

NEW YORK CITY HOUSING AUTHORITY
THREE-THOUSAND ONE HUNDRED AND SIXTY-EIGHTH MEETING

Minutes of Board Meeting

Wednesday, December 15, 2021

The meeting was held remotely.* A Quorum being present, the Chair called the meeting to order.

Present: Gregory Russ, Chair
Victor A. Gonzalez, Vice-Chair
Joseph Adams, Member
Paula Gavin, Member
Matt Gewolb, Member
Jacqueline C. Hernandez, Esq., Corporate Secretary

*Because of the ongoing COVID-19 health crisis and in relation to Chapter 417 of the Laws of 2021, the Board Meeting of the New York City Housing Authority, held on Wednesday, December 15, 2021, at 10:30 A.M., was limited to viewing the live-stream or listening via phone instead of attendance in person

NEW YORK CITY HOUSING AUTHORITY

Office of the Corporate Secretary

Regular Meeting**
Wednesday, December 15, 2021

I. Authority Minutes

Adoption of Minutes of Regular Meeting, Monday, November 29, 2021

II. Chair's Opening Remarks

I just wanted to give the Board a brief update on what's happening in Washington with respect to the Build Back Better Bill. I do not have any news to share with the Board on the timing of the Bill. The Senate was thinking of trying to get to a vote before the holiday. It's unclear if they will be able to make that timetable or not. The second thing, I think the Board Members know the Department of Housing and Urban Development's ("HUD") Secretary was in town, and she visited the Betances and Patterson developments. It was intended to be a smaller visit in the sense that we had Congressman Torres with us, but we had the minimum number of people so that she could get a feel of the units. She went into several units at Betances, which is a RAD site, and then we went a few blocks away to Patterson. Patterson interestingly is one of properties of the highest physical need which has a 2017 number of \$402 million, but I would venture that it's probably up to around \$420 million of investment or more just at that site alone.

We had a chance to talk briefly one-on-one and conveyed collaboration that we've had with HUD under the Agreement, but also a sense of things that we're going to need to do together, particularly on the funding and some other issues around both the Capital and Operating Budgets. We had a Resident Roundtable at Patterson which was really a listening session. Legal Aid and some of their clients were present. They spoke about all the operational difficulties many of which you are familiar with and many of the staff are familiar with, and she listened. I'm having a follow-up conversation with her office, I think, next week. It was an encouraging visit and great to meet her in person, but I had talked to her via zoom at some of the industry meetings, but this was great.

The last thing I'll say is we're going to be briefing the Board shortly on the Fiscal Year 2022 Budget. This is one of the hardest budgets we've ever had to manage. We have come up with a package of approaches that are solid. It doesn't fund everything that needs to be funded, but we'll walk through the logic of it with the Board; but it was a hard year. You'll see from the presentation, especially since our rental collection numbers are way down. So that will be coming at the Board briefings and then at the second Board meeting on December 29, 2021, we will be bringing the budget to the Board.

III. Reports

A. Transformation Plan Implementation Update (Report is attached hereto and incorporated herein)

Questions and Answers

Q. BM Adams: As I was telling the Chair a while ago, I see some things that are working quite well. For example, Managers have more autonomy now to hire contractors to do the work. Having them have that autonomy works.

Caretakers are more comfortable out there working in the dark, because they are in the teams of twos and threes. Initially, at the beginning of Alternative Work Schedule ("AWS"), I observed women in the dark sometimes by themselves, but all that has changed. They seem to be quite comfortable coming out early like that and doing the work.

Where I see and hear issues is at the Borough Office. Employees are being placed at the Borough Offices and are bumping into each other. They are not quite comfortable as they haven't really worked with people on a day-to-day basis. There are some issues at the Borough level. The timing and implementation of AWS, in my opinion, was not good as it relates to the Borough. However, as noted, it appears to be working out with the Caretakers.

A. Eva Trimble: Thank you so much for your feedback BM Adams. We will speak to the Borough Vice-Presidents to see what they are seeing at the Borough Offices.

Q. Vice-Chair Gonzalez: I see the plan and I hear the plan and everything that you are doing to make it work. I noticed that everything is in the form of a reactionary manner. But, I am looking at the information you supplied, and I don't see any proactive initiative when it comes to the work tickets. Basically, what I'm saying is that the old tickets are getting even older, and unless they're brought to someone's attention, they are going to wind up where we don't want them to. I had a conversation earlier this year where we spoke about this, to wit, that there were some proactive initiatives that were going to be put in place, but I don't see any yet, unless I am reading incorrectly.

A. Eva Trimble: No, you are not reading it incorrectly. We provided some highlights here. You are right. There are some changes in the process that do enable us to go back, look at and be more proactive. For example, when the resident calls the Planner to schedule the new work orders, the New Planner's process is also to pull up in Maximo all the open work orders for that unit, look at everything that may be still pending, and try to schedule everything, not just the new item but anything outstanding. We are hoping to be able to capture some of the backlogs. However, to be honest, there is a significant backlog of work orders, some of which many require capital improvements. For us to really reach deep into that backlog, we do need to engage, hopefully with the Build Back Better and other funding sources coming. They will require a more capital approach rather than just what we can do, day-by-day on our work orders.

Q. Vice-Chair Gonzalez: It all depends on if the resident calls in. Now there are times when the work ticket is so old, and the resident is so upset, that the resident just gives up and does not call.

What are we doing about those very, very old work tickets that the resident wants fixed but doesn't want to deal with all the craziness? How do we look at those old tickets that eventually wind up in the media?

A. Eva Trimble: All the old tickets are still going to go through the regular process. Right now, there are many tickets waiting to be scheduled. And right now, we have the current process via Borough Planners. I believe they schedule three (3) weeks out to maximize the skilled trades' work over three weeks, and then keep going based on the priority of the work ticket, as well as the age of the work ticket. So, the Neighborhood Planners ("NP") are still going to be scheduling anything that's in the *waiting to be scheduled* bucket. They're going to be responding to residents' calls, in addition to looking at what's still open in the residential unit. The NPs will also be reaching out to those residents and encouraging them to schedule any open work orders.

Q. Vice-Chair Gonzalez: It's a plan and I'll be waiting to see how it progresses. I am really concerned with the very old tickets that can wind up being health hazards. When they contact residents and it's a very old ticket, the NP will go back in time, if they can? We may not have those records to see how long this has been going on, and will it be given a priority, or will it be treated like a brand-new ticket?

A. Eva Trimble: The old ticket will be scheduled. The idea is that the NPs will see everything that is going on in the apartment. The NP will say, "you have called to schedule this plumbing job, but I see you have an old ticket for an electrical outlet. Would you like me to schedule an electrical ticket for you now." This is the idea of what the NP will be doing.

Q. BM Adams: What are the services for the blind, disabled and deaf? What would be some scenarios to have their tickets, either read to them, or having a translator for someone who cannot hear or speak? In your presentation, the American Disabilities Act has not been mentioned. How will this be handled? These people need someone when Management is trying to take care of them. They need someone to translate or make it accessible for them to come into those places and get help.

