

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

Minutes of Board Meeting

Wednesday, April 14, 2021

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

Present: Gregory Russ, Chair
Joseph Adams, Member
Paula Gavin, Member
Matt Gewolb, Member
Victor A. Gonzalez, Member
Jacqueline Young, Member
Vito Mustaciuolo, General Manager
Jacqueline C. Hernandez, Esq., Corporate Secretary

*Because of the ongoing COVID-19 health crisis and in relation to Governor Andrew Cuomo's Executive Orders, the Board Meeting of the New York City Housing Authority, held on Wednesday, April 14, 2021 at 2:00 P.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

Minutes
Regular Meeting**
Wednesday, April 14, 2021

I. Authority Minutes

Adoption of Minutes of Regular Meeting, Wednesday, March 31, 2021

APPROVED

II. Chair's Remarks

We are entering an era where NYCHA is going to go through a significant amount of change. We are going to talk about the Transformation Plan update and provide an update on Section 3.

In addition to the monthly Board Meeting with Board Items, we are going to try to work in some additional report non-voting Board Meetings like this one, on a regular basis, to allow for a public process, providing a forum in which to do a deeper dive question and answer period.

These non-voting Board Meetings will keep the Board Members informed of changes and some of the things that we are going to test. We should be all aware that we are making these efforts. The monthly scheduled Board Meetings will focus on agenda Items. Non-voting Board Meetings will be held quarterly to start, adding one extra meeting each quarter.

This is the first of such meetings, publicly advising the Board of the various things that the Agency is going to undergo. Upcoming agenda Items will likely include updates on NYCHA's initiatives under the Blueprint and updates on compliance related to the HUD Agreement. In addition, if there are topics that the other Board Members wish to add to future agendas, Board Members should so advise.

III. Reports

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

Questions and Answers

Q. BM Gavin: Will (Engagement Methodology) resident surveys be done annually, so that we can assess the changes as we are moving forward?

A. Eva Trimble: Yes, the survey of the residents, is expected to be done annually. However, we also want to hear from the Resident Roundtable about their ideas. One of the areas that we hope that they would focus on is feedback, because we want to make sure that we are appropriately reaching out to residents.

Q. BM Gonzalez: With respect to residents that went from Section 9 to Section 8, there has been some discussion about some of the difficulties and information that either was not passed on or was lost in the communication. Will the Resident Roundtable panel include some of the residents that have converted and the problems that they are experiencing?

A. Eva Trimble: Absolutely. The General Manager already made that recommendation- that we include some residents from the RAD/PACT portfolio.

Q. BM Adams: How will the recent press release regarding residents' engagement in RAD management decisions affect RAD? Will RAD now be delayed?

A. Jonathan Gouveia: With respect to procurement and resident involvement, one of the things that we are excited about is, and you may have read it with respect to Fulton about a week ago, we are going to be including residents in the Developers' selection process. So, the RFP for Fulton has not been released, yet, but we expect to do that in the coming weeks. Residents will be very much a part of the Developer selection and proposal review process. It is also a process that we are going to be implementing for our PACT Round Nine process, which is already underway.

Q. BM Adams: How will these changes impact residents on a day- to-day basis?

A. Eva Trimble: This is an organizational management. We will be drilling down into new neighborhoods. We have gone from 21 regions to 30 neighborhoods underneath Operations. It is about redesigning all our strategies at the actual property. With 30 neighborhoods, we have four (4) Vice-Presidents underneath the General Manager really looking at the properties on a day-to-day basis and hoping to have quicker response to conditions and being able to mobilize resources as needed. We're hoping that that's how the residents are going to be impacted.

Q. BM Gonzalez: Re the ORG Chart referenced, where is the Audit Committee?

A. Eva Trimble: This ORG Chart shows the NYCHA executive structure and major functions. It does not show the proposed Board Committees.

Q. BM Adams: Why did the courts have to become involved in resident participation?

A. Chair Russ: Re the Baez Consent Decree Decision, the judge in that case is saying that, basically, from the time the original Consent Decree was agreed to, NYCHA's real estate portfolio is changing. The judge wanted both the plaintiffs and NYCHA to negotiate new terms. Those terms would ensure that the parties come to an agreement on the mold requirements under Baez; that if it's a RAD site, there is no diminishment of NYCHA's commitment prior to closing; and that after closing, we work very diligently with the RAD development team and others to make sure that compliance is achieved. The Consent Decree will be updated based on what is happening now.

Q. BM Adams: Some of our property management are getting a grasp on the day-to-day operations and getting things done. As more people from downtown move closer, will it present a problem? Will it slow things down instead of expediting them?

A. Arvind Sohoni: The team is all supporting. The property manager is still the person in charge of that development. This team is there to provide specific expertise on their functions, so if it is human resources, finance whatever, they're not going to oversee the property manager. This is an important question, though, because part of getting this right is making sure that very explicit instructions are given to everyone as to what their job/role is. None of this is going to work unless everyone understands their role and is playing the role in an effective manner.

A. Chair Russ: It does not matter how big we are, how many people we employ or the size of our budget. If you cannot see it at the property level, you cannot see it. That is the driver for these changes - to get to that level and get to that kind of reform. Each property that advances under this model will have a different approach and outlook, and that includes the property manager having a real clear picture of his or her ability to bring resources and having a strong relationship with the tenant association. I think as much as I love all the other work that's been done, this is the place where we can begin to see the change everyone's been demanding from us.

Q. BM Gavin: The Neighborhood Model's administrator is not only going to need an incredible set of skills to build trust working with the resident associations, but also just generic general communications improvements.

A. Arvind Sohoni: You are correct.

Q. BM Gonzalez: For the most part, the Neighborhood Model must have a uniform process across the board for all developments.

A. Arvind Sohoni: Correct. We can serve the specific needs at a certain site, but the standards must be consistent.

Q. BM Adams: Alternate Work Schedules will allow residents to schedule a repair appointment. Is there a time frame when this would be implemented?

A. Arvind Sohoni: This is still in negotiation with the union so there is no definitive date as to when this practice will be implemented.

Q. BM Adams: Can you elaborate more on the redesign of the procurement and vendor management process? Is there funding for the personnel and equipment that would be required for the Plan's priority projects?

A. Arvind Sohoni: I will confirm this and make sure I give you a definitive answer. I believe, so far on the staffing question, everything that we need is in the FY 2021 budget, so those are all accounted for. A couple items, for example the asset information pieces, will be funded in FY 2022 and beyond.

