions [and] performing extraordinary 'just-in-time' repairs prior to a [HUD] inspection to meet minimal compliance thresholds is unacceptable."<sup>224</sup> The Agreement also requires NYCHA to maintain internal controls to prevent these practices, and assigns NYCHA's Chief Compliance Officer responsibility for preventing deceptive practices and ensuring compliance with HUD's regulations and guidelines with respect to HUD's inspections, along with several ancillary responsibilities: (a) ensuring NYCHA staff are trained on these regulations and guidelines, including the prohibition on deceptive practices; (b) routinely advising staff to report deceptive practices, investigating complaints, and forwarding complaints to relevant authorities; (c) working with the QAU and using available data to proactively identify improper practices; and (d) recommending discipline for employees who engage in deceptive practices.<sup>225</sup> As described in the Monitors' August 2024 Report, the First Monitor did not identify any recurrence of the illegal activities related to HUD's inspections described in the Complaint.<sup>226</sup> The Monitors are still working to assess NYCHA's ongoing compliance with its obligation to refrain from deceptive practices as well as the adequacy of NYCHA's internal controls for preventing or detecting those practices.

The Monitors' work on this issue currently takes three main forms summarized briefly below: (1) reviewing the work performed by the MU to identify potential improper work in advance of or during HUD inspections; (2) reviewing the investigations into potential deceptive practice conducted by another Compliance Department component, the Compliance Inquiry Review and Assessment Unit ("CIRA"); and (3) observation by the Monitors' independent inspections team of conditions at developments in the days before HUD inspections.

### **1. Monitoring Unit**

In order to proactively identify potential instances of work improperly performed during a HUD inspection, the MU reviews samples of work orders completed on days during which HUD inspections were underway. Out of a total of 134 developments inspected by HUD in 2024, the MU has completed the post-NSPIRE reviews for 14 developments; these reviews have covered a total of 268 work orders, out of a total of 529 non-emergency work orders completed at those properties during the HUD inspections. To date, according to reports provided by NYCHA, the MU has not identified any instance of work completed during a HUD inspection that it considers deceptive under the terms of the Agreement and has not referred any cases to the Chief Compliance Officer for potential disciplinary action. However, the MU routinely recommends that property-management staff do a better job communicating with the staff responsible for scheduling various types of work orders to ensure that work is not scheduled during HUD inspections, and directs that the work order be rescheduled if already scheduled for those times. Its memoranda also routinely identify missing or erroneous work-order data in Maximo—a factor that could impair the MU's ability to detect deceptive practices, because the MU's review depends on the integrity of Maximo data concerning what types of work are being performed, as well as when and where that work occurs.

The Monitors are engaging with NYCHA to better understand the data-analysis methods used to identify samples for the MU's review and the criteria used to determine whether work completed during a HUD inspection amounts to a deceptive practice under the Agreement. The Monitors also plan to conduct independent analysis of NYCHA's work-order data in an effort to identify any other potential

instances of improper work done during or shortly before HUD inspections and gauge the efficacy of the MU's sample selection.

## **2. Compliance Inquiry Review and Assessment Unit**

Within the Compliance Department, the CIRA is responsible for investigating allegations of deceptive practices in connection with HUD inspections. NYCHA reports that the CIRA has initiated three such investigations so far in 2024, all three of which were closed with a determination that no action was warranted. One closed investigation concerned an allegation that work was being performed improperly at a development while an NSPIRE inspection was underway. CIRA's investigation found that this work was appropriate given the circumstances. Specifically, the work in question concerned emergency health-and-safety-related deficiencies identified by the HUD inspector, which, under HUD regulations, must be completed within 24 hours. A NYCHA employee who observed this work underway reported it through the Compliance portal, evidently unaware that the work was in fact mandated by HUD. The second investigation concerned allegations of tampering with work-order data to make it appear that apartments were being repaired and rented to new tenants more quickly than they actually were, which could improve NYCHA's scores on the portions of HUD inspections related to the agency's financial health. CIRA concluded that the allegations were unfounded and that there had been no deception on the part of borough management. In the third investigation, a Maintenance Worker was found to be closing work orders as completed without completing any work or even visiting the sites to confirm no repairs were needed. CIRA continued to monitor this worker's activity after the worker was given a warning by development-level staff, and ultimately determined that this activity had ceased and no further action was warranted. The Monitors are continuing to engage with CIRA in order to gain a more thorough understanding of its processes for investigating complaints alleging deceptive practices, as well as to validate the conclusions of the investigations conducted so far this year.

## **3. Monitors' Inspection Team**

In late October 2024, the Monitors' inspection team began visiting developments to observe work underway within a week before scheduled HUD inspections. The inspection team visited the last four NYCHA developments to undergo HUD inspections in 2024:

Lehman Village, Riis Houses, Ocean Hill Apartments, and Wagner Houses. Inspectors noted any repair work being done in common areas and spoke with staff and residents to learn whether any substandard or unusual work was performed after HUD identified the development for inspection (that is, roughly, during the preceding month).

The inspectors did not observe any plainly substandard work underway or any of the “quick fixes” or ways of hiding deficiencies described in the Complaint and the Consent Decree—such as false walls used to obscure dilapidated rooms or broken ceiling tiles replaced with painted cardboard. The Monitors’ inspectors were able to speak to residents as well, and none of the residents they spoke to indicated that any unusual work had been performed in advance of the HUD inspection. Finally, a comparison of work-order data for the two weeks preceding the HUD inspection to historical data for each development showed that the volumes of work orders created, worked on, or closed in the lead-up to the HUD inspection were consistent with historical norms. Based on these factors, the Monitors’ inspections team concluded that it had found no evidence of the deceptive practices prohibited by the Agreement.

The Monitors plan to continue and refine these observation visits and the analysis of associated work orders during the 2025 HUD inspection cycle, and will cover this work in future reports.

## **G. Completed Obligations**

The HUD Agreement obligation that NYCHA met prior to the period covered by this report (**Requirement No. 12**) is listed in Appendix A. The Monitors continue to track the outcomes of this obligation because of the recent changes to HUD’s physical condition standards, NSPIRE.

### **Overview of Outstanding Inspection Obligations**

The following table summarizes the status of NYCHA's compliance with the outstanding requirements of the HUD Agreement as of the end of October 31, 2024, unless otherwise noted. The table categorizes each requirement as a one-time requirement (blue); response obligation (orange); or policy and practice obligation (green). Completed obligations are listed in Appendix A.

Req. No.	Description	Status	Compliance Details
<b>One-Time Requirement</b>			
I1 (Ex. B ¶ 49)	<b>Annual Inspections Action Plan:</b> By May 31, 2019, NYCHA must submit an Action Plan for complying with the requirements to conduct annual inspections and perform minor repairs, including procedures for completing on-site repairs and scheduling subsequent repairs.	Incomplete	Phase I of the Annual Inspections Action Plan was published in December 2020. NYCHA reported that it delayed completion of the Phase II Annual Inspections Action Plan as it awaited anticipated regulatory changes, such as the 2023 NSPIRE regulations, and the 2024 requirement to inspect 100% of units. NYCHA anticipates completing the plan by the end of 2024.
<b>Response Obligation</b>			
I3 (Ex. B ¶ 47)	<b>Annual Inspections:</b> NYCHA will conduct annual inspections of its occupied units.	Not due; on track to complete 2024 obligation	As of October 2024, for the year to date, NYCHA has reported to completing inspections in 82% of occupied apartments.
I4 (Ex. B ¶ 48)	<b>Minor Repairs:</b> By May 1, 2019, annual inspections must	TBD	As of October 2024, for the year to date, NYCHA reported that

	include having the person conducting the inspection perform any minor repairs during the inspection.		Maintenance Workers have completed minor repairs in 27% of inspected apartments and deferred minor repairs in 3% of apartment units. In October 2024, NYCHA also reported that Maintenance Workers are not consistently following the procedures for the proper documentation of conditions observed when performing annual apartment inspections. As a result, the Monitors are still assessing NYCHA's compliance with this obligation, including NYCHA's efforts to document needed repairs.
<b>Policy and Practice Obligation</b>			
I5 (¶ 60)	<b>HUD's Guidance:</b> NYCHA will make all improvements in accordance PIH Notice No. 2016-03, Uniform Physical Condition Standard (UPCS) Deficiencies and Industry Standard Repairs, July 11, 2016 or any subsequent or superseding guidance.	TBD	NYCHA's compliance with this obligation is ongoing and overlaps with NYCHA's efforts to comply with other inspection obligations of the HUD Agreement, including other clauses of ¶ 60.



16 (¶ 60)	<b>Industry Standards:</b> NYCHA will ensure all maintenance repairs are performed to established industry standards and workmanship.	TBD	For the period between January to March 2024, NYCHA's Quality Assurance Unit reported that 95% of sampled repairs were completed up to required standard, but acknowledged more infrequently performed repair (such as exterminations) are typically not selected for sampled inspections. As a result, the Monitors are still assessing NYCHA's compliance with this obligation and continue track NYCHA's efforts to evaluate its repairs.
17 (¶ 60)	<b>Decent, Safe, Sanitary Standards:</b> NYCHA will ensure that properties meet HUD's decent, safe, sanitary and in good repair standards at all times.	TBD	As of October 2024, for the year to date, HUD's inspections of 122 NYCHA developments revealed that 53% of these developments were not in compliance with NSPIRE at the time of the inspection.
18 (¶ 60)	<b>Deceptive Practices:</b> NYCHA will not use deceptive practices with respect to PHAS inspections,	TBD	The Monitors are not yet in a position to opine whether NYCHA substantially

	including: (a) covering up / hiding conditions; (b) performing substandard repairs; (c) performing work in common areas after an inspection begins, other than for emergency health and safety issues; (d) performing work in selected or alternate units after such units have been identified, other than for emergency health and safety issues.		refrains from using deceptive practices with respect to PHAS inspections. The First Monitor found that there had "not been a discernable recurrence of the illegal activities concerning PHAS inspections which ultimately led to the Monitorship." <sup>227</sup>
I9 (¶ 61)	<b>Internal Controls:</b> NYCHA shall design internal controls to prevent deceptive practices.	TBD	The detailed procedures set forth in the PHAS Inspections Action Plan appear, in principle, to satisfy ¶ 61's general requirement of internal controls to prevent deceptive practices; however, the Monitors are still assessing both NYCHA's implementation of those procedures and their adequacy to prevent deceptive practices.
I10 (¶ 62 (a-f))	<b>Chief Compliance Officer Obligations:</b> NYCHA's Chief	TBD	The Monitors are still assessing NYCHA's compliance with the

	Compliance Officer will be responsible for preventing deceptive practices with respect to PHAS inspections and ensuring compliance with HUD regulations and guidelines with respect to PHAS inspections. Various concrete responsibilities are enumerated in the Agreement.		detailed requirements of ¶ 62.
--	---	--	--------------------------------



## **SECTION II: ORGANIZATIONAL CHANGE**



The HUD Agreement requires NYCHA to change its management, organizational, and workforce structure in a manner that will ensure sustained compliance with the Agreement's other requirements.<sup>228</sup> To achieve this change, NYCHA adopted its Transformation Plan in 2021 and has elaborated and expanded upon it in the ensuing years.<sup>229</sup> This section provides an update on NYCHA's progress on its organizational change initiatives since the Monitors' August 2024 Report, for the period ending October 31, 2024.

First, NYCHA continues to work to address its system for making in-unit repairs, including attempting to reduce the long wait times experienced by residents and improving how it communicates with residents regarding those repairs. Second, NYCHA has made progress in several initiatives that should improve NYCHA's implementation of the Neighborhood Model, its new operating structure that is intended to empower developments to be more responsive to residents' needs. Third, NYCHA has moved forward with initiatives intended to enhance performance and accountability for NYCHA workers. Fourth, and finally, NYCHA is nearing its rollout of its improved Human Capital Management System ("HCMS"), a significant system overhaul that will integrate over a dozen systems relied upon by NYCHA's Human Resources ("HR") Department, and should streamline administrative tasks for NYCHA's workforce to allow them to focus on delivering resident services.

In many of these areas, however, significantly more work and improvement is necessary. In many cases, NYCHA residents are still waiting several months, and in some cases over a year, for repairs, and NYCHA residents consistently report failures of communication with NYCHA, including when NYCHA workers fail to appear for repair appointments without alerting residents who may have stayed home from work for the day. Many of the Neighborhood Model initiatives have only just begun, and thus NYCHA will need to devote sufficient time and attention to carrying them out. NYCHA must also expand its accountability measures to a broader set of its workforce.

In addition to reporting on these areas, the Monitors are continuing to track NYCHA's efforts to complete its other outstanding obligations as described in the August 2024 Report, including, among other things, improvements within Work Order Reform—the manner in which it addresses its backlog of repair work orders in order to reduce resident wait times for repairs; improvements in trainings for all employees; NYCHA's overhaul of daily "muster"

meetings and trainings for its property management staff, with a focus on increased training on “customer service” and accountability; and other improvements in accountability and performance of NYCHA personnel, such as an increased focus on inspections of repair work conducted by supervisors. These topics will be covered in more detail in future reports.

### **A. NYCHA In-Unit Repairs and Work Order Backlog**

Residents and resident leaders have told the Monitors that one of their biggest sources of frustration is the long wait times residents face when they request repairs in their apartments that require skilled trades workers. Indeed, as of October 31, 2024, NYCHA is scheduling appointments for skilled trades (carpenters, electricians, plasterers, and plumbers) for certain repairs as far out as December 2025. Painters are often scheduled out until November 2025. As the Monitors noted in the August 2024 Report, this is unacceptable.

Because these wait times have a strong negative impact on NYCHA residents’ quality of life—and also impair NYCHA’s ability to comply with numerous obligations in the HUD Agreement to make certain repairs within certain timeframes—the Monitors view reduction of these wait times as one of their highest priorities.

#### **1. Work Order Reform and the Skilled Trades Backlog**

As described in the August 2024 Report, NYCHA has previously undertaken a major effort to speed the completion of skilled trades work orders. This effort, known as Work Order Reform, was one of the principal organizational change initiatives NYCHA committed to in the Transformation Plan. Two key pieces of Work Order Reform were put in place beginning in 2021, when NYCHA deployed a new system intended to more efficiently schedule (or “sequence”) the various skilled trades appointments needed to complete each repair and began hiring to fill 450 new skilled trades positions. NYCHA maintains that Work Order Reform has led to an increase in worker productivity (based on the number of work orders closed per worker) and is working to refine its metric for measuring productivity. All of the trades are now meeting or close to meeting the annual demand for their services. However, NYCHA has indicated that it does not anticipate that the efficiencies gained through Work Order Reform will be sufficient to significantly reduce the large backlog of open work orders for the skilled trades absent additional infusions of



resources, and that reduction of the backlog was not an intended goal of Work Order Reform.<sup>230</sup>

The reduction of the backlog should be an important priority for NYCHA, because there is a clear relationship between the size of the backlog and the long wait times for resident repairs. Due to the large number of open work orders, residents who make new repair requests are competing for appointment times against many other recent requests, a large number of aging work orders, and emergencies and other circumstances that affect which repair NYCHA schedules first.

