

# NEW YORK CITY HOUSING AUTHORITY

## THREE-THOUSAND ONE HUNDRED AND THIRTY-THIRD MEETING

### Minutes of Board Meeting

Wednesday, December 19, 2018

The meeting was held at the office of the Authority, 250 Broadway, New York City. A Quorum being present, the Interim Chair called the meeting to order.

Present: Stanley Brezenoff, Interim Chair  
Derrick D. Cephas, Vice-Chair  
Victor A. Gonzalez, Member  
Jacqueline Young, Member  
Vito Mustaciuolo, General Manager  
Jacqueline C. Hernandez, Esq., Acting Corporate Secretary

***NEW YORK CITY HOUSING AUTHORITY***  
***Office of the Corporate Secretary***

***Minutes***  
***Regular Meeting***  
***Wednesday, December 19, 2018***

I. Authority Minutes

Adoption of Minutes of Regular Meeting, Wednesday, November 28, 2018

**APPROVED**

II. Chair's Remarks

III. Authority Calendar

Calendar of Regular Meeting, Wednesday, December 19, 2018

1 Authorization to Amend (i) Board Resolution 14-7/30-25 and (ii) the Agreement with HAKS Engineers, Architects and Land Surveyors, P.C.

Location:	Justice Sonia Sotomayor
Administering Department:	Capital Projects Division – Project Management Team 3
Funding Source:	Capital – Federal
Amount:	\$5,831,223.94
Projected Section 3 Hires:	Not Required

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Authorization is requested to amend (i) Board Resolution 14-7/30-25, which authorized the award of this agreement to HAKS Engineers, Architects and Land Surveyors, P.C. ("HAKS") for professional construction management as agent services for comprehensive improvements, by changing the contract number from CM1423739 to CM1430479 to accurately reflect the number as it appears on the executed agreement; and, (ii) this agreement with HAKS, authorized by Board Resolution 14-7/30-25 and as subsequently amended for a five-year term, to increase the not-to-exceed amount, in order to fund the additional assigned work during the remainder of the five-year term, which commenced on August 11, 2014 and is continuing through August 10, 2019.

**APPROVED**

*N/A = NOT APPLICABLE*

*APPROVED = UNANIMOUS*

2 Award of a Contract for Roofing Replacement, Rooftop Structure and Exterior Façade Renovation

Location:	Borinquen Plaza I
Administering Department:	Capital Projects Division – Project Management Team 1
Funding Source:	Capital – Federal & City
Amount:	\$12,235,119.00
Projected Section 3 Hires:	10

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Authorization is requested to award this contract to the lowest responsive and responsible bidder, Armstrong Roofing, Corp., for the not-to-exceed amount.

**APPROVED**

3 Award of a Contract for Senior Center Upgrade

Location:	Monroe
Administering Department:	Capital Projects Division – Project Management Team 2
Funding Source:	Capital – City
Amount:	\$2,959,000.00
Projected Section 3 Hires:	3

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Authorization is requested to award this contract to the lowest responsive and responsible bidder, S & N Builders, Inc. The first lowest bidder was deemed non-responsive for failure to satisfy the requisite prior work experience as outlined in the Authority's bid documents.

**APPROVED**

4 Rejection of All Bids for an Indefinite Delivery, Indefinite Quantity ("IDIQ") Contract for Exterior Renovation

Location:	Various (Citywide)
Administering Department:	Capital Projects Division – Project Management Team 1
Funding Source:	N/A
Amount:	N/A
Projected Section 3 Hires:	Not Required

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Rejection of all bids is recommended in the best interest of the Authority. This IDIQ contract will be re-bid.

**APPROVED**

5 Rejection of All Bids for an Indefinite Delivery, Indefinite Quantity ("IDIQ") Contract for Exterior Renovation

Location:	Various (Citywide)
Administering Department:	Capital Projects Division – Project Management Team 1
Funding Source:	N/A
Amount:	N/A
Projected Section 3 Hires:	Not Required

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Rejection of all bids is recommended in the best interest of the Authority. This IDIQ contract will be re-bid.

