

## **Executive Summary**

### **NYCHA's Draft Agency Plan for FY 2027**

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

The Draft Agency Plan for Fiscal Year 2027 will be available for public review on NYCHA's website: [on.nyc.gov/nycha-annual-plan](https://on.nyc.gov/nycha-annual-plan). NYCHA will also provide a copy of the Draft Agency Plan to each development's Resident Association President. The Draft Plan will also be made available at the management office of every NYCHA public housing development during regular business hours.

NYCHA will hold a hybrid in-person and virtual public hearing on July 29, 2026, and will accept written comments on the Draft Agency Plan through August 1, 2026 (please see the notices starting on page 13 for more information). NYCHA met with the Resident Advisory Board members for their comments in 6 meetings from March to June 2026.

NYCHA's Final Agency Plan will be submitted to the U.S. Department of Housing and Urban Development (HUD) by October 18, 2026. Following NYCHA's submission, HUD has 75 days to review and approve the plan.

NYCHA's priorities for the coming year are outlined on pages 24 through 42. NYCHA aims to strengthen its business model through its Transformation Plan and raise much-needed capital funding for its developments through the NYC Public Housing Preservation Trust, Permanent Affordability Commitment Together (PACT) initiative, and other preservation programs. In January 2019, NYCHA and the City of New York signed an Agreement with HUD, which outlined specific deadlines and objective compliance standards for making significant improvements in several high-priority areas, including lead-based paint, mold, heat, elevators, annual inspections, pests, and waste management. NYCHA is committed to achieving these deadlines, and updates for each of these high-priority areas are highlighted below. With NYCHA's capital projects work, the Authority is investing in projects outlined in its City Capital Action Plan, initiatives that are already underway, and projects focused on environmental resiliency and sustainability. Finally, NYCHA continues to pursue other initiatives that fund vital building and apartment upgrades.

#### **The City's Support for NYCHA**

NYCHA is a central part of the Mamdani administration's recently released housing plan, "Block by Block: A Housing Plan for a New Era." Over the next four years and beyond, NYCHA will play an essential role in not only stewarding the City's existing affordable housing, but also in creating new housing opportunities for current residents and other low-income New Yorkers. As laid out in the housing plan, NYCHA is focusing on programs and new initiatives to improve and expand upon its work within three core areas: addressing major capital needs and supporting effective operations that are accountable to resident experiences and participation, delivering deep capital reinvestment and positioning NYCHA and the Trust as 21<sup>st</sup> century stewards of publicly owned housing, and supporting economic mobility for NYCHA residents.

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

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

### ***Transformation Plan and NYCHA's Monitoring Agreement***

On January 31, 2019, NYCHA and the City of New York signed an Agreement with HUD. The Agreement's overarching goal is to remedy the deficient physical conditions in NYCHA properties to benefit residents across the city. It establishes a foundation to continue strengthening the Authority and improving residents' quality of life. The Agreement sets performance targets in seven high priority areas: lead-based paint, mold, heat, elevators, inspections, pests, and waste management.

The work undertaken as part of the Agreement is overseen by an independent federal Monitor. The term of NYCHA's first federal Monitor, Guidepost Solutions, ended in February 2024, and NYCHA's new federal Monitor for a second five-year term is the law firm Jenner & Block. The Agreement's requirements continue under the new Monitor.

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

NYCHA issued three documents in response to this Agreement obligation — the Transformation Plan, issued in March 2021, followed by two Implementation Plans, issued in February 2022 and February 2023. Together, the Transformation Plan and the two Implementation Plans comprise the Organizational Plan required under the HUD Agreement.<sup>1</sup> The plans include a set of strategies designed to improve the resident experience and set the agency on a path to a stronger future. In the first years after the release of the Plan, NYCHA implemented key changes to NYCHA's operating model, as well as numerous business process improvements that focus on service delivery pain points identified by residents and employees. Early changes included a reorganization of NYCHA's management structure, a full overhaul of our repair and work order management process, the launch of monthly Borough STAT meetings, and the creation of the Resident Round Table.

More recently, NYCHA has launched annual performance reviews for managerial employees, trained property managers on budgeting, designed and tested a risk register for capital projects, launched ongoing trainings for vendors on ethics and responsibility, and created a pre-qualified list for micro vendors, among other accomplishments. Additionally, NYCHA plans to open a new

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<sup>1</sup> The Organizational Plan was subsequently amended with the issuance of a Chair Memorandum and QA Memorandum.

heating training facility in our Long Island City office in Q3 of 2026, and we have started work on establishing data governance for the various systems used across NYCHA.

### ***NYC Public Housing Preservation Trust***

In June 2022, the State legislature passed a bill establishing the New York City Public Housing Preservation Trust (the Trust), and it was signed into law by Governor Kathy Hochul. Under current state law, NYCHA can transfer a maximum of 25,000 apartments to the Trust to dramatically improve residents' quality of life through comprehensive building renovations while preserving their rights and protections (including permanently affordable rent) and providing economic opportunities. NYCHA will continue to own and manage the properties, entering into a long-term ground lease with the Trust to secure Project-Based Section 8 vouchers, which have a subsidy worth more than NYCHA's current federal Section 9 subsidy. Similar to how other government entities raise funding for capital improvements, the Trust will pursue conventional financing or bonds that fund comprehensive building renovations.

