

# Next Generation NYCHA



The City of New York  
Mayor Bill de Blasio

Alicia Glen, Deputy Mayor for  
Housing & Economic Development



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**LETTER FROM MAYOR  
BILL DE BLASIO  
AND NYCHA CHAIR AND  
CEO SHOLA OLATOYE**



Dear New Yorkers,

At every New York City Housing Authority development we visit, we hear from residents about how much NYCHA means to them and about the good it has done for their families. They also say, invariably, that NYCHA must change in order to deliver on its promise of safe, decent, affordable housing.

These residents are expressing the experience of living in a public housing authority that is struggling against the worst financial crisis in its history. In the face of drastically diminishing support from all levels of government, NYCHA has been unable to fulfill its responsibility to the 400,000 New Yorkers who live in its public housing—to provide dwellings in good repair, to connect residents to community resources, and to facilitate access to economic advancement.

Aggressive action is necessary to deliver to NYCHA’s residents the resources and services they have long deserved, and to sustain the Authority for the long term. That is why we have developed NextGeneration NYCHA, a long-term strategic plan that will guide us in changing the way we do business as a landlord to create safe, clean, and connected communities. To do this, we must make difficult choices that change how NYCHA is funded, operates, rebuilds, and engages with residents.

NYCHA residents are students and seniors, teachers and taxi drivers, police officers and office professionals, and more—hundreds of thousands of people who embody the diversity of our City. While our families are trying to make ends meet, they deserve a safe, healthy place to call home. We are ready to make this change not just on their behalf, but for the next generation of New Yorkers who will call NYCHA home, and for every New Yorker who values the vitality of this great city.



Handwritten signature of Bill de Blasio in black ink.

Mayor Bill de Blasio  
City of New York

Handwritten signature of Shola Olatoye in black ink.

Chair and CEO Shola Olatoye  
New York City Housing Authority

# EXECUTIVE SUMMARY

## NextGeneration NYCHA

In the eight decades since the New York City Housing Authority (NYCHA or the Authority) was founded by Mayor Fiorello La Guardia, millions of New York City's low- and moderate-income families have relied on NYCHA for safe, secure, and affordable housing. Today, the Authority is home to more than 400,000 New Yorkers including 77,000 older adults and 110,000 children under the age of 18; it is the nation's oldest and largest public housing authority—bigger than the next 11 combined. NYCHA also administers the country's largest Section 8 program, supporting another 213,000 low-income individuals with federally subsidized rental vouchers.

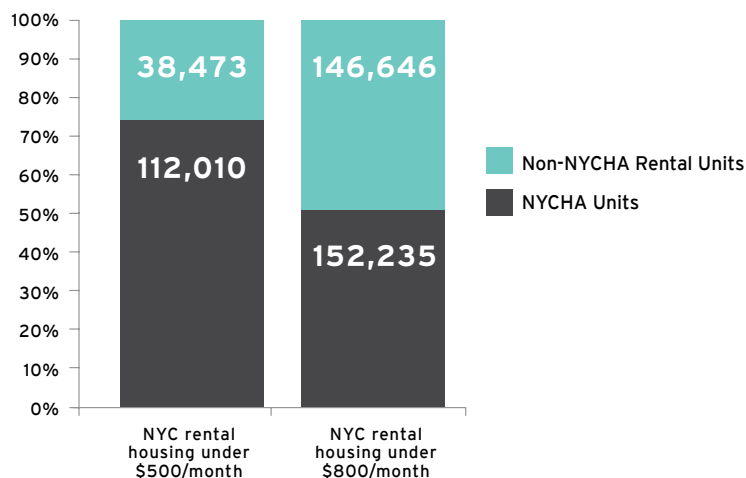
NYCHA's importance to the City lies not only in its sheer size but in its deep affordability for New Yorkers. The average NYCHA household brings home an annual income of \$23,300. For these families, the Authority's guarantee that no rent payment will ever exceed 30 percent of a family's income—the threshold for truly affordable housing—is essential. NYCHA's 178,000 units include more than half of all apartments in New York City with an asking rent of under \$800 per month, and nearly three-quarters of those under \$500 per month. In a city with a private housing market where, in 2014, the median asking rent for an apartment was over \$2,840 per month,<sup>1</sup> 200,000 low- and moderate-income New Yorkers wait for a NYCHA unit to house their family.

### NYCHA's Share of Low-Rent Apartments

NYCHA provides:

- **74%** of all NYC rental housing less than \$500/month
- **51%** of all NYC rental housing less than \$800/month

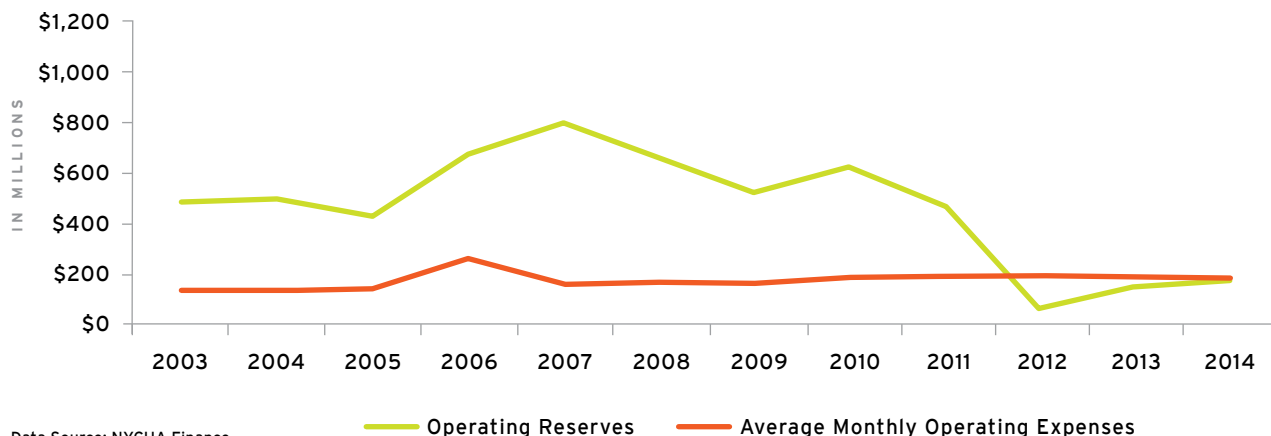
Data Sources: 2014 Housing Vacancy Survey and NYCHA Tenant Data



However, the promise of NYCHA as decent, affordable housing is under serious threat as the Authority confronts the worst financial crisis in its history. Billions in underfunding by all levels of government, outdated and inefficient management models, and rapidly deteriorating buildings have severely weakened NYCHA as an organization and diminished the quality of its life of residents. Today, tenants shoulder

1) StreetEasy's 2015 Predictions for the New York City Real Estate Market

## Depleted Operating Reserves since 2003



Data Source: NYCHA Finance

NYCHA measures its operating reserves by the months of “working capital” the reserves provide, known as a “reserve ratio.” Working capital is defined as current assets minus current liabilities. Therefore, the calculation of the reserve ratio represents the working capital divided by an average month’s operating expenses. This indicates the number of months NYCHA’s operations could be sustained using the reserves. Because NYCHA has had to spend these reserves in the absence of other funding, current reserves cover less than one month of operations. NYCHA’s goal is to reach the industry standard for good financial standing, which is three to six months of operating reserves.

the burden of nearly \$17 billion in unmet capital needs across the Authority’s aging building stock, living with leaky roofs, mold, unreliable heating systems, broken elevators, and a host of other problems at any given time.

At the same time, NYCHA struggles with a structural operating deficit of tens of millions of dollars each year. Unable to cover its own operating costs with cash on hand, the Authority has been forced to draw on its essential reserves and divert funds from badly needed building repairs just to stay solvent. However, with federal funding more likely to shrink than grow in the years to come, the deficit shows no sign of abating, and NYCHA can no longer afford such one-off rescue measures and bailouts.

Without intervention, hundreds of thousands of New Yorkers will experience worsening problems that the Authority, in a state of financial paralysis, will be unable to address. Ultimately, this fiscal crisis could lead to federal receivership, consequently threatening the loss of NYCHA’s public housing developments forever.

**NextGeneration NYCHA** will end that downward spiral.

This 10-year roadmap builds on more than \$240 million in investments the Administration has already made to stabilize the Authority and deliver a long-deserved improvement in quality of life to residents. By implementing the strategies within **NextGeneration NYCHA** the Authority will generate modest annual operating surpluses totaling more than \$230 million over 10 years. This is in stark contrast to the overwhelming deficit of approximately \$2.5 billion that would accrue over the same time period if no action were taken.

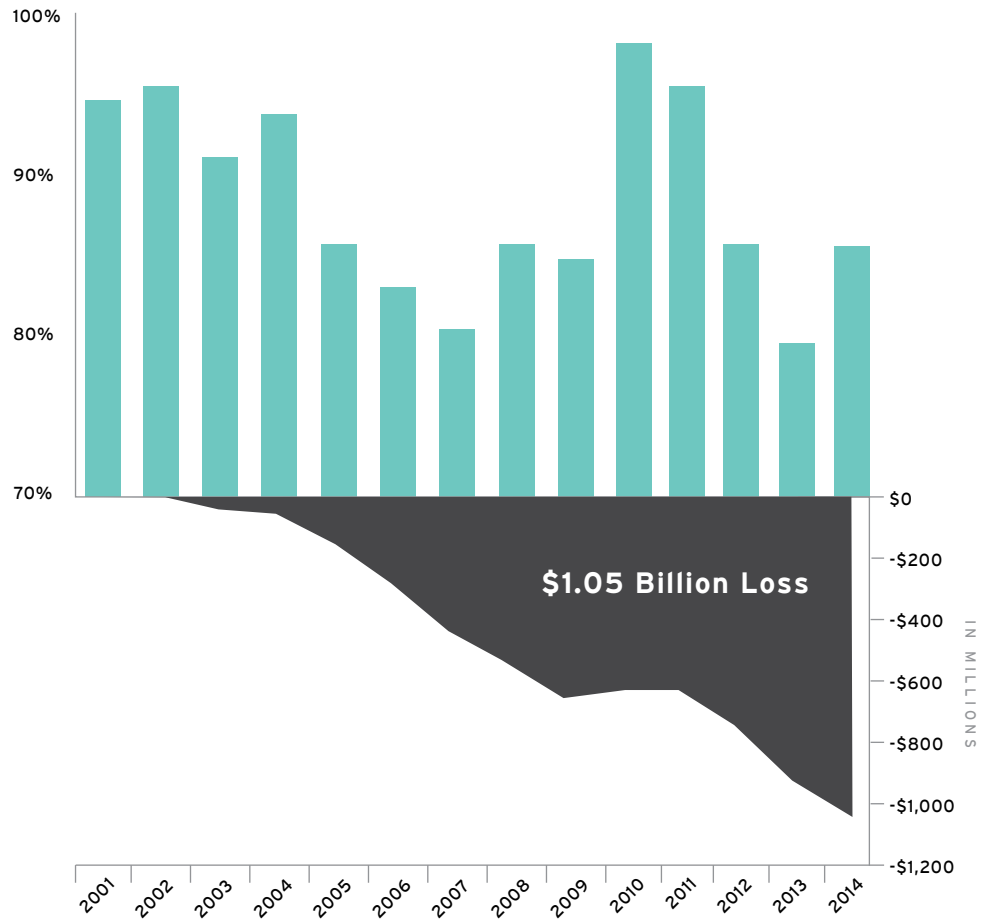
Operating in a fiscally sound manner will unlock opportunities for NYCHA to raise additional funds to pay for its capital needs, whose overall price tag will also be reduced by \$4.6 billion via the strategies contained in **NextGeneration NYCHA**.