As described in the August 2024 Report, NYCHA's data on skilled trades work orders appears to show that the backlog grew more slowly in 2022 as compared to prior years and even decreased slightly in 2023.<sup>231</sup> However, it began to grow again in 2024. According to NYCHA, this is because an extraordinary number of work orders were created in 2024 after new HUD regulations required NYCHA to inspect every occupied apartment in its portfolio annually, a change from previous years, when NYCHA was only required to inspect 50% of its units.<sup>232</sup> NYCHA reports that it also shifted responsibility for lead-paint remediation work orders to the skilled trades and increased monthly building inspections. According to NYCHA, a high volume of work orders has been generated as a result of these changes; indeed, NYCHA reports that 13% more skilled trades work orders were created in the first eleven months of 2024 compared to the same period in 2023, with no corresponding increase in staffing. As of October 31, 2024, there are a total of approximately 330,000 work orders in the skilled trades backlog, as well as an additional 280,000 work orders for vendors.

## **2. Efforts to Reduce the Backlog**

As noted in the August 2024 Report, NYCHA's position is that its current workforce of skilled trades workers is insufficient to meaningfully reduce the backlog, and it needs additional funding for more workers, overtime, and vendors.<sup>233</sup> Nevertheless, various departments at NYCHA are working on initiatives to reduce the work order backlog, including Strategy & Innovation ("S&I"), the Property Management Operations ("PMO"), and Learning & Development ("L&D"). Each is discussed in turn.

NYCHA S&I has made progress on several strategic initiatives, including a tool for NYCHA to assess the daily productivity of its skilled trades workers. NYCHA S&I is still refining that tool and plans to roll it out for use by the supervisors of skilled trades workers in the first quarter of 2025. Equipped with information about their workers' productivity, supervisors can take actions to address inefficiencies in their workforce, and NYCHA can better monitor its spending on skilled trades workers.

NYCHA PMO, which oversees the property management staff most responsible for apartment repairs, reports that they work on reducing the work order backlog on a daily basis. PMO leadership meets regularly with NYCHA's Borough VPs and skilled trades supervisors in order to assess where progress can be made on reducing the backlog. PMO leadership regularly relies on a work order dashboard, created by Performance Management and Analytics Division ("PMA"), to identify areas in particular need of attention, such as by "sorting" for particular boroughs, types of skilled trade, or developments.

After searching through the underlying data in the backlog in this manner, NYCHA PMO reports that it has launched targeted operations that are aimed at reducing the backlog in specific areas. For example, in April 2023, NYCHA PMO launched what it called "Operation Dry Out," after identifying a significant backlog of aging tub enclosures and plumber work order tickets that were pending for longer than 250 days. Replacing tub enclosures are particularly important for preventing mold and leaks, because when existing tub enclosures have cracks or separate from the walls, the water may penetrate the walls and cause mold growth. PMO leadership devoted sustained attention and additional resources to these areas of work orders. NYCHA reports a decrease in the plumbing ticket backlog of nearly 6,800 work orders—or almost 90% of the specific work orders targeted by this project—as a result of this operation.

Finally, the Monitors have been working with NYCHA L&D to improve the trainings offered to NYCHA's Maintenance Workers. Improvements in maintenance worker performance will be essential to reductions in the backlog. Maintenance Workers are typically involved in the initial inspection of a resident's apartment following the resident's request for a repair, and then, if the maintenance worker cannot fix the issue on their own, they are responsible for sequencing the set of repair tickets that will be required. If the Maintenance

Workers are able to resolve more repairs without bringing in a skilled trades worker, then there will be a positive effect on the backlog and, most importantly, far less time for the resident to have to wait for that repair. As part of the training improvements for Maintenance Workers, the Monitors have worked with L&D to improve certain Maintenance Worker proficiencies that may allow them to resolve some of these repairs, such as stove repairs, leak tracing, and the installation of certain electrical outlets, on their own. NYCHA's position is that Maintenance Workers are resolving 75% of repairs assigned to them, and only sequencing 10% of those repairs to the skilled trades. While NYCHA supports enhanced training for Maintenance Workers, it does not view training alone—absent expansion of the scope of Maintenance Workers' duties—as a path to significant reduction of the skilled trades work order backlog. In the Monitors' view, NYCHA should look for all possible improvements to how it manages its work order backlog, even if the effect will be small. These improvements may include enhanced training on how Maintenance Workers sequence work orders, and facilitating the expansion of the scope of Maintenance Workers' duties in order to reduce the burden on the skilled trades. Even if the effects on backlog reduction are minor, these improvements should have other beneficial effects as well, such as increasing the quality and promptness of repair work.

The Monitors will continue to meet with NYCHA S&I, PMO, and L&D regularly to work towards broader improvements that should lead to reductions in the work order backlog, and reduced wait times for residents. The Monitors will also seek opportunities for targeted attacks on the backlog, such as those employed in Operation Dry Out, and will continue to analyze the underlying data in the work order backlogs and the improvements described above.

## **B. NYCHA-Resident Communications Related to In-Unit Inspections and Repair**

NYCHA employees must regularly access residents' apartments to conduct inspections and perform repairs. To gain access, NYCHA must clearly and effectively communicate with residents.

However, as noted in the Monitors' August 2024 Report, breakdowns in communications between NYCHA and its residents consistently threaten NYCHA's ability to access apartments and perform needed work.<sup>234</sup> In particular, the Monitors reported in

August that the frequency with which NYCHA workers fail to show up for scheduled appointments may make residents less willing to go out of their way to make subsequent appointments or prioritize being home for them when they are scheduled.<sup>235</sup> Since that report, the Monitors are working with NYCHA to develop a more precise system for measuring those missed appointments. Based on the Monitors' observations, early analysis of the data, and reports from residents, NYCHA skilled trades workers fail to show up for a significant amount of scheduled repair appointments, often with no advanced notice to the residents. Because it is indispensable to a broad array of HUD Agreement obligations, the Monitors deemed improving communication between NYCHA and residents a high priority and planned to closely track efforts already underway at NYCHA to address communication problems.<sup>236</sup> NYCHA agrees that this is a priority and is working to address the issue in several ways described below.

Since the August 2024 Report, NYCHA has continued to implement improvements in how it communicates with residents. This section will examine those initiatives in more detail. Ultimately, however, the manner in which NYCHA, an agency of over 12,000 employees, communicates with hundreds of thousands of residents living in over 154,000 apartments, regarding a wide variety of issues, is complex, varied, and context-dependent. Accordingly, this section will provide background information on resident communications, and some of the most pressing issues of which residents complain, including that NYCHA workers often miss scheduled appointments without notice. This section will also aim to provide some clarity to NYCHA's current processes for communicating with residents, and potential improvements NYCHA is attempting.

## **1. Background**

NYCHA has a variety of reasons for needing to enter residents' apartments, including inspections, repairs, remediation of environmental hazards such as mold and lead, and pest abatement. Under New York City law, except in emergencies or when the lease is being violated, NYCHA must give residents reasonable notice before entering their apartments, and NYCHA's policy is to send employees into apartments only when residents are present and consent to such entry. NYCHA complies with these requirements in most cases by scheduling appointments for inspection and repair work, making NYCHA's ability to reliably make and keep appointments, and for

residents to be present and allow NYCHA's workers to access their apartments, an important factor in its ability to comply with the HUD Agreement.

However, as noted above, workers frequently miss scheduled appointments, and, as residents consistently have expressed to the Monitors, NYCHA often fails to provide any notice when this happens, much to the residents' frustration. Conversely, NYCHA is frequently unable to enter apartments because residents are not home or are not willing to permit entry. When the Monitors have accompanied NYCHA staff performing in-unit inspections or repairs, they have heard that the residents received little or no notice that access to the apartment would be needed at that time. NYCHA itself has determined that residents often are not aware of the dates and times when inspections or repairs are scheduled, and resident leaders regularly cite poor communications as a reason for this.

NYCHA's struggle to communicate with its residents has many negative effects. When NYCHA misses an appointment, it significantly reduces residents' trust and may lead them not to even try to reschedule the appointment. Moreover, these residents may have taken time off work (and lost pay) to keep the appointment NYCHA missed. On the other hand, when NYCHA workers show up and cannot access an apartment, they have wasted time they could have spent working on other apartments. This is a crucial issue to address, given the high demands on workers' time, the large backlog of open repair work orders, and the long wait times residents face for basic repairs as a result.

## **2. NYCHA's Current Processes for Communication**

Since the August 2024 Report, the Monitors have catalogued the various ways in which NYCHA units currently communicate with residents. Each unit within NYCHA—such as Maintenance Workers, pest control, the mold and leaks team, and other skilled trades workers—has its own Standard Procedures ("SPs") that prescribe how they communicate with residents, and most of those SPs vary from one unit to another. This means that Maintenance Workers, pest control, and skilled trades workers, among others, all have different protocols for communicating with residents. While NYCHA created the role of Neighborhood Planner to manage some aspects of communications with residents for certain skilled trades, other departments, such as Maintenance Workers, pest control, and heating,

handle communications with residents on their own. The Monitors hope that providing a clearer picture of the various communications methods employed by NYCHA will be the first step toward defining better and more uniform practices for resident communication.

NYCHA workers rely on a variety of different communication methods in order to reach residents, each with its own advantages and disadvantages. The chart below describes the different methods that NYCHA is currently using to contact residents and describes the advantages and challenges of each method. As some of the brief summaries of challenges indicate, there is no perfect method for communicating with residents given existing constraints, such as outdated contact information for residents. With regard to resident contact information, NYCHA recently completed a series of improvements to its software systems designed to improve tracking of residents' contact information, and final quality assurance testing of these systems is currently underway.

Methods of Communication **FROM** NYCHA **TO** Residents

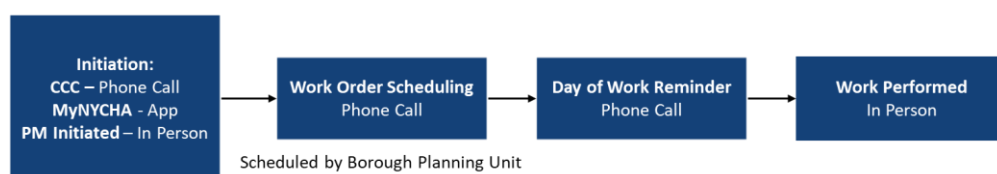
Method	Advantages	Challenges
Form / Notice Handed to Resident or Slipped Under Door	Printed material that the resident can keep and share with the household	No opportunity for residents to respond/ask questions; often no clear record of delivery; may not be seen by residents; regulatory language may be confusing
Mailing	Printed material that the resident can keep and share with the household; may contain images; multi-lingual	Lag time in mailing; limits on printing volume; residents can receive large volumes of mail and may ignore
Phone call	Allows for direct interaction with NYCHA; clear record of interaction	Outdated resident contact information in the system or updated contact information not available to the worker onsite; not always clear who resident should contact for an issue

Robocall	Automated and thus far less labor-intensive	Residents complain of too many calls / may not listen or answer; outdated contact information in the system; residents unable to respond or engage with NYCHA during call
Text	Convenient for recipient; allows for real-time response; clear record that communication was sent	Outdated contact information in the system or updated contact information not available to the worker onsite
Email	Clear record that communication was sent	Outdated contact information in the system; residents may lack email or internet access; requires set-up to trigger automated emails
Website	Residents may search for information that they need	Residents may lack internet access; information is not specific to resident
<b>MyNYCHA App</b>	Residents may search for information that they need	Resident cell phone and cell service and access to App; limited ability for the resident to provide feedback to NYCHA
Door knock	Personalized information; allows for interaction with NYCHA	No clear record of attempt; relies on resident at home to receive information; labor intensive
Events	Allows for interaction with NYCHA	Seasonal; disconnected from actual appointment and work

**MyNYCHA App:** MyNYCHA is NYCHA's tenant services application that allows residents to perform various tenancy related actions without having to contact the Customer Contact Center. Residents can request repairs, cancel and reschedule maintenance appointments, view current and closed work tickets, pay rent, and receive development-based outage notifications through the app. MyNYCHA is available on Apple and Android devices and is also accessible on computers via the online portal.

As noted, different NYCHA units employ different combinations of the above-described communication methods. For example, a resident reporting mold in their apartment may call the NYCHA Customer Contact Center (“CCC”), request a mold inspection in the MyNYCHA app, or ask the Property Manager to schedule it. Then, the Borough Planner will call the resident to schedule the appointment, and the resident will receive a reminder phone call on the day of the appointment.

### Mold Inspection Flow Chart



Residents can request maintenance repairs by calling CCC or making the request in MyNYCHA. After making their request, residents are sent a confirmation email regarding their maintenance appointment and are given a day and time range (such as from 8 am to 12 pm) at which a maintenance worker will be scheduled to come to their apartment to inspect the need for repairs. In some cases, the maintenance worker may be able to address that need on their own, but if not, the maintenance worker creates new skilled trades tickets for repairs, and provides the residents with a slip of paper listing the trade appointments required. The resident must then call the Neighborhood Planner to schedule the repair appointments with a skilled trades worker. Once the appointments are scheduled, the resident receives a reminder robocall three days before a scheduled skilled trades appointment.

### Skilled Trade Repair Appointment Flow Chart



By comparison, for the annual inspections of each apartment NYCHA must complete under HUD regulations, residents are not contacted to schedule an appointment. Instead, NYCHA schedules the inspections and notices are posted on the apartment door 21-25



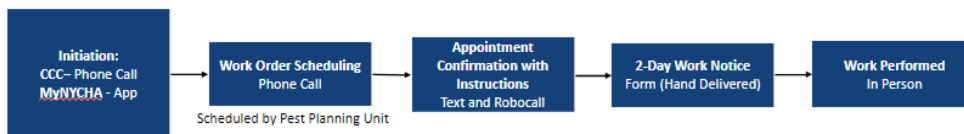
days before the inspection and again 7-11 days beforehand. The only notice provided by phone comes in the form of a robocall 24 hours before the scheduled inspection. Beyond these basics, different developments have additional ad hoc practices for reaching residents, such as making personal phone calls and knocking on doors.

### Annual Inspections Flow Chart



As a final example, for pest extermination appointments, a planner within the Pest Management Department calls the resident to schedule an appointment, and the planner will assign an available appointment if the resident does not answer. After scheduling the appointment, the planner sends a text message confirmation of the appointment with instructions on how to prepare for the appointment and inviting the resident to confirm the appointment. The planner's scheduling of the appointment also triggers a robocall appointment confirmation. Two days prior to the appointment, a notice is hand delivered to the resident's door.

### Pest Extermination Appointments Flow Chart



The above examples are just some of the different communication methods relied upon by different NYCHA departments. Several other NYCHA departments, including heating and lead hazard control, apply different communication processes as well.

As these examples illustrate, there is great variation in when and how NYCHA may contact residents when it needs to get into their apartments, and it would be easy for residents to miss or be confused about when and where to expect these communications. Moreover, in each of these scenarios, NYCHA residents have reported, and the Monitors have observed, that NYCHA personnel do not always follow

the procedures described. Maintenance Workers and skilled trades workers miss scheduled appointments, often without providing notice to residents. And even if the procedures are followed, they may not result in the NYCHA worker being granted entry to the apartment—either because the resident was not aware of the appointment, the NYCHA worker shows up outside of the prescribed window, or the resident is aware of the appointment but is still not home or otherwise refuses access.