**APPROVED**

6 Rejection of All Bids for an Indefinite Delivery, Indefinite Quantity ("IDIQ") Contract for Exterior Renovation

Location:	Various (Citywide)
Administering Department:	Capital Projects Division – Project Management Team 1
Funding Source:	N/A
Amount:	N/A
Projected Section 3 Hires:	Not Required

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Rejection of all bids is recommended in the best interest of the Authority. This IDIQ contract will be re-bid.

**APPROVED**

7 Rejection of All Bids for an Indefinite Delivery, Indefinite Quantity ("IDIQ") Contract for Exterior Renovation

Location:	Various (Citywide)
Administering Department:	Capital Projects Division – Project Management Team 1
Funding Source:	N/A
Amount:	N/A
Projected Section 3 Hires:	Not Required

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Rejection of all bids is recommended in the best interest of the Authority. This IDIQ contract will be re-bid.

**APPROVED**

8 Rejection of All Bids for an Indefinite Delivery, Indefinite Quantity ("IDIQ") Contract for Exterior Renovation

Location:	Various (Citywide)
Administering Department:	Capital Projects Division – Project Management Team 1
Funding Source:	N/A
Amount:	N/A
Projected Section 3 Hires:	Not Required

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Rejection of all bids is recommended in the best interest of the Authority. This IDIQ contract will be re-bid.

**APPROVED**

9 Rejection of All Bids for a Contract for Exterior Restoration

Location:	Ingersoll
Administering Department:	Capital Projects Division – Project Management Team 3
Funding Source:	N/A
Amount:	N/A
Projected Section 3 Hires:	Not Required

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Rejection of all bids is recommended in the best interest of the Authority. This contract will be re-bid.

**APPROVED**

10 Authorization to Approve Investment Transactions

Location:	Non-Development
Administering Department:	Finance – Treasury Operations
Funding Source:	N/A
Amount:	N/A
Projected Section 3 Hires:	Not Required

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Authorization is requested to approve the investment transactions that were performed by the Authority's Treasury Department for the Quarter Ended September 30, 2018, in accordance with the US Department of Housing and Urban Development Office of Public and Indian Housing Notice PIH 2002-13.

**APPROVED**

11 Authorization to Approve the Authority's Five-Year Capital Budget Plan for Calendar Years 2019 - 2023

Location:	Non-Development
Administering Department:	Finance – Financial Planning & Analysis
Funding Source:	Capital – Federal, State, City & Private
Amount:	\$6,384,546,000.00
Projected Section 3 Hires:	Not Required

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Authorization is requested to approve the Authority's Five-Year Capital Budget Plan for Calendar Years 2019 - 2023.

**APPROVED**

- 12 Authorization to Approve the Authority's Five-Year Operating Budget Plan for Calendar Years 2019 – 2023

Location:	Non-Development
Administering Department:	Finance – Financial Planning & Analysis
Funding Source:	Operating – Federal, State, City & Grants
Amount:	\$3,476,620,000.00
Projected Section 3 Hires:	Not Required

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Authorization is requested to approve the Authority's Five-Year Operating Budget Plan for Calendar Years 2019 - 2023.

**APPROVED**

- 13 Authorization to Enter into (i) an Agreement to Lease and, Subsequently, (ii) a Ninety-Nine (99) Year Ground Lease for a Parcel of Land with Zoning Floor Area and Associated Easements

Location:	Holmes Towers
Administering Department:	Real Estate Development
Funding Source:	N/A
Amount:	N/A
Projected Section 3 Hires:	Not Required

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Authorization is requested to enter into (i) an Agreement to Lease, upon approval of the application to the United States Department of Housing and Urban Development pursuant to Section 18 of the United States Housing Act of 1937, as amended, and, subsequently, upon obtaining financing commitments, (ii) a ninety-nine (99) year Ground Lease with Fetner Properties, Inc., or its affiliate, for an approximately 20,707 square foot parcel of land located at East 92nd Street between First Avenue and York Avenue, being a portion of New York County, Block 1573, Zoning Lot 20, (new Tax Lot TBD) with approximately 330,368 square feet of zoning floor area, and easements, to facilitate the construction of a building with approximately one hundred sixty-nine (169) affordable housing units, one hundred sixty-nine (169) market rate units, one (1) superintendent's unit, ground floor community facility uses, and site improvements.