# \$1 Billion Loss in Operating Funding since 2001

## Annual Proration and Federal Operating Funding Cumulative Loss by Year

Of the total operating funding NYCHA is eligible for on an annual basis from HUD, NYCHA receives only a portion, due to lower Congressional appropriations. This is known as a prorated amount. This graphs shows NYCHA's actual federal funding as a percent of its total eligible funding, and calls out the cumulative loss in eligible funding since federal disinvestment began in 2001.

Data Source: NYCHA Finance



This means critical funds will be freed to address the damage and problems that residents are living with, by repairing sinks and ovens, floors and ceilings, and stairwells and hallways, and addressing mold and vermin. These strategies will not simply fix what is broken, but will proactively improve and enhance the experience of living in the City's public housing. By making it easier to engage with NYCHA as a landlord, coordinating access to best-in-class social services, and expanding jobs and economic opportunities, NYCHA will ensure that living in public housing means living in safe, clean, and connected communities.

The multifaceted plan has been developed with input from nearly 150 meetings with stakeholders over the course of nearly a year, and, above all, reflects the voices of public housing residents. Tough choices must be made to ensure the Authority exists for the next generation of New Yorkers who, like those before them, will depend on its affordable housing to build a life in our City.

## NextGeneration NYCHA: Four Goals

1. Achieve short-term financial stability and diversify funding for the long term

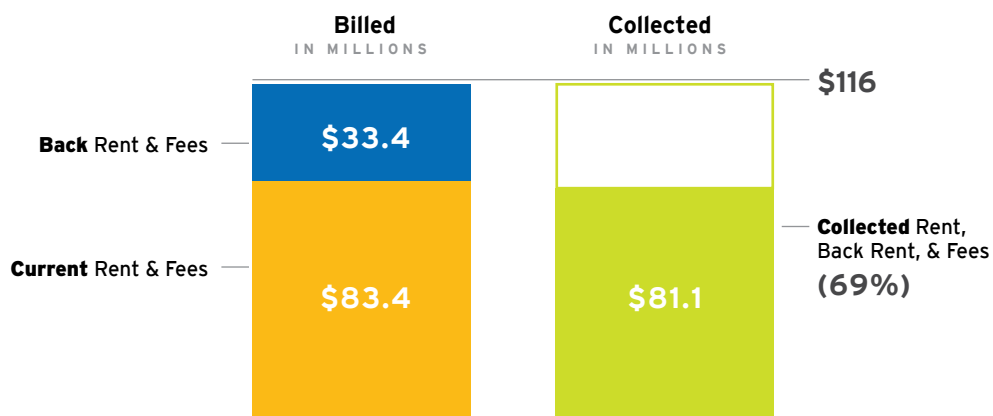


2. Operate as an efficient and effective landlord
3. (Re)build, expand, and preserve public and affordable housing stock
4. Engage residents and connect them to best-in-class social services

## NextGeneration NYCHA: Key Strategies

1. **Achieve short-term financial stability and diversify funding for the long term.**  
 NYCHA is facing a projected operating deficit of over \$2.5 billion over the next 10 years, and its portfolio has almost \$17 billion in unmet capital needs. The Authority must generate ongoing operating surpluses to become fiscally sound and attract outside financing to fund vital building repairs. Collectively and with HUD support, the strategies below will ensure break-even operations by 2017, putting the Authority in a stronger position to deal with the uncertain future of funding from the federal government.
  - a. Strategy #1: Starting in fiscal year 2015, the City will relieve NYCHA of the Payment in Lieu of Taxes (PILOT) that it has paid to the City each year since 1949. The City has already waived—in perpetuity—NYCHA's annual \$70 million payment to the NYPD. **Objective: achieve additional operating savings of approximately \$30 million per year.**
  - b. Strategy #2: By working closely with residents and changing internal procedures, NYCHA will increase its rental and fee collection to improve the current 74 percent collection rate.<sup>2</sup> Improving collection rates is critical for NYCHA because rents and fees are among the few significant sources of

## Rent and Fee Collection: Snapshot of December 2014



Data Source: NYCHA Finance

2) According to the HUD formula for the operating subsidy calculation, resident rental revenue is subtracted to determine the need of the PHA. While an increase in rent collection may provide positive cash flow for the year when it is collected, it could result in a reduction in operating subsidy for future years.

revenue that are not subject to annual appropriations. **Objective: achieve rent revenue of up to \$30 million per year.**

- c. Strategy #3: NYCHA will maximize the revenue and uses of ground floor spaces.
  - i. NYCHA will develop a comprehensive leasing strategy for over two million square feet of non-residential ground floor spaces. The Authority will assure that vacancy rates for rentable retail space do not rise above 5 percent and will charge market rate rents to all retail tenants. NYCHA will also reduce non-residential vacancy rates, bring spaces online, and will secure leases from community-based tenants and ensure that all tenants cover their operating costs, at minimum. **Objective: achieve operating revenue of up to \$1 million per year.**
  - ii. NYCHA will boost parking revenue by raising rates to market value and increasing occupancy in its lots from the current average of 59 percent. NYCHA will also ensure that lots are better maintained and more secure. The Authority will continue to provide residents with first priority for parking spots, will cap rates to residents at no more than \$150 per month for parking spaces in the highest demand areas, and will phase in price increases for residents through the end of 2017. **Objective: achieve operating revenue of up to \$5 million per year.**
- d. Strategy #4: The Authority will cut expenses by shrinking its central office workforce by nearly 1,000 through attrition and integration of some operations and positions within NYCHA into other City agencies. This staff reduction will also lead to cost efficiencies in other areas of central office operations. There will be no impact to service levels. **Objective: achieve operating savings of approximately \$90 million per year, and decrease other administrative costs by two percent.**



MyNYCHA, NYCHA's first mobile app, coming in the summer of 2015

## 2. Operate as an efficient and effective landlord.

NYCHA is first and foremost a landlord. The Authority must provide better customer service and property management for its residents.

- a. Strategy #5: Improved digital services: The Authority will launch an app, **MyNYCHA**, for residents to create, submit, view, and update maintenance service requests 24/7, view alerts and outages related to their developments, view their scheduled inspections, and more. The application will reduce the need to call NYCHA's Customer Contact Center (CCC) for questions or service requests. **Objective: improve customer service.**
- b. Strategy #6: Faster repairs and more transparent metrics:
  - i. Enacted in January 2015, the Authority's Optimal Property Management Operating Model (OPMOM) system is empowering

local property managers at 18 developments spanning 22,386 units to build their own budgets, hire their own staff, and purchase materials from the central office. NYCHA will ultimately assemble best practices from OPMOM and will begin to deliver them to all 328 developments by 2016. The Authority projects a reduction in repair time for basic maintenance to a maximum of seven days at OPMOM developments. **Objective: improve property management efficiency and improve customer satisfaction.**

- ii. NYCHA will improve transparency around performance. The Authority has for too long focused on the number of work orders outstanding as the sole measure of its performance. NYCHA will reorient to measure its performance based on the total time to complete the entire repair. Finally, the Authority will identify appropriate Key Performance Indicators (KPIs) to measure success. **Objective: improve customer satisfaction.**

c. Strategy #7: Improved sustainability and reduced carbon footprint:

- i. All NYCHA developments will recycle by the end of 2016, equipped with recycling bins for Department of Sanitation (DSNY) pick-up. NYCHA will install recycling stations at five developments in spring 2015, followed by a rollout throughout the portfolio. Over the next 18 months, NYCHA, DSNY, and GrowNYC will coordinate to engage and educate residents and staff to maximize recycling efforts. **Objective: minimize waste, protect the environment, and reduce greenhouse gas emissions.**
- ii. The Authority will execute a series of competitive Energy Performance Contracts (EPCs) to lower NYCHA's energy consumption. At least \$100 million in work will occur across nearly 300 NYCHA developments to upgrade and retrofit thousands of buildings, dramatically reducing greenhouse gas emissions and generating tens of millions of dollars in cost savings, as well as creating more than 500 jobs. The first stage of the initiative will impact 89 properties housing 87,000 apartments—or approximately 50 percent of NYCHA's public housing portfolio—representing over 200,000 residents. **Objective: lower energy costs and reduce energy consumption.**
- iii. NYCHA will deploy \$3 billion of funding from FEMA—the largest FEMA grant in history—to repair and protect over 200 buildings within 35 public housing developments that sustained severe damage during Superstorm Sandy. NYCHA will construct elevated boilers, install flood barrier systems and stand-by generators, and perform other critical repairs and resiliency measures to better protect the 80,000 residents that were affected. Work will begin this summer and will take 18 to 48 months for each development to complete. **Objective: improve the quality of life for residents of Sandy-impacted developments and protect these developments against future disasters.**

- d. Strategy #8: Improved resident and neighborhood safety: Upon receipt, NYCHA will deploy \$100 million in asset forfeiture funds to install exterior lighting, cameras, new doors, and layered access, and to develop programming at 15 high-crime developments designated through the Mayor's Action Plan for Neighborhood Safety (MAP). Safety measures deployed to date through MAP have reduced violent crime (murder, rape, robbery, felony assault, and shootings) at these 15 targeted developments by nearly 10 percent. These investments build upon capital contributions from the Mayor and City Council for security upgrades throughout the NYCHA portfolio. **Objective: continue to reduce violent crime.**

**3. (Re)build, expand, and preserve public and affordable housing stock.** NYCHA's extensive portfolio, including buildings and open spaces, holds enormous untapped potential to improve the lives of residents and the Authority's financial position and provide more affordable housing resources in the City. The strategies below could accelerate the completion of critical system, building, and apartment repairs and could reduce NYCHA's capital needs obligation by \$4.6 billion.