Your presentation seems to be solid, but things can happen. Will there be anything mentioned in your presentation that say, that it will be reviewed, assessed and re-evaluated in ninety (90) days or six (6) months, to see where we are and come back to it. I never see this in your presentations. The presentation needs to be more in depth and provide transparency. What is the plan in place?

A. Eva Trimble: First, I am going to get back to you on your question about accessibility and how we currently work with residents that need translation or accessibility. I'm sure we have a process for this, but I am not certain. I will find out more and get back to you on this.

Second, re-evaluation and rethinking are embedded into everything we do in Strategy and Innovation. We have weekly team meetings where we discuss progress and issues that we are seeing on our projects. We re-evaluate and we try new things which we call continuous improvement. We are constantly presenting issues, risk and figuring out how we can make changes to the program and address them in real time. We don't want to let anything go sixty (60) or ninety (90) days before we address it. We are constantly bringing back information as a team and re-evaluating it. When needed, I bring things up to the Chair or Chief Operating Officer ("COO") for discussion, and we make those changes in real time. There is a constant re-evaluation and change. If there is something not working, we discuss if it either needs more time, resources or a change in how the program is working. Strategy and innovation are imbedded in everything we do.

Q. BM Adams: I would like to see this in writing. We might have to revisit or retool this to let residents like myself know that the Authority anticipates on having to change or address things. I don't know if the timeline will be thirty (30) or sixty (60) days. We must revisit or put in the initial presentations that you will have a proactive way of saying, we will take another look at this in two (2) weeks or whenever to see where we are or make changes. I would like to read this for myself, and this will let me know that anything that can go wrong or is delayed will be addressed.

A. Eva Trimble: I think that's an excellent suggestion for us to add into our presentations going forward. For example, in the Janitorial Reform ("JR") we did a survey of the Residents and Pilot Sites at the start of the JR, in the middle of the program, and as we are going towards the end now. We will get that feedback from different parts of the process and make adjustments as we go forward. We will make this point in our presentations clearer going forward.

Q. BM Gavin: I really wanted to know if there are any areas of concern for the Action Plans with the Monitor? Is there anything considered to be in jeopardy by the Monitor?

A. Eva Trimble: The Monitor's ninth quarterly report came out in the middle of October. I can forward that to you if you were not able to see it. It should be on its website as well, but I'm happy to forward the information to you.

Chair Russ: One last note, to the rest of the Board. For many of the work order ticket issues- especially those related to mold, we are going to have to, I think, very shortly likely in January or so, begin to press much harder than we have been, in order to stay even. I'm very concerned about some of the work order areas that make more demanding and complex repairs difficult. We have our backlog, of course, which we're going to have to deal with, and I think that the reforms that Eva is presenting here, as they roll out over time, will help some of the things that the Board Members raised, especially Vice-Chair Gonzalez and Board Member Adams. We're going to be carrying a large backlog into the new year and we're going to have to deal with it. We have advised HUD and others of this. You'll see in the budget that we attempted to balance some of the efforts around this, but we will likely be back early in the year with some ideas for probably employing a combination of staff and likely vendors to begin to think about what can we pick off some of these backlogs, and we'll use the Neighborhoods and maybe look at the Neighborhoods by the highest number of a certain type of work orders, so we could just send one vendor into that Neighborhood to do all of that work at one site; but there will be more ideas coming.

One of the things that has happened to us, (this came out in the visit to Patterson), is that we have situations where we can repair an individual unit, but we really can't guarantee that the unit is going to stay fixed, and that's because we can't repair entire lines of pipe or entire systems. It quickly moves from being an individual repair into repairs that require capital. The mold team, for example, is going to do a whole line replacement on one of the worse lines that we have because the line itself is well past its useful life. There is going to be more effort, and as we look at this going forward, our Operating Budget is going to have to sustain those efforts because even if we get the capital tomorrow, we won't be on the ground with the capital for many many months, as we do the planning and then we're likely to have thirty-six (36) months construction schedules. This is coming and I just want to let the Board know that some of those old tickets are probably going to get caught up, I hope, in a way to address. We have been watching this and we're not unmindful of the demand that is out there.

B. Façade Safety Inspection Program (Report is attached hereto and incorporated herein)

Questions and Answers

Q. BM Adams: You came to our residence, and you observed there were no exits cut open for the ambulance, firemen or residents in wheelchairs to get to the street away from danger. There is no exit to get from out of the building and directly into the street and away from the danger. In the rear of the building by the Community Center, the fire exit is not blocked. The fencing is, however, completely blocking off the other side where there is another building that is a private residence. I'm sure if an elderly person came out and was in danger, they could come over the fence with help from someone, but this is completely blocked. This is a dangerous situation. I understand these sheds need to be here, but they are not maintained. There are gaps in them and critters. The dangerous part is that residents are blocked in.

Trinity School is across the street from my Development. When individuals exit that building, they can at least walk between the cars, and get away from immediate danger. The residents here cannot do that. In a smoke situation, people can't think. You placed extra signs, but if smoke is coming through there, people will panic. The residents are completely blocked off by these sheds, and there is no opening anywhere. Since work is being done in the building, residents literally must walk a block and half to get away from the danger. One is supposed to be able to come out the building and move across the street and away from danger, but this cannot be accomplished here. You must cut a hole or do something and maintain these sheds and catch stuff as you are working.

The firemen came to our residence one day and broke through the pipes. Also, ambulance personnel has to park on the corner, and walk up the hill to those residents who occasionally are not feeling well. We have no way out to get away from the danger. The shedding is important because you don't want stuff falling on people. I see some guys take some things down that have fallen. It's dangerous. However, you can't block people in the rear and the front. There's no way in an emergency to exit. Whether older or younger, you will panic. You must be able to come out and get away from the danger.

A. Steven J. Lovci: You brought up a couple of things that I want to address. First, you invited me to the Development, and we looked at it when the shedding was first put up. What happens is that at the edge of the curve, there are the vertical supports and there are those horizontal cross-bars. Usually, an opening happens directly in front of an entrance, but that might not be the way in which residents of that building use the facility. We came back and removed as many cross bracings as we could, where removal of the cross bracings did not disturb the structural integrity of the sidewalk sheds. As you leave the building, you go to the right or the left of your building, much like many on the street walls, and down the sidewalk, rather than exit the building and go into the street. As you mentioned, we opened those areas, and observed parked cars in the area. Residents do not comply with the shedding exits and this creates an issue when residents try to exit to the sidewalk and get between the cars, as well as the sheds. We recognize this is difficult and where there is a possibility of removing the cross bars, we do. In the case of the rear, we did place additional signs. There is an exit out into the rear of the Plaza area.

We placed extra signs because we felt the residents who may come into the Plaza may not recognize where they need to go to exit. It does not matter if there is shedding or not. We should keep those signs up because it's a good way of moving somebody out through those spaces. Regarding the overall safety concerns of the shedding, I agree completely. I have spoken to many Council Members, and we are working with the Mayor's Office of Criminal Justice. The shedding across the city is an issue not just at NYCHA. Shedding is going up every day as part

of the cycle because we are required to put them up. We do work with the Fire Department and the Local Emergency Services Department when we put up the shedding. They all review our plans to make sure there is a way to get emergency vehicles up to the buildings. We shared those site safety plans with the Development and Tenant Association, but we'll be sure to do so again.