### **3. Monitors' Attempts to Measure the Problem**

In order to effectively remedy problems surrounding resident communication, it is essential to understand the extent of the issue and its root causes. As of the August 2024 Report, there was no consistent and reliable way in which NYCHA was measuring these issues.<sup>237</sup> Since that time, the Monitors have worked with NYCHA to improve its measurement and assessment of certain resident communication issues.

The Monitors are focusing on two metrics in order to track whether NYCHA is keeping its appointments with residents:

**Missed Appointments:** When a NYCHA employee does not attend a scheduled appointment

**Tenant Not Home:** When a resident is not home for a scheduled appointment attended by NYCHA

The Monitors have been working with NYCHA to improve how Missed Appointments are measured, particularly those for skilled trades workers (such as carpenters, plumbers, and painters), given the high demand for their work. NYCHA also measures instances of Tenant Not Home, and the Monitors will soon begin working with NYCHA to validate the data it is collecting on these events.

NYCHA's existing manner of measuring Missed Appointments has significant flaws. For instance, if a worker did not show up for a repair at the scheduled day and time (thus missing the appointment), but the repair was subsequently rescheduled, NYCHA would not count this as a Missed Appointment, leading to an undercount. Conversely, if a NYCHA worker showed up at the appropriate time for an appointment involving multiple scheduled work orders but only completed some of those work orders (for example, because they did

not have sufficient time to complete them all), NYCHA would count the incomplete work orders as Missed Appointments. This in turn leads to an overcount, since the NYCHA worker did not, in fact, miss the appointment.

NYCHA's Office of Strategy and Innovation ("S&I") and the Monitors agreed to revise the definitions used to count Missed Appointments to correct these and other issues. NYCHA and the Monitors are in the process of validating this data to confirm it is accurate and captures all and only those cases where NYCHA workers do not show up for a scheduled appointment for in-unit work, regardless of whether those appointments are later rescheduled. The Monitors will then work with NYCHA to expand tracking of Missed Appointments beyond skilled trades work orders to visits by Maintenance Workers, exterminators, and other services and, most importantly, to understand the root causes of the Missed Appointments so that NYCHA can reduce their frequency. A similar effort will follow to quantify the number of appointments cancelled because the tenant was not home to allow entry.

#### **4. NYCHA Improvement Initiatives**

NYCHA has attempted certain improvements to the way it communicates with residents. But in addition to their variety of different communication protocols, NYCHA departments also have discrete initiatives underway to improve resident communications. These varied and disconnected approaches to resident engagement and communication, combined with a lack of system-wide improvements and inaccurate resident contact information, likely contribute to NYCHA's struggles to respond to complaints and complete repairs in a timely manner and to update residents on ongoing work.

Though they differ in approach, the improvement initiatives described below are all aimed at improving NYCHA's methods of communicating with residents regarding scheduled appointments beforehand, in an attempt to make it more likely that the resident is at home to allow the NYCHA worker access to their unit. These improvement initiatives do **not** address the separate issue of NYCHA workers missing scheduled appointments, nor do they address NYCHA's failures to communicate with residents regarding those missed appointments. NYCHA has informed the Monitors that it will

work with them on how to address those problems, utilizing the new Missed Appointments dashboard described above.

#### **a. Skilled Trades**

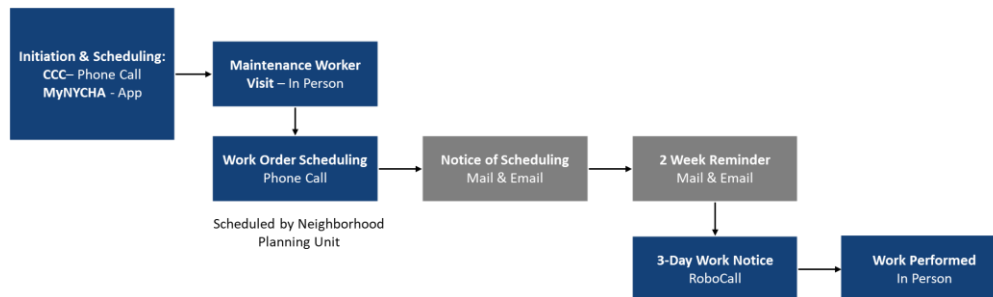
As an example, NYCHA is in the process of improving the communications flow for skilled trades work, which, as noted above, generally takes the following form:



In the current state, after a skilled trades work order is created for the resident (following the initial visit by a maintenance worker, for which the resident should have received an email confirmation), the resident then calls the Neighborhood Planner and is given a scheduled date and time for the repair, which is typically at least several months, if not more than a year, in the future. After this conversation, the only other contact from NYCHA concerning the appointment will be in the form of a robocall reminder three days before the appointment. Residents have complained that robocalls have not been an effective way to communicate with them about upcoming work being done in their apartments because they may miss the one call from NYCHA, and if they do answer, they do not have the ability to respond and ask questions.

NYCHA's Work Order Reform Unit within S&I has piloted certain improvements to this process, providing for more points of contact with the resident. Improvements scheduled for deployment in early 2025 include postal mail and email notices after an appointment is scheduled, with a two-week reminder notice sent the same way. The resident has a chance to reschedule if necessary, and would receive confirmation by both postal mail and email if they do so.

## Skilled Trades Improvements Flow Chart



NYCHA reports that it is planning to implement other improvements for skilled trades appointments, including providing additional details to residents regarding the nature of the appointment and the Neighborhood Planner's contact information, as well as a post-repair survey to collect residents' feedback. The Monitors will work with NYCHA to track and assess whether these improvement initiatives are having positive effects on the communication process for residents.

Recently, NYCHA has also begun implementing improvements to the phone systems used by Neighborhood Planners. Currently, when the Neighborhood Planner or his or her administrative assistant is on the phone, other callers hear only ringing and ringing, with no notice of when someone will be available. The phone system upgrade piloted by NYCHA allows for a longer call queue, provides residents with approximate wait times, enables a call-back option for residents who prefer not to wait on hold, and streamlines translation services.

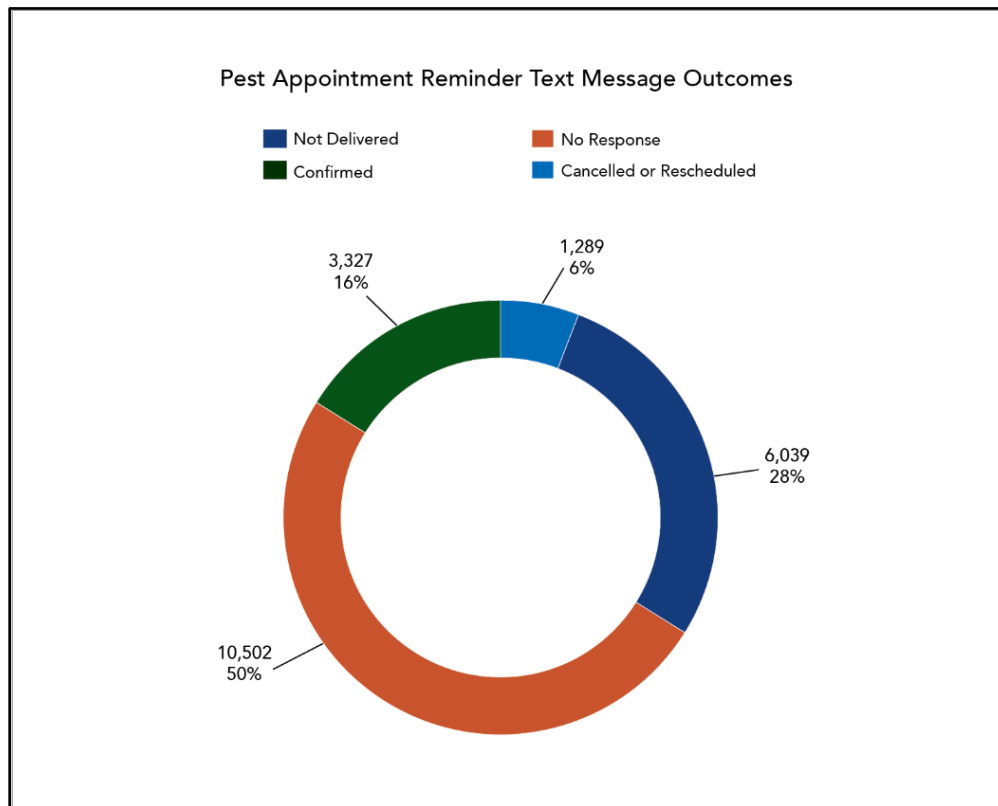
In addition to having a goal of improving communication with residents, this phone system upgrade should allow NYCHA to analyze more data regarding its Neighborhood Planning Units, including how long residents have to wait before they speak with a Neighborhood Planner. Residents have consistently reported to the Monitors, and early non-final data appears to confirm, that residents experience significant wait times when calling to speak with a Neighborhood Planner. Long wait times such as these can be a significant impediment to residents even scheduling repairs in the first place. The Monitors will work with NYCHA to determine the root cause of the long wait times for these units and others.

### b. Pests and Waste

Separately, the Pest Management Department has also been working to improve communications through increased use of text messaging and have launched a pilot program to knock on residents' doors or leave them flyers. Data provided by NYCHA comparing access to units from 2022 through September 2024 show that the proportion of appointments cancelled because the resident refused access has been essentially flat at slightly more than 10%, while the proportion of appointments cancelled because the tenant was not home has increased, from 4% in 2022 to 7% so far this year.

Year	2022		2023		2024 to date	
	#	%	#	%	#	%
Resident Refused	9,708	11%	10,149	12%	6,629	11%
Tenant not Home	3,508	4%	4,908	6%	4,063	7%

In order to improve these results, the Pest Management Department has been working to make more use of text messaging through its centralized planning unit. However, this effort has illustrated NYCHA's challenges with this mode of contact. Of the text messages sent between January and May 2024, NYCHA reports that approximately 6,000 (28%) were not delivered, presumably because of incorrect phone numbers. Only about 4,000 appointments (22%) were confirmed, cancelled, or rescheduled. For half of all text messages sent, NYCHA received no response; those could have been incorrect phone numbers, or were instances of residents not responding.



Despite these challenges, the Pest Management Department reports that after finalizing its planning unit's protocols for scheduling visits and incorporating text messages to residents, its exterminators have been gaining entry to apartments faster and more frequently, which in turn has led to reduced response times to resident pest complaints.

The Monitors will continue to track NYCHA's various improvement initiatives and evaluate where potentially successful initiatives can be replicated more broadly.

## 5. Potential Paths Forward

Residents have told the Monitors that communications from NYCHA should be clearer and include the ability for the resident to respond, ask questions, receive notice of changes to scheduled appointments, and reschedule appointments with ease. NYCHA agrees that it needs to increase the frequency and modes of contact, improve the quality of the messages, and allow for more back-and-forth communication between NYCHA and residents. NYCHA has also committed to ongoing initiatives to improve the accuracy and availability of its contact information for residents.

The Monitors will continue to work with NYCHA to support its resident communication reforms and measure whether they are yielding results and improving outcomes for residents. Part of this analysis will consider the extent to which communication processes should be consistent across departments. While there are undoubtedly factors that support a specialized approach depending on the repair (for instance, regulatory requirements pertaining to lead remediation, the need for certain departments to control schedules for their staff, etc.), differences in the manner and timing of communications may result in confusion for residents. This will continue to be an area of focus for the Monitors.

### **C. Neighborhood Model Initiatives**

In the Transformation Plan, NYCHA announced an initiative to adopt a new operating structure called the Neighborhood Model, in which all of NYCHA's properties are organized into 29 localized "neighborhoods" of adjacent properties.<sup>238</sup> As described in the Monitors' August 2024 Report, the central goal of the Neighborhood Model is to make operational decision-making less dependent on NYCHA officers sitting at a centralized NYCHA headquarters and bring it closer to the developments themselves. This shift was intended to transform NYCHA's operational structure from being "top-down" to being more directly supportive of local Property Managers at individual developments.<sup>239</sup> The Monitors' August 2024 Report explained that, in order to accomplish this goal, the key property management staff at the developments, such as the property managers, superintendents, Maintenance Workers, and others, must have better and more efficient support, training, and service delivery from NYCHA's central office functions and support services, such as the heating and elevators departments.

As explained in the Monitors' August 2024 Report, NYCHA has significant work left to be done to realize the implementation of the Neighborhood Model. In order to move that work forward, the Monitors hold biweekly Neighborhood Model "Steering Committee" meetings (comprising representatives from the Monitors' staff, NYCHA, and HUD), and weekly Neighborhood Model "Working Group" meetings (comprising a smaller group of the Monitors' staff and NYCHA representatives). Through the work of these groups, the Monitors and NYCHA jointly track improvements across the agency related to the Neighborhood Model, and develop specific



improvement initiatives that are then carried out by members of the Monitor team and NYCHA. The overarching purpose of the Neighborhood Model Steering Committee and Working Group is to bring all relevant stakeholders together to efficiently develop processes that will drive implementation of the Neighborhood Model, and to help individual properties become more responsive to residents' needs. Once those processes have been developed, the Monitors will hand those processes off to NYCHA for ongoing ownership.

Since the Monitors' August 2024 Report, the Monitors and NYCHA have engaged in planning related to several improvement initiatives, defined scopes of work for each, and brought in other NYCHA personnel whose job responsibilities touch on those initiatives. Brief updates on that work are provided below.

### **1. Department Connect: A New and Improved NYCHA Communications Tool**

In the August 2024 Report, the Monitors explained that one widespread problem at NYCHA that disempowers the local properties is that Property Managers often do not know who to call at which headquarters office when certain issues arise with their developments, and therefore they do not have the necessary support to respond to the many various issues that impact residents.<sup>240</sup> While many long-term employees may have existing relationships with the relevant NYCHA departments and thus know who to call for issues on their properties, newer employees and many other property management staff must rely on searching through a large directory, and, unable to find the right employee, may escalate their question to their superiors within NYCHA PMO. For example, a Property Manager may call or email their Deputy Director for a heat outage, instead of the designated Heat Plant Technician ("HPT") for their property.

In response, the NYCHA- and Monitors-led Neighborhood Model team is developing "an improved communication tool for Property Managers, which will be aimed at providing each of NYCHA's developments with a clear and easy-to-use guide connecting them with contacts from each central office and support service function."<sup>241</sup> Thus, the communications tool seeks to provide "an easy-to-use electronic guide that can link every task with the right person or department who can provide assistance."<sup>242</sup>

Over the last several months, the Monitors worked with NYCHA to develop this tool, tentatively named “Department Connect,” and making it searchable by development, department, job function, and more. Rather than having to search through an old and potentially out-of-date directory by department, the property manager, for example, can input a particular topic—like apartment move-outs—and be provided with the right contacts for their particular development. In addition to searching by topic, property management staff can select a NYCHA department, and will be provided with points of contact that are specific to that development. The Monitors have worked with NYCHA to develop a functional prototype of the communication tool, which is being shown to various end users, including NYCHA Property Managers, to solicit feedback on the tool.

By streamlining communications and getting developments the support they need in a timely and efficient manner, this project should allow management staff at the properties more time during the day to perform other tasks tending to their properties. It should also reduce unnecessary escalations up the Property Management chain of command, of the type described above, by helping to ensure that property management staff can locate the right contact in the first instance. Finally, because the creation of this tool has required the relevant NYCHA central office departments to name a regular contact for certain functions for each development, it should strengthen the connection and relationship between NYCHA central offices and developments, consistent with the goals of the Neighborhood Model.