Since 2023, resident votes have taken place at several developments following extensive engagement periods that include outreach, education, and opportunities for residents to ask questions and provide feedback. Transfers to the Trust only occur following a resident vote, where households choose between joining the Trust, converting through the Permanent Affordability Commitment Together (PACT) program, or remaining in the Section 9 program. Voting is conducted through a secure, third-party administrator and includes multiple methods of participation, including mail, online, and in-person voting.

Residents from Nostrand Houses, Bronx River Addition, Unity Towers (also known as Coney Island (Site 1B)), and Hylan Houses each voted to join the Trust following this process, representing the first cohort of developments to select the Trust model for comprehensive renovation. Residents at Coney Island Houses, Throggs Neck Addition, and Isaacs Houses voted to remain in the Section 9 program, while Randall-Balcom elected to convert through the PACT program. Additional resident votes are expected to continue at developments across the portfolio.

Following Trust selection, the developments have advanced into procurement for selection of design-build partners, after which projects move into design and construction, alongside implementation of the Section 8 lease conversion process.

### **Nostrand Houses**

At Nostrand Houses, a design-build partner was selected in July 2025, and the project is advancing through the design phase in coordination with residents, the Trust, and NYCHA. The Section 8 lease signing process began in January 2026, following a Draft Trust Lease public comment period held in July–August 2025. Construction is anticipated to begin in Fall 2026 through a phased approach.

### **Bronx River Addition**

At Bronx River Addition, a design-build partner was selected in September 2025, and the project is progressing through design. Construction is anticipated to start in late 2026. Additionally, a draft Trust Lease public comment period was held in July - August 2025, and the Trust and NYCHA are starting the Section 8 lease signing process in June 2026.

### **Unity Towers (also known as Coney Island I (Site 1B))**

At Unity Towers, shortlisted firms were issued an RFP in October 2025, and proposals were due in March 2026. The Trust selected a design-build partner in June 2026. The design-build team partner will start design and resident engagement in Summer 2026.

Additionally, a Draft Trust Lease public comment period was conducted in January–February 2026.

### **Hylan Houses**

At Hylan Houses, shortlisted firms were issued an RFP in February 2026 and proposals were due in April. The Trust selected a design-build partner in May 2026. This project will be the first to use a progressive design-build (PDB) delivery approach, one of the delivery mechanisms available to the Trust to support efficient project delivery and early collaboration during design. The design-build team partner will start design and resident engagement in Summer 2026.

Additionally, a draft Trust Lease public comment period was conducted in January–February 2026.

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

### **Leveraging New Sources of Revenue to Preserve Homes and Renovate Buildings**

Considering the multibillion-dollar decline in federal Section 9 funding and massive repair needs across its portfolio, NYCHA must pursue innovative ways to fund the building and apartment upgrades that residents deserve. NYCHA's 2023 Physical Needs Assessment (PNA) estimates 20-year physical needs of \$78.3 billion, which is a 73 percent increase from the 2017 PNA's total estimated needs of \$45.3 billion.

As part of its Permanent Affordability Commitment Together (PACT) initiative, NYCHA will address overdue repairs in 62,000 apartments – a third of its units and home to approximately 140,000 New Yorkers. PACT relies on partnerships with private and non-profit development partners and converts developments to a more stable, federally funded program called Project-Based Section 8 through federal mechanisms such as RAD and the Section 18 program.

NYCHA will enter into public-private partnerships to undertake the major improvements to public housing developments while preserving long-term affordability and maintaining strong resident rights in line with public housing protections. To date, NYCHA has closed on financing over \$10 billion for capital repairs across the city. Over 32,000 apartments have converted to Project-Based Section 8 and over 13,000 apartments are in the planning and engagement phase of the program. NYCHA has made significant progress towards our goal of 62,000 apartments in the past several years.

All apartments that convert to Section 8 funding under RAD will remain permanently affordable. The Project-Based Section 8 program provides a more stable flow of federal subsidy and allows NYCHA and its development partners or the Preservation Trust to raise external financing to address a development's capital repair needs. By converting through the RAD program, resident rights and protections are preserved. Authorized residents will only pay up to 30 percent of their household income towards rent, will not have their household applications re-screened, and will have the right to return to an assisted unit at the project if relocated during the construction or renovations.

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

Through PACT, over \$3 billion in renovations have been completed at more than 15,000 apartments. An additional 16,859 apartments are under construction, totaling over \$6.9 billion in major upgrades. An additional 13,538 apartments are part of active development projects in the process of resident engagement or pre-development. In sum, NYCHA has over 45,000 apartments completed, in construction, or in a stage of resident engagement or pre-development through PACT.

The Trust Program currently has 1,776 units in the planning and pre-development phase, representing \$800 million in capital repairs.