B. Section 3 Update- (Report is attached hereto and incorporated herein)

Questions and Answers

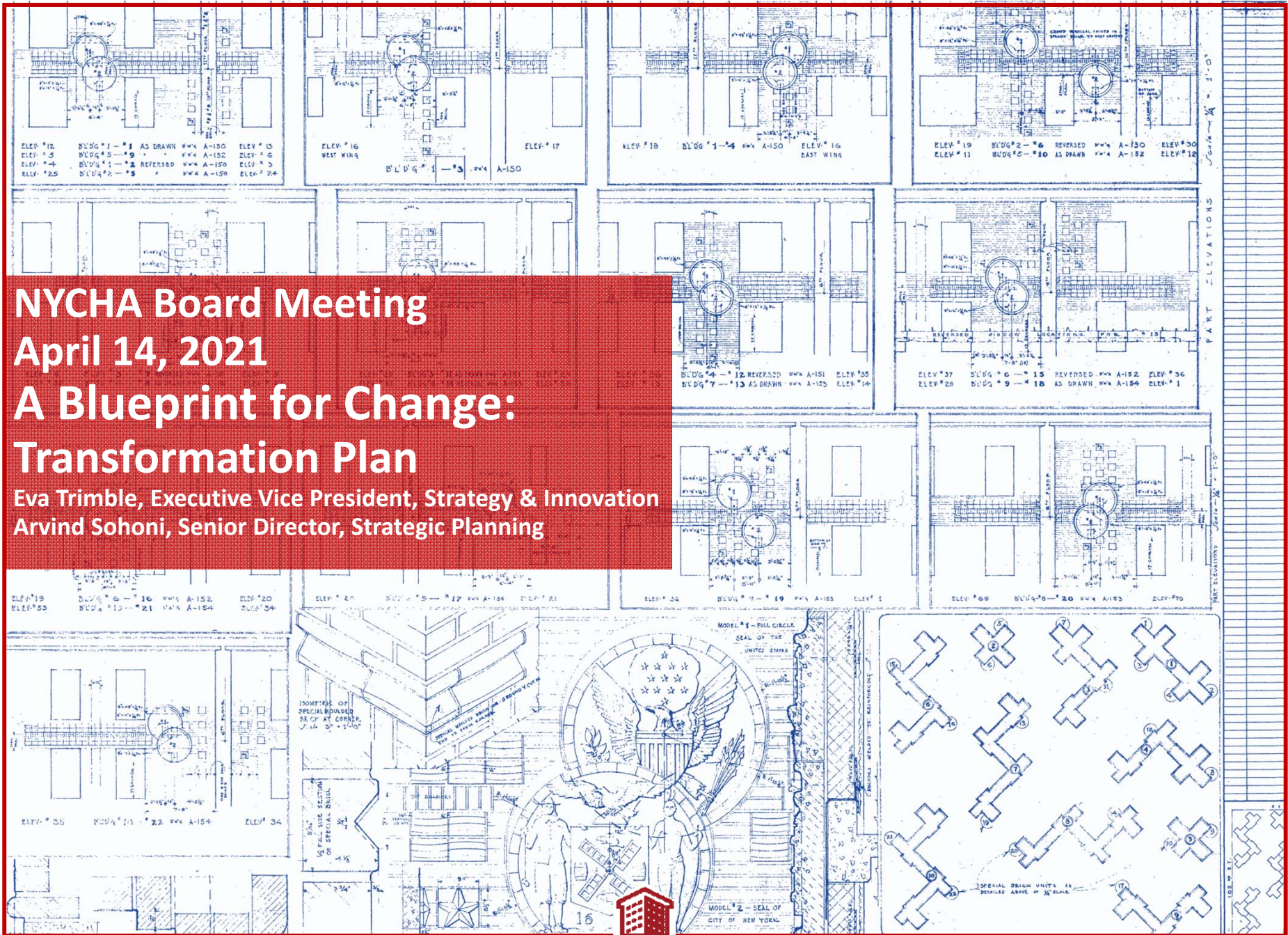
None

**Non-Voting
BM=Board Member


Jacqueline C. Hernandez, Esq.
Corporate Secretary

NYCHA Board Meeting April 14, 2021 A Blueprint for Change: Transformation Plan

Eva Trimble, Executive Vice President, Strategy & Innovation
Arvind Sohoni, Senior Director, Strategic Planning



NYCHA Is Transforming

Background

- HUD Agreement requires NYCHA to work collaboratively with the Federal Monitor and submit an Organizational Plan to HUD and SDNY for approval

What is the Organizational Plan?

- The Organizational Plan is a new operating model designed to better deliver services to residents and achieve the performance goals of the agreement.

What is the Process?

- NYCHA conducted a Planning process to engage residents, employees and other stakeholders in designing the operating model and long-term vision for the Authority.



What is the Result?

Organizational Plan = Transformation Plan + Implementation Plan

- The Transformation Plan proposes organizational changes and business process strategies and culture changes that are informed by principles that emerged from the 2019 HUD Agreement and numerous engagement sessions throughout 2019 and 2020
- The release of the final Transformation Plan begins the Analysis & Implementation phase of work with an Implementation Plan due September 2021

Engagement Methodology

The Transformation Plan is a culmination of hundreds of conversations with staff, residents, and stakeholders.



Transformation Plan Resident Engagement

Over the past several months, NYCHA has continued to engage residents on the Transformation Plan and will continue to do so. Some examples include:



Resident Re-Start Survey | 6,191 responses

Survey to assess residents' views on NYCHA, their development, and their apartment

Timeframe: Summer 2020



Transformation Plan Town Hall meetings | 358 attendees + 39 views

Five Town Hall meetings with specific meetings targeting resident-employees and youth heads of households

Timeframe: September 2020



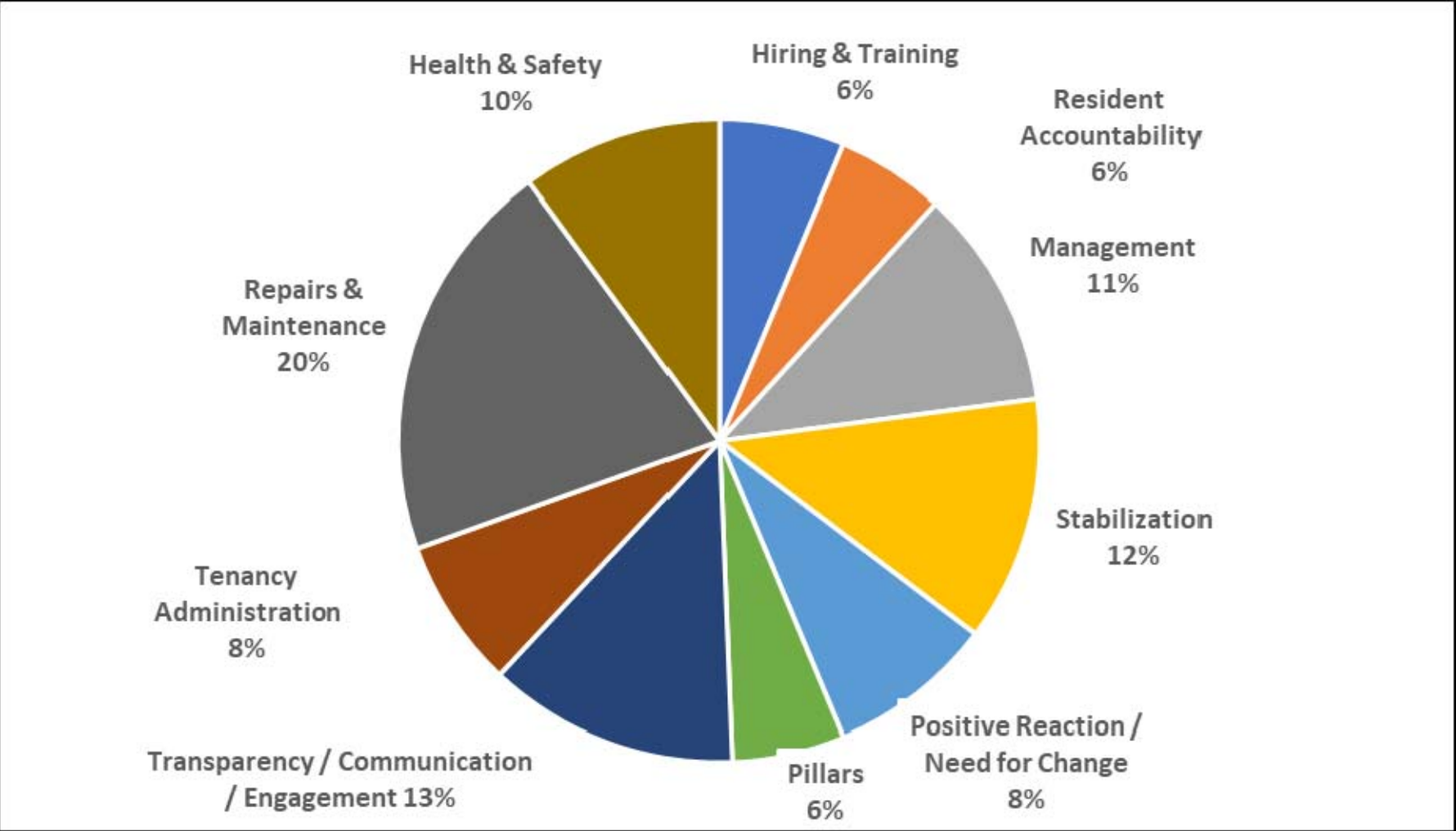
Public Comment Period | 322 comments

- Two printed rent inserts, three emails, and one robocalls to all residents
- Flyers at each property in five covered languages
- Draft Plan translated into 13 different languages and displayed at PM offices
- Pop-up messages on NYCHA website and MyNYCHA app, and 24 social media posts