The Monitors have been working to solicit feedback from key stakeholders on this tool by meeting with development staff and showing them a prototype, and their reaction has been positive. The Monitors have also integrated a feedback function directly into the tool whereby users can provide feedback in real time as they use Department Connect. In January 2025, a beta version of the tool will be launched and made available to NYCHA staff. By mid-2025, the Monitor plans to fully hand over the project to NYCHA.

## **2. Increased Handheld Training and Access**

NYCHA employees rely heavily on their handheld devices in performing their work—most commonly, these are smartphones, but they are referred to as “handhelds.” For example, Maintenance Workers and skilled trades workers are assigned work orders through software provided on the handheld (e.g., Maximo), and the handheld

is used to record their progress on those work orders. But currently, NYCHA workers often struggle with navigating the required entries on their work orders, and input incorrect or incomplete data. Among other issues, these data entry problems can make it more difficult to address residents' needs for repairs and the work order backlog.

Many NYCHA employees identify ineffective training as one of the root causes for this issue. Specifically, they have explained that they may receive training on how to use a handheld before actually receiving one. Moreover, although follow-up training is available after they actually receive a handheld, it is poorly attended. The Monitors and NYCHA concur that training employees on handhelds before they receive their devices has led to ineffective training which likely contributes to inconsistency and errors in NYCHA employees' use of handhelds.

Accordingly, in the time since the August 2024 Report, the Neighborhood Model team has developed and launched an initiative to evaluate and improve the process for issuing handhelds. The goal of this initiative will be for NYCHA employees to be provided with the key tools they need, including handhelds, at the time they start work at NYCHA, prior to training on the devices. In furtherance of this project, the Monitors have begun meeting with relevant NYCHA departments regarding the issuance of handhelds, and assessing NYCHA's current obstacles to their timely delivery.

### **3. Improved Customer Service Training**

A consistent complaint from NYCHA residents is that NYCHA employees do not appear to be trained in customer service, i.e., how to properly and professionally interact with residents, including de-escalating conflicts. NYCHA personnel agree and have often requested more training for front-line staff in particular on de-escalation, as such training could reduce safety risks they may face. NYCHA personnel also cite frequent conflicts with coworkers that impede their ability to complete their work. NYCHA has previously offered trainings in this area, and still offers such trainings for a small subset of its employees, but does not deliver courses in customer service or conflict de-escalation to all development staff. In the Transformation Plan, NYCHA committed to providing timely customer service in conjunction with the Neighborhood Model.<sup>243</sup> In other parts of the Transformation Plan, NYCHA committed to a "customer service

mindset” as part of an initiative to standardize service it provides to residents.<sup>244</sup>

Since the August 2024 Report, the Monitor team has been working with key NYCHA departments, including Learning and Development (“L&D”) to investigate which training resources that already exist but which might not be fully deployed which could potentially help NYCHA employees develop their de-escalation and conflict resolution skills. The team assigned to this initiative plans to distribute a survey before the end of the year to identify all relevant training currently being conducted, so that that these courses will be catalogued, tracked, and administered through NYCHA’s Learning Management System. The team will then rely on best practices in these areas in order to support L&D in strengthening these courses, and then ensuring that they are delivered to property management staff on a regular basis.





The following image is drawn from NYCHA’s existing materials on de-escalation and customer service training. The acronym “LARA” represents a key set of principles that would be emphasized to property management staff in these trainings: Listen, Affirm, Respond, Ask/Add. The goal will be to ensure that NYCHA residents feel their concerns are heard, validated, and responded to by NYCHA employees.

# De-escalation

THE USE OF VERBAL COMMUNICATION TECHNIQUES AND BODY LANGUAGE TO PREVENT THE ESCALATION OF CONFLICTS

## Why should we respond to and mitigate – rather than react – to conflicts? How can we do this?

**WHY TRY TO ADDRESS CONFLICTS?**

-  Misunderstandings continue and conflict escalates
-  Problem-solving and work cannot move forward effectively
-  Parties lose focus on objectives, outcomes and impacts
-  Hurts long-term relationships and reputation of individual and team

**LARA: LISTEN, AFFIRM, RESPOND, ASK/ADD**

**LISTEN** actively and empathetically

- Focus on learning what the speaker thinks and feels – not your agenda.
- Consider the speaker's experience, personality and communication style
- Pay attention to the speaker's feelings and what underlies their concerns.

**AFFIRM** a feeling or value you share with the speaker to not only makes the person feel heard and understood, but also builds common ground

- You might need to ask questions to get there.
- Use phrases like: "I sense that you feel...", "I appreciate your honesty", "I also think that ... is important", "We are on the same page that..."

**RESPOND** directly to the concerns or questions the speaker has raised, rather than 'talking past' these to control the conversation / message.

- Avoid labeling or attacking the speaker
- Avoid portraying your perspectives as facts – "I feel", "I think", "I believe"

**ASK questions or ADD information** to show genuine interest and that you would like to move towards common understanding and shared objectives

Although this initiative is primarily focused on conflict resolution and de-escalation, the Monitor team and NYCHA L&D have linked it to the development of improved supervisory trainings as well, because the necessary improvements in properly addressing NYCHA residents and coworkers are similar to those in supervisory courses. These include courses such as Leadership 101, Understanding the NYCHA Disciplinary Process, Admin Procedures of SOCs [Supervisors of Caretakers] and SOGs [Supervisors of Grounds], and Coaching for Development of High-Performance Teams. In addition to the "customer service" needs identified above, the Monitors have identified supervisory training as a necessary improvement for NYCHA to ensure its property management staff are delivering effective services to residents. As with each of these Neighborhood Model initiatives, the Monitors will consider how they can be tied to broader improvements across the agency, such as related training improvements.

#### 4. Vendor Evaluation

The delivery of services to NYCHA residents depends on more than NYCHA employees alone. NYCHA also relies heavily on hiring

vendors to complete a wide variety of tasks, from painting and plastering apartments, to external building repairs, to larger capital projects like replacing boiler systems. To ensure these vendors deliver quality, timely, and efficient service, NYCHA requires an effective system for evaluating their performance, and then tracking and considering those evaluations when deciding between vendors for future projects. However, NYCHA has overlapping systems for vendor evaluation, and although NYCHA's Procurement Department actively manages those systems, they often do not hear from the NYCHA staff who interact with the vendors at the property level, nor does NYCHA currently hear from the resident recipients of those services.

To improve its vendor evaluation processes, in the Transformation Plan, NYCHA committed to attracting "the best vendors for each project,"<sup>245</sup> and to develop "robust processes to ensure vendor integrity and performance" and the implementation of "tools to better track the progression of procurements and contracts."<sup>246</sup> Based on those goals, the Monitors and NYCHA agreed that the Monitors will work with NYCHA's Property Management Operations division and Procurement to improve the vendor evaluation system so that the appropriate employees are notified when they must complete required vendor evaluations, verify that they are completing those evaluations properly, and then improve the process for their evaluations being relied upon later on. The goal of this project will be to enhance vendor oversight, terminate contracts where needed, and inform future contracting. This project furthers the Neighborhood Model because it empowers the local development staff to participate meaningfully in the vendor evaluation process and offer feedback as it specifically relates to their developments.

Since the August 2024 Report, the Monitors developed a plan for executing this initiative and are gathering relevant information and meeting with NYCHA Procurement to move the project forward. NYCHA is also nearly finished with onboarding Neighborhood Contract Managers ("NCMs") in each neighborhood. This newly created position will be responsible for assisting the properties within their neighborhoods with the management of their vendor relationship for micro-purchases. However, NYCHA reports that as the NCM role continues to develop, its scope may expand to other vendor relationships as well.

NYCHA is also moving to incorporate resident feedback on vendors' work into the vendor evaluation process. In the first quarter

of 2025, NYCHA reports that it plans to implement the Post Repair Survey, which will send a robocall to residents when work orders are closed and ask them to rate the quality of the work performed and the professionalism of the worker. This will be for all resident-generated corrective maintenance work orders. For vendors, results will be tied back to NYCHA's internal system for evaluating vendors, which will tie the ratings to the vendor name, thus providing NYCHA with resident feedback on the quality of work performed by vendors in their units.

## **5. Property Based Budgeting**

As identified in the August 2024 Report, a key Transformation Plan initiative, consistent with the Neighborhood Model, is Property Based Budgeting, which is intended to empower Property Managers to have more control over their development's budget, without additional layers of centralized control.<sup>247</sup> As outlined in the Transformation Plan, according to HUD guidelines, the developments should be responsible for their own budgets and have substantial input into NYCHA's five-year agency plan and annual budgetary updates.<sup>248</sup> However, although NYCHA has provided Property Managers with a series of trainings on budgeting and allowed their input in certain respects, including the annual budgeting process, they still do not have control over much of their own budgets, and NYCHA reports concerns over their capability and capacity to engage in independent budgeting.<sup>249</sup>

In the coming months the Monitors, relying on a retained public housing finance consultant, will evaluate NYCHA's progress on Property Based Budgeting in more detail, and determine which areas of the budget could and should be effectively transferred to Property Managers, and where it may be more appropriate for another level of management to retain control, while still furthering the overall goal of effective service delivery to residents. The Monitors will then share these results with NYCHA to consider increasing budgeting authority for Property Managers in certain areas.

The Monitors will also work to improve how Property Managers deal with the sizeable number of "encumbrances" within the developments' budgets, i.e., commitments in their current budgets to spend money for a particular purpose in the future. Currently, NYCHA has a complex process for resolving which encumbrances should be closed, cancelled, or reduced, based on the extent of work performed,



which requires time being spent by NYCHA's Finance and Procurement Department, Planning and Project Management Office within Operations, and the Property Managers. Millions of dollars in encumbrances that could be cancelled still remain open on NYCHA's books. The Monitors will also work with NYCHA in order to streamline this process and ensure their ongoing commitments are accurately understood and managed by the Property Managers.

\* \* \*

The Monitors will continue to work with NYCHA to implement the Neighborhood Model in a more effective manner that will empower the properties to be more responsive to resident concerns.

#### **D. Performance and Accountability**

NYCHA residents' daily lives are greatly impacted by the quality of work done by NYCHA employees. Often, residents report that this level of work is subpar, which has been validated by the Monitor team's observations as well as NYCHA's own inspections and quality assurance checks. To meet the HUD Agreement requirements in the specific areas discussed earlier in this report, to realize numerous plans set forth in the Transformation Plan, and to enhance residents' living experiences, NYCHA must be confident that its employees are performing at a high level, be able to correct issues that arise in performance, and hold accountable those employees whose performance is below the required standard. For these reasons, as noted in the Monitors' August 2024 Report, performance and accountability are of paramount importance and will be a focus of the Monitors' work going forward.<sup>250</sup>

Since the August 2024 Report, the Monitors have been working with NYCHA on several projects that are designed to improve NYCHA's performance and accountability, including, among other things, implementing annual employee performance evaluations, deployment of stronger benchmarks and Key Performance Indicators ("KPIs"), and improved real-time data collection regarding NYCHA's on-the-ground performance. These efforts are all intended to enable greater insights and analysis that can improve employee performance.



## **1. Managerial Performance Reviews**

In the Transformation Plan, NYCHA committed to launching a performance evaluation process for its managerial employees, which it stated would be designed to “hold management accountable to implementing the changes that serve as the foundation for transformation.” In the August 2024 Report, the Monitors noted that they would assess NYCHA’s plans for managerial performance reviews, although the materials for those reviews had not yet been released to the Monitors. Since that report, NYCHA has provided those materials to the Monitors, and has moved towards its early 2025 launch of its first annual performance evaluations. Accordingly, this section provides an initial assessment of those plans.

NYCHA’s managerial performance evaluations are limited to its “managerial” staff force and will apply to performance over the course of 2024. These “managerial” positions are those within NYCHA not subject to collective bargaining agreements, and represent about 5% of NYCHA’s total workforce. They include positions such as Neighborhood Administrators, Administrative Housing Superintendents, and NYCHA’s central office executives, among others.

NYCHA’s implementation of a managerial performance evaluation system represents a step forward in holding its workforce accountable. Establishing ongoing employee feedback and overall performance management is a best practice for any organization, including housing authorities. Numerous large public housing authorities take part in this important exercise, including those in Philadelphia, Baltimore, Charlotte, and King County, Washington. The impact of formal evaluation of employees and feedback on organizational performance is evident in many ways. When employees clearly understand their roles and are evaluated based on well-defined standards, they are more likely to take ownership over their job responsibilities. Elevated employee performance ensures that tasks and job responsibilities are completed efficiently and to a high standard. Accountability builds trust within teams and with management, as each person knows they can rely on others to meet their commitments. The results include better use of resources, more output, and improved service delivery for residents.

A well-functioning performance evaluation system can lead to benefits not just for residents, but for the employees as well. Many NYCHA employees have reported that they want recognition for good performance, feedback on how to perform better, and for the bar to be raised for lower performing employees.

**a. NYCHA's Process for Performance Evaluations**

NYCHA's performance evaluation process will apply to just over 500 employees within NYCHA, including a variety of administrative positions such as administrative housing superintendents, administrative housing managers, and administrative inspectors; key neighborhood roles such as neighborhood administrators; NYCHA's strategic planning roles, such as individuals within S&I; and executive positions such as the VP of Property Management Operations.

The process is straightforward and consistent with other public housing authorities. NYCHA has developed a form that will be contained initially within its online learning and development system, Cornerstone, with general instructions on how to complete that form. The evaluation form has two sections: "Competencies" and "Goal Planning for Areas of Development and Growth." Competencies contains a set of metrics on which the employees are graded, including areas such as "Analysis/Analytical Thinking," "Supervising/Monitoring," "Management of Resources/Budgeting," "Teamwork," and "Job Knowledge." Each of the nine competencies has a potential rating on the following 1-5 scale:

1-Below expectations
2-Needs improvement
3-Meets expectations
4-Exceeds expectations
5-Exceptional performance

The "Goal Planning" section incorporates the SMART methodology to establish goals that is noted in the HUD Performance Management Plan - Policy and Procedures Handbook. SMART performance standards are Specific, Measurable, Attainable,

Relevant and Time-bound, which refers to the standards by which the employee should set goals for the coming year.

The evaluation process consists of an employee self-evaluation and a supervisor evaluation. Both the self and supervisor evaluations use the same type of form. Once self-evaluations are completed, notifications are sent to the employee's supervisor to review and use for completion of their supervisory evaluation of the employee. Upon completion of the evaluations by both parties, the supervisor and employee will meet one-on-one to review and discuss. The employee will sign off on the evaluation to indicate it was completed and received.

NYCHA reports that it plans to begin evaluations in Q1 of 2025, evaluating each applicable employee's performance for 2024. NYCHA reports that it has established the process for doing so, including setting a timeline for training employees on the evaluation tool, deploying the tool, developing a user guide for employee self-evaluation and supervisor evaluations, and drafting a communication to send to employees in January 2025 regarding the kick-off of the evaluations. The Monitors are still in the process of verifying these representations and evaluating NYCHA's plan and process for completion.

## **b. Potential Issues and Improvements**

Overall, the materials and procedure reviewed by the Monitors suggest a reasonably effective and well-designed evaluation process. However, the Monitors have some suggestions for how it could be improved.