### **Infill, Redevelopment, and Other Tools:**

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

New residential buildings can be subject to Mandatory Inclusionary Housing (MIH) levels of affordability and increase the permanently affordable housing stock. NYCHA continues to tap into its extensive unused development rights, known as "air rights," in order to raise revenue for the Authority. By transferring a portion of the Authority's approximately unused 80 million square feet of air rights, NYCHA expects to generate funding for capital repairs at adjacent developments which generated the air rights that were transferred. The sale of unused transferable development rights to owners of privately owned sites has already generated \$55 million in revenue to pay for capital repairs at NYCHA developments. In 2020, NYCHA completed two air rights transfers, one at Ingersoll Houses in Brooklyn for nearly \$25 million and another at Hobbs Court in Manhattan for \$2.6 million. In 2022, NYCHA completed a sale at Manhattanville Houses for \$28 million. In 2024, NYCHA completed another sale at Campos Plaza for \$19 million, for a total of \$74 million in proceeds for capital repairs for the adjacent developments. In 2025, NYCHA

leveraged a tool called “Transfer of Assistance” under HUD’s Rental Assistance Demonstration (RAD) program to offer new apartments to NYCHA residents in a residential building to be constructed on a privately owned parcel of land adjacent to Howard Houses in Brooklyn. Under Transfer of Assistance, subsidy for a certain number of units at Howard Houses will be transferred to the newly constructed building, providing the NYCHA residents of such units the opportunity to move to the new building as Section 8 residents under RAD. NYCHA will utilize Transfer of Assistance on additional projects in 2026 and beyond to expand housing opportunities for NYCHA residents and increase the number of affordable housing units.

### **Commitments to Build New 100% Affordable Housing**

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

NYCHA has closed on 19 transactions located in the Bronx, Brooklyn, Manhattan, and Queens. To date, 2,623 affordable apartments have been built or are under construction. An additional 72 co-op homeownership units began construction at the end of 2020 and welcomed home first-time home buyers in 2024. All units have been leased.

Many of these buildings will include community facilities and neighborhood retail that will serve new and current residents. For instance, The Atrium at Sumner in Bedford-Stuyvesant features 130 studio apartments and 59 one-bedroom apartments, as well as one two-bedroom superintendent apartment. The 11-story building is organized around a central atrium with corridors overlooking a year-round indoor garden on the ground floor. The Atrium at Sumner is designed to Passive House Standards, resulting in 60 to 70 percent less energy consumption compared to the average New York City apartment building. Its common areas include an exercise room as well as a library, conference rooms, and a large multi-purpose room that will be home to educational and arts classes and programming to meet the needs of seniors. The building started to welcome residents in 2024, with a subset of units with a preference at initial lease up for existing NYCHA seniors.

### **A Culture of Compliance**

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

### ***Compliance Pillar Areas***

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

The Agreement goals, as well as other priority areas, are outlined in the Goals Section of the Draft Agency Plan (pages 195 to 216). The following text includes examples of progress in Compliance pillar areas to date, as well as anticipated future progress.

### ***Lead-Based Paint***

In April 2019, NYCHA kicked off an unprecedented effort to test approximately 134,000 apartments for the presence of lead-based paint using an x-ray fluorescence (XRF) analyzer. The XRF testing initiative was initially based on the definition of lead-based paint being 1.0 milligram per square centimeter (mg/cm<sup>2</sup>). NYCHA attempted to test 119,161 units (89% of the target universe of 134,000 units) and completed tests in 108,236 units (81% of the target universe) using this standard. On December 1, 2021, the New York City Department of Housing Preservation and Development (HPD) issued a regulation changing the definition of lead-based paint from paint with lead content measured at 1.0 mg/cm<sup>2</sup> to paint with lead content measured at 0.5 mg/cm<sup>2</sup> for purposes of New York City's Local Law 1. When the City changed its standard, NYCHA suspended its program to test units at 1.0 mg/cm<sup>2</sup> and pivoted to retest high priority units at the new and lower threshold of 0.5 mg/cm<sup>2</sup> (0.5 Standard). The high priority units included units that were occupied by a child under 6 (CU6), units that never received XRF testing before at the 1.0 mg/cm<sup>2</sup> (1.0 Standard), or units that have previously tested positive at the 1.0 Standard. As of January 2024, testing has expanded to include all NYCHA pre-1978 apartments, both CU6 and non-CU6, at the 0.5 Standard. The total 0.5 Standard testing universe is 147,184 units. As of October 2025, NYCHA successfully attempted all units within the 0.5 Standard XRF testing universe. As of March 1, 2026, NYCHA successfully completed XRF testing in 137,803 (94%) units. Of these units, 61,899 (45%) are positive for lead-based paint. NYCHA will continue to pursue testing at the 0.5 Standard in the remaining units.

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

The 2024 biennial risk assessment project began in July, and all the field work has been completed. A follow-up risk assessment started in July 2025. NYCHA has intensified its efforts to

address deteriorated paint conditions in units with confirmed or presumed positive lead-based paint where a CU6 lives or spends ten or more hours per week. The 2026 Biennial Risk Assessment Project is expected to begin in June 2026. The Biennial Risk Assessment Follow Up Project will begin in 2027.