- a. Strategy #9: NYCHA will seek capital support from the City and State to fund a vital roof replacement program. The City will allocate \$100 million per year for the next three years and calls on the State to match the funds. With \$600 million over the next three years, NYCHA will complete repairs at the worst roofs in the portfolio, addressing one of the primary causes of mold. The City's first \$100 million will be spent on replacing roofs at 66 buildings housing nearly 13,000 residents that have high numbers of maintenance repair requests such as for leak repairs, painting, and mold (approximately 1,960 open work orders). **Objective: reduce capital needs by \$600 million.**
- b. Strategy #9: NYCHA will adopt a new capital planning strategy to prioritize repairs and upgrades across its portfolio. NYCHA's annual capital funding through HUD—which averages less than \$300 million per year—represents a small fraction of its \$16.9 billion in unmet capital needs. **Objective: make the most effective use of limited funds and deliver capital projects more efficiently.**
- c. Strategy #10: NYCHA will contribute resources to **Housing New York**, the Mayor's plan to secure 200,000 affordable apartments by 2025. All new development activity will include a transparent resident engagement process and will bring improved amenities for existing residents, as well as opportunities for new affordable housing, including for seniors. The Authority will:
  - i. Provide underutilized land for the creation of 10,000 new, affordable housing units, including a mix of uses, to provide additional amenities. NYCHA will release requests for proposals for the first three developments by the end of June 2015. **Objective: achieve 10-year revenue of \$100 to \$200 million.**



Photo by NYCHA

An employee and resident of NYCHA works construction at Soundview Houses

- ii. Explore opportunities to deliver building improvements and community amenities to individual developments, and significant financial return to NYCHA's operating budget and capital needs, by activating a limited number of underutilized sites with potential market value into mixed-income development. Fifty percent of any new residential units would be dedicated to low-income families making no more than approximately \$46,600 per year. **Objective: achieve 10-year revenue of \$300 to \$600 million.**
  
- d. Strategy #11: Given sharply declining federal public housing funding, NYCHA will maximize additional flexible, federal subsidy available through Section 8. In all circumstances, NYCHA will retain decision-making control, ensuring resident rights and affordability are protected. Preservation program strategies include:
  - i. NYCHA has HUD approval to convert approximately 1,400 units at Ocean Bay Apartments - Bayside in Far Rockaway to project-based Section 8 through HUD's Rental Assistance Demonstration (RAD) program. Through RAD, residents will see major improvements to their apartments. **Objective: achieve 10-year revenue of \$66 million and reduce capital needs by \$87 million.**
  
  - ii. Subject to HUD approval, NYCHA will more aggressively pursue federal subsidy, including Section 8 for its 5,000 unsubsidized units. These units were built by the City and State but no longer receive operating or capital support. NYCHA currently obtains additional subsidy for approximately 100 to 300 units annually through the use of project-based Section 8 vouchers when there is turnover of a unit. Using existing programs, NYCHA will increase the rate of units receiving rent subsidy to ensure that all 5,000 units are subsidized by 2025. **Objective: achieve revenue of up to \$60 million per year.**
  
  - iii. Over 10 years, NYCHA could convert 6,380 public housing units in scattered-site developments, which are inefficient for NYCHA to manage, to project-based Section 8 through a combination of RAD and HUD Tenant Protection Vouchers. NYCHA inherited these five- to six- story walk-ups and low-rise elevator buildings in the 1970s and 1980s, during the City's "in rem" crisis, and many are operated by third parties. **Objective: achieve 10-year revenue of \$18 million and reduce capital needs by \$1.35 billion.**
  
  - iv. Over 10 years, NYCHA could convert 8,313 public housing units in properties where the cost of rehabilitation exceeds the cost of new construction ("obsolete units") to project-based Section 8 through a combination of RAD and HUD Tenant Protection Vouchers. These units are located within NYCHA's traditional, high-rise "Tower in the Park" developments. **Objective: achieve 10-year revenue of \$26 million and reduce capital needs by \$1.6 billion.**

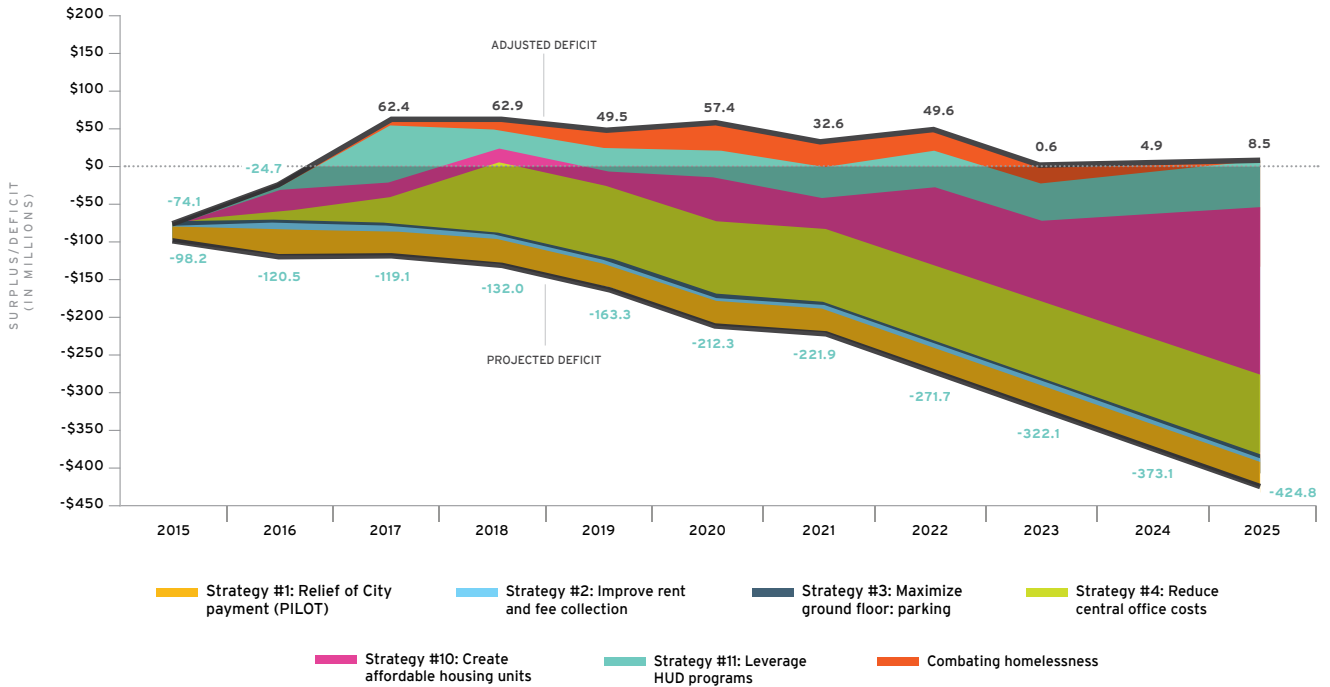
- v. In support of the City's efforts to combat homelessness, starting in 2016 NYCHA will set aside an additional 750 public housing units for homeless families in each of the next five years. Combined with the Authority's existing commitment to place 750 homeless families in public housing and 500 families through voucher programs, this will result in 2,000 total homeless placements each year. In exchange for the additional units, the City will provide NYCHA with the same subsidy it provides to private landlords to house homeless families, a portion of which NYCHA will set aside to connect these residents with services. **Objective: combat homelessness and achieve operating revenue of up to \$37 million per year.**
- e. Strategy #12: The Authority will update its decades-old design guidelines for renovations and new construction, focusing on modern and efficient design, accessibility, appeal, and safety. **Objective: improve the quality of life for residents.**

**4. Engage residents and connect them to best-in-class social services.** NYCHA's mission includes facilitating residents' access to social and community services, but the lack of a dedicated funding source makes it financially unsustainable for NYCHA to continue directly providing these services and programs. Over time, more NYCHA residents will access services through partner organizations.

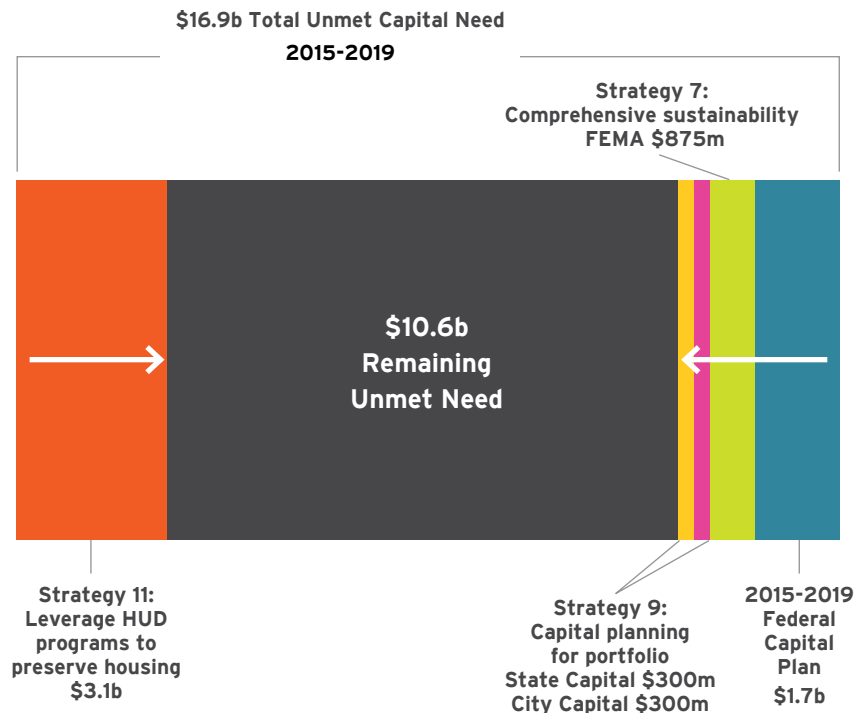
- a. Strategy #13: The New York City Department of Youth and Community Development (DYCD) will begin to operate 24 community centers and the Department for the Aging (DFTA) will begin to operate 17 senior centers. This will allow residents to access best-in-class services from specialized providers, saving NYCHA an average of \$16 million per year. **Objective: improve social service delivery to residents and achieve operating savings of \$16 million per year.**
- b. Strategy #14: NYCHA will launch the Fund for Public Housing, a nonprofit 501(c)(3) that seeks to raise \$200 million philanthropic dollars in its first three years to support NYCHA linking residents to third-party service providers. **Objective: improve social service delivery and access to economic opportunity for residents.**
- c. Strategy #15: The Authority will increase workforce opportunities for its residents through greater coordination with City agencies and via its Office of Resident Economic Empowerment and Sustainability (REES).
  - i. Every year, NYCHA places over 2,000 residents in quality jobs through REES, and operates skill-building and entrepreneurship workshops to economically empower residents. NYCHA and partners will grow the number of resident placements to up to 4,000 jobs annually by 2025. **Objective: through REES and other NYCHA initiatives, double the number of residents connected to jobs, to 4,000 annually, by 2025.**

- ii. Through NYCHA's new Project Labor Agreement (PLA), the Building and Construction Trades Council of Greater New York and its affiliated unions will provide NYCHA residents with apprenticeship programs to not only learn a new trade but also become union members, opening doors to careers with better pay.  
**Objective: provide over 500 NYCHA residents with a pathway to union membership over the next five years.**