First, NYCHA does not provide formal job descriptions for many of its managerial positions (or, indeed, for many other non-managerial jobs across the agency). Thus, when NYCHA managerial employees get to their evaluation process, they are graded on certain skills and expectations that have not been formally laid out for them. NYCHA should ensure that employees are aware of their formally defined job responsibilities and core competencies from day one on the job. This will help improve employee accountability from the start.

Second, NYCHA could make these evaluations more useful as both an accountability mechanism and a career-development tool. For instance, the SMART standard is currently used by NYCHA only

for employee goal-setting—which is not subject to evaluation. To create a more meaningful evaluation process, NYCHA employees could tie the SMART standard to organizational and departmental goals, and then build those goals and planning into the evaluation process. For example, a hypothetical organizational goal could be “Incorporate More Resident Feedback into Planning,” with a corresponding departmental goal being “Solicit Resident Feedback on X Topic by Q2.” Then, an employee filling out the evaluation process could use the SMART standard to describe a plan, specific to his or her title, for how he or she will assist his or her department in achieving that goal for the year. Incorporating employees’ goals into the evaluation and using the SMART standard to evaluate all competencies would thus create a more meaningful evaluation process for the employee and for NYCHA.

Additionally, it is not yet clear what consequences evaluations will carry, whether positive or negative. It would be useful for NYCHA to formalize this aspect of the process, for instance by discussing more career pathways with high-performing employees and using evaluations to begin consideration of removing or providing remedial training to low-performing ones. Building more depth into the evaluation process will be necessary to ensure accountability and performance improvements.

Third, there are minor but meaningful improvements that can be made to the rating scale. As described above, the evaluation tool features nine competencies on a 1-5 scale. There are two categories for performance above expectations: “Exceeds Performance” and “Exceptional Performance” (the highest rating). Other housing authorities that have similar rating scales have found this to be problematic because it is difficult to objectively define criteria that distinguish these ratings. The Monitors’ public housing HR consultants have observed that housing authorities that incorporate a five-point scale rather than a four-point scale often struggle with the subjectivity inherent in distinguishing “Exceeds” from “Exceptional,” which may lead to more of the evaluators’ biases to infiltrate the evaluations. Below is an example of a rating scale that is more in line with what the Monitors’ HR consultants view as best practices.

Rating	Definition
Too New to Rate	Employee has not been in the position long enough to rate performance (typically less than 2 months).
N/A	Competency does not apply to employee's responsibilities.
1-Below expectations	Does not meet expected levels of performance; requires substantial improvement and corrective action.
2-Needs improvement	Sometimes meets expected levels of performance; requires improvement.
3-Meets expectations	Consistently meets expected levels of performance.
4-Exceptional performance	Consistently exceeds expected levels of performance.

Finally, the Monitors have some concern regarding the timing of the rollout of the performance-evaluation system. NYCHA HR has informed the Monitors that performance evaluations will be processed through their learning-and-development software, Cornerstone. However, as of October 31, 2024, the evaluation tool had not been fully implemented in Cornerstone. Thus, neither NYCHA nor the Monitors have had an opportunity to test the tool to determine how it will function.

Generally, a rollout of this type of tool should go through a testing process, with additional time budgeted for adjustments to the product. Since the project plan states December as the month to introduce the tool to management, there will be a very short window of time for testing and update.

The Monitors will continue to observe the rollout of performance evaluations for NYCHA's managerial employees in early 2025. But most importantly, to realize the benefits of this process across the entire organization—NYCHA must implement performance evaluations for non-managerial employees as well. Non-managerial performance reviews are a necessary tool that NYCHA must have to continue to transform into an organization capable of serving residents at a high level and to uphold its obligations under the Agreement. The Monitors will work with NYCHA in learning lessons

from the managerial performance evaluations with an eye toward moving forward with NYCHA-wide evaluations in the future.

## **2. Benchmarks and Key Performance Indicators**

Beyond evaluating its employees' performance on an annual basis, NYCHA must continuously evaluate how effectively it is delivering services to residents. Thus, in the Transformation Plan, NYCHA committed to using "Key Performance Indicators" (KPIs) to track performance of individual developments more objectively. To that end, staff in NYCHA's Performance Management and Analytics ("PMA") Division is working on developing a scorecard that aims to give each borough and individual development a method for tracking performance on a variety of metrics in one place.<sup>251</sup> Since the August 2024 Report, PMA released a preliminary draft version and made it available to key property management staff, including Property Managers and Property Maintenance Supervisors. The scorecard draft includes KPIs in the following five categories:

1. Revenue & Annual Reviews;
2. Work Order Metrics;
3. Apartment Indicators;
4. Physical Indicators; and
5. HUD Agreement Metric Targets Met.

The KPIs in each category contribute to a category score, and the five category scores feed into a consolidation score, which will effectively enable NYCHA to compare performance across its entire portfolio of developments and pinpoint the factors that underlie divergent scores in the future.

The Monitors' initial assessment is that the draft of the scorecard is well designed and can serve as an effective tool that Property Managers, Neighborhood Administrators, and Property Maintenance Supervisors can rely on in the future, to evaluate how their developments are performing.

The scorecard is a positive step towards allowing Property Managers to assess their own properties, but there are a number of

improvements to the draft scorecard that would further assist NYCHA property-management staff. These include (1) expanding the KPIs used in the scorecard to capture more of the factors that go into HUD's physical inspections and NSPIRE scores, and (2) enabling more immediate access to the data underlying those grades, so that property management staff have real-time data that they can act on in order to improve performance. PMA has signaled that it is open to these changes and has been working cooperatively with the Monitor team to implement them. The Monitors will continue to evaluate and support NYCHA's efforts to improve the draft scorecard.

Separately, to better assess NYCHA's performance on its Transformation Plan initiatives, which are not tied to specific metrics in the same way as the property-management areas of the monitorship, the Monitors have been encouraging NYCHA to better deploy KPIs to measure the impact of its organizational change efforts.<sup>252</sup> NYCHA's Transformation Plan Project Management Office ("PMO") has agreed to begin developing KPIs for the Transformation Plan initiatives that it tracks, in coordination with the NYCHA departments responsible for those initiatives. For example, one milestone that NYCHA committed to relates to its Procurement department: "Develop a forecasting framework for Operations to confirm/identify new line items and gaps in order to make informed procurement decisions and address development needs."<sup>253</sup> In other words, NYCHA committed to improve its forecasting process for what kinds of supplies and vendors its developments will need in the future, so that those needs can be addressed quickly and effectively. Possible KPIs that could be used to assess whether that forecasting framework is achieving that goal may include the time it takes for developments to secure vendors, the extent of sourcing gaps that developments still face, and whether the developments are meeting their needs through micro-purchases or larger "blanket" contracts.

The Monitors are working closely with NYCHA to evaluate which metrics would be most helpful in evaluating the impact of the Transformation Plan initiatives and will return to this topic in a future report.

### **3. Quality Assurance Dashboard**

Another key accountability mechanism for NYCHA is the regular review and inspection of the quality of repair and

maintenance work being performed at NYCHA properties, which, as discussed in **Section I.6(A)(1)** above, falls under the purview of the **Quality Assurance ("QA") Unit**, one of the three units NYCHA was required to establish or revamp under the HUD Agreement to oversee and improve the work being performed at developments (the others being the Compliance and Environmental Health and Safety ("EH&S") Departments).<sup>254</sup>

The Monitors' August 2024 Report noted that the Monitor team had been working with NYCHA to create and implement improved data dashboards—screens that QA employees can easily call up that reveal helpful, well-organized data such as the frequency of 'unsatisfactory' repairs in specific developments (in-unit repairs not completed in conformance with applicable standards), and details surrounding those repairs.<sup>255</sup> Those dashboards, collectively referred to here as the QA Dashboard, are now complete and available for use by NYCHA. This section describes in more detail how the QA Dashboard can and should be used by QA to further the important goals of improving accountability and performance for repair work done on NYCHA properties.

#### **a. QA Unit Background**

One of the QA Unit's principal functions is to ensure that repair work completed at developments meets applicable standards. The QA Unit has 12 inspectors that visit every NYCHA development at least once annually and select work orders at random to verify that they were completed properly. This includes common maintenance work-orders, such as clogged sinks and broken or malfunctioning lobby doors, as well as skilled trades work, such as cabinet installation, which require more specialized expertise. The QA inspectors knock on residents' doors and ask to come into the unit to verify that work has been completed properly. If inspectors determine that the work has not been completed, or that it was not completed to the applicable standard, they will grade the work as 'unsatisfactory,' and write a brief explanation. NYCHA's Maximo system will then automatically create a new work order to have the repair redone.<sup>256</sup>

The QA Unit conducts more than 9,000 QA inspections annually. This is an important check on NYCHA's workers, verifying that work is completed properly. However, NYCHA's scale is immense. Of the more than 1.5 million corrective maintenance work orders NYCHA closes annually, the QA department only has resources to



check approximately 0.6% of them. Because QA's method for selecting work orders to inspect is completely random, the most common types of work orders, such as clogged toilets or broken lights, are the ones most likely to be selected. This means that other types of work orders that occur less frequently, but are still of importance to residents and relevant to the HUD Agreement—such as extermination or plumbing work orders—will often go unchecked. While it is logical to have the selection of QA work orders be proportionate to the number of work orders with specific characteristics, when the QA Unit is sampling a small percentage of work orders, it can be most effective by focusing more on work orders that present greater risk. These risks might be practical (such as the potential impact to residents of unsatisfactory work on a particular type of work order) or legal (like the risk of non-compliance with lead-abatement regulations inherent in lead-related work orders). A risk-based approach to sampling would allow the QA Unit to better utilize its resources and to ensure it is selecting enough of a sample of different types of work orders to be statistically significant.

#### **b. The Creation of the QA Dashboard**

Recognizing this need, over the past year NYCHA and the Monitors have been working on the Risk Based Sampling Project, which is focused on moving QA away from randomly selecting work orders and instead assigning some QA work orders based on risk. Determining which work orders carry the most risk can be established by reviewing agreement metrics, compliance and operations priorities, and analyzing the results of QA work orders to identify areas of low performance and target more inspections in those areas. In order to improve those processes, the Monitors have been working with the QA Unit to create a dashboard that will automate much of that analysis, such as showing which developments may require more inspections.

In November 2023, the First Monitor began working with the QA Unit to create a dashboard of corrective maintenance QA results. QA leadership had a preexisting dashboard at the time, but it was not robust enough in its capabilities to help the QA team perform the type of analysis that would be needed to identify meaningful trends within the data. Once the current Monitors began their term, they continued the work of the First Monitor. Throughout this past summer a working group of leadership from the QA Unit, the office of the Senior Vice President for Quality Assurance, Safety and Technical

Programs, NYCHA's IT department, and the Monitors met biweekly to share updates to the dashboard, troubleshoot technical issues, and hear feedback from the QA Unit about what features would be most useful and how they should be built. The creation of the final dashboard, which was completed in September, was a collaborative process crossing departments and tailored to include the information, organization, and metrics that QA inspectors and other key NYCHA stakeholders, such as Operations employees, most need to do their work effectively. Now that the QA Dashboard has been created, the Monitors will continue to work to verify that NYCHA is using it to improve the quality of corrective maintenance work completed at developments.

### **c. NYCHA's Use of the QA Dashboard**

The QA Dashboard has several tabs focusing on different data points and allows users to view summary data on QA's work and also drill down to very specific characteristics of work orders and inspections in order to observe trends, identify areas in need of improvement, or identify underperforming departments and workers.

The QA dashboard has been shared with staff in NYCHA's QA and Operations departments, and work-order data is updated on a daily basis. The Monitor team is currently developing a training for NYCHA on the QA dashboard so that staff are comfortable using its features and can most fully take advantage of its capabilities.

As discussed above, one of those features is a depiction and analysis of the work orders that have been deemed "Unsatisfactory." That portion of the dashboard allows NYCHA to sort work orders by failure code, worker, development, craft, and other characteristics. It also allows the user to click through to the underlying work orders, so that they can examine what was found to be unsatisfactory.

The QA Dashboard also allows the user to sort by development, so that the QA inspections for work orders for that development can be examined. This Development Report allows for a more localized analysis to determine if there are certain types of issues with repairs that are more frequently occurring at a particular property, and to allow the personnel at that property to take ownership over those issues, with guidance from the QA Unit and others.

As another example, the QA Dashboard user can sort by a particular craft—for example, electricians—to view only the QA inspections relating to the work done by that type of workers, i.e. providing a “Craft Report.” The “Craft Report” can be used to give skilled trades supervisors—the direct supervisors of particular crafts, like electricians—information about their employees’ performance and areas where staff may need further training. The report will show the results of all QA inspections in a specific craft, or skilled trade, by geography over a specified time period. This report can be used to help with NYCHA’s ongoing work to analyze skilled trades productivity.

After the dashboard was completed, the Monitor team met with leadership in the QA Unit as well as Property Management Operations to discuss how it would be used. The QA Unit reported that it would use the Dashboard to expand its current targeting of certain developments, currently based on reviews and suggestions from the Compliance department, to include more work orders in areas where the dashboard indicates low performance. These areas could be specific developments, neighborhoods, trades, failure codes, or workers. For example, if a Compliance Department review observed certain issues with a development, such as with plumbing repairs, the QA Unit can use the Dashboard to survey what inspections have been done in that development and increase inspections of plumbing repairs as needed.

This analysis will be able to inform future training needs, mentoring, and discipline by highlighting the specific areas where NYCHA most needs to improve. The relevant NYCHA departments should incorporate these results, among other data, into their planned improvements. For example, NYCHA L&D can incorporate specific inspection data that shows recurring types of failed repair work into its training improvements. QA will be sharing their progress on implementing risk-based sampling and their findings in their analysis through their quarterly departmental reports. Additionally, Property Management Operations (PMO) has access to the dashboard, and the Vice President of PMO reported that he will use it in regular meetings with property management staff to help them identify areas in need of improvement.

#### **d. Further Enhancements of the QA Dashboard**

In addition to NYCHA's currently planned uses described above, there are additional uses for the QA Dashboard that could help improve NYCHA's performance and delivery of services to residents. To do so, there are two necessary improvements:

1. Ensure that the QA Inspectors are providing sufficient data regarding their "Unsatisfactory" ratings: In order for an Unsatisfactory rating to be meaningful and actionable, the QA Inspectors must provide sufficient detail about what made the work done—or not done—on a particular work order Unsatisfactory. The Monitor team has observed that QA Inspectors will sometimes include insufficient detail, or will leave notes that are unclear.
2. Expand the pool of inspection data: As noted above, the QA Unit has a team of only 12 inspectors. While these 12 inspectors do important work, and complete over 9,000 QA inspections a year, that constitutes less than 1% of all of NYCHA's work orders. By contrast, supervisory personnel who work regularly at each NYCHA development, including superintendents and skilled trades supervisors, are supposed to conduct regular inspections of work orders completed by the Maintenance Workers and skilled trades workers. Expanding the QA Dashboard to cover the data from these inspections—or creating a new dashboard for those inspections, as NYCHA recommends—would greatly expand the data that NYCHA can use to assess the work being done at its properties. However, as discussed in **Section I.6(E)(3)**, there are currently obstacles to this goal, including that supervisors do not perform supervisory inspections at the rate they are expected to, and when they do, they often do not fully record the results in Maximo, the work order database. NYCHA has reported that it is increasing its focus on the proper completion of supervisory inspections.