Moreover, as of December 2021, NYCHA expanded its abatement efforts to comply with the City's lowered lead-based paint threshold of 0.5 mg/cm<sup>2</sup>. Following testing at the new lower standard, NYCHA issues abatement work orders for positive units and offers expedited abatement services if residents agree to temporary relocation from both CU6 and non-CU6 apartments.

NYCHA is currently working with a project management firm, inclusive of case managers, who oversee the lead-based paint abatements at NYCHA developments as well as temporary resident relocation during the abatement process. As March 1, 2026, NYCHA completed lead abatements in 18,165 units. NYCHA is continuing its efforts with lead abatements in units citywide.

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

From January 2019 to May 1, 2026, the PACT program has converted 26,981 units with 6,865 units expected to need abatement (6,321 of those units were tested at the City's 2021 standard). As of May 1, 2026, PACT partners reported that 4,644 units have been abated of lead-based paint, approximately 68% of the units. Of the 4,644 abated units, 4,202 units were abated at the City's new standard. PACT partners are also performing abatement in the common areas of the converted developments.

### ***Mold***

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

### **Development/Implementation of New Standard Procedures**

From January through September 2019, NYCHA rolled out the *Mold/Mildew Control in NYCHA Residential Buildings Standard Procedure*. In July 2021, NYCHA published the *Roof Fan Inspections at NYCHA Residential Buildings Standard Procedure*, which provided staff guidance for monthly preventive maintenance roof fan inspections to address any ventilation issues. In June 2024, NYCHA published an updated mold standard procedure and is currently working to update its related training course accordingly. In May 2025, NYCHA finalized and published the *Leak and Excessive Moisture Control in NYCHA Residential Buildings Standard Procedure* (Leak SP). The Leak SP establishes a consistent approach to addressing leaks and excessive moisture

in residential buildings, aligning with compliance requirements and operational best practices. The initiative is currently being rolled out, which includes staff training, IT system upgrades, and performance monitoring. As of March 23, 2026, the Leak SP has gone live at 18 consolidated developments in Queens-Staten Island (100% of the Q/SI portfolio) and 17 consolidated developments in Brooklyn.

### **Authority-Wide Ventilation Improvements**

In 2020, NYCHA began its roof fan replacement efforts and in May 2022, reached its milestone to replace or retain 8,436 roof fans. NYCHA began labeling the fans with their Maximo assets to link the monthly inspections on the handheld devices to Maximo assets in the system. Additionally, in 2020, NYCHA began the Clean Vents Initiative (CVI), its in-unit vent cleaning project, and completed CVI by finishing the third round of attempts to perform vent cleaning by July 31, 2023. As part of CVI, NYCHA cleaned lateral ducts in approximately 74,000 residential units. In June 2023, NYCHA launched its multi-year initiative to replace approximately 95,000 vents, including in-unit dampers and hallway dampers. As of March 26, 2026, a total of 38,149 dampers have been installed, representing 41% of the total target installations.

### **Using Data Analysis to Drive Mold and Leak Compliance**

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

In August 2025, NYCHA launched Mold and Leaks Restore and Renew (MLRR), a \$20 million 2-year investment in a new skilled trades team to address leak and mold work orders open for 100 days or more. As of April 2026, OMAR currently has one EOP site and three MLRR programs in progress. EOP and MLRR operate under the same structure - both involve the same stakeholders and monitoring through a weekly coordination meeting. Historically, EOP sites were selected based on high inspections backlog and significant cleaning and mold-resistant paint needs. Over the past three years, these backlogs have declined, making it difficult to identify new sites using the original criteria. The barrier now observed across consolidations is the backlog of skilled trades work orders. MLRR provides the same strategic support as EOP but adds a dedicated skilled trades team to support the repair backlog associated with aging mold and leak work orders. Teams are deployed to high-need sites for approximately two to three months.

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

### **Additional Backlog Reduction Efforts**

In May 2022, NYCHA launched Operation Mold Clean Up (OMC) to reduce the backlog of open mold removal and mold-resistant paint work orders which remove the hazardous conditions. As of March 16, 2026, NYCHA completed 93% (or 34,550 out of 37,093) of work orders identified for closure as part of this initiative. In April 2023, NYCHA launched Operation Dry Out (ODO) to reduce the backlog of aging tub enclosure and plumbing work orders related to mold and leak complaints. This work is considered root cause work which addresses the underlining issue that's causing a mold and/or leak condition. As of March 16, 2026, 71% (7,202) of identified tub enclosure work orders and 83% (10,027) of identified plumbing work orders have been completed.