Timeframe: November 16, 2020 – December 28, 2020



What We Heard – Public Comments



How We Responded

Examples of changes in the final plan include:

- New chapter on Safety & Security including work on lighting & CCTV cameras and work with MOCJ on community work
- Closed work ticket end-to-end process review
- Increased transparency on transfer process & timing
- Resident Roundtable for Implementation planning

Key Organizational Changes: Governance

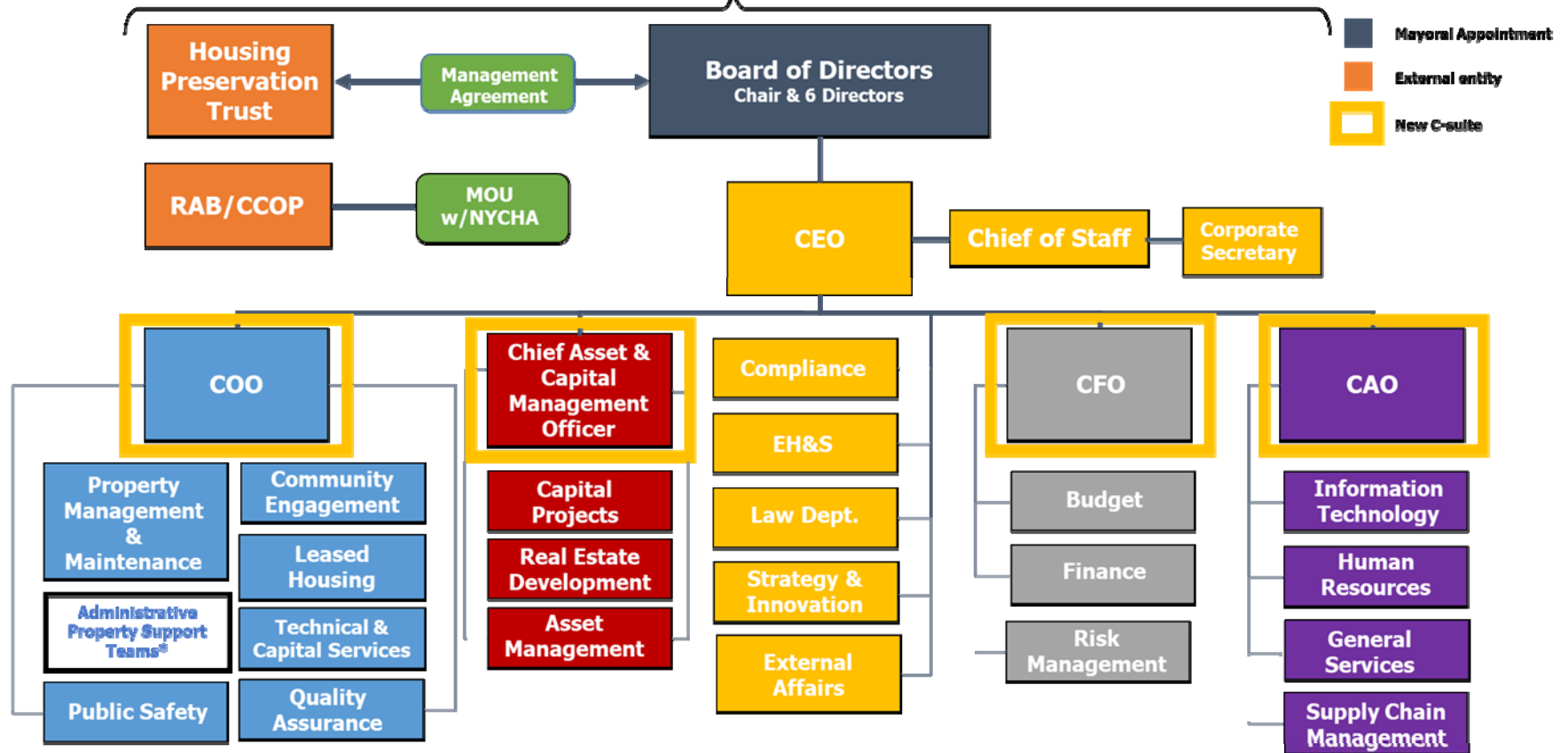
The goal of governance changes to NYCHA's Board and executive management structure is to better align functions and oversight.

- Create new Board Committees to engage members to advise on policy and provide oversight over the organization
- Separate Chair and CEO positions (requires state legislation)
- Create C-Suite Executive Leadership structure with:
 - Chief Operating Officer (formerly called General Manager)
 - Chief Asset & Capital Manager Office
 - Chief Procurement Officer
 - Chief Financial Officer
 - Chief Administration Officer



Proposed NYCHA Governance & Functional Structure

NYCHA Residents & The Community At Large



Key Organizational Changes: Neighborhood Model

A key goal of the Neighborhood Model is to create “line of sight” accountability by re-orienting our organizational structure to property-based management.

Key Organizational Changes: Central Office Functions

Bringing Central Office staff closer to the developments will mean better service for residents because property staff will have support to be more responsive to building conditions.

- Borough Administration Teams will support the Neighborhoods on matters most critical to ongoing operations – HR, Budget, IT & Procurement



Transformation Plan Priority Projects

Project Teams with Resident Participation

Strategy	Description
Work Order Reform	Skilled trades will be moved to the Neighborhood level and the process for scheduling work orders will be changed
Closing Work Tickets	Review protocols for closing work orders with no work performed by analyzing the data as well as an end-to-end process review that will result in recommendations for changes focused on resident communication touch points
AWS (Janitorial Schedule)	Building on the evaluation work, we will pilot a new AWS program for caretakers as well as develop a new way of scheduling and assigning of janitorial tasks, to ensure cleaner buildings and grounds for residents
Property-Based Budgeting	Strengthen the process to enable Property Managers to develop and manage their properties' budget, as well as reviewing how NYCHA allocates costs between properties and central office
Streamline Annual Recertification	PHTA, LHD, and IT lead a redesign of the Annual Recertification process, built in partnership with resident leaders, to simplify the Self-Service Portal
Develop new Organization KPIs	NYCHA will develop new organizational KPIs that will measure the performance of all parts of the organization, track compliance towards HUD Agreement obligations and track progress toward Transformation Plan goals
Re-Assessment of Lease Enforcement Process	Assess new options for lease enforcement that will lighten administrative burdens on development staff and ensure that lease rules are enforced consistently across developments