I recognize that it does change the way we do fire and emergency vehicles. For example, at Ingersoll, they used to be able to come in at any direction. Now, they only have one or two directions to get into the center of the campus. I have heard stories where an ambulance has driven around two (2) or three (3) times before it gets to the entrance of the center of the campuses. We will continue to work with the Fire Department and Emergency Services to sure those sheds don't block access to the residents.

Q. BM Adams: I believe that a hole can be cut at the entrance when you come out. I know you cannot remove the bars, but you must make a hole where people can get to us and other residents get out. If smoke comes through the corridor in the rear, it's a wrap. You won't be able to see the signs and will likely panic whether you are able to see or walk. If anyone has challenges, it's going to be a wrap.

A. Steven J. Lovci: We can walk through this again. However, the fence and shedding are dictated by the Department of Buildings ("DOB") and not NYCHA. We can work at putting gates and/or doors on the fencing to make it easier for the residents.

Q. Vice-Chair Gonzalez: Does NYCHA get cited for having those sheds up for more than ninety (90) days?

A. Steven J. Lovci: No. The Code requires that unsafe conditions be fixed in ninety (90) days. There is also a section in that Code that says that you can extend those ninety (90) days with the approval of the DOB. Capital Projects Division ("CPD") has a regularly scheduled meeting with DOB only on Local Law 11 work, where we work with the DOB. We show them the ongoing projects and the schedules. We basically go through our entire portfolio with them regularly and that allows us to extend the ninety (90) days, because we are working with the DOB. The DOB knows all our funding and we do open book with them. DOB recognizes the issue that we have where we don't have the money to fix those brickwork and, to keep the public safe and to comply with the law, we must keep the shedding up. We don't get cited by the DOB associated with fixing it in ninety (90) days. We don't pay the DOB any fines, or any funds associated with them.

Q. Vice-Chair Gonzalez: Does the DOB and NYCHA have a good working relationship?

A. Steven J. Lovci: Yes. DOB has been very good to the Housing Authority. We have a very good working relationship with their staff. They are available all the time for all meetings.

DOB worked with us on fencing. You will notice less shedding (which cost NYCHA a lot more money) going up and a lot more fencing going up. Fencing does cause other issues but allows for a lot more transparency and lowers our overall cost. We can put less into the shedding and more money into the facades, doing the work. We worked out a deal with DOB to make sure that the public was safe, but which allowed NYCHA to erect less shedding and more fencing. It's not the best solution but a solution that's solving some of the issues that we face right now.

Q. Vice-Chair Gonzalez: Is the shedding put up by the City or by NYCHA?

A. Steven J. Lovci: The reporting is paid for by NYCHA. It's our responsibility and then when the report is filed with the DOB, and there is an unsafe condition within that report, it is the obligation of NYCHA and our contractors that we hire to put up that shedding or that fencing. We have about seven (7) general contractors in our portfolio of Indefinite Delivery Indefinite Quantity contracts that do shedding and fencing for us, as well as Local Law 11 work.

Q. Vice-Chair Gonzalez: Does NYCHA have any say as to how the shedding is constructed?

A. Steven J. Lovci: The shedding's green color, the style, and all those things are dictated by the DOB. The location is dictated by the DOB, as well. It's a calculation based on the height of the building, where that item is within that height, and then projection out where that item could fall—that establishes the safe zone. We file all of those with DOB, and the DOB approves those drawings for us to move forward. The piping is general. There's a structural engineer identifying how many cross braces are required. We can move those around and put one cross bracing in one area. There are two (2) or three (3) options out there, but we use the standard option. I know that there are some beautiful sidewalk sheds throughout the City of New York. We just don't have the funds to do that type of work.

I go out and meet with residents and Community Leaders, as we are looking at shedding, and make modifications and changes. We do find ourselves in odd predicaments, where we must shed off, just because the way the line is drawn by DOB as it relates to the formula. It's all dictated on the report of the facades and where that unsafe condition is in those overall facades. For example, suddenly, a bench may be fenced off. Or suddenly, you will walk down the street and there will be at least six feet of shedding in the middle of nowhere. We work to try and figure out and go back and make those modifications.

Q. BM Gavin: We talked about the \$40 billion of needs that we have, and I just wanted to confirm that the \$3.7 billion that you talked about for façade is included in that estimate?

A. Steven J. Lovci: Parts of \$3.7 billion are in the 2017 number that we looked at over a period. For the Qualified Exterior Wall Inspector ("Q.E.W.I.") reports, these individuals are hanging off the side of the building and doing the analysis of the facades. These numbers are happening in real time at those developments from that time of the Physical Needs Assessment ("PNA") all the way through. The Chair has spearheaded CPD to look at the new PNA to be much more or beyond replacement in kind. He is bringing it up to a good state of repair, and this is where we want to be in the future. We are building those items out into the PNA. This next round of PNAs will be an even better tool than, we have today, and one that allows us to think about where we want to be as an agency.

A. Chair Russ: Steve's answer on parts of it being there is correct, but it's not all there. When we did the PNA, it is a fix-as-is approach, so if we knew we had a façade that needed to be repointed that money would be captured in the PNA and go into the \$40 billion. I think one of the things that Steve's report highlights is this does not include recladding a building. It does not include some of the more massive capital repairs, that we would have to do to take care of both the brick work but also reap the benefits on the energy side. If we think about the \$40 billion, we can stabilize the units and take care of several systemic things. We are not representing that we are fully recladding buildings, because that number is not in there. We are going to be doing tremendous

carbon reductions because only pieces of the energy work is in there, as well. It's important to recognize that the \$40 billion number is a great number but presents a certain view of the building.

Eventually, we will have to decide if we're going to supplement whatever money we get from Washington and decide if we're going to bring more money to these buildings, to do things like resiliency work, more energy improvements, deeper ones, and electrification. Those are the kinds of things that when the PNA was done the first time weren't included. I've asked CPD to honor the HUD approach but to give us a number that takes a more comprehensive look at the repairs the building needs.

IV. Closing Remarks

BM Gavin: That is very helpful, and when talking about the \$40 billion, it is not enough.

Chair Russ: Whatever grant \$\$\$ comes out of Senate will seed the properties. We can look to raise more on top of that if we want to push the properties farther with improvements. You're right it's not as comprehensive as we're thinking now, in part, because we've changed our approach to energy, green and keeping equipment out of the way of storm water drainage. The foregoing isn't fully captured but we could raise the money to put them in place.

BM Adams: We can take a page out of Real Estate Development Department playbook. They partnered with the Robinhood Foundation and various people for the goals that they set. We can interact with the School Construction Authority on the goal of creating holes or exits for residents to get out. We need to get out in case of an emergency. They are blocked.

Chair Russ: Let's have somebody look at the shedding. I would like to see if the issues you are raising are resolvable. Perhaps we can brace a section differently or something and go back and give instructions to the contractors if its doable.