In June 2024, to reduce its mold and leak work order backlog and improve staff efficiency, NYCHA, in partnership with the Ombudsperson Call Center (OCC), launched its Work Order Verification Project. The program conducted resident outreach by emails and phone calls to identify and close aged mold and leak work orders that no longer required work. As of March 23, 2026, the OCC has connected with residents for 20,002 work orders (WO) – 60.5% (5,837 WOs) were verified as “still needed” and were escalated for scheduling, and 33.8% (3,261 WOs) were verified as “no longer needed” and escalated for administrative closure. Finally, to address some of its oldest mold and leak work orders, in March 2025, NYCHA launched Operation Backlog Busters targeting child work orders associated with mold inspections created in 2019 and 2020. This effort concluded on November 20, 2025, and upon completion, NYCHA closed 72% (234 out of 325) of work orders identified, with 95% (310) having been attempted.

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

- Reduce the backlog of mold and leaks skilled trade work orders
- Decrease mold incidence and recurrence
- Improve compliance related to key performance parameters, including time to complete initial inspections, mold removal, remediation, and related repairs
- Ensure that key staff are trained in mold inspections and remediation.
- Train staff on the enhanced leak inspection process with the new Leak SP.

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

## ***Heat***

In the 2025-2026 heat season, NYCHA resolved its heat outages on average in 7.2 hours. 99% of outages (645 out of 653) were resolved within 24 hours. NYCHA continues to utilize a heating team dedicated to resolving service interruptions 24/7 and continues to activate a “Situation Room” during periods of extreme cold to coordinate the response to interruptions and mobilization of resources in real time. NYCHA continuously monitors outage data through the use of dashboards and reports to identify issues proactively. NYCHA also reviews the causes of outages to identify system components that may require extensive repair and/or replacement. NYCHA then uses this data to develop an operational investment strategy that uses operating dollars to make the identified repairs.

Since the HUD Agreement was signed in 2019, NYCHA has replaced 211 boilers at 55 developments. At certain of those and another 17 developments, NYCHA has ongoing, active projects to replace another 96 boilers, with a total of 308 forecasted to complete construction by the end of 2026. These projects are funded through a range of sources, including City capital dollars (including funds allocated pursuant to the City Capital Action Plan), State capital dollars, Sandy Recovery and Resilience funding, and federal capital funds, among others.

The goal to repair or replace 200 boilers through PACT by end of 2026 had previously been met. As of October 2025, NYCHA has repaired or replaced 261 boilers through the Permanent Affordability Commitment Together (PACT) Section 8 conversion program.

## ***Elevators***

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

Since the HUD Agreement was signed in 2019, construction has been completed at 288 elevators across 25 developments. An additional 11 elevators are being addressed through projects which are in the construction phase, with a total of 299 elevators forecasted to complete construction by the end of 2026.

The PACT goal had been previously achieved. As of October 2025, 280 elevators have already been transferred to third-party management through the PACT Section 8 conversion program

Additional updates include:

- Installing air conditioners in motor rooms to reduce overheating equipment. As of September 2025, 2,229 air conditioners have been installed and are operational. No new air conditioners have been installed since September.
- Upgrading to Master Operator Variable Frequency (MOVFR) waterproof door operators to help prevent weather-related outages. As of September 2025, 364 water-resistant operators have been installed. No new MOVFRs have been installed.
- NYCHA’s Elevator Services Repair Department (ESRD) has installed Electric Voltage Regulators (EVR) to increase voltage at select developments during summer months. This

equipment will help prevent “no service conditions” in senior buildings when the local utility company lowers voltage to prevent blackouts.

- As of September 2025, 13 EVR units have been installed and signed off by the New York City Department of Buildings (DOB), 4 are currently in progress. In addition, the Elevator Department has asked NYCHA’s Capital Projects team to include EVRs on all future modernizations.

### ***Pests and Waste Management***

NYCHA has substantially reduced the backlog of extermination work orders that had grown due to COVID restrictions, exterminator vacancies, and repeat infestations. In January 2023, there were 16,762 open work orders as compared to April 2026 with 7,061 open extermination work orders, a reduction of 58% in the open work orders. These work orders are not backlogged but represent the volume for about two weeks of work. NYCHA had 50 pest management vacancies in January 2023 and currently has 21, which are being filled in collaboration with NYCHA’s Office of Resident Economic Empowerment & Sustainability (REES), which has offered three exterminator training courses for residents. The final factor leading to reduced tickets is an increase in the quality of work. Exterminators now use vacuums, seal holes, use more targeted pesticides, have better training, and make follow-up visits. These efforts have helped NYCHA to meet or substantially meet response times laid out in the HUD Agreement: (a) respond to 90% of all rat complaints within 2 business days and to all rat complaints within 5 days, and (b) respond to 90% of mice, bedbug, and roach complaints within 7 days and to all complaints within 10 days. The current average response time in 2026 through April for resident complaints for rats is 1.3 days and 2.9 days for the other pests (mice, roaches, and bedbugs).

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

- As of April 1, 2026, 603 interior compactor rooms have been completed, with new interior compactor units and related improvements. An additional 594 compactor rooms are in procurement, design, or planning.
- As of April 1, 2026, 8 waste yards with exterior auger compactors and other equipment are completed, and an additional 15 are under construction, 64 are in procurement, and 24 are in design.