## Financial Impact of Select NextGeneration NYCHA Strategies



## Reduction of 5-Year Unmet Capital Needs





**FUND GOAL:**  
**CHANGE THE WAY NYCHA IS FUNDED**

**PAY LESS** TO NYC

**DO A BETTER JOB**  
COLLECTING RENT AND FEES

**MAKE WISER USE**  
OF GROUND FLOOR SPACE

**REDUCE** CENTRAL  
OFFICE COSTS



**OPERATE GOAL:**  
**CHANGE THE WAY NYCHA OPERATES**

**GO DIGITAL** AND **USE TECH** TO UPGRADE SERVICE

LOCALIZE DECISION-MAKING  
TO **HEIGHTEN CUSTOMERS' SATISFACTION**

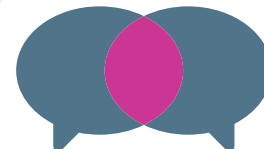
**PURSUE SUSTAINABILITY** FOR A CLEANER  
AND GREENER NYCHA

**IMPROVE** SAFETY AND SECURITY



OUR VISION FOR  
**NEXTGENERATION NYCHA**

SAFE, CLEAN, AND CONNECTED COMMUNITIES



**(RE)BUILD GOAL:**  
**CHANGE HOW NYCHA LOOKS**

**USE DATA** TO DRIVE CAPITAL DECISIONS

**PROVIDE LAND** FOR NYC'S AFFORDABLE HOUSING GOALS

**MAXIMIZE FEDERAL PROGRAMS** TO RENOVATE  
AND PRESERVE BUILDINGS

CHOOSE AND **USE GOOD DESIGN**

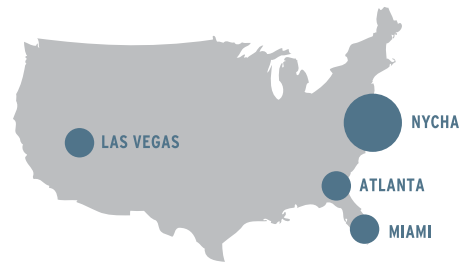
**ENGAGE GOAL:**  
**CHANGE HOW NYCHA ENGAGES WITH RESIDENTS**

**IMPROVE RESIDENT AND COMMUNITY SERVICES**  
WITH A NEW TYPE OF ENGAGEMENT

**CREATE A NONPROFIT ORGANIZATION**  
TO FUND SOCIAL SERVICES

CONNECT RESIDENTS TO **QUALITY JOB OPPORTUNITIES**

# NYCHA SERVES 1 IN EVERY 14 NEW YORKERS



WITH **MORE THAN 607,000\*** PEOPLE, NYCHA'S POPULATION IS LARGER THAN LAS VEGAS, ATLANTA, OR MIAMI

\*NUMBER SERVED BY NYCHA'S PUBLIC HOUSING AND SECTION 8 PROGRAMS

## NYCHA RESIDENTS BY THE NUMBERS

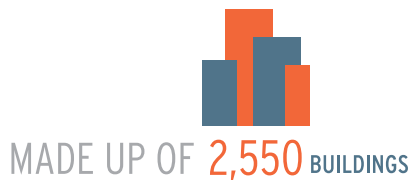
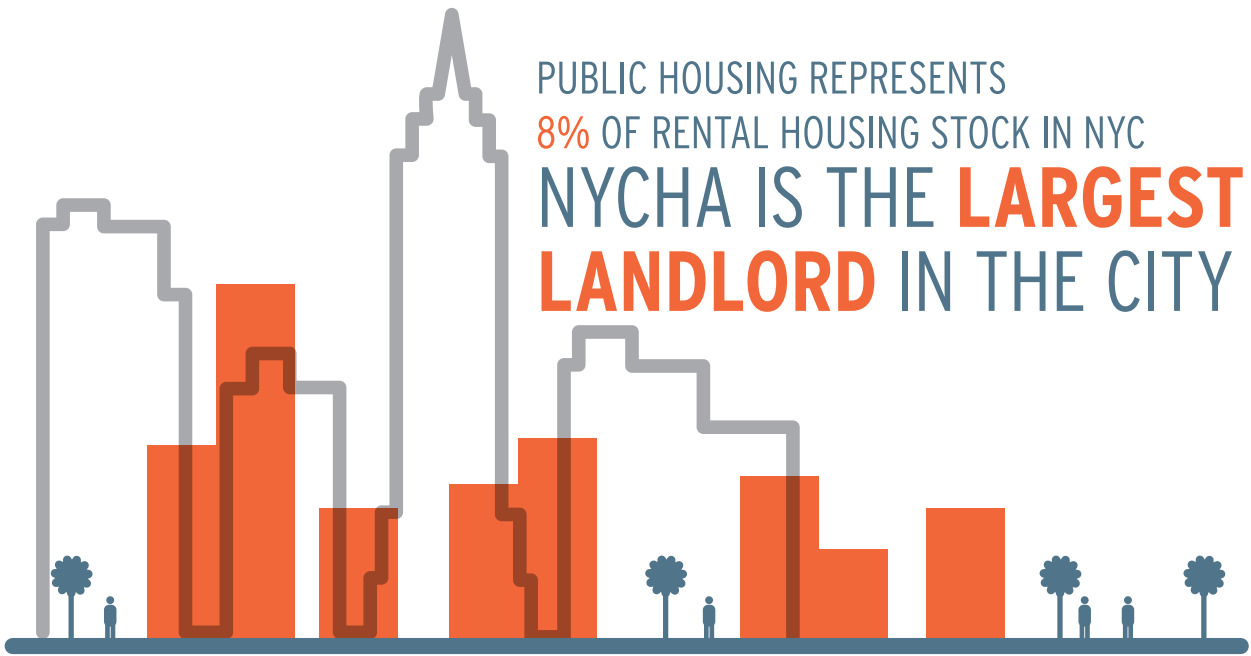


## AVERAGE TENURE OF NYCHA RESIDENTS



**22 YEARS**

"FOR SOME INDIVIDUALS AND FAMILIES, NYCHA IS HOME FOR ONLY A FEW YEARS. OTHERS HAVE RAISED THEIR FAMILIES AND CONTINUED TO STAY INTO OLD AGE."



THAT CONSIST OF **178,000** APARTMENTS

CONTAINING OVER **175 MILLION** SQUARE FEET OF SPACE

**60%** OF NYCHA'S BUILDING ARE **50+ YEARS OLD**



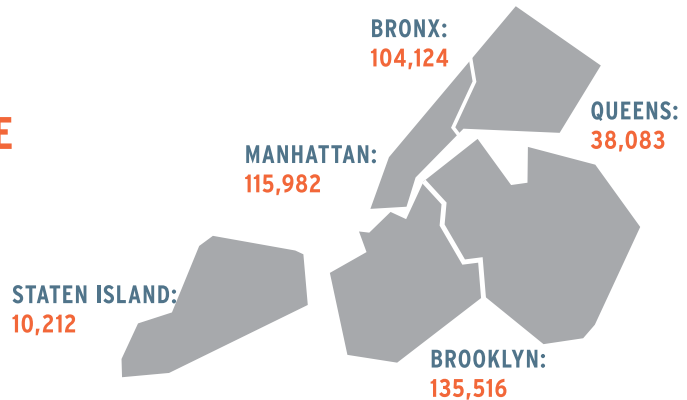
THE LARGEST DEVELOPMENT: A **SIX-BUILDING** APARTMENT COMPLEX WITH **7,000 RESIDENTS**

THE SMALLEST DEVELOPMENT: A **SINGLE-STORY** SENIOR BUILDING WITH **13 RESIDENTS**

NYCHA HOUSES MORE THAN **400,000\*** PEOPLE ACROSS ALL **5 BOROUGH**S WITH A **<1% AVERAGE VACANCY RATE**

\*NUMBER SERVED BY NYCHA'S PUBLIC HOUSING PROGRAM

RESIDENT POPULATION BY BOROUGH



# NYCHA IS A KEY ECONOMIC DRIVER OF NEW YORK CITY AND STATE



FOR EVERY **\$1.00** IN DIRECT NYCHA EXPENDITURES, IT IS ESTIMATED THAT AN ADDITIONAL **\$1.80** OF INDIRECT ECONOMIC ACTIVITY OCCURS IN THE CITY AND STATE



**\$3.4 BILLION**  
AVERAGE ANNUAL CASH EXPENDITURE

RESULTS IN



**\$5.9 BILLION**  
ECONOMIC ACTIVITY IN NYC

AND ANOTHER



**\$270 MILLION**  
ECONOMIC ACTIVITY IN NY STATE

NYCHA SECTION 8 PROGRAM ADDS

**\$1 BILLION**  TO RENT

SUBSIDY REVENUE; THESE FUNDS

ARE PASSED THROUGH NYCHA FROM

THE **FEDERAL GOVERNMENT** 

TO  **NYC'S LOCAL ECONOMY**

NUMBER OF **JOBS CREATED** THROUGH NYCHA EXPENDITURES

**28,000\***  
FULL-TIME JOBS IN NYC PER YEAR

**1,600**  
FULL-TIME JOBS IN NY STATE PER YEAR

\*INCLUDES 11,700 NYCHA EMPLOYEES

**MAJOR INDUSTRIES** EMPLOYING NYCHA RESIDENTS



**31%**  
HEALTHCARE AND SOCIAL ASSISTANCE



**12%**  
RETAIL TRADE



**9%**  
EDUCATIONAL SERVICES



**9%**  
PUBLIC ADMINISTRATION

# INTRODUCTION

## NYCHA's Role in New York City

New York City is defined by its diversity and optimism and by its many pathways to opportunity. The City is a beacon of growth and innovation, and a magnet for those who continually strive for advancement. To live here, work here, and thrive here—these are simple goals of neighbors living side by side across each borough.

But the City's economic growth has obscured a crisis of housing affordability. For many working New Yorkers, such as transit operators, health aides, or cleaners, finding a safe and affordable place to live with a reasonable commute is unattainable. The artist or office administrator, the cashier or construction worker, or the older adult living on a fixed income, all feel the strain.

Wages have stagnated and rent increases have outpaced income growth, leaving New Yorkers to dedicate unacceptably high proportions of their income to rent. Those earning 50 percent of the Area Median Income (\$83,900) or below have a particularly limited supply of affordable housing units. For the lowest income households, the challenge to find affordable units within the City is especially acute.

Across the City today, the housing needs of New York's Extremely Low-Income and Very Low-Income families are predominantly met by the New York City Housing Authority, whose role is more important than ever before. Public housing serves the City's lowest income households: those who are employed, those on a fixed income, and those who are emerging from poverty. For these households, there are few to no housing alternatives.

In fact, NYCHA provides 74 percent of New York City's rental housing stock that costs less than \$500 per month, and NYCHA provides 51 percent of the City's rental units that lease for under \$800 per month. Like other systems created for the public good—water, mass transit, and parks—public housing is an asset that must be protected. It must be preserved and maintained, yet its future is seriously threatened.

**Area Median Income:** HUD uses Census data to calculate the median income for the metropolitan area and adjusts for family size and housing cost.