**APPROVED**



14 Award of a Requirement Contract for Survey, Testing, Repair and Alterations to Fire Alarm Systems

Location:	Various (Queens)
Administering Department:	Operations – Technical Services
Funding Source:	Operating – Federal
Amount:	\$1,490,888.12
Projected Section 3 Hires:	2

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Authorization is requested to award this requirement contract to the lowest responsive and responsible bidder, Aldona Fire Protection, Inc. The first lowest bidder was deemed non-responsive for failure to satisfy the requisite prior work experience as outlined in the Authority's bid documents. This requirement contract also provides for a one (1) one-year renewal option to be exercised at the Authority's sole discretion.

**APPROVED**

15 Award of a Requirement Contract for Survey, Testing, Repair and Alterations to Fire Alarm Systems

Location:	Various (Manhattan)
Administering Department:	Operations – Technical Services
Funding Source:	Operating – Federal
Amount:	\$1,959,156.65
Projected Section 3 Hires:	3

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Authorization is requested to award this requirement contract to the lowest responsive and responsible bidder, Aldona Fire Protection, Inc. The first lowest bidder was deemed non-responsive for failure to satisfy the requisite prior work experience as outlined in the Authority's bid documents. This requirement contract also provides for a one (1) one-year renewal option to be exercised at the Authority's sole discretion.

**APPROVED**

- 16 Award of a Requirement Contract for Survey, Testing, Repair and Alterations to Fire Alarm Systems

Location:	Various (Brooklyn)
Administering Department:	Operations – Technical Services
Funding Source:	Operating – Federal
Amount:	\$2,352,274.37
Projected Section 3 Hires:	1

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Authorization is requested to award this requirement contract to the lowest responsive and responsible bidder, Imperial Fire Protection System, Inc. This requirement contract also provides for a one (1) one-year renewal option to be exercised at the Authority's sole discretion.

**APPROVED**

- 17 Authorization to Increase the Not-To-Exceed Amount of the Requirement Contract for Oil Spill Clean-up and Hazardous/Non-Hazardous Waste Disposal

Location:	Various (Citywide)
Administering Department:	Operations – Technical Services
Funding Source:	Operating – Federal
Amount:	\$88,801.12
Projected Section 3 Hires:	Not Required

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Authorization is requested to approve this increase in the not-to-exceed amount of this requirement contract awarded to Clean Venture, Inc. for oil spill clean-up and hazardous/non-hazardous waste disposal, by 50% as permitted by the original requirement contract, which did not require initial Board approval for an initial two-year term with one (1) one-year renewal option, in order to fund the continued provision of services during the remainder of the initial two-year term, which commenced on May 1, 2017 and is continuing through April 30, 2019.

**APPROVED**

- 18 Authorization of a Change Order to Requirement Contract No. 1714888 Awarded to Hi-Tech Air Conditioning Service, Inc.

Location:	Non-Development
Administering Department:	Operations – Maintenance Repairs & Skilled Trades
Funding Source:	Operating – Federal
Amount:	\$150,000.00
Projected Section 3 Hires:	Not Required

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Authorization is requested to approve a change order to this requirement contract awarded to Hi-Tech Air Conditioning Service, Inc. for preventive maintenance and repair/replacement of heating ventilation and air conditioning systems, which did not require initial Board authorization for an initial two-year term with one (1) one-year renewal option, to increase the not-to-exceed amount, in order to fund the continued provision of services during the remainder of the initial two-year term, which commenced on June 10, 2017 and is continuing through June 9, 2019.

**APPROVED**

- 19 Authorization of a Change Order to Requirement Contract No. 1711010 Awarded to Hi-Tech Air Conditioning Service, Inc.

Location:	Non-Development
Administering Department:	Operations – Maintenance Repairs & Skilled Trades
Funding Source:	Operating – Federal
Amount:	\$50,000.00
Projected Section 3 Hires:	Not Required

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Authorization is requested to approve a change order to this requirement contract awarded to Hi-Tech Air Conditioning Service, Inc. for preventive maintenance and repair/replacement of heating ventilation and air conditioning systems, which did not require initial Board authorization for an initial two-year term with one (1) one-year renewal option, to increase the not-to-exceed amount, in order to fund the continued provision of services during the remainder of the initial two-year term, which commenced on May 18, 2017 and is continuing through May 17, 2019.