## ***National Standards for the Physical Inspection of Real Estate (NSPIRE) and Annual Public Housing Apartment Inspections***

As of March 2026, NYCHA completed the following key activities:

- As of January 1, 2024, and continuing in 2025 and 2026, NYCHA's procedure is to inspect 100% of public housing apartments per year.
- Updated the NSPIRE Standard Procedure (SP) to include new National Standards for the Physical Inspection of Real Estate (NSPIRE) requirements and other updates. The SP was issued on February 15, 2024.
- Updated the Annual Apartment Inspections SP to include inspecting 100% of apartments per year, new NSPIRE requirements, and other updates. The SP was issued on September 4, 2024. The SP is further being updated as of March 2026.
- Continue NYCHA staff training consisting of two days of classroom sessions as well as a half-day session in the field. The training launched in October 2023.
- As of March 4, 2026, 1,666 staff completed classroom training and 1,324 staff completed site-based training, 974 staff completed NSPIRE readiness annual refresher training.
- Updated Maximo Work Order for annual apartment inspections to automate deferral of minor repairs.
- NYCHA continues to improve resident engagement and communications regarding NSPIRE and Annual Apartment Inspections and holds several informational sessions with residents.
- Continued to improve NSPIRE performance and scores
- Continued to improve completion rate for annual apartment inspections
- Continued to improve completion rate for supervisory inspections of buildings and grounds, and skilled trades

## **Capital Projects**

At the beginning of 2026, NYCHA's Asset and Capital Management (A&CM) Department had 399 active projects with a total budget of \$6.6 billion funded over the next five years. Over the course of 2026, A&CM is targeting to expend over \$1 billion of capital funds across NYCHA's capital programs and complete construction on over 120 projects.

These programs include:

- Heating system replacements or upgrades, including in-kind boiler replacements, decoupling of space and domestic hot water systems, decentralized gas and geothermal systems, and heat pumps
- Elevator system modernizations
- Roof replacements
- Waste management infrastructure upgrades, including interior and exterior compactors and new waste yards
- Comprehensive modernization
- Building exterior improvements, including façade restorations and window upgrades.
- Safety and security, including CCTV, layered access control doors, and lighting
- Flood damage remediation and mitigation, including Sandy recovery and resilience work

- Energy efficiency and weatherization upgrades
- Grounds upgrades, including playgrounds, sports courts, and green infrastructure
- Common area renovations, including lobbies, and community, senior, and daycare center

Progress on several of these programs – as well as NYCHA’s work on innovation pilots, community partnerships, and Connected Communities initiatives – are further explored below. In 2026, A&CM is anticipating securing more than \$350 million in sustainability and resiliency-related grants, including Federal disaster recovery funding related to Ida storm damage remediation and mitigation, as well as securing \$4.5 million in grants for third-party-implemented capital projects on NYCHA sites.

Looking ahead, the 5-year Capital Plan allocates an additional \$1.4 billion of federal funds and \$2.1 billion of City funds in 2026 through 2030 for capital projects managed by A&CM, or over \$700 million per year on average. Much of this funding will continue to be invested in HUD Agreement Pillar areas, including heating systems, elevators, waste management infrastructure, and comprehensive modernization, as well as roofs and façade restoration. These investments underscore NYCHA’s commitment to bringing our properties up to a state of good repair, improving residents’ quality of life, strengthening sustainability and resilience to climate change.

### ***Recovery & Resilience Programs***

NYCHA has invested over \$3.1 billion in funding from FEMA, Community Development Block Grant Disaster Recovery (CDBG-DR), and insurance proceeds at the 35 developments most severely impacted by Superstorm Sandy. Completed work includes 52 new boilers providing heat and hot water to almost 3,483 units in 43 buildings, 187 roofs replaced, 164 full-power backup generators operational with 110 turned over to serve over 15,621 apartments in 173 buildings, and storm surge protection installation at 25 developments protecting over 163 buildings, which are now ready for the 2026 hurricane season. All but one of the remaining projects will be completed in 2026.

NYCHA secured approximately \$170 million in CDBG-DR funding related to Hurricane Ida, which took place in September 2021, and continues to work with FEMA to finalize an approximately \$600M public assistance award to comprehensively restore properties damaged by the storm and mitigate damages in future floods. NYCHA has identified major damage at 13 NYCHA developments management, which are the focus of this recovery program. FEMA has obligated program funding for 11 of the 13 properties, with two properties awaiting obligation. In coordination with the FEMA program, the NY State Division of Homeland Security and Emergency Services has committed \$30M in local match funds, which will support additional mitigation measures. NYCHA has also worked with the PACT program to provide \$51 million of CDBG-DR funding to Hope Gardens and Bushwick Houses, two former NYCHA developments now in the PACT program which suffered major and unprecedented rain-driven flooding during Hurricane Ida and in subsequent rain events. Construction at these properties is 80% complete.