As NYCHA continues to adopt and implement the QA Dashboard, the Monitor team will work with NYCHA to promote the expansion of its use for the following purposes:

**Training.** Property Management Operations can examine which failure codes have higher unsatisfactory rates and prioritize developing training materials to be used in its planned muster overhaul program for Maintenance Workers. The current caretaker muster overhaul initiative incorporates short trainings during morning staff meetings and this dashboard is a potentially effective way for PMO to see where its Maintenance Workers need more training.

**Broader Information and Accountability.** The above-depicted Development and Craft Reports should be shared with supervisors at all levels in order to highlight unsatisfactory performance results at different developments, and under certain supervisors, so that unsatisfactory performance can be targeted for improvement. The QA data can also potentially be used by supervisors to help them target their own quality assurance checks on their direct reports. Because the dashboard provides information on specific workers and by type of work order, supervisors may gain insights into their employees' performance and they can use these results to train, mentor, and, if needed, discipline their employees. Previously, the only time operations staff had insight into QA results at their development was if a maintenance worker had a large number of unsatisfactory work orders in a month. However, this information sharing was not done for workers in other trades, for performance over time, or for any other characteristics. Now, supervisors will potentially have more information about their employees' performance, and unit heads may have more information about the kinds of work orders that are either not being repaired properly, or that quickly require re-repair.

**Support Services Performance.** The Monitors are also using the dashboard to gain insight into how different areas within NYCHA Support Services, such as Pest Management, are executing their work. The Monitors will continue to explore ways in which the dashboard may improve their oversight of departments tasked with making improvements related to other commitments in the HUD Agreement, including with respect to heating and lead.

The Monitors will continue to work with NYCHA on these potential improvements and other uses of the QA Dashboard to improve NYCHA performance.

## **E. Human Capital Management System**

The Transformation Plan commits NYCHA to implement a new operating system that would consolidate a wide variety of HR functions and data into one so-called Human Capital Management System ("HCMS"), as described in more detail below.<sup>257</sup> In the August 2024 Report, the Monitors noted that NYCHA IT was working on this system upgrade.<sup>258</sup> Since the August 2024 Report, NYCHA IT and HR have worked to move this upgrade forward, and the Monitors have conducted a more detailed assessment of their progress. This section provides background on that project, an update on its progress, and potential takeaways for NYCHA HR and IT going forward.

### **1. Background**

Currently, NYCHA HR relies on several different systems that are not integrated. This leads to inefficiencies and inaccurate data because systems are updated manually and at different times. The primary disconnect exists between HR's own internal database and Hyperion, the system used by NYCHA's Finance department to track and manage budgeted positions. Additionally, among various other systems, NYCHA relies on the "Kronos" system for its timekeeping records, the "Cornerstone" system for training and development programming, the "Lenel Badging System" for creating and updating employee badges, and various databases as its data repository, including its HR Database, the Department of Citywide Administrative Services database, and the New York City Automated Personnel System. Reporting and data analysis is adversely affected by this lack of integration.

In January 2023, NYCHA executed an agreement with Guidehouse, an outside consulting firm, to implement Workday HCM, a cloud-based system that describes itself as the "only global enterprise application that unifies human resources, benefits, talent management, payroll, time and attendance as well as recruitment." NYCHA described the goal of the HCMS as allowing the "agency to make better real-time personnel decisions and reduce employee frustration with internal processes that can be slow."<sup>259</sup>

### **2. Plan and Process for Completion**

As noted, NYCHA engaged Guidehouse, a consulting firm, to lead the design and implementation of Workday HCM. Implementing

the HCMS at NYCHA is extremely complex, as it involves the integration of multiple systems and diverse business processes. In addition, while moving forward on this project, HR still needs to perform its day-to-day responsibilities.

NYCHA IT and HR intend to implement the HCMS through at least two phases. Phase I is the “Soft Roll Out” and is limited to the HR department. Phase II will involve adoption by the rest of NYCHA. Both phases have gone through considerable delays. In the Phase II Implementation Plan, released in February 2023, NYCHA “anticipated that the HCM System will be fully implemented and live during Q1 2024.” Currently, after several push-backs of key dates, NYCHA reports that it anticipates the Phase 1 “Soft Roll Out” will begin in Q1 of 2025, followed by the Phase II full agency-wide implementation. NYCHA has not yet provided an estimated rollout date for the Phase II implementation.

### **3. Key Goals for HCMS and NYCHA HR**

The Monitor team expects that having a robust, planned, and integrated HCMS will allow NYCHA to work towards the following goals:

- *Improved employee communications:* NYCHA employees will be able to access the HCMS while at a computer in the office or working remotely and with the Workday mobile app, access will also be available on their mobile device.
- *Improve onboarding of new employees:* Newly hired employees should be able to go through a consolidated HR workflow of essential components, so items like signing up for benefits are made easier.
- *Enhanced efficiencies:* The connection of various systems and the reduction of manual processes should occur with system implementation. NYCHA should eventually see an HR department that is more streamlined, relies less on paper, and has fewer different systems to use and maintain.
- *Faster processing times NYCHA-wide:* Employees will witness improved timeframes for requests. For example, managers should see a faster turnaround in recruitment and hiring times.

- *Enhanced Reporting:* The HCMS will enable HR to provide more comprehensive reports on core HR KPIs.
- *Performance Evaluations:* Finally, HR should be able to fully integrate its employee performance evaluation system into the HCMS, where a manager can quickly review the current and historical information of an employee. NYCHA reports that while its current managerial performance evaluation system is located in its “Cornerstone” system, it expects to transition that system to the HCMS. With the HCMS fully developed, NYCHA will also be able to integrate a broader non-managerial performance evaluation system into the HCMS once it is developed.

Given that the HCMS has not yet begun its rollout, the Monitors cannot yet determine if these benefits will be realized. The Monitors will continue to track and report on the HCMS implementation and rollout.

#### **4. Lessons Learned for NYCHA IT**

While the HCMS overhaul most directly affects NYCHA HR, among its departments, the project has also been guided and supported by NYCHA IT, since it is a change to NYCHA’s systems. Thus, NYCHA should consider takeaways for its IT Department from its experience to date with the design and implementation of HCMS, particularly as those takeaways might apply to other essential system overhauls and IT projects on the horizon.

As previously mentioned, the design and implementation of the HCMS is highly complex. But this is true for many other NYCHA IT projects. For example, another critical Transformation Plan initiative is NYCHA’s Resident Case Management System (“RCMS”) overhaul.<sup>260</sup> The RCMS implementation will replace fifteen legacy applications that handle at least twelve key processes, including managing tenant data, resident communications, rent collection, and many other critical areas of resident service delivery. Effective partnership and collaboration will be essential for this project because it will require coordination with no less than nine different departments, and is already experiencing delays. It is thus essential that NYCHA IT continuously improve its performance of complex projects.



The Monitors have experienced IT consultants on their team and are working to develop recommendations to NYCHA IT in order to improve performance on these projects, which can be delivered to NYCHA and reported on in a future report. The Monitors will continue to work with NYCHA IT to evaluate where improvements can be made in order to increase efficiencies on crucial projects.







## ENDNOTES FOR SECTION I: PROPERTY MANAGEMENT

<sup>1</sup> Agreement between the U.S. Department of Housing and Urban Development (“HUD”), the New York City Housing Authority (“NYCHA”), and New York City (“the City”) Ex. B ¶¶ 2(a)-(b), 3-5, 6-7, 9(a), 9(c), 10(a)-(b), 13(a)-(c), 14(c), Jan. 31, 2019 (hereinafter the “HUD Agreement” or “Agreement”).

<sup>2</sup> This number represents the number of heating outages that affect multiple apartments and does not include heating failures affecting only individual apartments.

<sup>3</sup> Monitors’ Report, Aug. 21, 2024, at 53.

<sup>4</sup> Agreement, Ex. B ¶ 14(c).

<sup>5</sup> Monitors’ Report, Aug. 21, 2024, at 54.

<sup>6</sup> Agreement, Ex. B ¶¶ 9(a)-(b), 10(a).

<sup>7</sup> Monitors’ Report, Aug. 21, 2024, at 52.

<sup>8</sup> Although the average duration of outages has increased since 2023, this is because NYCHA has had only four outages this year, two of which lasted over twelve hours. In contrast, in October 2023, there were no outages of this duration.

<sup>9</sup> According to NYCHA, these open work orders did not impede NYCHA’s ability to provide heat to its residents.

<sup>10</sup> Monitors’ Report, Aug. 21, 2024, at 55.

<sup>11</sup> Agreement, Ex. B ¶¶ 9(c), 10(b).

<sup>12</sup> *Id.* ¶ 9(c).

<sup>13</sup> Monitors’ Report, Aug. 21, 2024, at 59.

<sup>14</sup> *Id.*

<sup>15</sup> As of the date of this report, HMSD has yet to implement 219 recommendations from prior heating seasons.

<sup>16</sup> Agreement, Ex. B ¶ 2(a).

<sup>17</sup> *Id.*

<sup>18</sup> *Id.* ¶ 2(b).

<sup>19</sup> Monitors’ Report, Aug. 21, 2024, at 64.

<sup>20</sup> Agreement, Ex. B ¶ 7.

<sup>21</sup> *Id.*

<sup>22</sup> Monitors’ Report, Aug. 21, 2024, at 62.

<sup>23</sup> Agreement, Ex. B ¶ 7.

<sup>24</sup> *Id.* ¶¶ 4-6.

<sup>25</sup> NYCHA, Heating Action Plan, Dec. 4, 2019, at 22.

<sup>26</sup> Monitors’ Report, Aug. 21, 2024, at 63; Agreement, Ex. B ¶¶ 4-5.

<sup>27</sup> Monitors’ Report, Aug. 21, 2024, at 63-64.

<sup>28</sup> Agreement, Ex. B ¶¶ 24(a), 27, 28, 29(a)(i), 29(a)(ii).

<sup>29</sup> *Id.* ¶¶ 24(b), 28, 29(b)(iii), 29(b)(iv).

<sup>30</sup> *Id.* ¶¶ 32, 33.

<sup>31</sup> *Id.* ¶ 34(b).

<sup>32</sup> *Id.* ¶ 31.

<sup>33</sup> *Id.* ¶ 34(a).

<sup>34</sup> *Id.* ¶ 34(b).

<sup>35</sup> *Id.*

<sup>36</sup> Monitors’ Report, Aug. 21, 2024, at 74-75.

<sup>37</sup> Agreement, Ex. B ¶ 34(b); Monitors’ Report, Aug. 21, 2024, at 75.

<sup>38</sup> Given prior challenges and delays with the installation of new elevators, the First Monitor, HUD, and SDNY set an interim target of installing 80 elevators in 2024. NYCHA already has

surpassed this interim goal in 2024, but as noted, will not meet the target set in the HUD Agreement.

<sup>39</sup> Agreement, Ex. B ¶ 34(b).

<sup>40</sup> Monitors' Report, Aug. 21, 2024, at 75.

<sup>41</sup> While NYCHA logs preventive maintenance and planned outages separately, both require NYCHA to take the elevator offline, making it unavailable for use by residents.

<sup>42</sup> Agreement, Ex. B ¶¶ 23(a), 24(a).

<sup>43</sup> Monitors' Report, Aug. 21, 2024, at 79.

<sup>44</sup> On this obligation, NYCHA starts at 100% at the beginning of the year because none of its elevators have broken down causing no-service conditions yet. As the year progresses and more elevators break down and cause no-service conditions, the percentage gradually decreases. Therefore, NYCHA's performance for the full year is typically lower than the percentages for earlier periods because the total number of no-service conditions increases over time.

<sup>45</sup> Agreement, Ex. B ¶ 24(a).

<sup>46</sup> Monitors' Report, Aug. 21, 2024, at 78.

<sup>47</sup> Agreement, Ex. B ¶ 28.

<sup>48</sup> Monitors' Report, Aug. 21, 2024, at 80-81.

<sup>49</sup> Agreement, Ex. B ¶ 29(a)(i)-(ii).

<sup>50</sup> *Id.* ¶ 29(a)(i).

<sup>51</sup> Monitors' Report, Aug. 21, 2024, at 81.

<sup>52</sup> Agreement, Ex. B ¶ 29(a)(ii).

<sup>53</sup> Monitors' Report, Aug. 21, 2024, at 82.

<sup>54</sup> *Id.*

<sup>55</sup> *Id.* at 76.

<sup>56</sup> Agreement, Ex. B ¶ 27; Monitors' Report, Aug. 21, 2024, at n.246.

<sup>57</sup> Monitors' Report, Aug. 21, 2024, at 83.

<sup>58</sup> *Id.* at 91.

<sup>59</sup> Agreement, Ex. B ¶¶ 23(b), 24(b).

<sup>60</sup> *Id.* ¶ 24(b).

<sup>61</sup> Monitors' Report, Aug. 21, 2024, at 84.

<sup>62</sup> Agreement, Ex. B ¶ 24(b).

<sup>63</sup> Monitors' Report, Aug. 21, 2024, at 82.

<sup>64</sup> Agreement, Ex. B ¶¶ 28, 29(b)(iii), 29(b)(iv).

<sup>65</sup> *Id.* ¶ 28.

<sup>66</sup> Monitors' Report, Aug. 21, 2024, at 87-88.

<sup>67</sup> Agreement, Ex. B ¶ 29(b)(iii).

<sup>68</sup> Monitors' Report, Aug. 21, 2024, at 88.

<sup>69</sup> Agreement, Ex. B ¶ 29(b)(iv).

<sup>70</sup> Monitors' Report, Aug. 21, 2024, at 89.

<sup>71</sup> *Id.*

<sup>72</sup> Agreement, Ex. B ¶ 31.

<sup>73</sup> Monitors' Report, Aug. 21, 2024, at 92.

<sup>74</sup> Agreement, Ex. B ¶ 46.

<sup>75</sup> *Id.* ¶¶ 38-39.

<sup>76</sup> *Id.* B ¶¶ 41, 43-44.

<sup>77</sup> *Id.* B ¶¶ 35-37.

<sup>78</sup> *Id.* B ¶¶ 45-46.

<sup>79</sup> Monitors' Report, Aug. 21, 2024, at 105.

<sup>80</sup> Agreement, Ex. B ¶¶ 35-37.

<sup>81</sup> *Id.* ¶ 46. The bulk crushers compact waste, allowing more waste to be safely stored at developments before it is transported to waste management facilities. Monitors' Report, Aug. 21, 2024, at 104.

<sup>82</sup> Agreement, Ex. B ¶ 46.

<sup>83</sup> Monitors' Report, Aug. 21, 2024, at 103.

<sup>84</sup> Agreement, Ex. B ¶ 46.

<sup>85</sup> *Id.* ¶¶ 38-39; As discussed in the Monitors' August 2024 Report, the Monitors and other parties agreed that, under the best reading of the HUD Agreement, the response-time requirements apply only to resident pest complaints in apartments (rather than in both apartment and common areas). Monitors' Report, Aug. 21, 2024, at 104.

<sup>86</sup> Agreement, Ex. B ¶ 39(a).

<sup>87</sup> Monitors' Report, Aug. 21, 2024, at 105.

<sup>88</sup> *Id.*.

<sup>89</sup> Agreement, Ex. B ¶ 39(b).

<sup>90</sup> Monitors' Report, Aug. 21, 2024, at 106-07.