Transformation Plan Priority Projects

Internal Project Teams

Strategy	Description
Governance Structure	Review and alter our governance structure to build a more effective and accountable executive leadership team
Neighborhood Model	Property management and maintenance operations will reorganize to better reflect how developments are distributed
Borough Administration Teams	Central office staff will be stationed at offices within the boroughs in order to improve response time on key issues in HR, Finance, IT, etc.
AWS (Maintenance)	AWS will be expanded to cover Maintenance Workers, which will allow residents to schedule apartment repair appointments in the evenings and on Saturdays
Create QA PMO	The newly created PMO will coordinate the execution of various operational initiatives across all four boroughs ensuring consistency in program design and execution, service delivery and adherence to procedure in all operations
Implement a Human Capital Management (HCM) system	HR will implement a HCM system to provide HR staff with easy access to information and automate many HR processes, increasing efficiency and transparency
Launch a Learning Management System (LMS)	The “NYCHA University” learning management system provides staff with self-selected educational content as well as mandatory trainings, helping employees gain knowledge and advance
Re-design the Procurement & Vendor Mgmt. Process	The new Chief Procurement Officer will oversee changes to the complicated procurement process and will move to a model where staff operate in formal teams, enabling collaboration and compliance
Establish Data Governance	PTAD will lead the creation of a NYCHA-wide data governance system, which will help ensure that NYCHA’s data are as accessible, accurate, and up-to-date as possible

Transformation Plan Priority Projects

Internal Project Teams (cont'd)

Strategy	Description
Empower NYCHA-STAT to drive operational decisions	Monthly meetings will bring together executive staff to review performance at the borough, neighborhood, and development levels, as well as NYCHA-wide to improve accountability
Develop an Asset Information Strategy (AIS)	Develop an AIS that outlines the policies, organizational objectives, and scope of NYCHA's asset management system including the creation of an asset inventory
Invest in an Asset Information Management System	Invest in a comprehensive Asset Information Management System. Geographic information systems, including 3-D modeling of buildings, will make asset data accessible

Resident Focused Project Teams

Strategy	Description
Strengthen engagement under 24 CFR §964	Negotiate a new memorandum of understanding (MOU) with the Citywide Council of Presidents (CCOP), which represents the interests of NYCHA residents
Resident Roundtable	NYCHA will stand up a Resident Roundtable to get specific feedback and guidance from residents and engage throughout implementation

NYCHA's New Mission and Values of the plan

NYCHA's mission is to provide quality housing for New Yorkers that is sustainable, inclusive, and safe, while fostering opportunities for economic mobility.



What does an employee empowered, customer-centric NYCHA look like?

If we stop doing this ☹️



Nycha Unclaimed

5 reviews Details

Public Services & Government Edit

★ Write a Review

📷 Add Photo

📄 Share

🔒 Save

And do this instead

Proposed vision for empowering our staff at NYCHA



Proposed vision for building a culture of service at NYCHA

We'll be able to see this 😊

Agency-wide Teamwork

Better Staff Morale

Lower Staff Turnover

Higher Enrollment for Opportunities like EEC

Positive Staff Feedback

Increased Productivity

Employee empowerment leads to improved service

Positive and Productive Outlook

Consistent Adherence to Rules, Regulations

Fewer Complaints from Residents

Improved Relationship with Residents

Customer Satisfaction



Next Steps - Q&A

- Implementation & Analysis phase through September
- Implementation Plan, Phase 1 – end of September 2021
- Implementation Plan, Phase 2 – end of June 2022



NYCHA Board Meeting
April 14, 2021
Section 3 Overview

Ester Tomicic-Hines, Director, Vendor Integrity & Supplier Diversity
Lenese Vergara, Assistant Director, Job Generation, REES
Christina Gencarelli, Special Assistant, Vendor Integrity & Supplier Diversity



INTERIM STANDARD PROCEDURE

In June 2020 NYCHA released an interim Standard Procedure on Section 3 which establishes processes for the New York City Housing Authority (NYCHA) to ensure NYCHA contractor compliance with Section 3 of the Housing and Urban Development (HUD) Act of 1968, Part 135 of Title 24 of the Code of Federal Regulations (Section 3).

The interim SP introduces Other Economic Opportunities (OEO) for professional services contracts. Over 700 NYCHA staff were trained on the interim SP in the months of August and September 2020.

A final Section 3 SP is being developed to address the following:

- Projects or contracts for new construction or rehabilitation involving Section 8 Housing Choice Vouchers (e.g. Rental Assistance Demonstration (RAD)/Permanent Affordability Commitment Together (PACT) conversions)
- Other economic opportunities or contribute to a Section 3 Fund if contractors are unable to meet the Section 3 hiring and/or subcontracting requirements. NYCHA would use the Section 3 Fund for activities to increase Section 3 resident employment and to develop Section 3 business concerns
- Change orders, task orders, and blanket purchase orders in excess of \$250,000, and other similar contracts
- Increasing efforts to award contracts to Section 3 business concerns, prioritizing NYCHA resident-owned businesses
- Determine appropriate penalties for non-compliance
- Conform Final SP to ensure alignment with the Section New Rule

WHO IS RESPONSIBLE?

PERFORMANCE MANAGEMENT & ANALYTICS

HUMAN RESOURCES

PROCUREMENT

CAPITAL PROJECTS DEPARTMENT

VENDOR INTEGRITY SUPPLIER DIVERSITY

RESIDENT ECONOMIC EMPOWERMENT & SUSTAINABILITY

INFORMATION TECHNOLOGY

LAW DEPARTMENT

EVERYONE

RESIDENT ENGAGEMENT

HEALTHY HOMES

COMMUNICATIONS

QUALITY ASSURANCE

OPERATIONS

REAL ESTATE DEVELOPMENT

LEASED HOUSING

FAMILY PARTNERSHIPS

COMMUNITY DEVELOPMENT

INTERGOVERNMENTAL AFFAIRS

HEALTH INITIATIVES

ENVIRONMENTAL HEALTH & SAFETY

DEPARTMENT OF EQUAL OPPORTUNITY

REAL ESTATE SERVICES



SECTION 3 NEW RULE

- On September 29, 2020, HUD published the Section 3 Final Rule with an effective date of November 30, 2020.
- Section 3 is a provision of the Housing and Urban Development Act of 1968. The purpose of Section 3 is to ensure that economic opportunities, most importantly employment, generated by certain HUD financial assistance shall be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing or residents of the community in which the Federal assistance is spent.

HUD Section 3 FAQs links:

<https://www.hud.gov/sites/dfiles/FPM/documents/Section-3-FAQs.pdf>

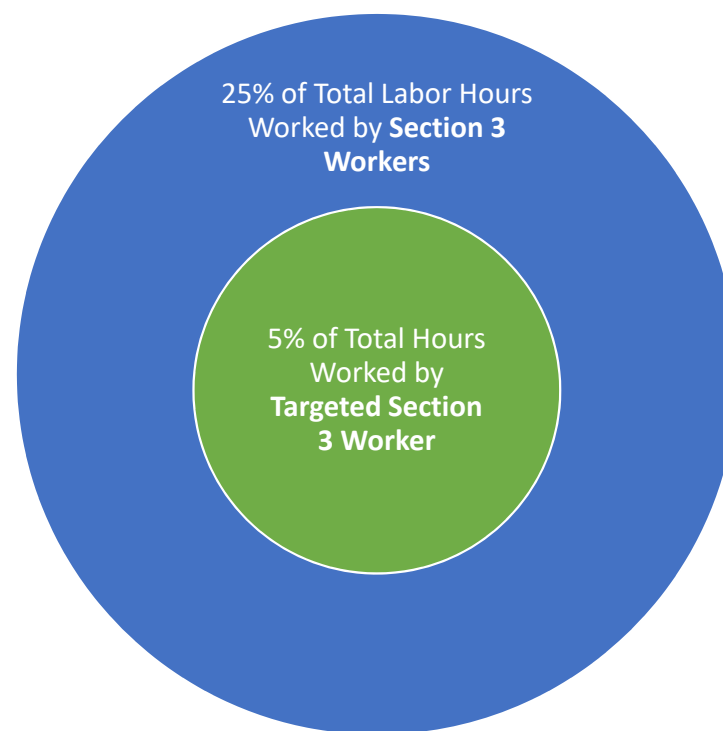
https://www.hud.gov/program_offices/field_policy_mgt/section3