BM Adams: The rear entrance is completely accessible to get out on a clear day, but if smoke comes out the other side, it's all over.

Steven J. Lovci: We will come back up to the development to make sure that condition is resolved.

Vice-Chair Gonzalez: We have a new Chief of Security and Safety. I would like to get James Secreto's idea of what plans he wants to implement for the safety and security of the residents of NYCHA-- maybe at the next non-voting meeting.

Chair Russ: I talked to Mr. Secreto about it, but I wanted to give him time to get out into the field. He has dealt with a number of things that has come his way. We are planning on having him come to the Board and do a presentation. If we did it for the first non-voting meeting, then we would also know what the City is interested in and whether there's any synergy with the new Administration. We've had one Transition Meeting and they asked for some ideas. We have several packages of security ideas that we can eventually share. We can get him on the calendar for a report at the next non-voting meeting, depending on the timing. We did want to give him some time since it's only been about two months for him to see what we're dealing with.

James Secreto: Yes, thank you Vice-Chair Gonzalez for bringing that up. I am working at the Chair's and COO's direction on a security plan. I hope to do a presentation as we go forward.

**Non-Voting
BM=Board Member

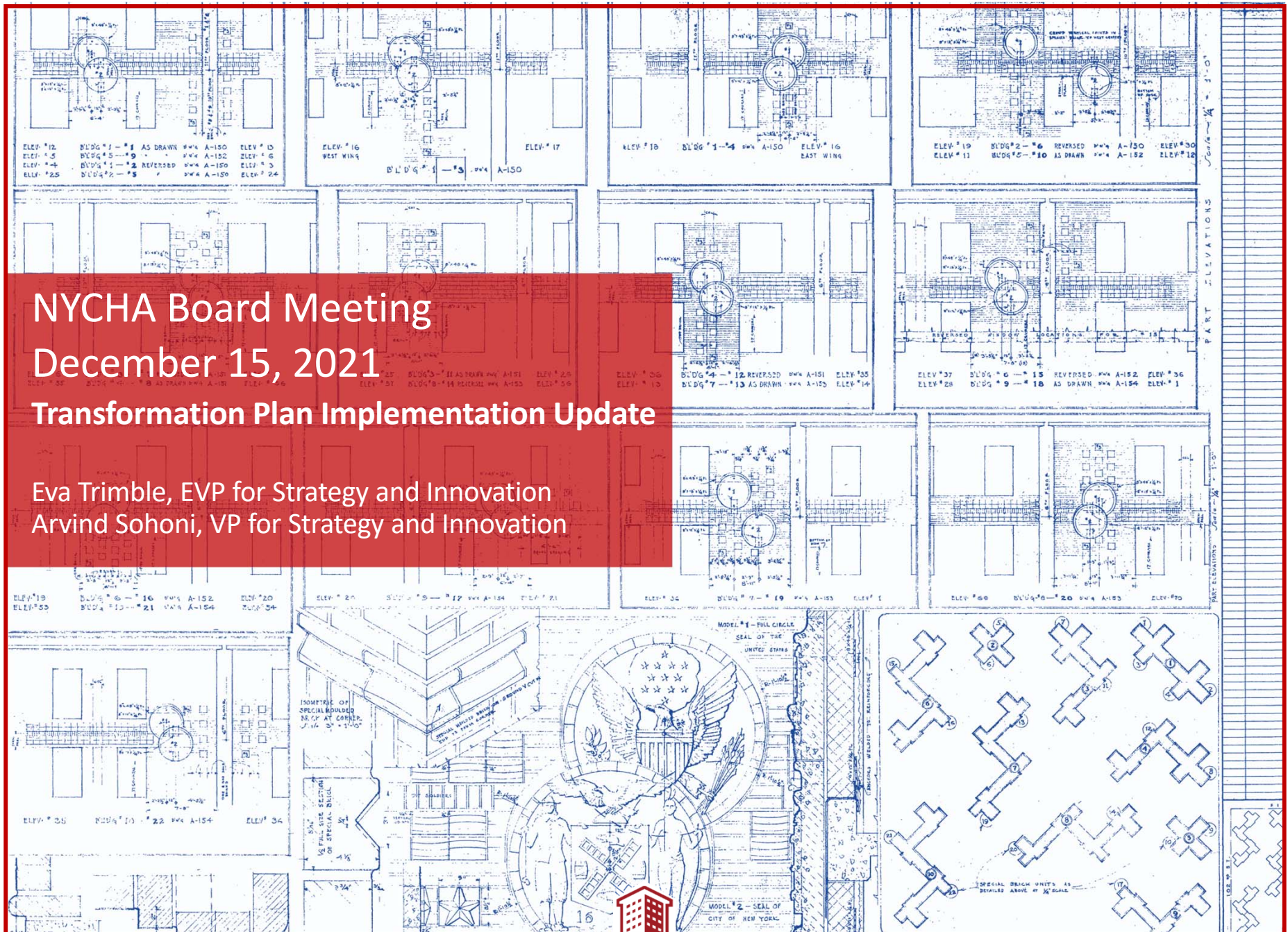
A handwritten signature in black ink, reading "Jacqueline C. Hernandez". The signature is written in a cursive, flowing style.