**For a Family of Four in 2015:**

**Very Low Income**  
\$25,901-\$43,150

**Extremely Low Income**  
\$0-\$25,900

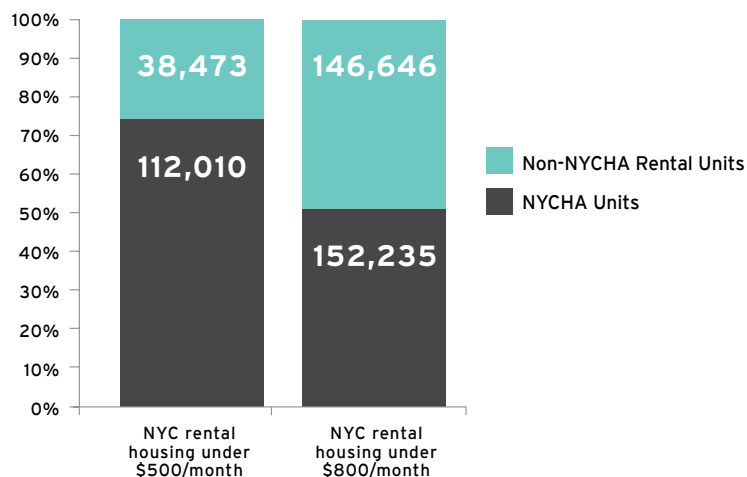
Source: HUD Income Limits Documentation System  
[www.huduser.org](http://www.huduser.org)

## NYCHA's Share of Low-Rent Apartments

NYCHA provides:

- **74%** of all NYC rental housing less than \$500/month
- **51%** of all NYC rental housing less than \$800/month

Data Sources: 2014 Housing Vacancy Survey and NYCHA Tenant Data



## Ripe for Change

Last year, NYCHA celebrated its 80th year of providing public housing for generations of low-income New Yorkers. Today, more than 600,000 people are served by NYCHA's public housing and Section 8 Programs, or 1 in every 14 New Yorkers. There are 77,000 older adults in public housing and 110,000 children under the age of 18. But the physical condition of public housing is no longer what it once was, or should be. The thousands of NYCHA buildings throughout New York City—the tall, recognizable, red brick towers, plus others nestled into low-rise streetscapes—are beset with problems. Superstorm Sandy inflicted significant damage on 35 NYCHA developments, compounding the challenges further. Age, wear and tear, and NYCHA's lack of resources to tackle deteriorating conditions have led to an intolerable situation that all New Yorkers must confront and address.

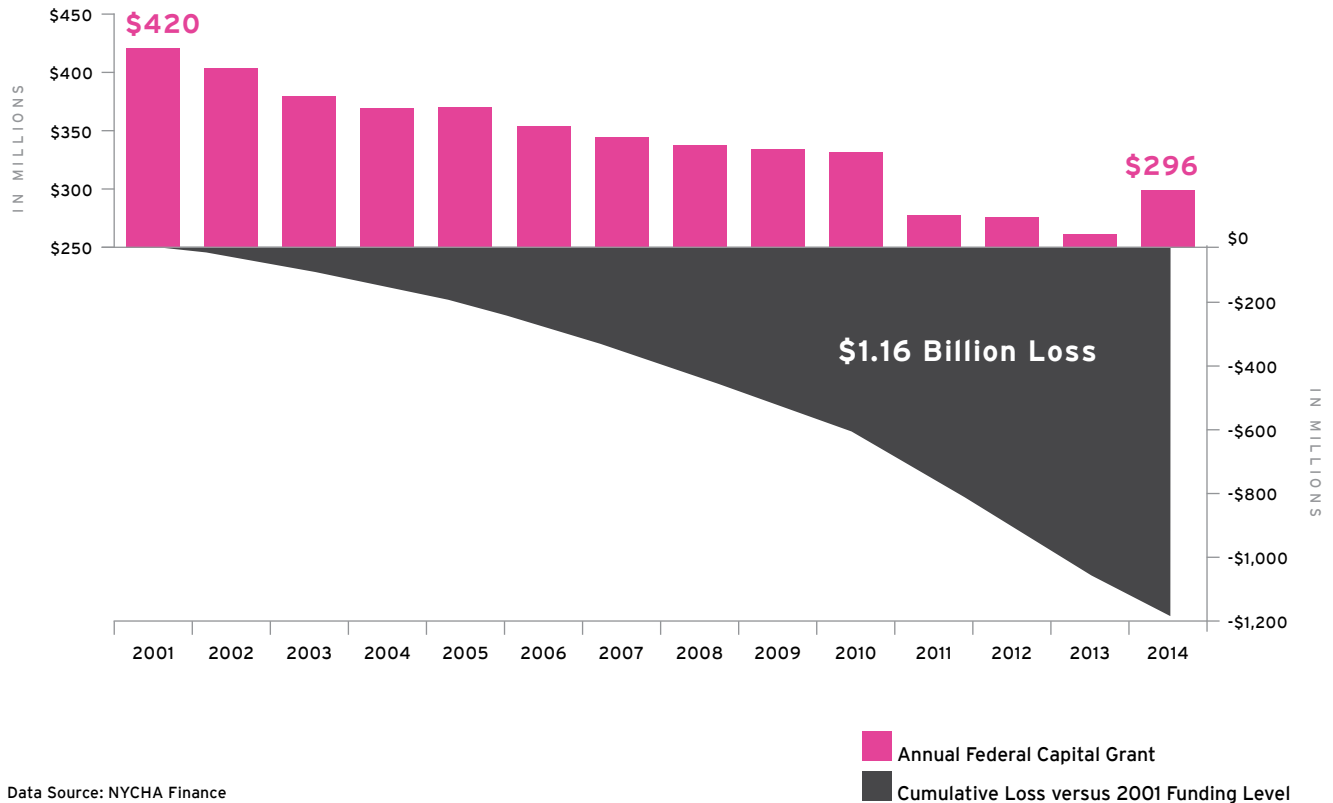
In New York City and across the country, public housing is primarily federally funded through the U.S. Department of Housing and Urban Development (HUD). Since the 1990s, the federal government has steadily disinvested in public housing nationwide, which is anticipated to continue for the foreseeable future. NYCHA, as the largest public housing authority (PHA) in the United States—bigger than the next 11 PHAs combined—has been disproportionately affected by this disinvestment because of its size, and due to local factors, including age and height of its buildings, high construction costs, and higher operating costs compared to authorities across the country. Dramatic cuts in HUD's annual capital funding for PHAs, a cumulative loss of \$1.16 billion for NYCHA since 2001, have meant that NYCHA's buildings continue to age without adequate resources to make much-needed repairs and renovations.

On top of federal disinvestment, NYCHA has shouldered liabilities in the form of fees to the City and defunding by the State. From 1996 until 2014, NYCHA paid nearly \$1.2 billion to the City for extra NYPD services and \$447 million as payments in lieu of property taxes (PILOT). These are funds that NYCHA could have used to address capital and operating needs. In addition, between 1998 and 2003, the City and State eliminated operating funding for over 20,000 NYCHA units that had been built by the City and State, leaving NYCHA to stretch its declining federal subsidy over these units as well.

While NYCHA has made efforts to adapt to these financial realities, its original business model—a sprawling, self-contained housing and social service provider for New York's working poor—has remained largely intact. Operating shortfalls in recent years ranging between \$53 million and \$170 million, a nearly depleted operating reserve, an unmet capital need of \$16.9 billion, and a dissatisfied resident population all point clearly to an inescapable conclusion: The NYCHA business model must fundamentally change for NYCHA to survive. Falling into HUD receivership is a distinct possibility.

To continue providing public housing for the next generation of New Yorkers, NYCHA must transform its funding and operations. Only by doing so can NYCHA become a financially solvent organization, one that does not suffer from several

## 30% Decrease in Federal Capital Funding Since 2001



hundred million dollars in shortfalls annually. With a balanced budget, NYCHA would demonstrate its organizational stability and would be able to attract investment and fund its unmet capital need of \$16.9 billion. NYCHA’s strategic plan, **NextGeneration NYCHA**, lays out 15 strategies to accomplish this transformation and to ultimately address its tremendous building rehabilitation needs. This means new roofs, reduced mold and vermin, and better heating for many NYCHA residents.

**NextGeneration NYCHA** is driven by a simple vision: safe, clean, and connected communities. The four goals designed to achieve this vision are:

1. Achieve short-term financial stability and diversify funding for the long term
2. Operate as an efficient and effective landlord
3. (Re)build, expand, and preserve public and affordable housing stock
4. Engage residents and connect them to best-in-class services

Urgent challenges persist, and NYCHA remains steadfastly committed to addressing other critical areas of focus, including inventory and supply chain management, work order and service time improvements, mold and vermin, and



other everyday challenges alongside the **NextGeneration NYCHA** priorities. New Yorkers need and deserve affordable housing that is economically viable and operated with modern best practices.

## Housing New York, One City: Built to Last, and OneNYC

In May 2014, Mayor de Blasio unveiled **Housing New York: A Five-Borough, Ten-Year Plan**, a comprehensive plan to build or preserve 200,000 affordable units over the coming decade to support New Yorkers with a range of incomes, from the very lowest to those in the middle class. Similarly, **NextGeneration NYCHA** is a comprehensive plan to transform how NYCHA rebuilds, operates, and is funded, allowing for the preservation of approximately 178,000 units of public housing for the coming generation.

NYCHA has already played a key role in advancing **Housing New York's** goals. In 2014, NYCHA contributed land for the creation of 499 units of affordable housing. To combat homelessness, NYCHA has provided homes to more than 1,000 homeless families over the last year (865 in public housing and more than 280 through Section 8). **NextGeneration NYCHA** lays out how the Authority will contribute further to the affordable housing goals of **Housing New York**.

**NextGeneration NYCHA** is also informed by the Mayor's sweeping energy efficiency and emission reduction plan for City buildings, **One City: Built to Last**. This plan, released in September 2014, commits to an 80 percent reduction in the City's greenhouse gas emissions by 2050. **NextGeneration NYCHA** provides strategies for NYCHA to become more sustainable and resilient, to prepare for a changing climate, and to mitigate greenhouse gas emissions.

Lastly, **NextGeneration NYCHA** is a part of **OneNYC**, the Mayor's plan for growth, sustainability, resiliency, and equity released in April 2015. As New York City heads into its fifth century and tackles the challenges of a growing population, an evolving economy, and growing inequality, **NextGeneration NYCHA** plays an important role in ensuring the vision of a thriving, just, equitable, sustainable and resilient city.

## NYCHA Portfolio



**Units**  
177,666



**Total Square Footage**  
175,174,242



**Buildings**  
2,553



**Acreage**  
2,473

## Prior NYCHA Plans

**NextGeneration NYCHA** builds upon prior strategic planning work and initiatives. Previous NYCHA reform efforts include **The Plan to Preserve Public Housing** (2006) and **Plan NYCHA** (2010). **The Plan to Preserve Public Housing** gave rise to much-needed rent reform, an increase in the shelter allowance for public assistance families in NYCHA, and the conversion of more than 3,300 formerly City- and State-funded public housing units to Section 8 to permanently subsidize their operations. **Plan NYCHA** helped guide a reduction in work orders and service times, the hiring of additional staff for customer-facing operations, an increase in safety and security through installations of closed-circuit television (CCTV) and layered access, and transformation of Section 8 annual income recertification from manual to online.