**APPROVED**

- 20 Authorization of a Change Order to Requirement Contract No. 1714533 Awarded to Hi-Tech Air Conditioning Service, Inc.

Location:	Non-Development
Administering Department:	Operations – Maintenance Repairs & Skilled Trades
Funding Source:	Operating – Federal
Amount:	\$150,000.00
Projected Section 3 Hires:	Not Required

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Authorization is requested to approve a change order to this requirement contract awarded to Hi-Tech Air Conditioning Service, Inc. for preventive maintenance and repair/replacement of heating ventilation and air conditioning systems, authorized by Board Resolution 17-6/28-7 for an initial two-year term with one (1) one-year renewal option, to increase the not-to-exceed amount, in order to fund the continued provision of services during the remainder of the initial two-year term, which commenced on July 21, 2017 and is continuing through July 20, 2019.

**APPROVED**

- 21 Authorization of a Change Order to Requirement Contract No. 1714889 Awarded to Hi-Tech Air Conditioning Service, Inc.

Location:	Non-Development
Administering Department:	Operations – Maintenance Repairs & Skilled Trades
Funding Source:	Operating – Federal
Amount:	\$100,000.00
Projected Section 3 Hires:	Not Required

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Authorization is requested to approve a change order to this requirement contract awarded to Hi-Tech Air Conditioning Service, Inc. for preventive maintenance and repair/replacement of heating ventilation and air conditioning systems, which did not require initial Board authorization for an initial two-year term with one (1) one-year renewal option, to increase the not-to-exceed amount, in order to fund the continued provision of services during the remainder of the initial two-year term, which commenced on June 10, 2017 and is continuing through June 9, 2019.

**APPROVED**

- 22 Authorization of a Change Order to Requirement Contract No. 1634149 Awarded to Zone Aire Systems Inc.

Location:	Non-Development
Administering Department:	Operations – Maintenance Repairs & Skilled Trades
Funding Source:	Operating – Federal
Amount:	\$75,000.00
Projected Section 3 Hires:	Not Required

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Authorization is requested to approve a change order to this requirement contract awarded to Zone Aire Systems Inc. for preventive maintenance and repair/replacement of heating ventilation and air conditioning systems, which did not require initial Board authorization for an initial two-year term with one (1) one-year renewal option, to increase the not-to-exceed amount, in order to fund the continued provision of services during the remainder of the initial two-year term, which commenced on February 8, 2017 and is continuing through February 7, 2019.

**APPROVED**

- 23 Authorization of a Change Order to Requirement Contract No. 1727749 Awarded to C & S Building Services, Inc.

Location:	Non-Development
Administering Department:	Operations – Maintenance Repairs & Skilled Trades
Funding Source:	Operating – Federal
Amount:	\$150,000.00
Projected Section 3 Hires:	Not Required

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Authorization is requested to approve a change order to this requirement contract awarded to C & S Building Services, Inc. for preventive maintenance and repair/replacement of heating ventilation and air conditioning systems, which did not require initial Board authorization for an initial two-year term with one (1) one-year renewal option, to increase the not-to-exceed amount, in order to fund the continued provision of services during the remainder of the initial two-year term, which commenced on December 21, 2017 and is continuing through December 20, 2019.

**APPROVED**

24 Authorization to Amend the Agreement with Herzfeld & Rubin, P.C.

Location:	Non-Development
Administering Department:	Law
Funding Source:	Operating – Self Insurance Fund
Amount:	\$144,400.00
Projected Section 3 Hires:	Not Required

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Authorization is requested to amend this retainer agreement with Herzfeld & Rubin, P.C. for outside counsel services, which did not require initial Board authorization for the duration of litigation and as subsequently amended, to increase the not-to-exceed amount, in order to fund the continued provision of services, which commenced on June 29, 2018 and is continuing through the duration of litigation.