Jacqueline C. Hernandez, Esq.
Corporate Secretary

NYCHA Board Meeting December 15, 2021

Transformation Plan Implementation Update

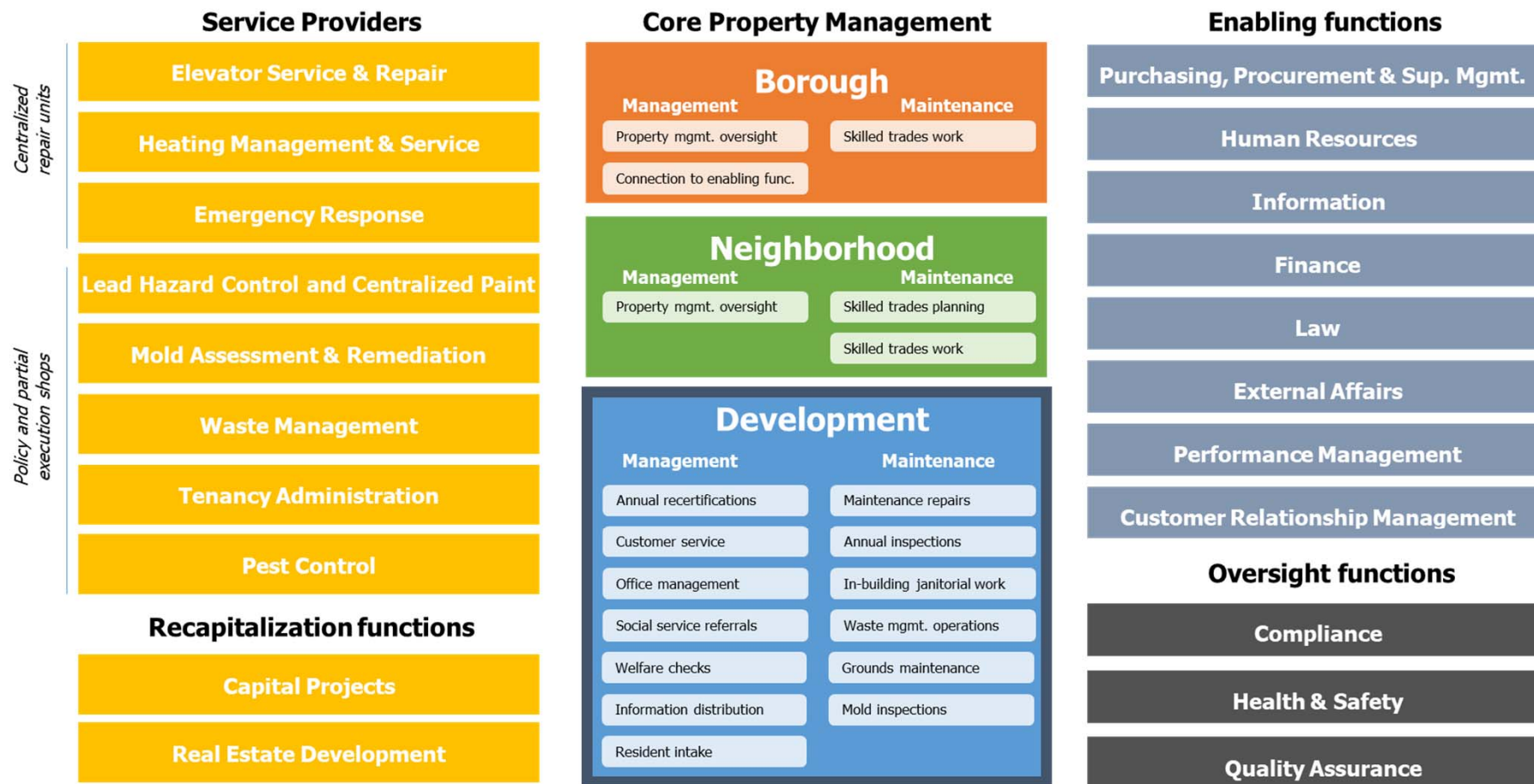
Eva Trimble, EVP for Strategy and Innovation
Arvind Sohoni, VP for Strategy and Innovation



Agenda

- Overall Transformation Update
- Neighborhood Model
- Work Order Reform
- Janitorial Reform
- Q&A

Neighborhood Model



Neighborhood Model – Major Project Mapping

Service Providers

Pillar Action Plans

Annual Review Portal

Recapitalization functions

Asset Information Management System

Core Property Management

Neighborhood Model

Work Order Reform

Janitorial Reform

Closed Work Tickets

Enabling functions

Borough Admin Teams

Human Capital Management System

Lease Enforcement

NYCHASat / KPIs

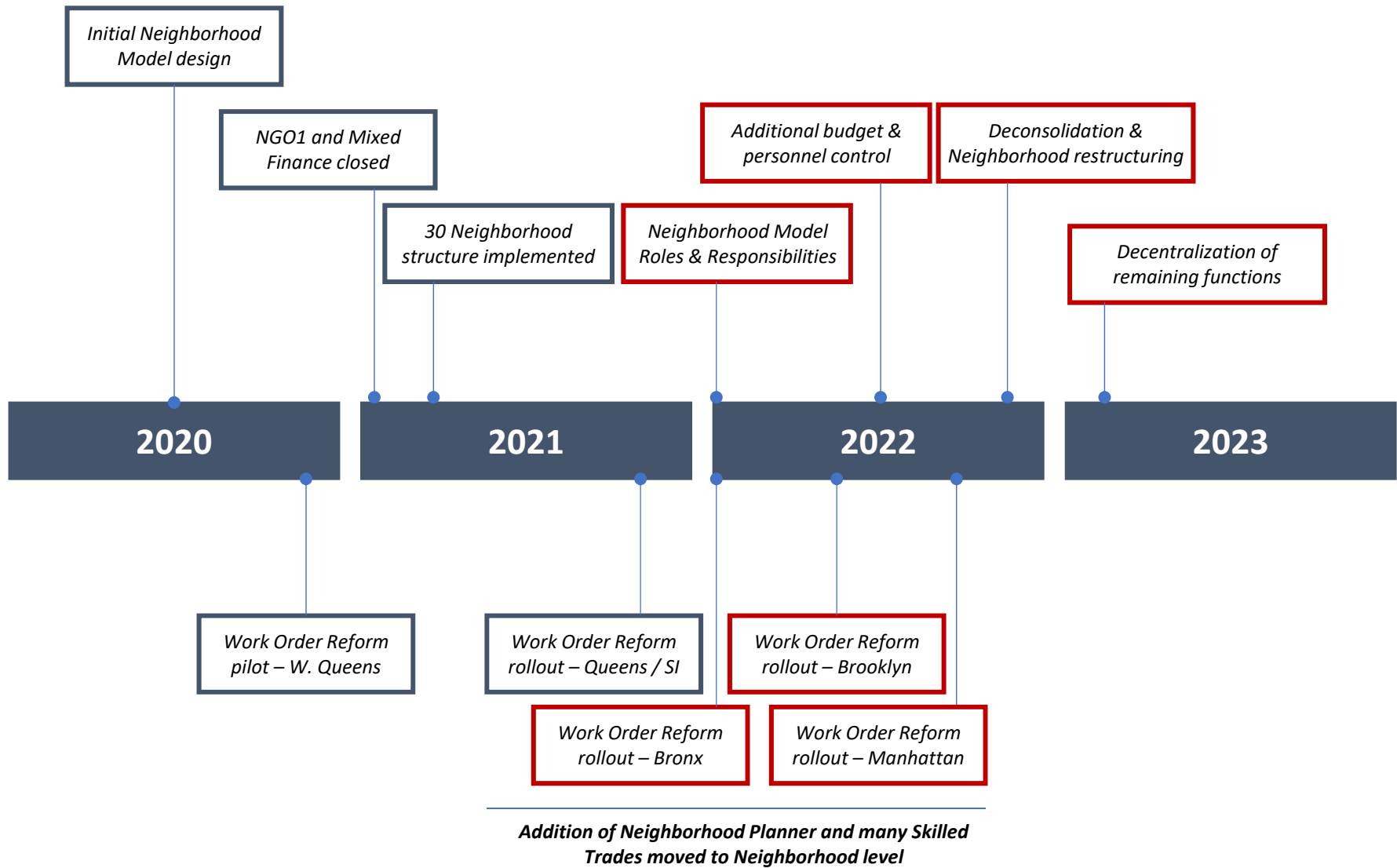
Data governance

Resident Roundtable

Property Based budgeting



Neighborhood Model—Timeline of changes



Work Order Reform—Key Changes

- **Neighborhood Planner and Secretary Dedicated to Each Neighborhood**
 - 30 Neighborhood Planners & 30 Neighborhood Planning Secretaries
- **1 Borough Planner & Secretary Remains at Borough**
 - Small Reserve Team at Borough
- **Performance**
 - Now measuring the entire length of repair (including all parent and children)
 - New dashboards of different ways of measuring performance rather than SLAs
- **"One Call"**
 - All Child Work Orders Opened on First Visit
 - Residents Call Neighborhood Planner to Schedule All Work Orders