SECTION 3 NUMERICAL GOALS

A NYCHA contractor may demonstrate compliance with Section 3 as follows:

- Twenty-five (25) percent or more of the total number of labor hours worked by all workers employed with public housing financial assistance in the PHA's or other recipient's fiscal year are Section 3 workers
- Of which five (5) percent or more of the total number of labor hours worked by all workers employed with public housing financial assistance in the PHA's or other recipient's fiscal year are **targeted Section 3 workers**

Section 3 Minimum Numerical Goals



SECTION 3 HIRING PRIORITIES

Section 3 residents are defined below in the following order of priority:

- **Category 1:** Residents of the public housing projects for which the public housing financial assistance is expended;
- **Category 2:** Residents of other public housing projects managed by the PHA that is providing assistance or for residents of Section 8-assisted housing managed by the PHA
- **Category 3:** Participants in YouthBuild programs; and
- **Category 4:** Low and very low-income persons residing within the metropolitan area (or non-metropolitan county) in which the assistance is expended

Note: **Targeted Section 3 Worker** is a worker employed by a Section 3 business concern; or is a resident of public housing or Section 8-assisted housing; or a YouthBuild participant.

*for Public Housing Financial Assistance



SECTION 3 BUSINESS CONCERNS

As defined in 24 CFR Part 75 of the Section 3 regulations, Section 3 Business Concern means a business concern, as defined in this section:

- A business at least 51% owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing; or
- That is 51% or more owned and controlled by low- or very low-income persons; or
- Over 75% of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers

SECTION 3 NEW RULE: AT A GLANCE

	Previous Section 3 Rule	New Rule
Employment Measure	<ul style="list-style-type: none"> Based on new hires Minimum 30% of new hires as Section 3 residents 	<ul style="list-style-type: none"> Based on labor hours worked 25% of total labor hours worked by Section 3 workers and 5% of labor hours worked by targeted Section 3 workers
Section 3 Worker	<ul style="list-style-type: none"> Section 3 residents defined by 4 priority categories Section 8 workers included as Cat. 4 	<ul style="list-style-type: none"> Includes a new subcategory know as Targeted Section 3 workers (see slide 6)
Section 3 Business Concerns	<ul style="list-style-type: none"> Employees not counted towards employment requirements Included a businesses where 30% or more of permanent staff are section 3 workers 	<ul style="list-style-type: none"> All employees can be counted towards employment goals Replaces the 30% of permanent staff category with 75% or more of labor hours worked by low income people HUD no longer establishes a S3BC contracting goal HUD removed S3BC procurement preferences options except for alternative procurement
Covered contracts	All contracts receiving federal dollars excluding contracts for materials and supplies	All contracts receiving federal dollars excluding contracts: <ul style="list-style-type: none"> for materials and supplies Professional Services contracts where the work requires an advanced degree Section 8 projects outside of RAD



SECTION 3 HIRING PLAN

- The NYCHA Form 136.122, *Section 3 Hiring Plan*, is the contractor's plan for achieving the Section 3 Numerical Goals and includes:
 - contractor's projected labor hours for total workforce, Section 3 workers, and targeted Section 3 workers
 - plans for recruiting Section 3 workers for employment and apprenticeship opportunities
 - acknowledgement to outreach and recruit Section 3 Business Concerns for subcontracting opportunities
- The Section 3 Hiring plan must be completed for all bids or proposals for Section 3 covered contracts in excess of \$250,000
- Even if a contractor does not project labor hours worked by Section 3 workers or hiring new employees, the Section 3 Hiring Plan must be completed. N/A is not an acceptable response on the form
- The Section 3 Hiring Plan must be reviewed and approved by NYCHA's Office of Resident Economic Empowerment & Sustainability (REES) prior to contract award
- A bidder may be determined non-responsive or non-responsible if the Section 3 Hiring Plan is incomplete

SECTION 3 OTHER ECONOMIC OPPORTUNITIES (OEO) PLAN

- NYCHA Form 136.137, *Section 3 OEO Plan*, must be completed by a bidder for a **professional services contract** in excess of \$250,000 only if a bidder in its Section 3 Hiring Plan does not project hiring Section 3 workers and/or subcontracting with Section 3 business concerns.
- A professional service contract is for services including, but not limited to, architectural, engineering, construction management, legal services, accounting, and marketing. Professional services contracts are Section 3 covered contracts if they are funded with Section 3 covered assistance.
- In its Section 3 OEO Plan, the contractor must provide reasonable justification for its inability to hire Section 3 workers and/or subcontract with Section 3 business concerns, and its need, therefore, to provide other economic opportunities.
- The OEO plan must be completed in addition to the Section 3 Hiring Plan.
- Contractors must select at least one (1) option from a list of OEO options and fill out the section completely based on their projections.
- Other economic opportunities could include establishing training or pre-apprenticeship programs, or comprehensive paid internship programs for Section 3 workers; hiring Section 3 workers outside of the Section 3 covered contract; and/or providing technical assistance such as business development and management training to help establish, stabilize, or expand Section 3 business concerns.
- Contractors can utilize existing internship or training opportunities already established within their company or utilize REES' support to build out a program.