<sup>91</sup> *Id.* at 107.

<sup>92</sup> Agreement, Ex. B ¶ 38(d).

<sup>93</sup> Monitors' Report, Aug. 21, 2024, at 108.

<sup>94</sup> *Id.*

<sup>95</sup> *Id.*

<sup>96</sup> Agreement, Ex. B, ¶¶ 42-44.

<sup>97</sup> *Id.*

<sup>98</sup> Monitors' Report, Aug. 21, 2024, at 111-12.

<sup>99</sup> Agreement, Ex. B ¶ 38(c).

<sup>100</sup> Monitors' Report, Aug. 21, 2024, at 113.

<sup>101</sup> *Id.*

<sup>102</sup> In quarter three of Year 6, Dr. Cooper shadowed approximately six Pest Management staff members. From quarter one to quarter three, Dr. Cooper shadowed approximately eleven Pest Management staff members.

<sup>103</sup> Agreement, Ex. B, ¶¶ 43-44.

<sup>104</sup> Monitors' Report, Aug. 21, 2024, at 111-12.

<sup>105</sup> *Id.*

<sup>106</sup> *About Integrated Pest Management*, Dep't of Housing & Urban Dev., [https://www.hud.gov/program\\_offices/healthy\\_homes/healthyhomes/ipm](https://www.hud.gov/program_offices/healthy_homes/healthyhomes/ipm) (last visited Dec. 13, 2024).

<sup>107</sup> Monitors' Report, Aug. 21, 2024, at 109-10.

<sup>108</sup> *Id.* at 110-11.

<sup>109</sup> *Id.*

<sup>110</sup> Agreement, Ex. B, ¶ 35.

<sup>111</sup> *Id.* ¶ 35-37.

<sup>112</sup> Monitors' Report, Aug. 21, 2024, at 114-15.

<sup>113</sup> Agreement, Ex. B ¶ 45.

<sup>114</sup> *Id.*

<sup>115</sup> City Capital Action Plan, May 8, 2021, at 18.

<sup>116</sup> *Id.*

<sup>117</sup> Monitors' Report, Aug. 21, 2024, at 117.

<sup>118</sup> *Id.* at 119.

<sup>119</sup> City Capital Action Plan, May 8, 2021, at 17-18, 21-33.

<sup>120</sup> Monitors' Report, Aug. 21, 2024, at 128; Agreement, Ex. B ¶¶ 15, 17, 19.

<sup>121</sup> Agreement, Ex. B ¶ 20.

<sup>122</sup> A “Year” covers the period from February 1 of one year to January 31 of the next year. For example, Year 6 is the period from February 1, 2024, to January 31, 2025.

<sup>123</sup> Agreement, Ex. B ¶ 17(c). According to NYCHA, NYCHA has worked with the Independent Data Analyst to develop a proxy calculation to measure a similar requirement imposed by the terms of the orders in *Baez*.

<sup>124</sup> Monitors’ Report, Aug. 21, 2024, at 130.

<sup>125</sup> To comply with the HUD Agreement requirement, in 95% of instances, NYCHA must remove or remediate mold within specified timeframes. See Agreement Ex. B ¶ 17(b). The backlog includes numerous types of mold and leak work orders. Some work orders involve active mold or health and hazard conditions, whereas others involve activities that are performed after a mold or leak issue has been addressed.

<sup>126</sup> Agreement, Ex. B ¶ 17(b).

<sup>127</sup> *Id.* ¶ 17(a)-(c).

<sup>128</sup> Monitors’ Report, Aug. 21, 2024, at 130, 134-39.

<sup>129</sup> Agreement, Ex. B ¶ 17(a)-(c).

<sup>130</sup> *Id.* ¶ 17(a).

<sup>131</sup> NYCHA, Business Rules for Exhibit B Metrics, Sept. 30, 2021, at 3.

<sup>132</sup> Monitors’ Report, Aug. 21, 2024, at 135.

<sup>133</sup> Agreement, Ex. B ¶ 17(b).

<sup>134</sup> *Id.*

<sup>135</sup> Monitors’ Report, Aug. 21, 2024, at 135-38.

<sup>136</sup> *Id.* at 136.

<sup>137</sup> Agreement, Ex. B ¶ 17(c).

<sup>138</sup> Monitors’ Report, Aug. 21, 2024, at 138-39.

<sup>139</sup> *Id.* at 139, 145.

<sup>140</sup> *Id.* at 145.

<sup>141</sup> *Id.*

<sup>142</sup> *Id.*

<sup>143</sup> Agreement, Ex. B ¶ 15(a)-(c).

<sup>144</sup> *Id.*

<sup>145</sup> *Id.* ¶ 15(a).

<sup>146</sup> Monitors’ Report, Aug. 21, 2024, at 142.

<sup>147</sup> This requirement is a “rolling” measurement of what percentage of verified mold complaints do not have a subsequent verified mold complaint in the same apartment, common area room, or hallway within the following 12 months (the “**Recurring Complaints**”). For example, for the “Full Year” data, as of the end of Year 4, 84% of verified mold complaints did not have Recurring Complaints. This means that from February 1, 2023, through January 31, 2024, 84% of verified mold complaints did not have Recurring Complaints. Further, for the “Nov to Oct” data in Year 5, as of and including October 31, 2024, 85% of verified mold complaints did not have Recurring Complaints. That means that from November 1, 2023, to October 31, 2024, 85% of verified mold complaints did not have Recurring Complaints.

<sup>148</sup> Agreement, Ex. B ¶ 15(b).

<sup>149</sup> Monitors’ Report, Aug. 21, 2024, at 143.

<sup>150</sup> *Id.*

<sup>151</sup> Agreement, Ex. B ¶ 15(c).

<sup>152</sup> Monitors’ Report, Aug. 21, 2024, at 144.

<sup>153</sup> This requirement is a “rolling” measurement of how many apartments have had more than three verified mold complaints within the last 12 months. For example, for the “Full Year” data, as of the end of Year 4, there were 63 such apartments. That means that from February 1, 2023, to and including January 31, 2024, 63 apartments had more than three verified mold complaints within the last twelve months. Further, for the “Nov to Oct” data in Year 5, as of and including



October 31, 2024, there were 55 such apartments. That means that from November 1, 2023, to October 31, 2024, 55 apartments had more than three verified mold complaints within the last 12 months.

<sup>154</sup>Monitors' Report, Aug. 21, 2024, at 130-33.

<sup>155</sup>*Id.* at 132-34.

<sup>156</sup>*Id.* at 131.

<sup>157</sup>*Id.* at 132.

<sup>158</sup>Monitors' Report, Aug. 21, 2024, at 132-33.

<sup>159</sup>Agreement, Ex. B ¶ 20.

<sup>160</sup>Monitors' Report, Aug. 21, 2024, at 145-46.

<sup>161</sup>*Id.*

<sup>162</sup>*Id.* at 152-3.

<sup>163</sup>Agreement, Ex. A ¶¶ 8-12.

<sup>164</sup>*Id.* ¶¶ 9-11.

<sup>165</sup>Monitors' Report, Aug. 21, 2024, at 156.

<sup>166</sup>*Id.*

<sup>167</sup>*Id.* at 156-57.

<sup>168</sup>The lead data referenced in this section is NYCHA's self-reported data; it has not yet been independently validated by the Monitors, who are in the process of working towards independent validation of the data.

<sup>169</sup>NYCHA reports that not all apartments included in Phase One were successfully accessed to conduct testing; NYCHA will continue to attempt the untested Phase One developments.

<sup>170</sup>This does not include apartments in PACT developments that have been abated.

<sup>171</sup>Note that the total universe of apartments containing lead-based paint will continue to grow as NYCHA continues to conduct XRF testing.

<sup>172</sup>Agreement, Ex. A ¶ 15(j); 24 C.F.R. § 35.1345.

<sup>173</sup>24 C.F.R. § 35.1345(a)(2)(iv).

<sup>174</sup>Monitors' Report, Aug. 21, 2024, at 167.

<sup>175</sup>*Id.* at 167-68.

<sup>176</sup>*Id.* at 167.

<sup>177</sup>*Id.* at 167-68. New York City law permits rosin paper to be used as a temporary barrier for maintenance-associated lead-safe work practices until compliance with clearance dust lead standards is known from the laboratory results.

<sup>178</sup>Memorandum from Matthew E. Ammon, Director, Office of Lead Hazard Control and Healthy Homes, U.S. Department of Housing and Urban Development, on Updated Review of NYCHA's Rosin Paper Alternative Worksite and Occupant Protection Procedure, Nov. 4, 2024, at 1-2.

<sup>179</sup>*Id.* at 2.

<sup>180</sup>*Id.*

<sup>181</sup>*Id.*

<sup>182</sup>*Id.*

<sup>183</sup>*Id.* at 1.

<sup>184</sup>NYCHA agreed to provide data and documentation to the Monitors on a go-forward basis to allow the Monitors to identify successes and deficiencies with implementation of the red rosin paper program. This data includes: the number of maintenance jobs in the past month that disturb known or presumed lead paint, documentation of clearance dust wipe sample collection, time for laboratory turnaround, results in apartments of lead loading for each wipe sample, and documentation of completed red rosin paper placement in the form of photographs and visual inspections conducted by NYCHA's Environmental Health and Safety staff.

<sup>185</sup>Agreement, Ex. A ¶¶ 9-12.

<sup>186</sup>*Id.* ¶¶ 9-11.

<sup>187</sup> *Id.* ¶ 12.

<sup>188</sup> *Id.*

<sup>189</sup> Monitors' Report, Aug. 21, 2024, at 169-70.

<sup>190</sup> These centers are housed on NYCHA-owned property but are managed and operated by third parties.

<sup>191</sup> Two of these EBLs were traced to the Queensbridge South development's daycare center. NYCHA, EBL Tracking Form, Nov. 8, 2024. In addition to the two EBLs at the daycare center at Queensbridge South in November, three EBLs were reported in apartments at the Queensbridge South development in September and October 2024. At least four EBLs were reported in apartments at the Queensbridge North development in August 2024. The Monitors will work with NYCHA to consider whether non-childcare center and non-CU6 apartment abatement at the Queensbridge developments should be prioritized in 2025.

<sup>192</sup> Common areas in PACT developments are being abated.

<sup>193</sup> Agreement, Ex. A ¶ 12.

<sup>194</sup> *Id.*

<sup>195</sup> *Id.* ¶ 5(a) (incorporating 24 C.F.R. § 35.1355(a)(2)).

<sup>196</sup> Monitors' Report, Aug. 21, 2024, at 162.

<sup>197</sup> Agreement, Ex. A ¶¶ 9-11.

<sup>198</sup> Monitors' Report, Aug. 21, 2024, at 171; Agreement Ex. A ¶ 15.

<sup>199</sup> Agreement, Ex. A ¶ 8.

<sup>200</sup> NYCHA reports that common areas have been or will be abated at these developments. However, the Monitors have not seen any data underlying this assertion.

<sup>201</sup> Agreement, Ex. B ¶ 49.

<sup>202</sup> NYCHA, Phase I Annual Inspection Action Plan, Dec. 9, 2020.

<sup>203</sup> Monitors' Report, Aug. 21, 2024, at 224.

<sup>204</sup> Agreement, Ex. B ¶ 47.

<sup>205</sup> Monitors' Report, Aug. 21, 2024, at 201. Under 24 CFR 5.703(d), NYCHA has an affirmative requirement to protect outlets within 6 feet of a water source with ground fault circuit interrupters and to also install least one battery-operated or hard-wired smoke detector, in proper working condition, in the following locations: (a) on each level of the unit; (b) inside each bedroom; (c) within 21 feet of any door to a bedroom measured along a path of travel; and (d) where a smoke detector installed outside a bedroom is separated from an adjacent living area by a door, a smoke detector must also be installed on the living area side of the door.

<sup>206</sup> U.S. DEPT. OF HOUS. AND URB. DEV., NOTICE PIH: 2023-16/H 2023-0712 (2023), available at <https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-16pihn.pdf>.

<sup>207</sup> Agreement, Ex. B ¶¶ 48-49.

<sup>208</sup> NYCHA updated the minor repairs list in 2024. The minor repairs list includes 15 main categories of items that should be repaired during an annual inspection: smoke and carbon monoxide detectors, entrance doors, closets, kitchen cabinets, electrical outlets, light switches, leaky sinks and stoppages, leaky faucets, window balances and latches, window guards, refrigerator repairs, handles and stove repairs, toilet repairs, bathtub and shower repairs, and reset breakers.

<sup>209</sup> NYCHA, Annual Inspection Action Plan, Dec. 9, 2020, at 6-7.

<sup>210</sup> During annual inspections, NYCHA requires Maintenance Workers to install GFCI outlets and replace smoke detectors during the annual inspection. In many instances, Maintenance Workers identified a need to install or replace the smoke detector or outlet, but did not identify a reason for not completing the repair. Further, Maintenance Workers routinely deferred minor repairs on resident bathtubs because the bathtub was in need of caulk, even though a need for caulk would not prevent the minor repair on bathtub required, such as replacing the stoppages or overhead cover plates.

<sup>211</sup> NYCHA, Annual Inspection Action Plan, Dec. 9, 2020, at 3 n.6.

---

<sup>212</sup> Agreement ¶ 60. When the parties signed the HUD Agreement in 2019, Paragraph 60 of the Agreement reflected language from HUD's then-operative physical condition standards, UPCS. The HUD Agreement says to follow HUD's superseding guidance on this subject. The parties agree that the superseding guidance requires NYCHA to comply with NSPIRE standards under this clause of Agreement ¶ 60.

<sup>213</sup> Monitors' Report, Aug. 21, 2024, at 191.

<sup>214</sup> *Id.* at 196-97.

<sup>215</sup> U.S. DEPT. OF HOUS. AND URB. DEV., NOTICE PIH: 2023-16/H 2023-07 (2023), available at <https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-16pihn.pdf>.

<sup>216</sup> *Id.*

<sup>217</sup> Titles include Neighborhood Administrators, Property Managers, Property Maintenance Supervisors, Assistant Property Maintenance Supervisors, Supervisors of Grounds, Supervisors of Caretakers, and Maintenance Workers.

<sup>218</sup> NYCHA offered a modified course targeted at 3,100 caretakers and had educated 85% of its targeted caretaker headcount by April 2023.

<sup>219</sup> Agreement ¶ 60.

<sup>220</sup> Monitors' Report, Aug. 21, 2024, at 205-206.

<sup>221</sup> NYCHA created the Quality & Cost Control Department (QCC) to review repairs across NYCHA to ensure work is being completed on par with internal and industry standards. QCC which maintains an inspections team - the Quality Assurance Unit (QAU)—that performs several types of inspections at developments to ensure substandard work is flagged and corrected.

<sup>222</sup> Monitors' Report, Aug. 21, 2024, at 206.

<sup>223</sup> Agreement ¶¶ 60-61.

<sup>224</sup> NYCHA, PHAS Action Plan, Oct. 29, 2019, at 5.

<sup>225</sup> Agreement ¶ 62.

<sup>226</sup> Monitors' Report, Aug. 21, 2024, at 208.

<sup>227</sup> Guidepost, Monitor's Final Quarterly Report, Feb. 27, 2024, at 57.

**ENDNOTES FOR SECTION II: ORGANIZATIONAL CHANGE**

<sup>228</sup> Agreement ¶¶ 45-52.