Work Order Reform—New Staff

new **QS - 66**
staff **BX - 136**

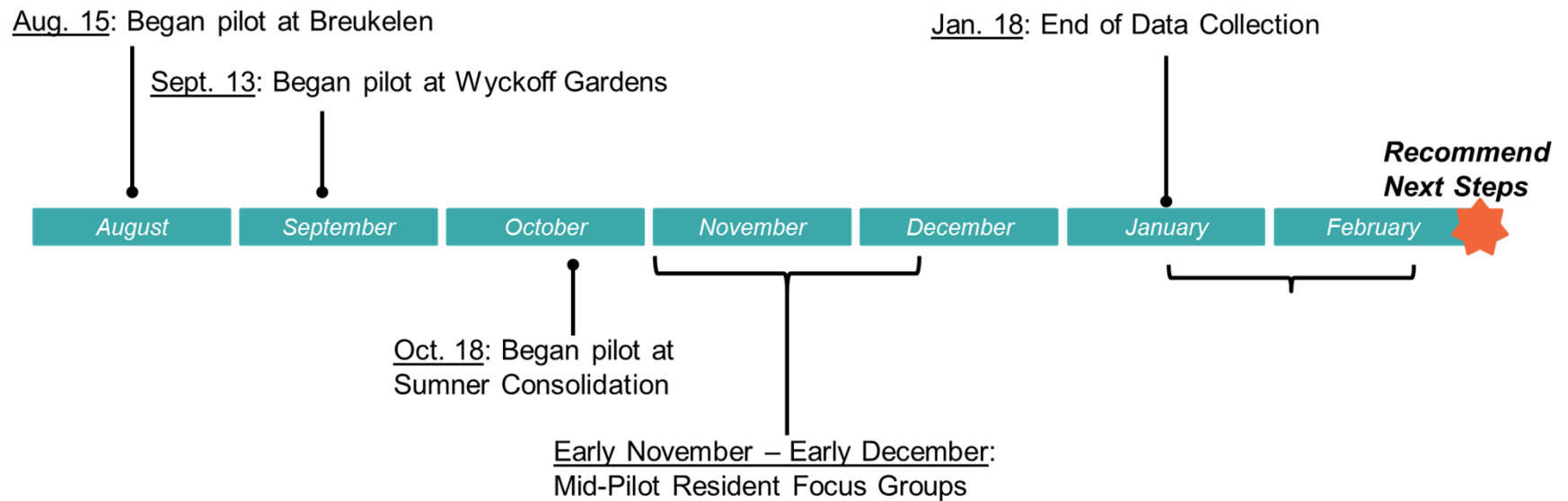
Affected Titles: Plumbers, Carpenters, Electricians, Painters, Plasterers, Roofers, Glaziers, Bricklayers, Exterminators, Neighborhood Planner, Neighborhood Planning Secretary, Maintenance Workers

**Numbers for Manhattan and Brooklyn still being finalized as part of 2022 budget*

Janitorial Reform—Brooklyn Pilot Structure

- Restores most or all Caretaker Js to traditional schedule (8:00 -- 4:30 M-F) with weekend overtime
 - Assign most Js to *particular buildings* to build familiarity with building challenges
 - Establish *cleaning schedules* for each building such that essential tasks are conducted daily
- Two driving teams will work a modified late shift (8:00 – 6:30, covering seven days per week)
 - Two caretakers each (driver and driver-helper)
 - *Collect garbage until 6:30* to keep from sitting overnight
- Other Caretaker Xs and Gs will return to the traditional shift
 - Key tasks such as move-outs, groundskeeping conducted daily
- Supervisors assigned as appropriate to maximize oversight of in-building caretakers
 - Adjustments ongoing in response to pilot results

Janitorial Reform—Schedule



Q&A

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NYCHA Board Meeting
December 15, 2021

Façade Safety Inspection Program

J. Steven Lovci, EVP of Capital Projects



Capital Projects Division

Agenda

| | |
|----|---|
| 1. | Overview of Façade Safety & Inspection Program (FISP) |
| 2. | History & “Bond B” Program |
| 3. | New DOB Requirements for 2020 |
| 4. | Current Status – Funding Needs |
| 5. | Looking Forward |

Capital Projects Division

New York City Local Law 11, 1998

Façade Inspection Safety Program, aka LL-11

Requires buildings greater than six stories to have their exterior facades inspected once during five-year cycle.

Cycle 9 that started on 2/21/2020:

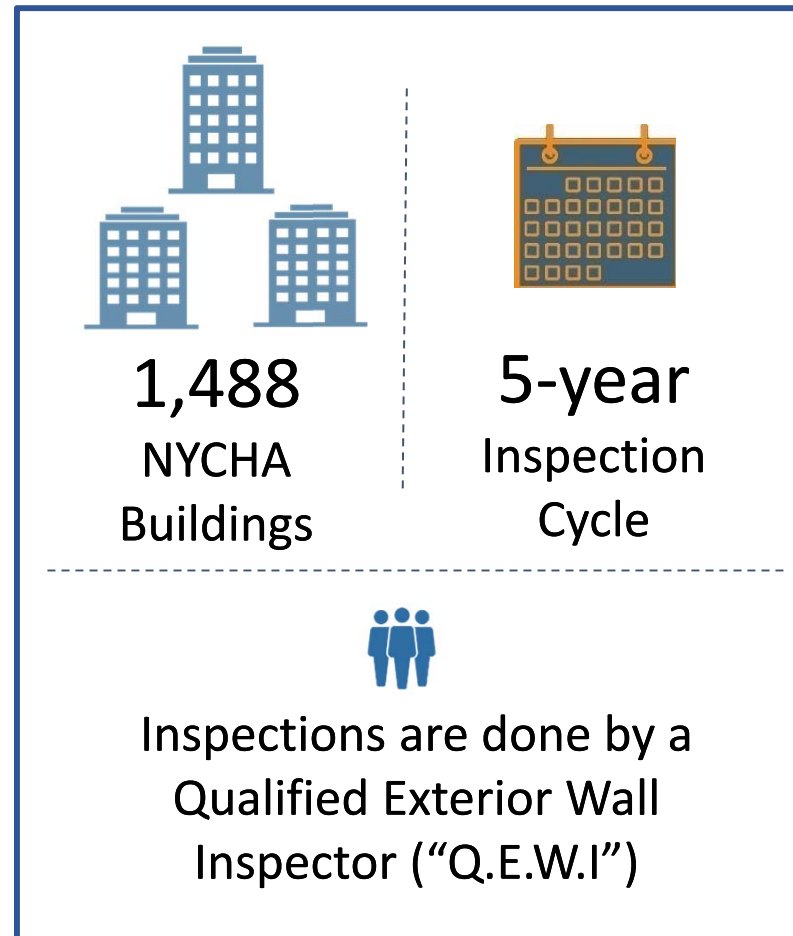
Sub a) Started 2/21/2020 – 2/20/2022

Sub b) Started 2/21/2021 – 2/20/2023

Sub c) Started 2/21/2022 – 2/20/2024

All sub cycles allowed: 2/21/2024 – 2/20/2025

The inspection covers the envelope and appurtenances including parapets, railings, fire escapes, and balconies



Capital Projects Division

FISP Inspections Can Lead To Three Types Of Classifications For Buildings



SAFE

No repairs or maintenance required to sustain structural integrity of exterior. Will not be unsafe in next 5 years.