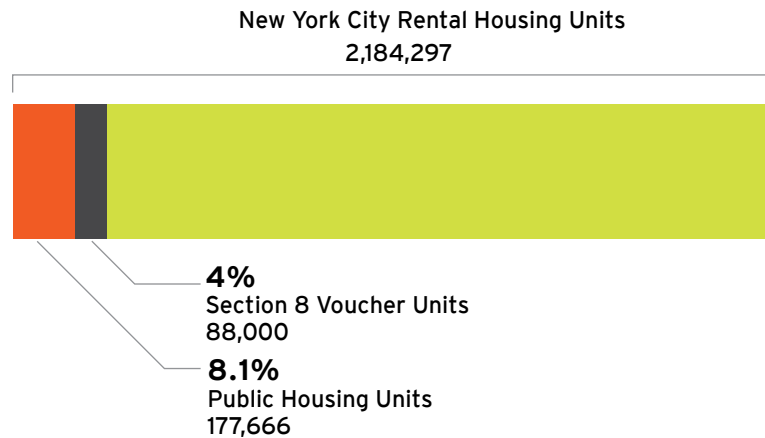
## NYCHA Today

NYCHA is the largest landlord in the City. Its public housing stock is comprised of 178,000 apartments housing more than 400,000 people in all five boroughs. The Authority also administers the country's largest Section 8 program, the federally subsidized rental voucher program, which serves another 213,000 low-income individuals. If it were a standalone city, NYCHA would rank as the 30th largest city in the United States, larger than Las Vegas, Atlanta, or Miami. Its scale and breadth are incomparable: 328 developments made up of 2,550 buildings containing over 175 million square feet of space. NYCHA's public housing units comprise 8 percent of New York City's rental housing stock and are in such high demand that they boast an average vacancy rate of less than 1 percent.

NYCHA's presence in New York City is longstanding. In 1933, during the Great Depression, Mayor Fiorello La Guardia campaigned on the promise that he expected "to do a great deal about housing." "I shall seek to obtain federal funds for slum clearance and the erection of modern, cheerful apartment houses with a window in every room and a bit of sunshine in every window," he claimed, saying that they would be rented "within the means of low-wage workers." As Mayor La Guardia dedicated First Houses in 1935, First Lady Eleanor Roosevelt was at his side to cut the ribbon. Supporters of public housing envisioned affordable apartments for the workforce as the solution to the deplorable living conditions in tenement housing. The founding of NYCHA in 1934 brought the promise of thousands of jobs from construction, as well as social housing programs ushering in a new era of economic, health, and educational benefits for low-income, working families. NYCHA and its supporters understood that the biggest difference between the slums it was replacing and the housing it would create was the quality of the property management. Despite its large portfolio, NYCHA was able to maintain its properties and communities for many decades at the highest standards.

What set NYCHA apart from other PHAs from the very beginning was the broad political and financial support it garnered from all levels of government and the diversity of its residents' incomes. In the post-World War II period, the City and

## NYCHA's 12% Share of NYC Rental Units



Data Sources: 2014 Housing Vacancy Survey and NYCHA Development and Leased Housing Data

### Tower in the Park Design

#### General characteristics

- Buildings surrounded by green space, not retail
- Mid- to high-rise construction with elevators to minimize the footprint while achieving efficient density
- Modernist architecture, often brick and concrete slab with little decoration
- Buildings set back and angled away from public sidewalks; "front" entrance may not face the street
- Not aligned to street grid

State funded the construction of two-thirds of NYCHA units, as opposed to just the federal government, which was the case for many other PHAs.

Many of NYCHA's buildings are recognizable by their "Tower in the Park" design. The design of public housing in New York City originated from certain basic tenets: better access to natural light and fresh air, durability, replicability on a large scale, and provision of green space. NYCHA's high-rise developments were situated on superblocks, with courtyards, playgrounds, and other landscaped grounds, and were built in close proximity to transit, schools, hospitals, and other municipal services. The Tower in the Park concept became the model for all high-rise public housing in the United States.

But NYCHA's portfolio was not limited to the Tower in the Park campuses built from the 1940s to the 1970s. As a result of the City's financial crisis in the 1970s and 80s, the City transferred approximately 6,000 "in rem" units to NYCHA. These units comprise 57 developments, mostly walk-up and low-rise elevator buildings with less than 200 apartments that are quite distinct from the Tower in the Park campuses. Known as "scattered-site" developments, they are located throughout the five boroughs and tend to be far from the traditional NYCHA campuses.

NYCHA's portfolio of Tower in the Park and scattered-site developments remained largely the same once funding for new construction of public housing became constrained in the 1990s, culminating in the passage of the Faircloth Amendment in 1998. Through Faircloth, the federal government barred the construction of any new federally funded public housing that would increase the public housing portfolio above its size when the amendment took effect. Since then, NYCHA has leveraged private financing sources to create select mixed-finance developments, which include both public housing units and Low-Income Housing Tax Credit (LIHTC) units that increase the City's overall affordable housing stock.

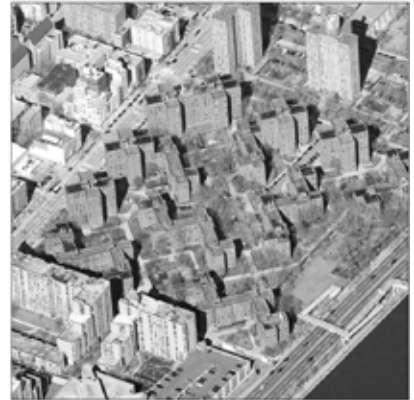
The physical similarity among many traditional NYCHA developments contrasts with the rich diversity within them. NYCHA residents span all ages and incomes. Nearly 40 percent of NYCHA's heads of household are over 62 years of age, while 27 percent of all NYCHA



**TOWERS IN THE PARK**



**KINKED BARS**



**OFF-GRID FIELD**



**LOOSE MAT**



**RADIAL SYMMETRY**



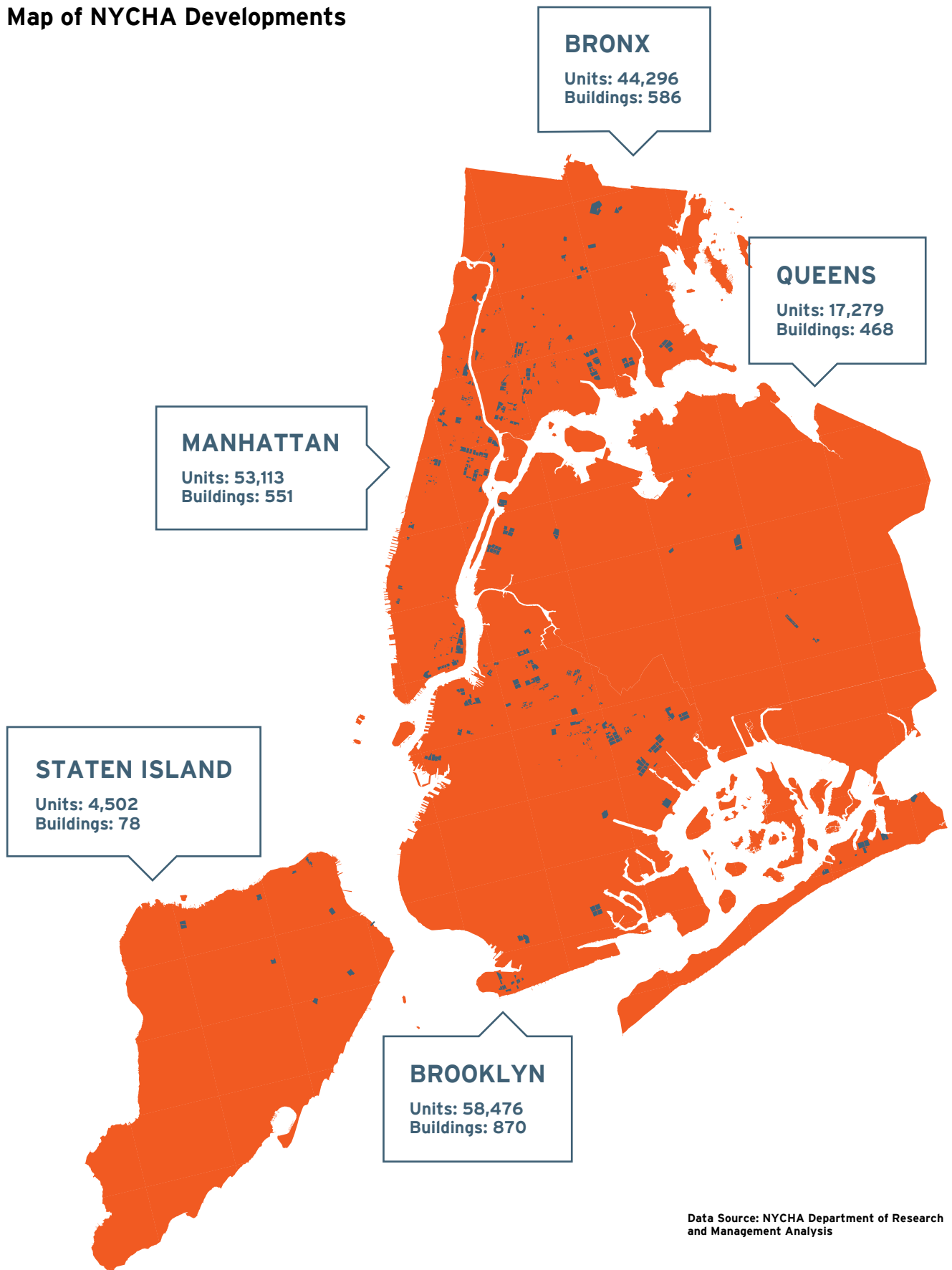
**BUCOLIC**

**9 X 18**

**Six of NYCHA's development types as identified by the 9 X 18 collaborative**

Image courtesy of Sagi Golan, Miriam Peterson, and Nathan Rich, the 9 X 18 architects

# Map of NYCHA Developments



Data Source: NYCHA Department of Research and Management Analysis



Photos by NYCHA

Residents of Lehman Village, Rutgers Houses, and Carey Gardens

residents are under the age of 18. **With an average income of \$23,300, over 50 percent of working-age, non-disabled NYCHA residents report employment income, and contrary to prevalent misconceptions, only 12 percent receive public assistance.** A quarter of NYCHA's employees are residents of public housing, working among friends, family, and neighbors. While NYCHA is home for only a few years for some households, others have raised their families and continued to stay as they age in place. The average NYCHA resident remains in public housing for 22 years; many of these residents become leaders in their communities and contribute stability and continuity to rapidly changing neighborhoods.