**APPROVED**

25 Authorization to Enter into the 2018-2021 Memorandum of Agreement with the International Brotherhood of Teamsters Local 237

Location:	Non-Development
Administering Department:	Administration – Human Resources
Funding Source:	N/A
Amount:	N/A
Projected Section 3 Hires:	Not Required

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Authorization is requested to enter into the 2018-2021 Memorandum of Agreement with the International Brotherhood of Teamsters Local 237 relating to economic and non-economic matters for approximately 5,762 cleaning, maintenance, and property management employees serving in 19 different housing-unique titles, commencing on May 30, 2018 and continuing through December 29, 2021.

**APPROVED**

- 26 Authorization to Dispose of Baychester and Murphy Houses (the "Project") in Accordance with the HUD Part 200 Approval Letter via a 99-year Lease Agreement and Take Such Further Action as May Be Necessary to Consummate the Project

Location:	Baychester Houses (LLC II) & Murphy Houses (LLC II)
Administering Department:	Real Estate Development
Funding Source:	N/A
Amount:	N/A
Projected Section 3 Hires:	40

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Authorization is requested to (i) dispose of the Project in accordance with the US Department of Housing and Urban Development ("HUD") Part 200 Approval Letter dated December 8, 2017; (ii) convert the existing Mixed-Finance Public Housing to Section 8 Project Based Vouchers ("PBV"); (iii) amend, extend, renew and assign the PBV Housing Assistance Payment Contracts; (iv) terminate and release the existing Ground Lease, New York Housing Development Corporation ("HDC") debt documents and Authority debt documents encumbering the Project; (v) repay the existing HDC and Authority debt on the Project; (vi) enter into a ninety-nine (99) year Lease Agreement and other documents with NYCHA Cross Bronx Preservation Housing Development Fund Corporation (an Authority affiliate), as nominee, and MBD Community Housing Corporation, L&M Development Partners, Inc. and Camber Property Group, LLC (collectively, the "Developer"), and their affiliate, Cross Bronx Preservation, LLC (the "Company"), as equitable and beneficial owner; (vii) enter into a Development Agreement with the Company and Developer for the rehabilitation of the Project; (viii) provide long-term seller financing for the Project secured by a promissory note, leasehold mortgage and ancillary loan documents; (ix) enter into a Payment In Lieu of Taxes Agreement; and (x) take such further action as may be necessary to consummate the Project transaction.

**APPROVED**

- 27 Authorization to Amend Board Resolution 18-11/28-8

Location:	Hope Gardens, Palmetto Gardens & Bushwick II (Groups B & D)
Administering Department:	Real Estate Development
Funding Source:	N/A
Amount:	N/A
Projected Section 3 Hires:	Not Required

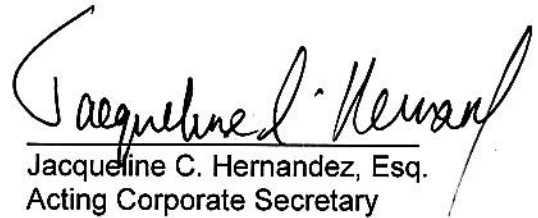
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Authorization is requested to amend Board Resolution 18-11/28-8, which authorized the amendment of Board Resolution 18-5/30-23 to allow the Authority to submit a Rental Assistance Demonstration ("RAD") Financing Plan to the U.S. Department of Housing and Urban Development for the disposition of up to 25% of the units in Bushwick II (Groups B & D), Hope Gardens, and Palmetto Gardens under Section 18 of the United States Housing Act of 1937, as amended, instead of RAD, to indicate the date of receipt of the letter of support from the New York City Deputy Mayor for Housing and Economic Development as December 14, 2018.

**APPROVED**

- 28 Board Member Young moved that the Members be authorized to meet in Executive Session today, to discuss the Civil Investigative Demand and the Litigation of United States v. NYCHA and Baez, et al. v. NYCHA.