Report filed with NYC Department of Buildings.



SWARMP

("Safe with a Repair and Maintenance Program")

Repairs must be completed prior to next filing cycle. (Actual repairs are predicated on fund availability).

No sidewalk sheds or fencing required.



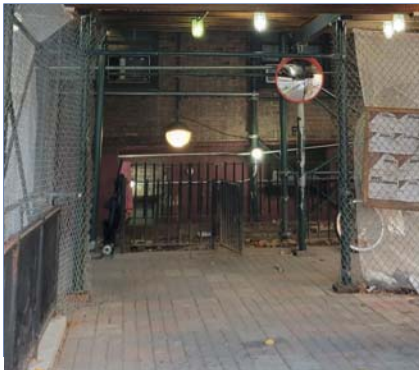
UNSAFE

Must provide public protection (sheds and/or fencing) within 24 hours.

Repairs must be made within 90 days.

Capital Projects Division

Engagement With Residents, Development Staff and Office of Safety and Security



IMPORTANT INFORMATION ON BUILDING FAÇADE INSPECTIONS

Dear Residents,

In accordance with City regulations, NYCHA must inspect the façades (exteriors) of all its buildings that are greater than 6 stories in height once every 5 years to ensure the public is protected from any potentially hazardous conditions.

After the inspection is completed, the NYC Department of Buildings issues an "Exterior Wall Condition Certificate" which describes the condition of the façade. NYCHA will post this certificate in the building lobby/vestibule to inform residents of the condition of their building's façade.

Conditions are categorized as either:

- 1** **Unsafe:** There is a potentially hazardous condition on the building façade. Sidewalk sheds and fencing must be installed to protect the public until repairs are made;
- 2** **SWAMP ("Safe with a Repair and Maintenance Program"):** The current façade conditions are not hazardous, and emergency sidewalk sheds and fencing are not required; or
- 3** **Safe:** There is no hazardous condition on the building façade.

Please note: An "unsafe" assessment does not mean that the building is unsafe to be occupied. Instead, it means that the building exterior has a potentially hazardous condition that needs to be repaired.

If you have any questions, please reach out to your property manager.

Sincerely,
NYCHA's Capital Projects Team

| NYC Buildings | |
|---|---|
| The City of New York Department of Buildings | |
| Exterior Wall Condition Certificate | |
| STATUS : UNSAFE | |
| LOCATION: | 430 DUMONT AVENUE |
| Building Number | Street Address |
| BROOKLYN | 3328126 |
| Borough | BIN (Building Identification Number) |
| QEWI NAME: | ANTHONY STASIO PE - 088730 |
| QEWI (Qualified Exterior Wall Inspector) | License Number |
| EDG | |
| QEWI Business Name | |
| LAST QEWI INSPECTION DATE: | 2020-01-24 |
| SWAMP/UNSAFE DATE: | The repairs to the exterior walls of the building at the above listed address will be complete by: 2020-02-25 |
| | NOTE: For a building that files as 'SAFE' this information is not a requirement. |
| This certificate must be displayed in the lobby or public space of the building identified in LOCATION. | |

Capital Projects Division

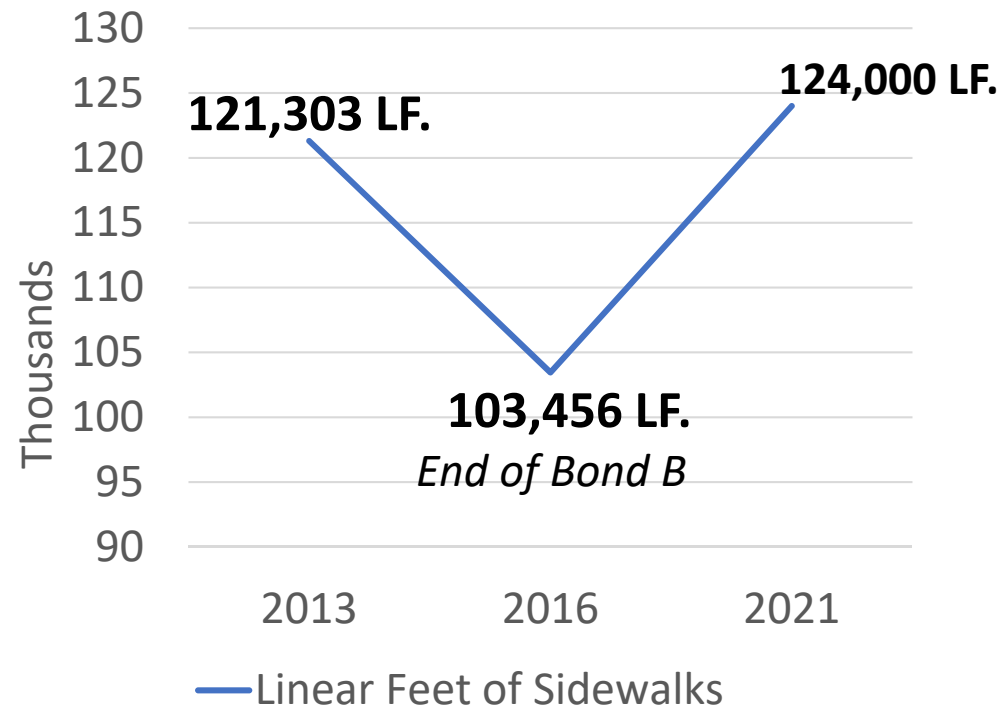
History Of Funding For FISP And Façade Repairs

- **2013**: NYCHA participated in the CFFP (Capital Fund Financing Program) that allowed NYCHA to complete **\$476M worth of exterior building work at 33 Developments** (Known as “Bond B” with a 20-year period cost of investment). **Completed in 2016.**
- **2017**: City invests **\$355M to fix façades at 150 buildings.**
 - However, the 2019 Directive 10 resulted in façade work being deemed not capitably eligible.
 - \$52 million in façade work (in CC2017 and CC2018) was completed prior to Directive 10; the remainder of funds were repurposed for first tranche of roofing initiative.
- **2018-present (post-Directive 10)**: NYCHA has used federal capital funds to **complete FISP work (both inspections and façade repair work).**
 - However, almost all Federal capital funds are being used for HUD Agreement items in the next five years, which limits the amount of façade work NYCHA can complete.
- **2021**: City invests **\$111M to fix façades at 45 buildings at 15 Developments**
 - Swap with Federal funding for Capital eligibility.



Capital Projects Division

Removing Sheds – Bond ‘B’



December 2021: (to date)

123,762 linear feet of sheds

59,775 linear feet of fencing

443 Buildings with sheds and **243** with fencing at **115** Developments

Capital Projects Division

At The Same Time, New Regulations Have Increased Costs

In February 2020, the New York City Department of Buildings (DOB) issued a [rule change](#) for the 9th Cycle of FISP.