More broadly, NYCHA is implementing its 2021 Climate Adaptation Plan, through projects that increase resilience to the three greatest climate-induced threats to New York City residents:

extreme heat, coastal flooding, and extreme rain. NYCHA continues to identify resiliency needs, actively seeks federal and State grant funding to address them and is implementing capital projects to protect the portfolio and NYCHA residents from damages and losses due to climate events. New grant programs sponsored by NY State have provided approximately \$20M in funds to support the construction of NYCHA stormwater management projects. NYCHA is also working to integrate resiliency needs into its pipeline of capital work, including exploring a process for reviewing projects for consistency with the City's Climate Resiliency Design Guidelines beginning in 2027. Further efforts to coordinate the resiliency program with other NYCHA priorities include ongoing cooperation with PACT partners planning conversions at properties with existing climate threats, as well as seeking opportunities to join resiliency and electrification goals into holistically planned property improvements.

### ***Energy-Efficiency Programs***

In 2026, NYCHA released a Sustainability Agenda which outlines its commitment to healthy and comfortable homes that also reflect environmental stewardship and sustainable design. There are currently \$341 million in active and complete Energy Performance Contracts, and \$42.2 million in weatherization upgrades are completed or in construction. In August 2022, NYCHA, in collaboration with the New York Power Authority and New York State Energy Research and Development Authority, selected two vendors, Midea America and Gradient, to develop affordable cold-climate window-packaged heat pumps. The two vendors' products were initially piloted in 2023 at 24 apartments at Woodside Houses and evaluated for 12 months. In 2025, NYCHA scaled this installation of heat pump units in a full building at Woodside and is installing new energy efficient windows to pair with the heat pumps. Additionally, NYCHA has identified six developments that can convert to this new heating system. Three developments in the PACT program, Bay View, Campos Plaza II, and Wilson, have incorporated window heat pumps into their projects, making them the largest electrification projects at NYCHA to-date. Installation of heat pumps across NYCHA's section 9 portfolio and PACT projects will progress NYCHA's commitment to install 30,000 of these new heat pumps by 2030.

NYCHA also committed to host 30 megawatts (MW) of renewable energy on public housing and PACT roofs by 2026. As of September 2025, a total of 6.8 MW of community shared solar have been installed. An additional 16.3 MW of solar installations are in design or construction, with 2 more MW of solar awarded, pending lease signature. 2.9 MW of the remaining 5 MW have been solicited and proposals are under review.

### ***Comprehensive Modernization Program***

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

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

### **Innovation Pilots**

In 2025, A&CM developed and/or managed the following innovation pilots, which are continuing in 2026:

- **Entryways:** Analyzed and evaluated NYCHA's 30-year-old storefront standard, piloted a new standard with aluminum, steel-reinforced entrance doors with large glass panels for improved visibility across five pilot sites, and finalized the new standard based on the pilot feedback and evaluation.
- **Window Heat Pumps:** In partnership with the New York State Energy Research & Development Authority (NYSERDA) and the New York Power Authority (NYPA), engaged HVAC manufacturers to develop and pilot a unitary, packaged cold climate air-source heat pump (ASHP) intended to be easily installed through an existing window and not require major electric upgrades. The pilot occurred at Woodside Houses, with the long-term goal of purchasing 30,000 heat pumps to install in 10,000 apartments. The initial pilot is complete and the heat pumps were installed in one full building in March 2026. Project planning is underway for the installation of heat pump units at six developments.
- **Clean Energy Academy:** Connects resident trainees to NYCHA's energy efficiency and renewable energy projects at NYCHA developments, customizing the training curriculum to contractor needs. NYCHA and the Public Housing Community Fund have graduated more than 100 public housing residents through the Clean Energy Academy to date. The Public Housing Community Fund trained 3 cohorts of residents in 2025, and 3 more cohorts are in progress or planned for 2026.
- **Green Infrastructure:** NYCHA is designing and constructing deeper green infrastructure retrofits to mitigate the impact of intense rain events, also called cloudburst events, at four developments to make these properties more resilient in the face of climate change while improving open space for residents.
- **Recycling Stations:** NYCHA is piloting larger capacity and more conveniently located recycling and trash stations at multiple sites with the goal of improving the resident recycling experience, minimizing material handling for staff, and increasing the capture of recyclable material.
- **Electric Vehicle Charging:** NYCHA is exploring conversion through a Request for Expressions of Interest to convert underutilized parking spaces to EV charging spaces to provide revenue to host properties and increase access to EV charging across New York City.
- **Induction Stove Challenge:** With NYPA and NYSERDA, NYCHA issued a manufacturer challenge to replace its gas stoves with an affordable, retrofit-friendly electric induction stove that runs on 120 volts and uses either smart controls, battery integration, or a combination to eliminate the need for major electrical infrastructure upgrades. Pending

a successful pilot demonstration of the proposed unit, NYCHA will purchase approximately 10,000 new stoves from the selected manufacturer. Copper has signed an agreement with NYPA as the challenge awardee, and development of the new stove has begun.