**APPROVED**

  
Jacqueline C. Hernandez, Esq.  
Acting Corporate Secretary





# Proposed CY 2019 - 2023 Financial Plan

December 19, 2018

EVP of Finance

Department of Financial Planning & Analysis



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# CY 2019 - 2023

## Proposed Operating Plan

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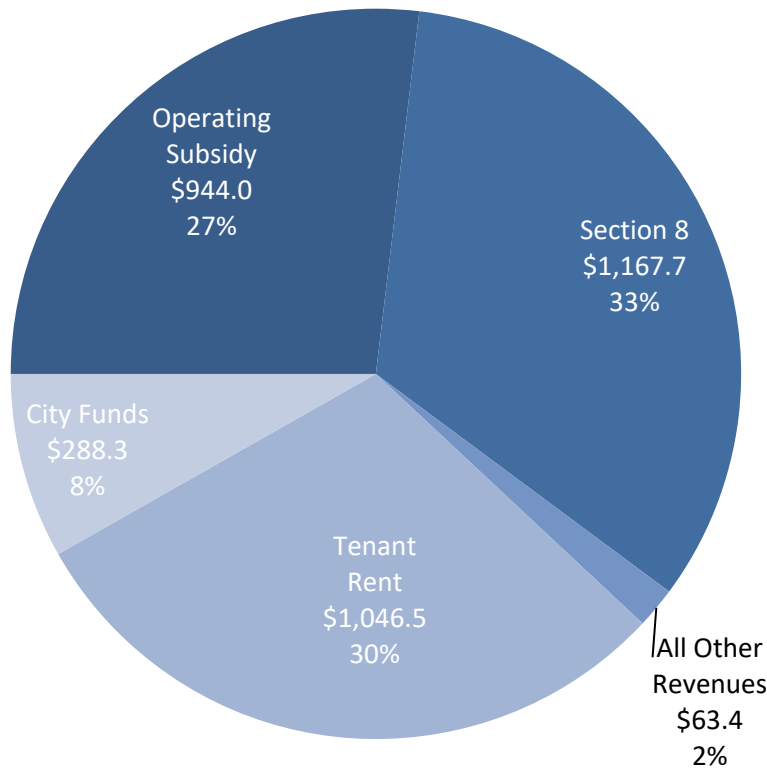




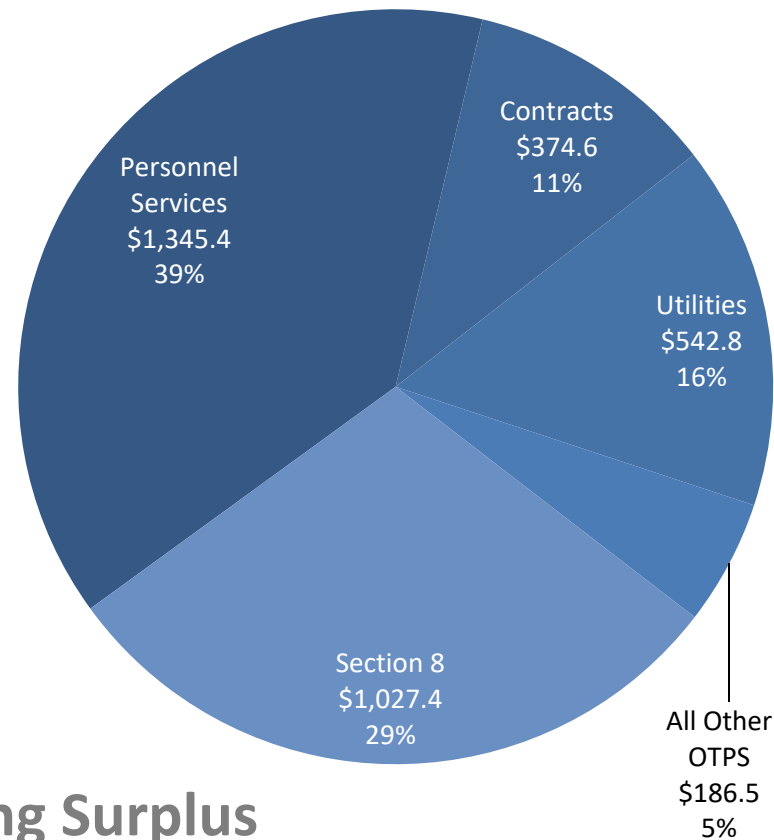
# CY 2019 Proposed Operating Plan: Revenue and Expense Composition