Major changes include:

1. Requirements of more hands-on inspections.
2. Requirements for additional investigative probes to check for the presence and condition of wall ties, including additional "drops" and "probes" into the wall.
3. Owners must post and maintain a façades conditions certificate in the lobby (much like an elevator certificate).

Example of budget impact: for one (1) building with a cavity wall construction, the FISP Inspector fees increased from \$20,475 to \$507,150 – **a 2,377% increase.**

Capital Projects Division

Current & projected spending required to maintain compliance with QEWI report filings and installation / maintenance of sidewalk sheds only (not façade work or removal of sheds).

| | Current Year Projections | Projected Year 2022 | Projected Year 2023 | Projected Year 2024 |
|---|--------------------------|---------------------|---------------------|---------------------|
| Title Here | | | | |
| # of Developments with Sidewalk Sheds | 115 (38%) | 193 (64%) | 256 (85%) | 302 (100%) |
| # of Buildings with Sidewalk Sheds | 443 | 952 | 1,265 | 1,488 |
| Linear Feet of Sidewalk Sheds | 123,762 | 266,560 | 354,200 | 416,640 |
| Projected Cost of installing and maintaining Sidewalk Sheds | \$16,786,020 | \$59,118,820 | \$59,155,600 | \$61,860,400 |
| Projected Cost of Inspections | \$37,500,000 | \$27,720,000 | \$28,800,000 | \$28,800,000 |
| | | | | |
| Total Cost | \$54,286,020 | \$86,838,820 | \$87,955,600 | \$90,660,400 |

Without further action, with each building inspected every 5 years, it is expected that every building will be non-compliant with FISP, and 100% of buildings in NYCHA's portfolio over 6 stories will have sheds by 2025.



Capital Projects Division

Future – Short and Long Term Needs

Funding:

- **\$111M** provided to NYCHA to address long standing sheds (sheds installed over 5 years)
- **\$256M** in the 2022-2026 Federal Capital plan
(Funding over 5 years = 43M 2022, 32.2M 2023, 82.5M 2024, 37.8M 2025, \$60M 2026)
- **\$40M** NYCHA applied for, and was recently awarded, an emergency grant that will fund repairs and removal of sheds at 31 buildings in 4 developments.
- **\$4.5M** State funding and **\$21M** mixed finance funding for LL11 inspections and repairs at mixed finance developments.

Total (2022-2026) = \$433M

Need:

- NYCHA estimates it will cost **\$883M** to complete necessary repairs and remove all sheds currently installed (\$442.3M in FY22 and \$440.7M in FY23 across 349 buildings at 88 developments).
- NYCHA will need ~**\$400M** each subsequent year after FY23 to maintain ongoing compliance with DOB code (report shedding and fixing of the façade condition)
- For Cycle 9 compliance (2022-2025), NYCHA estimates ~**\$1.6B**
- For Cycle 9 and 10 compliance (2022-2030), NYCHA estimates ~**\$3.7B**

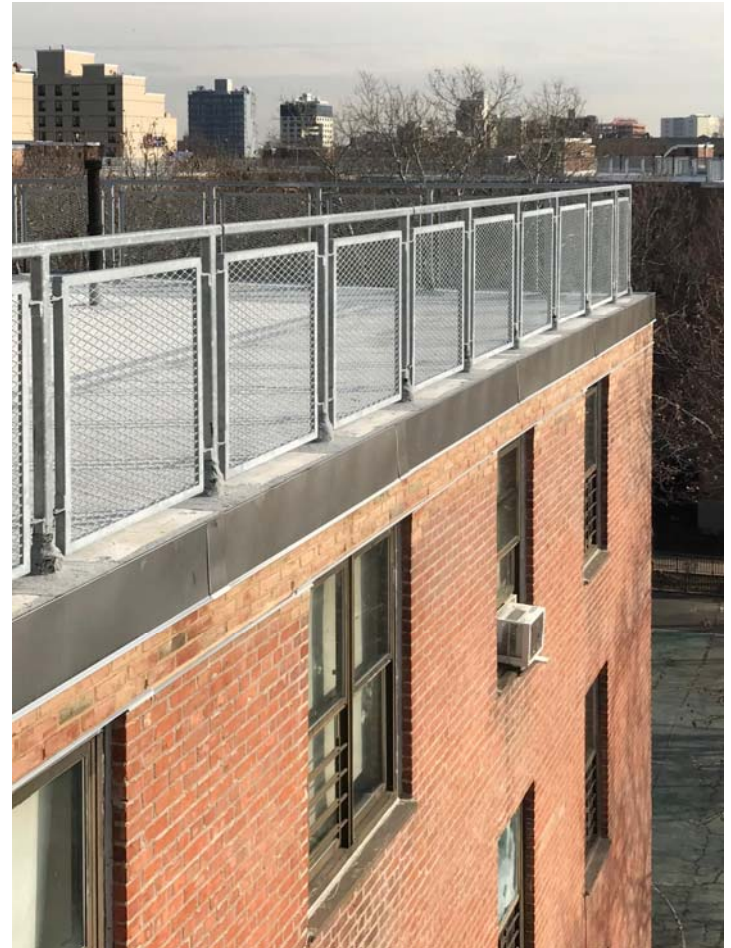


Capital Projects Division

Future – What NYCHA is Planning

Problem: The historic approach does not fit with our directives. It solves for the individual unsafe condition and does not take into account building science and the holistic approach to building enclosure to account for air and water infiltration which leads to mold.

Given that full compliance with FISP (Cycle 9 and Cycle 10) is **\$3.7 billion**, there are several building science options that with targeted and holistic investments can address not only the unsafe facade conditions, but also chronic mold issues, and reduce heating and cooling needs.



Capital Projects Division

Future – What NYCHA is Planning



Repoint entire façade



Replace outer wythe of brick



EFIS
(energy savings and infiltration)



Reclad facades
(energy savings and infiltration)

Exterior Lighting Upgrades
 Program Management
 Cooking Gas Replacement
 Underground Steam Distribution
 Design-Build
 Kitchen and Bathroom Renovations
 Architects and Engineers
 Waste Management
 Elevators
 Recycling
INNOVATION
 RESILENCY
 DESIGN GUIDELINES
 Compactors
 Energy Performance Contracts
SOLAR POWER
 Roof Replacement
 Community Centers
 CCTV and Layered Access
 Masonry Repair
 Heating Plants
 Construction Managers
 SANDY PRE-APPRENTICESHIP PROGRAM



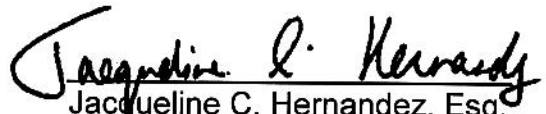
and Award Winning



THREE-THOUSAND ONE HUNDRED AND SIXTY-EIGHTH MEETING

ADJOURNMENT

On Motion, without objection, the meeting was duly adjourned at 12:19 P.M.


Jacqueline C. Hernandez, Esq.
Corporate Secretary