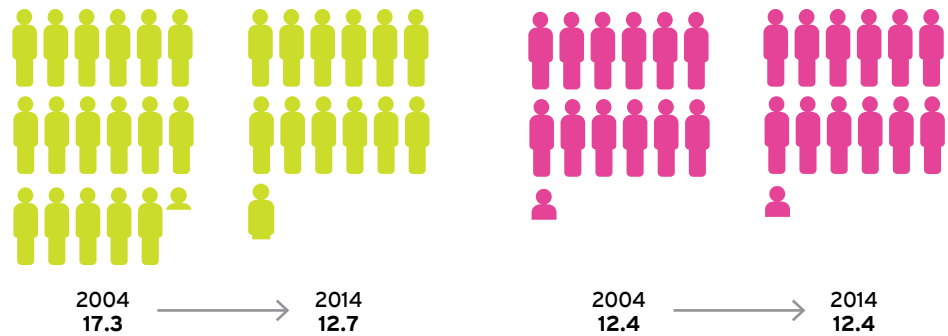
It is a sobering reality that many of NYCHA's vibrant communities are plagued by serious safety and security concerns. NYCHA public housing residents account for 5 percent of the City's total population, but violent crimes committed in NYCHA communities make up 9 percent of the City's total violent crime. In other words, the NYCHA violent crime rate per 1,000 people is 8.5, compared to 4.6 per 1,000 for other New Yorkers. Moreover, over the last 10 years, the citywide crime rate per

**NYC Resident vs. NYCHA Resident**

Crimes per 1,000 People

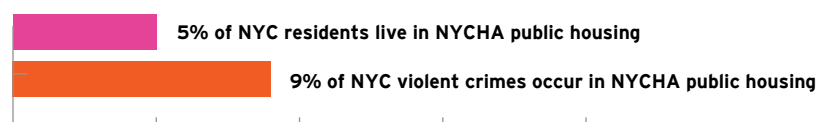
- NYC Resident
- NYCHA Resident

Data Source: NYPD



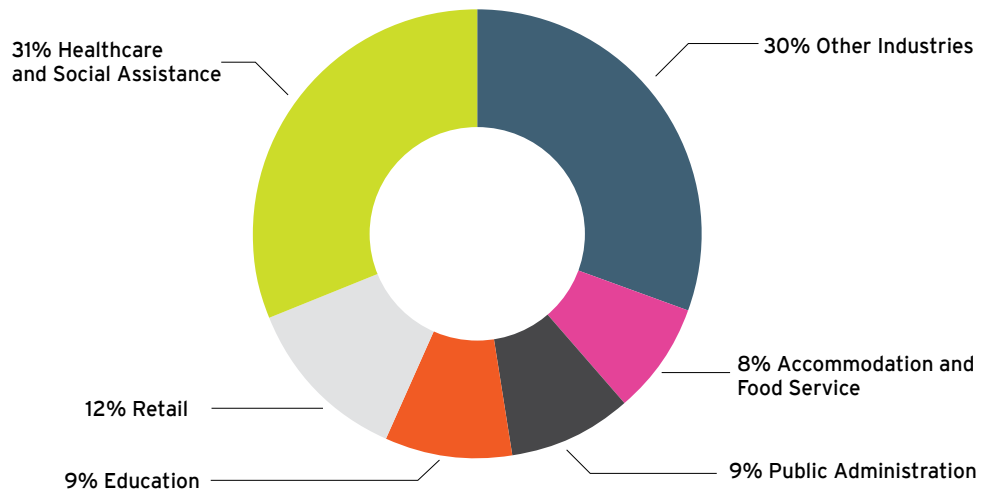
**Percentage of Violent Crimes In NYCHA**

Data Sources: July 2013 U.S. Census, NYC Population Estimate, and NYPD



# 88,000+ NYCHA Residents Are Part of NYC's Workforce

Here is where they work:



Data Source: Economic Impact of the New York City Housing Authority in New York City and New York State, 2013, HR&A Advisors, Inc.

1,000 people has decreased by 27 percent, while it has remained steady in NYCHA.

At the same time, the positive economic impact of NYCHA and its residents should not be understated. NYCHA contributes to the City and State economies directly and indirectly. For every \$1 in direct NYCHA expenditures, it is estimated that an additional \$1.80 of direct economic activity occurs in the City and State, so an average annual cash expenditure of approximately \$3.4 billion results in nearly \$5.9 billion in economic activity in New York City and another \$270 million elsewhere in New York State.

NYCHA's expenditures support nearly 30,000 direct, indirect, and induced full-time equivalent (FTE) jobs in New York State



28,000 FTEs in New York City (includes 11,700 NYCHA employees)

NYCHA's expenditures support nearly 30,000 full-time equivalent (FTE) jobs in the public and private sectors in New York State: about 28,000 direct, indirect, and induced FTEs in the City and an additional 1,600 elsewhere in the State. NYCHA's public housing residents are also important contributors to the New York City labor market. They make up more than 88,000 members of the local workforce (as of 2012). The major industries employing NYCHA residents include healthcare and social assistance (31 percent), retail trade (12 percent), educational services (9 percent), and public administration (9 percent).



1,600 FTEs elsewhere in New York State

NYCHA's Section 8 Program is also an economic driver for New York City. NYCHA pays over \$1 billion per year to private property owners on behalf of the 88,000 households (213,000 residents) in the program. Through this steady source of revenue, property owners can maintain their properties, pay taxes, and provide jobs, all of which contribute to the local economy while supporting a significant share of the City's affordable housing.

## Public Housing's Uncertain Future

NYCHA's tremendous scale is matched only by its challenges.

### Operating Funding

# Mixed Finance Developments



Photo courtesy of West Side Federation for Senior and Supportive Housing

## GrandParent Family Apartments

Located in the Morrisania neighborhood of the Bronx, GrandParent Family Apartments was one of the first newly constructed housing facilities in the country to accommodate the needs of older adults caring for their grandchildren. The six-story building consists of 50 two- and three-bedroom apartments. GrandParent Family Apartments also contains space for community and supportive services programs, retail and office spaces, a small parking lot, and a landscaped courtyard. NYCHA worked with two nonprofit organizations to create this unique community, Presbyterian Senior Services, which provides on-site support services to the residents, and the West Side Federation for Senior and Supportive Housing, Inc. (WSFSSH), which owns and manages the building. Low-income housing tax credits (LIHTC) generated financing for the project, arranged through National Equity Fund, Inc. with JPMorgan Chase as the lead investor. Private fundraising, the Community Preservation Corporation, and the Federal Home Loan Bank of New York (through member North Fork Bank) provided additional funding. NYCHA leased the site to WSFSSH for \$1 a year in a 99-year ground lease, and contributes a public housing subsidy to keep the rents affordable. The first families moved in during 2005.



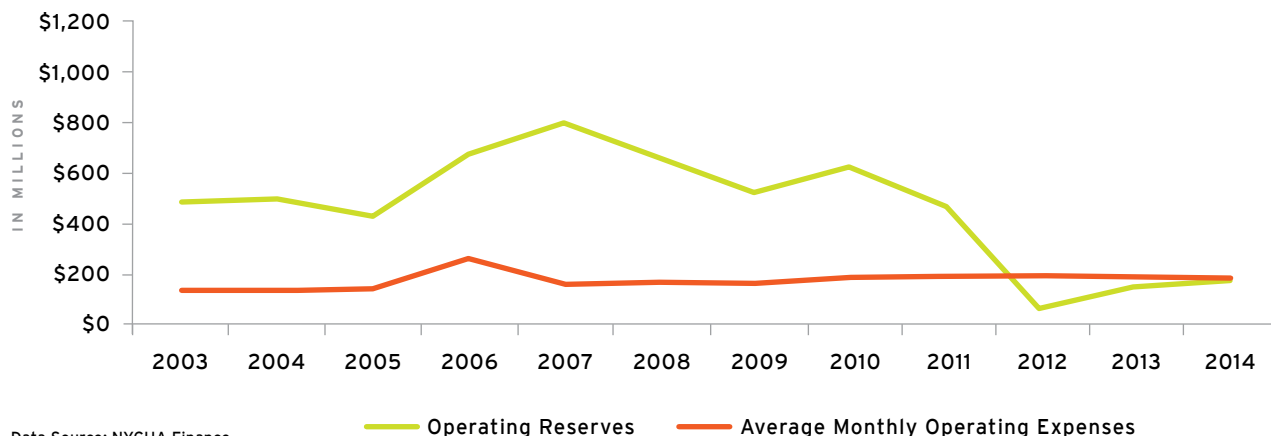
Photo courtesy of Bronx Pro Real Estate Management, Inc.

## La Preciosa

Not far from GrandParent Family Apartments is La Preciosa, an affordable building made possible by collaboration among Bronx Pro Real Estate Management, Inc., Services for the Underserved, JPMorgan Chase, The New York Department of Housing Preservation and Development, and NYCHA. The project was financed with LIHTC equity, conventional bank financing, New York City HOME funds, private equity, Borough President capital dollars, and NYCHA construction and operating financing. The 49-unit affordable housing development features on-site supportive services for veterans and other special needs households. The building contains 21 public housing units and is NYCHA's first transaction of this kind on privately owned land. The construction of the public housing units was made possible through federal Replacement Housing Factor funds. The development is energy efficient, with fiberglass windows, 90 percent efficient condensing boilers, rooftop solar thermal insulation, and insulated water tanks. The first households moved in during 2014.



## Depleted Operating Reserves since 2003



Data Source: NYCHA Finance

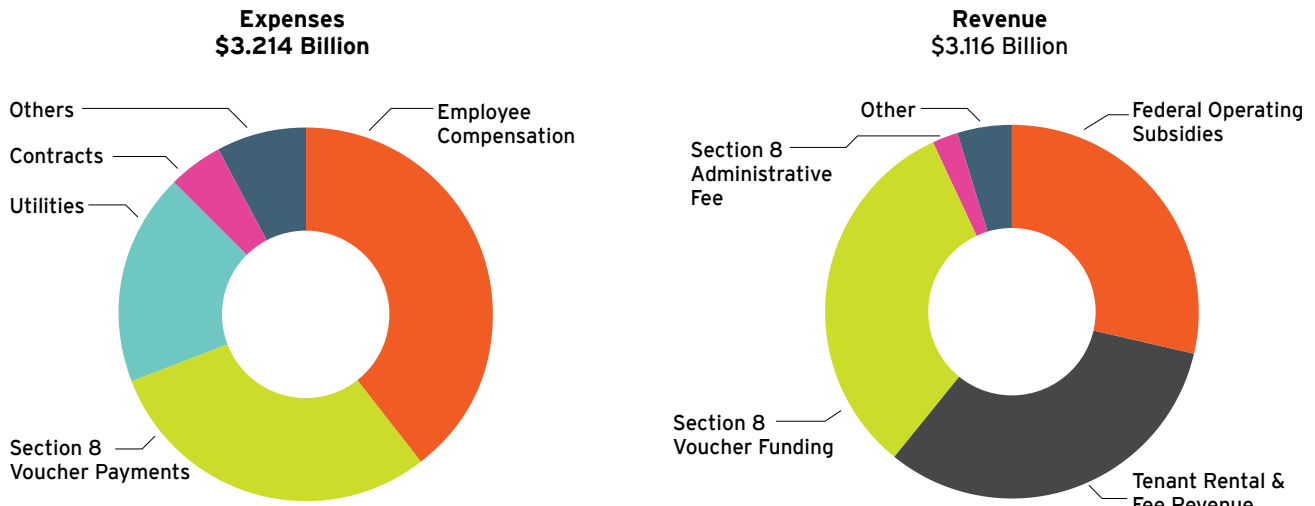
NYCHA measures its operating reserves by the months of “working capital” the reserves provide, known as a “reserve ratio.” Working capital is defined as current assets minus current liabilities. Therefore, the calculation of the reserve ratio represents the working capital divided by an average month’s operating expenses. This indicates the number of months NYCHA’s operations could be sustained using the reserves. Because NYCHA has had to spend these reserves in the absence of other funding, current reserves cover less than one month of operations. NYCHA’s goal is to reach the industry standard for good financial standing, which is three to six months of operating reserves.