<sup>229</sup> The Monitors' August 2024 Report describes NYCHA's adoption of the Transformation Plan and its key initiatives in greater detail. See Monitors' Report, Aug. 21, 2024, at 219-42.

<sup>230</sup> See Monitors' Report, Aug. 21, 2024, at 228, 232.

<sup>231</sup> See *id.* at 230.

<sup>232</sup> See *id.*

<sup>233</sup> See *id.* at 232.

<sup>234</sup> *Id.* at 229.

<sup>235</sup> *Id.*

<sup>236</sup> *Id.* at 231.

<sup>237</sup> See *id.*

<sup>238</sup> NYCHA, NYCHA's Blueprint for Change: Transformation Plan, Mar. 2, 2021, at 26, 28; Monitors' Report, Aug. 21, 2024, at 237.

<sup>239</sup> Monitors' Report, Aug. 21, 2024, at 224.

<sup>240</sup> *Id.* at 227-28.

<sup>241</sup> *Id.*

<sup>242</sup> *Id.*

<sup>243</sup> NYCHA, NYCHA's Blueprint for Change: Transformation Plan, Mar. 2, 2021, at 31.

<sup>244</sup> *Id.* at 60-61.

<sup>245</sup> *Id.* at 77.

<sup>246</sup> *Id.* at 78.

<sup>247</sup> *Id.* at 42-44.

<sup>248</sup> *Id.* at 43, 69-70.

<sup>249</sup> Monitors' Report, Aug. 21, 2024, at 239.

<sup>250</sup> *Id.* at 234-35.

<sup>251</sup> *Id.* at 232; NYCHA, NYCHA's Blueprint for Change: Transformation Plan, Mar. 2, 2021, at 94-96.

<sup>252</sup> Monitors' Report, Aug. 21, 2024, at 221.

<sup>253</sup> NYCHA, NYCHA Organizational Plan Quarterly Report, Q2, 2024, at 69.

<sup>254</sup> Agreement ¶¶ 53, 55, 57.

<sup>255</sup> Monitors' Report, Aug. 21, 2024, at 233.

<sup>256</sup> NYCHA, Standard Procedure 059:17:1 at 7-9.

<sup>257</sup> NYCHA, NYCHA's Blueprint for Change: Transformation Plan, Mar. 2, 2021, at 71-72.

<sup>258</sup> Monitors' Report, Aug. 21, 2024, at 240.

<sup>259</sup> NYCHA, NYCHA Transformation: Phase 2 Implementation Plan, Feb. 2023, at 10.

<sup>260</sup> *Id.* at 36.

## **APPENDIX**



## Appendix A: List of Completed and In Compliance Requirements

The following table summarizes the completed and in compliance requirements of the HUD Agreement. Outstanding requirements of the HUD Agreement are described in **Section I** and **Section II** of this report.

Req. No.	Description	Status
<b>Heat</b>		
<b>H2</b> (Ex. B ¶ 14(c))	<b>Boiler Repairs or Replacement–PACT:</b> 200 additional boilers will be addressed through PACT by December 31, 2026, and the developer selected will replace and repair boilers as needed.	Complete (Monitors' Report, Aug. 21, 2024, at 54)
<b>H3</b> (Ex. B ¶ 14(b))	<b>BMS Modernization:</b> NYCHA will modernize the Building Management Systems at 44 developments by December 31, 2019. Modernization will include introducing indoor temperature sensors.	Complete (Monitors' Report, Aug. 21, 2024, at 62)
<b>H12</b> (Ex. B ¶ 13(a), (c))	<b>Notification to Tenants of Unplanned Heating Outage:</b> Within two hours of learning of an unplanned heating outage, NYCHA will notify affected tenants by robocall and also post notifications in the affected building(s) and on NYCHA's website, and also notify the Monitor.	In compliance (Monitors' Report, Aug. 21, 2024, at 60-61)
<b>H13</b> (Ex. B ¶ 13(b), (c))	<b>Notification to Tenants of Planned Heating Outage:</b> For planned heating outages, NYCHA will provide 48-hours advanced notice to affected tenants via robocall and also post notifications in the affected building(s) and on NYCHA's website, and also notify the Monitor.	In compliance (Monitors' Report, Aug. 21, 2024, at 60-61)
<b>Elevators</b>		
<b>E3</b> (Ex. B ¶ 22)	<b>Service Interruption Data:</b> By May 31, 2019, NYCHA shall provide HUD and the Monitors with sufficient data to identify elevator service interruptions in the prior three years. This data shall be updated quarterly.	Complete (Monitors' Report, Aug. 21, 2024, at 91)
<b>E4</b> (Ex. B ¶ 30)	<b>Elevator Outage Monitoring:</b> By July 31, 2019, NYCHA will institute and maintain a	Complete (Monitors' Report,

	system that identifies every elevator outage and the start and end times of such outages.	Aug. 21, 2024, at 91)
<b>E13</b> (Ex. B ¶ 28)	<b>Reduction of Outage Time:</b> In Year 1, NYCHA shall reduce the duration times of its elevator outages by 10%.	Complete (Monitors' Report, Aug. 21, 2024, at 87)
<b>E23</b> (Ex. B ¶ 34(a))	<b>Caretaker Requirements:</b> NYCHA will adopt and maintain an extended schedule for development caretakers to allow for cleaning of elevators as part of every shift.	In compliance (Monitors' Report, Aug. 21, 2024, at 76)
<b>Pests &amp; Waste</b>		
<b>P1</b> (Ex. B ¶ 46(a))	<b>Door Sweeps:</b> By March 31, 2020, NYCHA must install 8,000 door sweeps on basement doors with gaps.	Complete (Monitors' Report, Aug. 21, 2024, at 103)
<b>P3</b> (Ex. B 46(c))	<b>Rat Mitigation Zone ("RMZ") Support:</b> NYCHA must dedicate 20 full-time exterminator staff to conduct ongoing comprehensive preventative maintenance treatments in public spaces for developments within the RMZ.	In Compliance (Monitors' Report, Aug. 21, 2024, at 103-04)
<b>P4</b> (Ex. B 46(d))	<b>Bulk Crushers:</b> By December 31, 2022, NYCHA must install exterior bulk crushers or retrofit exterior compactors with auger bulk crushers at ten developments.	Complete (Monitors' Report, Aug. 21, 2024, at 104)
<b>P5</b> (Ex. B ¶ 38(d))	<b>Pest Sensitive Unit Procedure:</b> By January 31, 2021, develop an action plan that, among other things, establishes a procedure for informing residents of a process through which residents may notify NYCHA if anyone residing in an apartment has an applicable health condition.	Complete (Monitors' Report, Aug. 21, 2024, at 108)
<b>P6</b> (Ex. B ¶ 41)	<b>Targeted Relief for Pest Infestations:</b> By July 31, 2019, for any apartment that has more than one pest infestation complaint within 12 months, NYCHA shall have a professional using IPM techniques evaluate the apartment, the immediately adjacent apartments, and common areas within 30 days to identify issues specific to the apartment that contributed to the recurrence.	In Compliance (Monitors' Report, Aug. 21, 2024, at 102-03)



	Within the following 30 days, NYCHA must address the issues using IPM techniques.	
<b>Mold &amp; Leaks</b>		
<b>M1</b> (Ex. B. ¶ 19)	<b>Resident Not Home Mold Work Orders:</b> NYCHA will not close any mold, flood, or leak from above work orders as "Resident Not Home."	In Compliance (Monitors' Report, Aug. 21, 2024, at 144)
<b>Lead</b>		
<b>L1</b> (Ex. A ¶ 4(a))	<b>Report Identifying Lead-Paint Developments and Apartments:</b> NYCHA shall provide the United States with a report identifying all developments that were built prior to January 1, 1978, and are not exempt pursuant to 24 C.F.R. § 35.115, as a result of an inspection, an abatement, or otherwise, as well as any apartments in those developments that are not exempt ("lead-paint units").	Complete (Monitors' Report, Aug. 21, 2024, at 155-56)
<b>L2</b> (Ex. A ¶ 4(b))	<b>Report Identifying Lead-Paint Apartments with Children:</b> NYCHA shall provide a report (the "Immediate Action List") identifying lead-paint units that NYCHA "had reason to believe are occupied or routinely visited by a child under the age of 6."	Complete (Monitors' Report, Aug. 21, 2024, at 155-56)
<b>L3</b> (Ex. A ¶ 5(a))	<b>Immediate Visual Assessments:</b> Perform at least one visual assessment in accordance with 24 C.F.R. § 35.1355 of each apartment on the Immediate Action List, except insofar as the apartment received a compliant visual assessment within the preceding months.	Substantially Complete <sup>1</sup> (Monitors' Report, Aug. 21, 2024, at 155-56)
<b>L4</b> (Ex. A ¶ 5(b))	<b>Elimination of Lead-Based Paint Hazards:</b> Eliminate any lead-based-paint hazards in apartments identified on the Immediate	Substantially Complete <sup>2</sup> (Monitors' Report,

<sup>1</sup> This obligation relates to apartments on the Immediate Action List. NYCHA completed 99% of the visual assessments required for the Immediate Action List. The outstanding visual assessments have been encompassed by NYCHA's broader CU6 efforts. Thus, the Monitors consider this obligation substantially complete and are no longer tracking progress against it.

<sup>2</sup> This obligation relates to apartments on the Immediate Action List. Although NYCHA was not able to fully comply with certain interim controls required by the regulations for the Immediate Action List, its efforts to comply with those obligations have been encompassed by NYCHA's broader CU6 efforts. Thus, the Monitors consider this obligation substantially complete and are no longer tracking progress against it.

	Action List using interim controls in accordance with 24 C.F.R. § 35.1330, or through abatement in accordance with 24 C.F.R. § 35.1325.	Aug. 21, 2024, at 155-56)
<b>L5</b> (Ex. A ¶ 6)	<b>Exemption Documentation:</b> Provide the United States with documents sufficient to show NYCHA's basis for claiming that particular developments are exempt.	Complete (Monitors' Report, Aug. 21, 2024, at 155-56)
<b>L7</b> (Ex. A ¶ 19)	<b>EBLL Risk Assessment:</b> Within 30 days of appointment of the Prior Monitor, provide the Prior Monitor a list (the "EIBLL/EBLL-Triggered Risk Assessment List") of "all units, common areas servicing such units, and developments in which neither an environmental investigation nor a risk assessment was performed since the date of "the reporting to NYCHA (if on or after July 13, 2017) of a case of a child under age 6 with an EBLL, or the reporting to NYCHA (if before July 13, 2017) of a case of a child with an EBLL living in such apartment and development.	Complete (Monitors' Report, Aug. 21, 2024, at 164-65)
<b>L8</b> (Ex. A ¶ 20)	<b>Environmental Investigations:</b> After providing the Prior Monitor the EIBLL/EBLL-Triggered Risk Assessment List, within a timeframe acceptable to the Monitor, confirm that the New York City Department of Health and Mental Hygiene performed an environmental investigation in any apartment and common areas servicing that apartment identified in the EIBLL/EBLL-Triggered Risk Assessment List.  To the extent the Department of Health and Mental Hygiene has not done so, NYCHA was required to perform such environmental investigation within a timeframe acceptable to the Monitors.	Complete (Monitors' Report, Aug. 21, 2024, at 164-65)
<b>L9</b> (Ex. A ¶ 21)	<b>Abatement of EBLL Apartments.</b> After issuing or receiving the report of the environmental investigation, within a timeframe acceptable to the Monitor, complete the abatement of identified lead-based-paint hazards in accordance with 24 C.F.R. § 35.1130(c) and 35.1325.	Complete (Monitors' Report, Aug. 21, 2024, at 164-65)

<b>L10</b> (Ex. A ¶ 22)	<b>Risk Assessment of EBLL Buildings.</b> Perform risk assessments for all other apartments in the building in which a child under age six resides or is expected to reside on the date lead-based-paint hazard reduction is complete, and common areas servicing those apartments in the developments identified in the EIBLL/EBLL-Triggered Risk Assessment List, within a timeframe acceptable to the Monitors.	Complete (Monitors' Report, Aug. 21, 2024, at 164-65)
<b>L11</b> (Ex. A ¶ 24)	<b>Information Sharing.</b> No later than 60 days after the execution of the Agreement, enter into a written agreement with the NYC Department of Health and Mental Hygiene resolving any barriers to the sharing of information relating to resident children's blood lead levels necessary for NYCHA to make disclosures to HUD.	Complete (Monitors' Report, Aug. 21, 2024, at 164-65)
<b>L12</b> (Ex. A ¶ 30(a))	<b>One-time Certification.</b> Submit to the United States a statement describing compliance with priority action obligations within 120 days of the Effective Date.	Complete (Monitors' Report, Aug. 21, 2024, at 155-56)
<b>L13</b> (Ex. A ¶ 33(a))	<b>Sample Kit.</b> Display a sample kit of the supplies needed to complete a Renovation, Repair, and Painting ("RRP") <sup>3</sup> work order in all 139 storerooms by January 31, 2019.	Complete (Monitors' Report, Aug. 21, 2024, at 158-60)
<b>L14</b> (Ex. A ¶ 33(b))	<b>RRP Supplies.</b> Issue a minimum of one kit of RRP supplies to RRP-certified staff daily by February 28, 2019.	Complete (Monitors' Report, Aug. 21, 2024, at 158-60)
<b>L15</b> (Ex. A ¶ 33(c))	<b>IT Upgrades.</b> Enhance work order system to automatically create a "dust wipe" work order if an RRP work order is generated by February 28, 2019.	Complete (Monitors' Report, Aug. 21, 2024, at 158-60)
<b>L16</b> (Ex. A ¶ 33(d))	<b>Dust-Control Training.</b> Select a vendor to supplement the Environmental Protection Agency's RRP training with practical training on dust-control measures to simulate a range	Complete (Monitors' Report, Aug. 21, 2024, at 158-60)

<sup>3</sup> The Environmental Protection Agency's Renovation, Repair, and Painting Rule requires contractors to use lead-safe work practices while performing renovation, repair, and painting projects that disturb lead-based paint in homes, childcare facilities, and certain schools built before 1978. The rule requires contractors to follow specific work practices meant to prevent lead contamination, including containing the work area, minimizing dust, and cleaning up thoroughly. Monitors' Report, Aug. 21, 2024, at 152.

	of working conditions by March 31, 2019, and train substantially all RRP-certified staff by December 31, 2019.	
<b>L17</b> (Ex. A ¶ 33(f))	<b>Visual Assessment Training.</b> Train all maintenance workers to perform lead-based paint visual assessments by September 30, 2019.	Complete (Monitors' Report, Aug. 21, 2024, at 158-60)
<b>L19</b> (Ex. A ¶ 33(g))	<b>Painting Contracts.</b> Secure additional, dedicated painting contracts for the Healthy Homes Department to exclusively focus on remediation by December 31, 2019.	Complete (Monitors' Report, Aug. 21, 2024, at 158-60)
<b>Inspections</b>		
<b>I2</b> (¶ 62(h))	<b>PHAS Inspections Action Plan.</b> By ninety (90) days after the appointment of the Monitor, NYCHA will submit an Action Plan to the Monitor for meeting the requirements discussed in this section ("PHAS Inspections"). This Action Plan will be subject to the procedures of paragraphs 36-42.	Complete (Monitors' Report, Aug. 21, 2024, at 191)