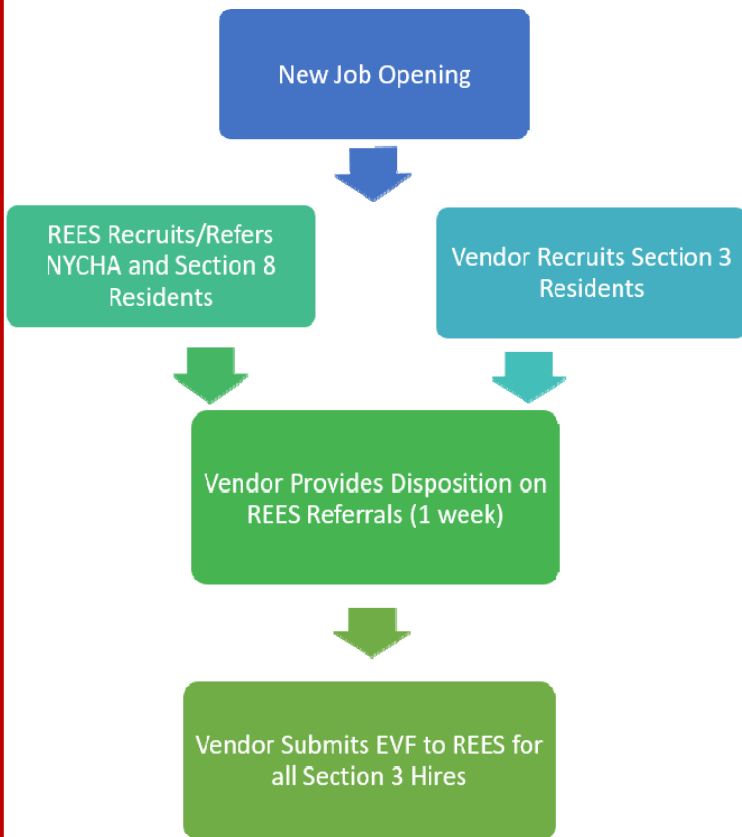
SECTION 3 LABOR HOUR SUMMARY OVERVIEW

- Contractors must submit NYCHA Form 136.138, *Section 3 Labor Hour Summary* with each payment request or invoice for contracts awarded after 11/30/20.
 - For contracts awarded prior to 11/30/20, NYCHA will continue to track and monitor Section 3 hiring based on the prior HUD Section 3 rule
- On the Section 3 Labor Hour Summary the contractor reports its actual progress in achieving the Section 3 benchmarks, lists all Section 3 workers and Targeted Section 3 workers on the payroll, lists the total labor hours worked for all employees, Section 3 workers and Targeted Section 3 workers, and identifies the Section 3 Business Concerns awarded subcontracts.
- A Section 3 Resident Self-Certification form must be submitted along with the Section 3 Labor Hour Summary for each Category 4 Hire. The self-certification includes the efforts made by the contractor to hire public housing residents and Section 8 residents (Category 1 and 2 residents) and the contractor's certification of those efforts.
- All labor hour information provided on the Section 3 Labor Hour Summary must be cumulative and must be consistent with all EVFs submitted to REES.

SECTION 3 OTHER ECONOMIC OPPORTUNITIES (OEO) OUTCOME SUMMARY

- The Section 3 OEO Outcome Summary must be completed in lieu of the Section 3 Labor Hour Summary only if there is no commitment to hire Section 3 workers and/or subcontract with Section 3 business concerns for professional services contracts in excess of \$250K.
- Professional services means non-construction services that require an advanced degree or professional licensing, including, but not limited to, contracts for legal services, financial consulting, accounting services, environmental assessment, architectural services, and civil engineering services
- A professional services contractor must submit NYCHA Form 077.005, *Section 3 OEO Outcome Summary*, with each payment request if the contractor's Section 3 OEO Plan was approved by NYCHA's REES Department.
- On the Section 3 OEO Outcome Summary the contractor reports its actual quantifiable progress (sections 1-5) in achieving the other economic opportunity initiatives proposed in the contractor's approved Section 3 OEO Plan.

EMPLOYER CONNECTIONS



Employer Relationship

- ▶ REES works with NYCHA contractors, vocational training providers, and employer partners to ensure that NYCHA residents are connected to high quality skills building programs and viable employment opportunities that lead to career pathways.
- ▶ REES' employer partners include premier construction companies, affordable housing developers and employers such as Motivate and Related Companies.
- ▶ Residents have been placed in both entry and mid-level opportunities across all industries.

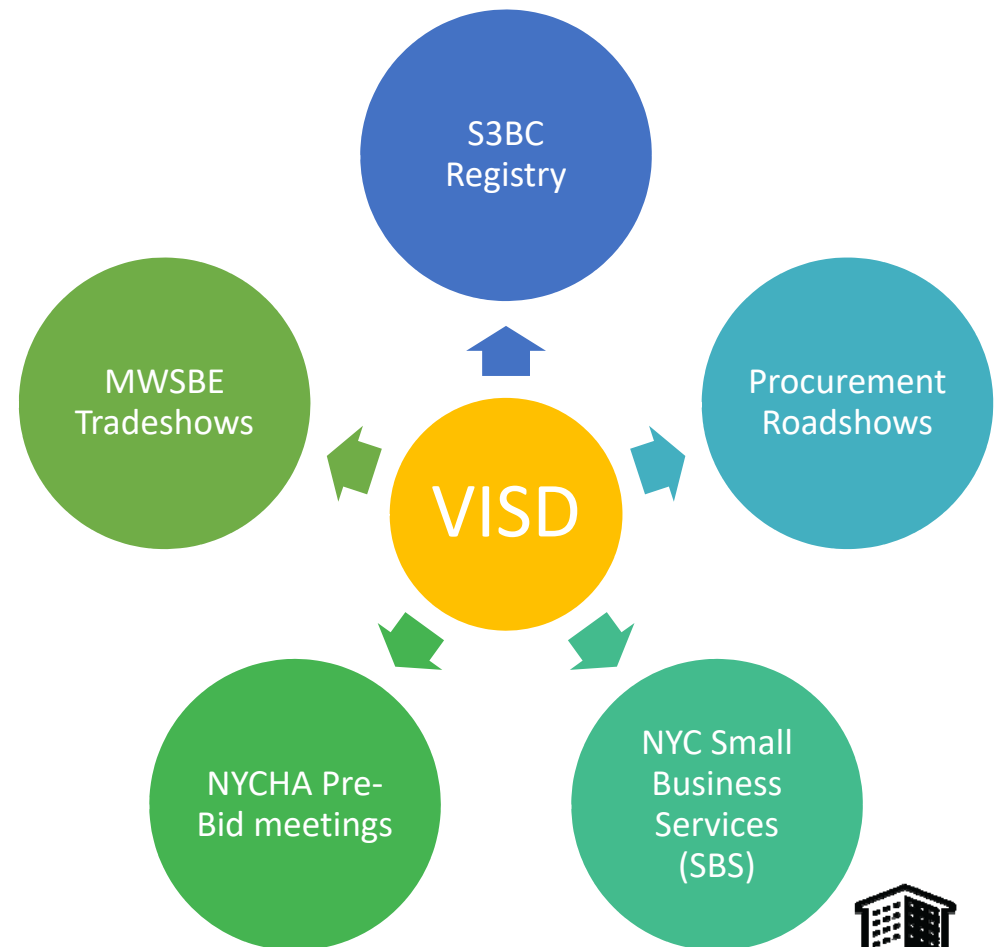
Candidate Sourcing & Referral

- ▶ REES successfully sources qualified candidates based on employer's criteria through, but not limited to:
 - ▶ Graduates of NYCHA's award winning Resident Training Academy and other partner providers
 - ▶ Identifying appropriate candidates who have completed a skills assessment through REES
 - ▶ Local and citywide outreach methods such as organizing job fairs or other screening events and online postings
- ▶ Qualified candidates are referred directly to the contractor/employers for employment consideration



SECTION 3 BUSINESS CONCERNS OUTREACH

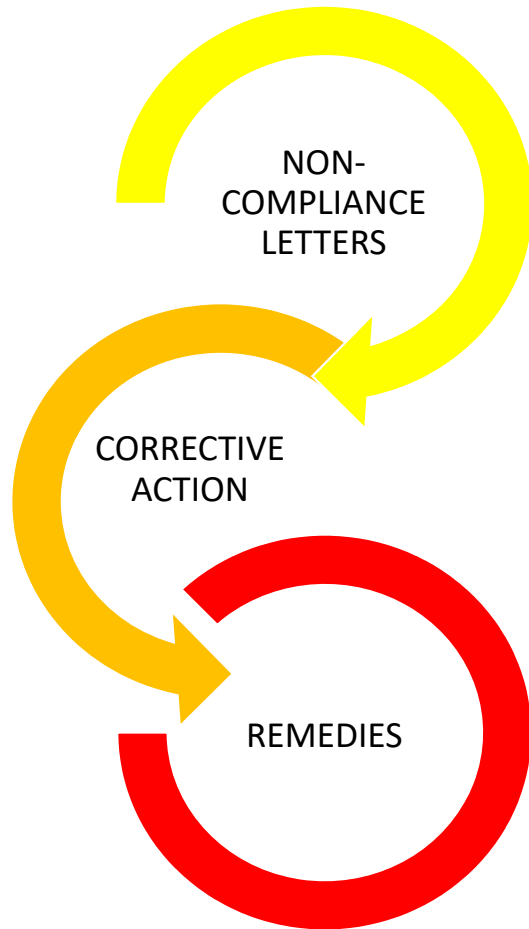
- S3BCs may register online through the NYCHA business portal. The S3BC registry is posted on NYCHA's website and is updated monthly
- NYCHA invites S3BCs to any annual MWSBE tradeshow in which NYCHA participates
- NYCHA provides information regarding S3BCs at pre-bid conferences to encourage prime contractors to subcontract to eligible S3BCs
- Procurement Roadshows – Procurement Department trains various NYCHA Admin departments and educate them about Section 3 and Section 3 Business Concerns Registry when making small micro purchases
- NYCHA refers S3BCs to the NYC Small Business Services (SBS) and to help build their capacity & increase their contracting opportunities with NYC agencies.