### ***Community Partnerships & Connected Communities***

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

As a part of the Mayor's Action Plan program, the NYC Office of Neighborhood Safety, in partnership with the Center for Justice Innovation, completed construction of a new fitness area at Butler Houses in Fall 2025, and are planning open space projects at Tilden, Whitman, Mitchel and Wyckoff Gardens, to be implemented by late 2026. These projects are part of numerous tactical investments in the built environment aimed at enhancing safety across 30 high-crime NYCHA developments.

In addition, through the Connected Communities program, NYCHA has partnered with the Public Housing Community Fund to accept multiple philanthropic grants to improve open spaces at NYCHA. After a preliminary grant in 2019, the Helmsley Charitable Trust awarded an additional three-year \$3.2 million grant in 2022 for participatory design-led open space transformation across four developments — Patterson, Castle Hill, Roosevelt, and Marlboro Houses. The site selection was informed by climate vulnerability, health and crime indicators, and resident leadership capacity.

Construction at Castle Hill Houses was completed in spring 2025, with the addition of NYCHA's first-ever dog park and a new BBQ area as part of the program. Construction at Patterson Houses was completed in summer 2025, including the renovation of two playgrounds, the addition of a new fitness area, and the renovation of a basketball court. The project at Roosevelt Houses is currently in construction and will introduce multiple seating plazas across the development, with completion anticipated by Fall 2026. Marlboro Houses is currently in procurement, with construction anticipated to be completed by the end of 2026.

In August 2023, the Mellon Foundation approved a \$2 million grant for the restoration of a historic artwork at Kingsborough Houses – a Works Progress Administration (WPA) 80-foot-long frieze on a freestanding wall, *Exodus and Dance*. The restoration was completed and celebrated with the community in August 2025. The project has since received multiple awards recognizing its exceptional preservation and design, including a 2026 AIANY Design Award, a MASTerworks Award from the Municipal Arts Society, the Lucy G. Moses Award from the New York Landmarks Conservancy, and the 2025 Excellence in Historic Preservation Award from the Preservation League of New York State. In addition to the frieze restoration, the Mellon grant at Kingsborough Houses also supported a broader cultural initiative, including an artist-in-residence program, an oral history project, the creation of a community mural, and the installation of NYCHA's first-ever heritage walk.

In November 2023, the Mellon Foundation approved and granted \$3 million to pilot a three-year artist-in-residency program across five NYCHA community centers with the NYC Department of Youth and Community Development (DYCD). NYCHA and the Public Housing Community Fund (PHCF) are collaborating with NYC's Public Design Commission (PDC) for this effort to lean on their expertise of citywide arts-based initiatives. PHCF secured \$3.6 million in philanthropic funding from the Pershing Square Foundation to support an intergenerational open space transformation at Harborview Terrace. Construction is currently underway, with completion anticipated by Summer 2026.

Additionally, PHCF has secured \$1.3 million in Congressional funding for two open space projects: a sensory garden and playground at Morrisania Air Rights in the Bronx, designed to meet the critical need for a neurodivergent-inclusive space in the community, and a splash pad renovation at Pomonok Houses. Both projects are currently in design, with groundbreaking anticipated in Fall 2026.

NYCHA continues to support other nonprofit investments of over \$1.5 million into smaller open space interventions. *Opening the Edge* at Wald Houses, a plaza developed by the Economic Development Corporation (EDC) in partnership with the Design Trust for Public Space, was completed in November 2025. Landscaping and activation programming are planned for Summer 2026.

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

On May 12 and May 13, 2026, NYCHA presented an overview of the Authority's Capital Planning Program and the FY 2026 Capital Plan and Five-Year 2026-2030 Action Plan to the Resident Advisory Board (RAB).

NYCHA's FY 2026 Capital Fund Annual Statement/Performance and Evaluation Report and Five-Year Capital Action Plan are included in the Draft Plan in Attachment C, on pages 175 through 188.

NYCHA's FY 2026 Capital Plan and Five-Year Action Plan continue to focus investment to address the key issues outlined in the HUD Agreement: (1) investments in roofs, façades, and plumbing components to help address mold, (2) investments in heating and elevator systems to address boiler and elevator deficiencies, (3) investments in the waste management plan to control pest issues, and (4) safety and security investments in fire alarms. In addition, to address sites with a (i) high incidence of mold complaints and/or (ii) potential lead paint risks, NYCHA will be undertaking comprehensive modernization efforts with a variety of funding sources, including federal funds. The Five-Year Capital Action Plan reflects the estimated capital budget for the RAD pre-closing costs by development.

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

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

HUD published new regulations in February 2023 implementing changes under the Housing Opportunity Through Modernization Act (HOTMA). Sections 102 and 104 of HOTMA make changes to the United States Housing Act of 1937, particularly those affecting income calculations and reviews. Section 102 changes requirements related to income reviews for public housing and Section 8 programs. Section 104 sets maximum asset limits for public housing and Section 8 applicants and participants. HUD has issued guidance via PIH Notice 2026-09 requiring implementation by January 1, 2027. Please see Attachment L on pages 239 to 246 for more information on the changes that will apply to NYCHA's Housing Choice Voucher (HCV) and public housing programs.