(\$ Millions)

**Revenue**  
**\$3.51 Billion**



**Expense**  
**\$3.48 Billion**



**Operating Surplus**  
**\$33 Million**



# CY 2019 Proposed Operating Plan: Funding Highlights

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In 2019, the proposed Operating Plan makes much-needed investments in health and safety, including:

- \$110 million to support testing and remediation of lead hazards. XRF testing of 135,000 apartments will begin in the 2<sup>nd</sup> quarter of 2019.
- \$35 million to expand NYCHA Cares, the Mayor's successful initiative to address backlogged work orders.
- \$21 million to purchase 5 mobile boilers and replace system components prone to failure across 70 developments.
- \$12 million to address the causes of rodent and other pest infestations at targeted developments.
- \$2 million in increased staffing resources for Compliance and Internal Audit to improve accountability.



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# CY 2019 - 2023

## Proposed Capital Plan

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# CY 2019 - 2023 Proposed Capital Plan: Funding Sources and Work Types

(\$ Millions)

Funding Source	2019	2020	2021	2022	2023	2019- 2023 Plan Totals
Federal	\$889	\$306	\$306	\$306	\$306	\$2,115
City	\$1,206	\$429	\$336	\$386	\$336	\$2,693
State	\$450	\$0	\$0	\$0	\$0	\$450
Community Development Block Grant (CDBG)	\$125	\$20	\$20	\$21	\$20	\$207
Disaster Recovery <sup>1</sup>	\$825	\$0	\$0	\$0	\$0	\$825
Other	\$95	\$0	\$0	\$0	\$0	\$95
<b>Plan Total By Funding Source</b>	<b>\$3,590</b>	<b>\$756</b>	<b>\$662</b>	<b>\$714</b>	<b>\$662</b>	<b>\$6,385</b>

Work Type	Federal	City	State	CDBG	Disaster Recovery	Other	Total
Heating / Plumbing	\$482	\$344	\$350	\$3	\$0	\$28	\$1,208
Information Technology	\$70	\$0	\$0	\$0	\$0	\$2	\$72
Interiors	\$301	\$123	\$100	\$0	\$0	\$49	\$573
Other	\$48	\$42	\$0	\$80	\$27	\$0	\$197
Debt Services/LLC 1 Capital Transfer	\$407	\$0	\$0	\$0	\$0	\$0	\$407
Safety / Security	\$14	\$32	\$0	\$0	\$0	\$0	\$46
Structural / Exteriors	\$792	\$2,153	\$0	\$123	\$799	\$15	\$3,882
<b>Total</b>	<b>\$2,115</b>	<b>\$2,693</b>	<b>\$450</b>	<b>\$207</b>	<b>\$826</b>	<b>\$95</b>	<b>\$6,385</b>



# CY 2019 - 2023 Proposed Capital Plan: Funding Highlights

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\*The proposed five-year Capital Plan makes significant investments to fund improvements to NYCHA developments, including:

- \$991 million to replace 290 boilers.
- \$220 million to support the replacement of 404 elevators in 29 developments.
- \$663 million to repair 600 roofs at 59 developments.
- \$451 million to upgrade kitchens and bathrooms in 8,250 apartments.
- \$95 million to repair façades and bring buildings into compliance with Local Law 11.

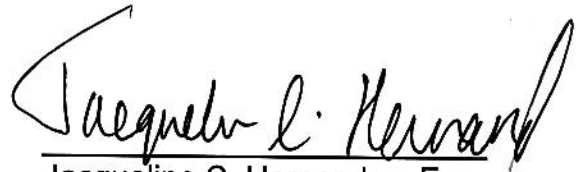
*\*The proposed CY 2019-2023 Capital Plan indicates capital items to be funded over five years, whereas NYCHA 2.0 indicates capital items to be completed within five years.*

THREE-THOUSAND ONE HUNDRED AND THIRTY-THIRD MEETING

Wednesday, December 19, 2018

ADJOURNMENT

On Motion, without objection, the meeting was duly adjourned at 11:05 AM.

  
Jacqueline C. Hernandez, Esq.  
Acting Corporate Secretary