SECTION 3 CONTRACTS COMPLIANCE REVIEW

- NYCHA's Vendor Integrity and Supplier Diversity (VISD) department is responsible for monitoring contractor compliance.
- Vendor must submit a completed Section 3 Labor Hour Summary or OEO Outcome Summary with each payment request to Administering Department.
- Administering Department must review the Section 3 Labor Hour Summaries or OEO Outcome Summaries for accuracy and completion before forwarding to VISD and REES.
- VISD reviews the Section 3 Labor Hour summaries or OEO Outcome summaries received from the Administering Department. Completed summaries are updated in the Contract Tracking System, an application used by VISD to monitor and track contractor Section 3 compliance. If incomplete or inaccurate, forms are returned to Admin Department for correction.
- VISD tracks the contractor's compliance in meeting the Section 3 requirements based on the information provided in the Section 3 Labor Hour Summaries or OEO Outcome Summaries.
- VISD tracks the contractor's Section 3 Labor Hour Summaries and OEO Outcome Summaries throughout the duration of the contract. A contractor may be deemed non-compliant if they do not meet the Section 3 benchmarks.
- VISD to generate and submit bi-annual progress reports to Administering Departments and REES on vendor non-compliance for active contracts.
- Real Estate Development projects Section 3 compliance review currently falls outside of the standard compliance process.

SECTION 3 NON-COMPLIANCE *



1. VISD sends a non-compliance letter (Letter No. 1) by certified mail or email to the contractor at 50% work completion with copies to REES and Admin Departments. Response requested within 10 business days.
2. VISD sends a follow-up non-compliance letter (Letter No. 2) by certified mail or email to the contractor if no response was received with copies to REES and Admin Departments. Response requested within 10 business days.
3. Administering Department schedules a corrective action meeting or conference call with the contractor within 30 calendar days, and must provide VISD with a summary of the meeting and a copy of any documents provided by the contractor.
4. Section 3 non-compliance may be taken into account during the Administering Department's contractor performance evaluations.
5. VISD may report the contractor's non-compliance into PASSPort, the New York City Mayor's Office of Contracts Services (MOCS) online application used to determine the responsibility of contractors. Section 3 non-compliance can affect the contractor's ability to participate in future bids.

*Administering Departments seeking remedies for non-compliance must first consult with the NYCHA Law Department to discuss actions that NYCHA can take



NYCHA PROJECT LABOR AGREEMENT

- NYCHA entered into a Project Labor Agreement with the Building and Construction Trades Council (BCTC) of Greater New York and its affiliated unions. The PLA is currently operating on an extension.
- The PLA applies to NYCHA contractors on major capital repair projects such as construction and rehabilitation work.
- Contractors are still required to meet HUD Section 3 hiring goals.
- Progress includes:
 1. Getting more NYCHA residents into the union, building a sustainable career pathway.
 - Program participants gain access to union membership upon entry and attain journey-level status upon graduation.
 - Residents trained through the NYCHA Resident Training Academy receive pre-apprenticeship status.
 2. PLA allows contractors to request qualified non-union residents.
 3. Unions share out of work lists with NYCHA or NYCHA contractors so that NYCHA residents can be proactively identified for job openings



WHAT IS REES?

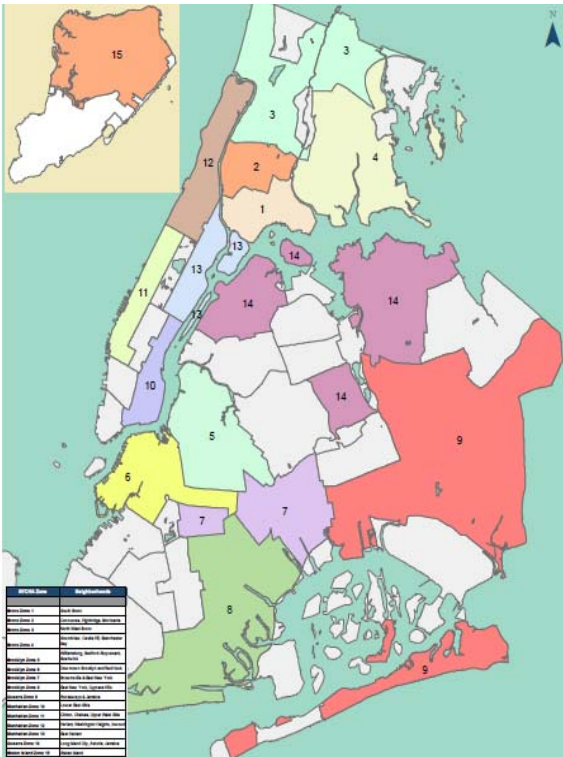
The Resident Economic Empowerment & Sustainability (REES) Department measurably supports residents to increase their income and assets through programs, policies and collaborations in four key areas:



- ▶ Employment and Advancement
- ▶ Adult Education and Training
- ▶ Financial Literacy and Asset Building
- ▶ Resident Business Development

HOW DOES REES CONNECT RESIDENTS TO OPPORTUNITIES?

Through a service coordination **“Zone Model”**, REES connects working age (18-65) residents to opportunities and services to meet their goals through formal partnerships with 70+ economic opportunity providers within **15 zones** City-wide, each with a dedicated **REES Zone Coordinator**.



The Zone Model:

- ▶ Creates local partnerships with economic opportunity service providers through a formal application process and service agreement
- ▶ Connects residents to local economic opportunity service providers through the referral system and other methods
- ▶ Makes sure our partners understand NYCHA policies and procedures so they can better serve residents
- ▶ Keeps track of lessons learned and NYCHA staff feedback to improve our work



NYCHA RESIDENT TRAINING ACADEMY (NRTA)

- ▶ A partnership among NYCHA, the Robin Hood Foundation, and some of New York City's best in class training providers - Brooklyn Workforce Innovations (BWI), NYC College of Technology (City Tech).
- ▶ Administered by REES, the NRTA has offered training in Construction, Janitorial, Pest Control, Maintenance and Painter Apprentice tracks.
- ▶ The NRTA construction class provides 8-weeks of pre-apprentice construction training, in addition to key certifications, contextual mathematics and industry knowledge to support careers in the construction trades.
- ▶ Effective 2015, the NRTA has been approved by the NYS Department of Labor as a direct entry provider. Currently, the NRTA has direct entry partnerships to 9 union trades including Local 3 Electricians and Local 8 Roofers.
- ▶ As of April 2021, the NRTA has graduated over 2,800 NYCHA Residents and has placed 90% of graduates into employment with NYCHA or its vendors.
- ▶ Launching in 2021, HireNYCHA is a new job training initiative under NYCHA 2.0 to ensure that residents can connect to economic opportunities generated from NYCHA Real Estate projects.



SPECIAL INITIATIVES: APPRENTICESHIP

- ▶ Effective 2015, the NRTA has been approved by the NYS Department of Labor as a direct entry provider.
- ▶ NYCHA has worked with various construction trades to establish relationships so that residents are not only accessing temporary jobs but are connected to a construction career path that extends beyond just opportunities generated by NYCHA's contracting.
- ▶ Graduates from the NRTA pre-apprenticeship program have the option of direct entry into partnering unions (DC 9 Painters, Local 8 Roofers, Local 3 Electricians, Local 1 Bricklayers, Local 79 General Laborers, Local 1 Plumbers, Local 78 Asbestos Handlers, DC of Carpenters and Local 12 Mechanical Insulators).
- ▶ In 2017 NYCHA and NYC Small Business Services began an academic prep program to assist residents who are preparing for union entrance exams. As of March 2021, 36 NYCHA residents passed the rigorous IBEW aptitude exam.



SPECIAL INITIATIVES: JOBS PLUS

- ▶ In 2012, a \$24M investment from YMI, CEO, HRA, NYCHA, SBS, and OFE, expanded the Jobs-Plus program from two to nine sites, extending services to nearly 25,000 working age NYCHA residents.
- ▶ In 2017, Jobs Plus expanded to 27 NYCHA developments at 10 sites across New York City.
 - ▶ Includes Penn-Wortman Jobs Plus funded through a NYCHA grant award from HUD.
- ▶ As of March 2021, Jobs-Plus has connected nearly 9,800 NYCHA residents with job placements since 2013.
- ▶ In September 2019, the City released a request for proposals to add three new Jobs-Plus sites and expand the reach of seven existing sites, increasing the total of NYCHA developments served to 44. Announcements are expected in July 2021.



REGISTERING WITH REES

NYCHA encourages residents interested in employment and other opportunities to register their interest with REES. REES facilitates resident information sessions to facilitate candidate registration.

During an information session residents:

- ▶ Obtain an overview NYCHA's Section 3 program and are connected to partner training programs.
- ▶ Complete a 1:1 assessment and intake form to disclose information related to skills, experience, licenses and certifications.
- ▶ Register for interest in future opportunities and leave a resume on file.

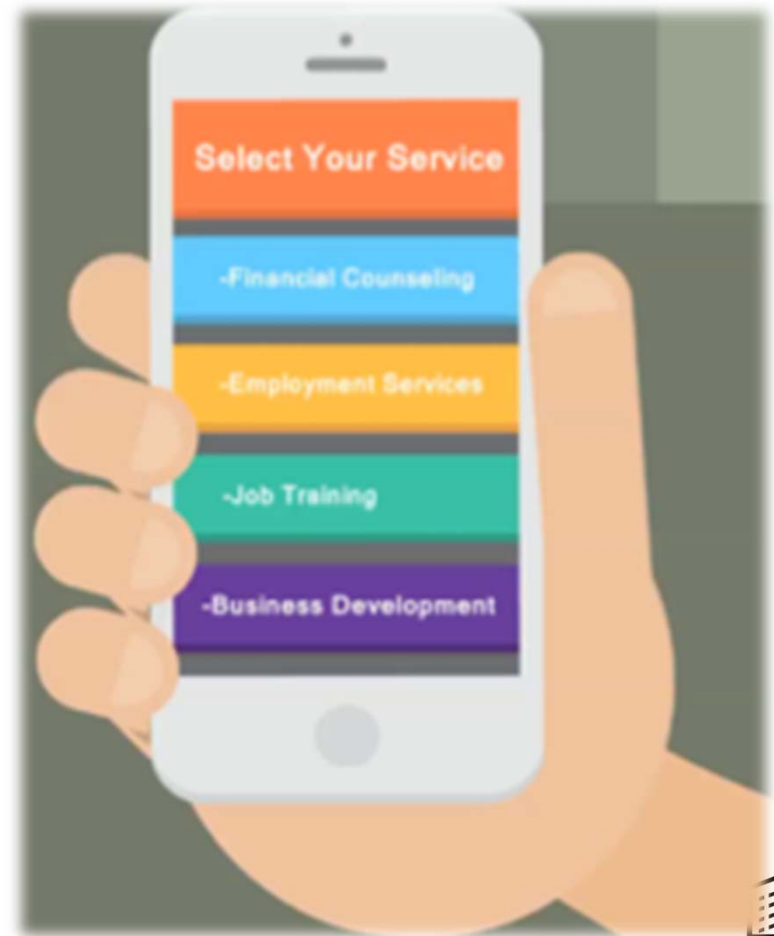


Residents completing this process are queried from a database and referred for vacancies based on the skill set requirement of the position.



CONNECTING TO SERVICES: OPPORTUNITY CONNECT

- ▶ New feature on **NYCHA's Self-Service Portal**
- ▶ Residents can create and manage their online profile which will allow them to:
 - ▶ Update their phone number with REES
 - ▶ Upload a resume & certifications
 - ▶ Register their interest in Section 3
 - ▶ Initiative self-referrals to vetted REES partners for services in:
 - ▶ Financial counseling
 - ▶ Employment assistance
 - ▶ Business development & more!
- ▶ RSVP for an event and receive reminder emails & more!
- ▶ <https://selfserve.nycha.info/>



TRANSPARENCY REPORT (2018-2020)

Transparency report for closed contracts for January 1, 2018-December 31, 2020

Year	Total New Hires	Sec 3 Hires	Sec 3 NYCHA Resident Hires	Sec 3 Non-Resident Hires	No. of Contracts Tracked	Non-Compliant Contracts
2018	1845	557	435	122	423	13
2019	1215	400	267	133	216	9
2020	4277	810	542	268	155	24
Total	7337	1767	1244	523	794	46

HUD Section 3 compliance safe harbor threshold is 30% of new hires

Year	Total New Hires	Sec 3 Hires	% of Sec 3 Hires
2018	1845	557	30%
2019	1215	400	33%
2020	4277	810	19%*
Total	7337	1767	

*Note: NYCHA is revising the final Section 3 SP to align with the new HUD rule for tracking labor hours, improving Section 3 compliance tracking with new software, and expanding resident opportunities to improve compliance.



NEXT STEPS

- ▶ Support to Section 3 Business Concerns
 - Establish allowable S3BC preferences – Q2 2021
 - Alternative Procurement Policy for NYCHA resident owned businesses
 - Establish S3BC certification process – Q3 2021
 - Simultaneously expand business development support
 - Awarded Goldman Sachs grant through the Fund for Public Housing
 - Selected MWBE Consultant firm, Progress Playbook, to design outline of NYCHA business school
 - Launch Construction Business Pathways & pilot S3BC mentorship contract with Construction Management firm – *actively fundraising*
- ▶ Expand NYCHA Resident Training
 - NYCHA Resident Training Academy (Pest Control, Janitorial, Caretaker P & Construction training) - Q1-Q3 2021
 - HireNYCHA - announced in NYCHA 2.0, a multi-year program that expands the NRTA with a focus on the Real Estate Development portfolio
- ▶ Release Final Section 3 Contractor Compliance SP – Q3 2021
 - Implementation of eComply software for monitoring compliance
 - Training Admin Departments on Final Section 3 SP



THANK YOU

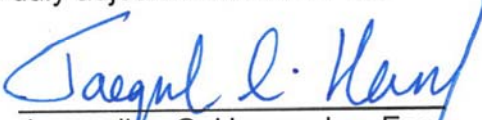
Questions &
Comments



THREE-THOUSAND ONE HUNDRED AND FIFTY-EIGHTH MEETING

ADJOURNMENT

On Motion, without objection, the meeting was duly adjourned at 4:01 P.M.


Jacqueline C. Hernandez, Esq.
Corporate Secretary