The Authority has experienced operating deficits in its public housing program due to rising expenses and reductions in Congressional budget appropriations to HUD, which supply two-thirds of NYCHA’s \$3 billion annual operating budget. Since 2001, when NYCHA received 99 percent of eligible HUD operating funding, NYCHA’s operating budget has continually reflected a shortfall. Indeed, HUD appropriations have been significantly less than the full amount needed by all of the nation’s PHAs. NYCHA has received an average of only 90 percent of the funding for which it is eligible, a major reason why NYCHA can no longer cover the cost of its own operations; during sequestration in 2013, NYCHA’s funding from HUD dipped as low as 82 percent of eligibility. Furthermore, while HUD’s eligibility formula accounts for location, New York City has long advocated that the system is inequitable in light of the City’s uniquely high construction and operating costs.

The cumulative impact of the 2001 to 2014 HUD operating funding loss amounts to \$1.05 billion. To compensate for that significant loss, NYCHA has had to spend down its operating reserves to remain operational. Today, the operating reserve levels are dangerously low—NYCHA has enough emergency cash to operate for only four weeks (\$179 million)—and receivership is a real possibility. The underfunding has also forced NYCHA to do more with less, which has sometimes translated into lower quality of life for residents, fewer services, and lower staffing Authority-wide. Projected operating deficits moving forward surpass \$100 million in 2016, \$200 million by 2020, and increase to \$425 million by 2025.

Government funding is also inconsistent across NYCHA’s diverse portfolio. The portfolio consists of developments that were built by all levels of government, were inherited from the City during the “in rem” crisis, or are funded by Section 8 vouchers. For a certain portion of the portfolio, State and City funding has been entirely eliminated, concurrent with the decline in federal funding. Decades ago, the City and State built 26 developments and provided operating funding for them for many years. In 1995, five developments were transferred to the federal public housing program and began receiving federal subsidies; however, six City and 15 State developments—containing 20,139 “unsubsidized” units—remained unfunded.

# NYCHA's Operating Budget



Data Source: NYCHA FY2015 Budget

The State ceased operating subsidy for the 15 State developments entirely in 1998 (with a one-time exception of \$3.4 million in 2008), and the City eliminated operating funding for the six City developments in 2003. The State continued providing minimal capital funding for the State units, ranging from \$6.2 to \$8.5 million per year, until 2010, when federal funding was finally obtained for a portion of the units.<sup>3</sup>

In 2010, NYCHA worked with the City's primary housing finance agency, the New York City Housing Development Corporation (HDC), to close a \$400 million Low-Income Housing Tax Credit (LIHTC) "Federalization" transaction to activate \$65 million in federal operating subsidy for 11,743 of the 20,139 unsubsidized units, and to make capital repairs for all 20,139. This two-part deal was one of the largest tax-credit bond deals in U.S. history and the biggest public-private partnership of its kind. The transaction also enabled 8,396 unsubsidized units to be converted to Section 8 voucher funding, but only if residents volunteered to accept vouchers. To date, 4,962 units are unconverted and remain unsubsidized.

The City has continued to provide sporadic operating grants, most notably a one-time infusion of \$100 million in 2006 and assistance with the operation of senior centers, community centers, and resident training programs.

### Capital Funding

The systemic under funding of NYCHA's operations is compounded by federal

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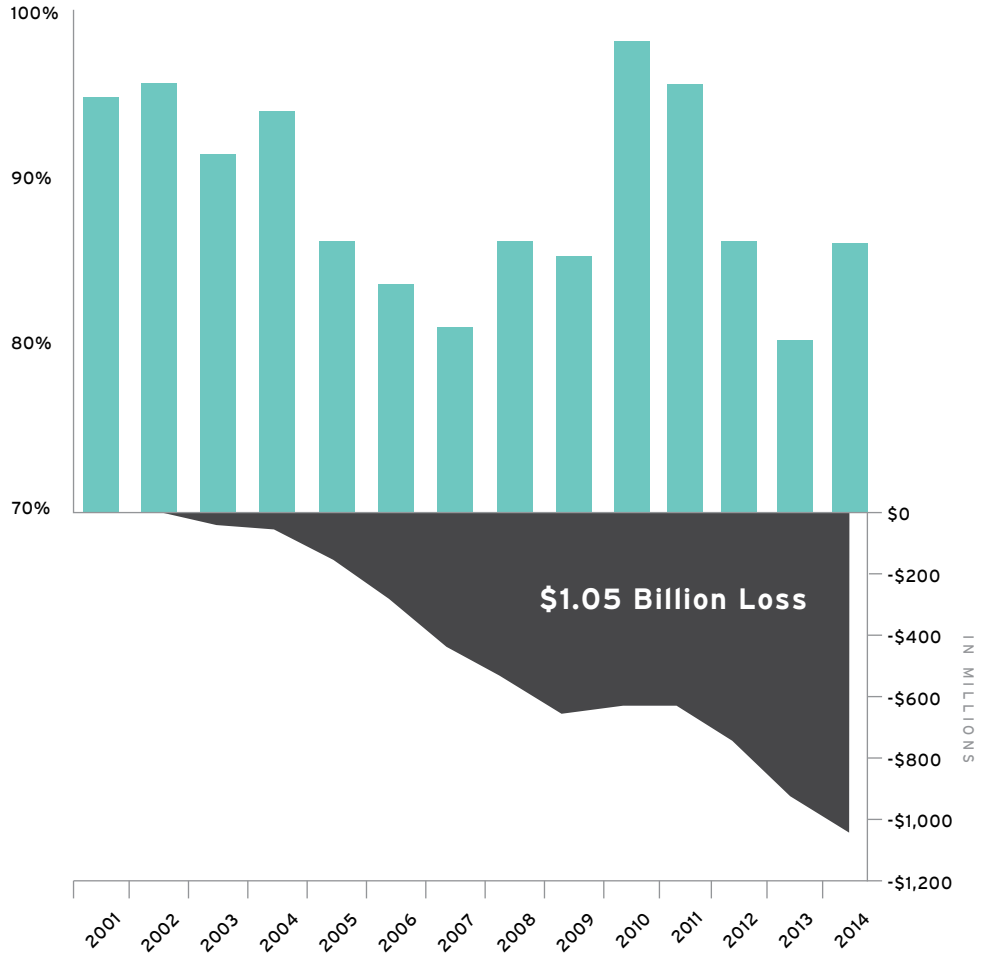
3) On March 15, 2010, NYCHA and HUD executed two Mixed-Finance Amendments to its Annual Contributions Contract. The amendments provided that not all of the units in the portfolios were eligible to receive HUD operating subsidy. The basis for this exclusion was insufficient operating subsidy in HUD's budget. The only way to give NYCHA operating subsidy for additional units would have been to take it away from another housing authority. Both amendments provide that HUD may include the unfunded units in NYCHA's Operating Fund formula at a later date, but this has not occurred.

# \$1 Billion Loss in Operating Funding since 2001

## Annual Proration and Federal Operating Funding Cumulative Loss by Year

Of the total operating funding NYCHA is eligible for on an annual basis from HUD, NYCHA receives only a portion, due to lower Congressional appropriations. This is known as a prorated amount. This graph shows NYCHA's actual federal funding as a percent of its total eligible funding, and calls out the cumulative loss in eligible funding since federal disinvestment began in 2001.

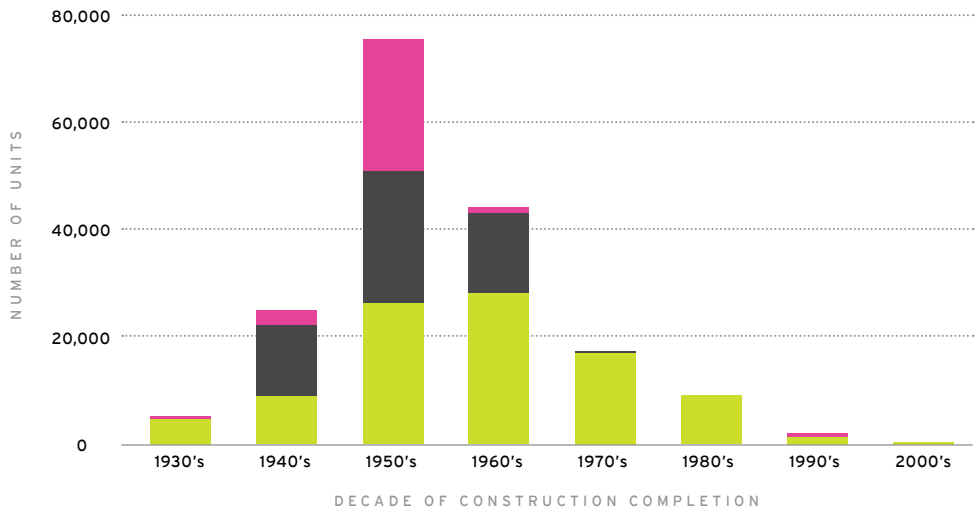
Data Source: NYCHA Finance



## Age of NYCHA Units

- City-Built Units
- State-Built Units
- Federal-Built Units

Data Source: NYCHA Department of Research and Management Analysis



disinvestment in NYCHA's capital program. NYCHA's capital needs are substantial and growing because more than 60 percent of NYCHA's 2,550 buildings are 50 years or older. By contrast, in 2014, NYCHA's funding from HUD for capital improvements was \$124 million less than it was in 2001, a 30 percent decrease. As a result, NYCHA has experienced a cumulative federal capital funding loss of \$1.16 billion since 2001. Over the last 20 years, City capital dollars have been only intermittently and minimally appropriated for one-off security-related upgrades, energy initiatives, and improvements to elevators, community centers, grounds, and select roof repairs.

Years of disinvestment coupled with aging buildings have resulted in deferred capital repair and rehabilitation, which results in increased maintenance and repair costs that further strain NYCHA's operating budget. Based on a Physical Needs Assessment (PNA) that was performed in 2011, NYCHA's current unmet capital need is estimated to be \$16.9 billion<sup>4</sup> over the next five years. The unmet need will continue to grow as conditions further deteriorate, construction costs continue to escalate, and funding continues to decline.

In funding diversification efforts, NYCHA worked with HDC to access the capital markets and issue low-interest debt to fund its capital improvement needs. In 2005, NYCHA, through HDC, issued a \$300 million "Bond A" for NYCHA. In 2013, HDC and NYCHA worked together on an approximately \$700 million "Bond B." The Bond B proceeds included \$500 million for capital renovation work as well as approximately \$200 million to refinance Bond A at a lower interest rate.

Not only did NYCHA successfully leverage the private markets for Federalization and Bonds A and B, it obligated Bond B at a faster pace than any prior capital funds, expediting building envelope improvements at 33 developments to benefit approximately 60,000 residents. These important, impactful measures are proof of NYCHA's track record accessing the capital markets and obligating funds at a rapid pace. Nonetheless, they have been insufficient to solve the significant capital and operating budget deficits the Authority faces, and they are limited in their replicability

Indeed, without a practical remedy for its gaping operating and capital deficits and a path to financial solvency, NYCHA's buildings will continue to deteriorate to the point of being uninhabitable, and New York City will lose this precious asset of public housing.

Because federal funding is projected to remain at current levels or decline further over the foreseeable future, NYCHA's annual and cumulative deficits will continue to grow unless NYCHA's funding and operating models change. **With continued**

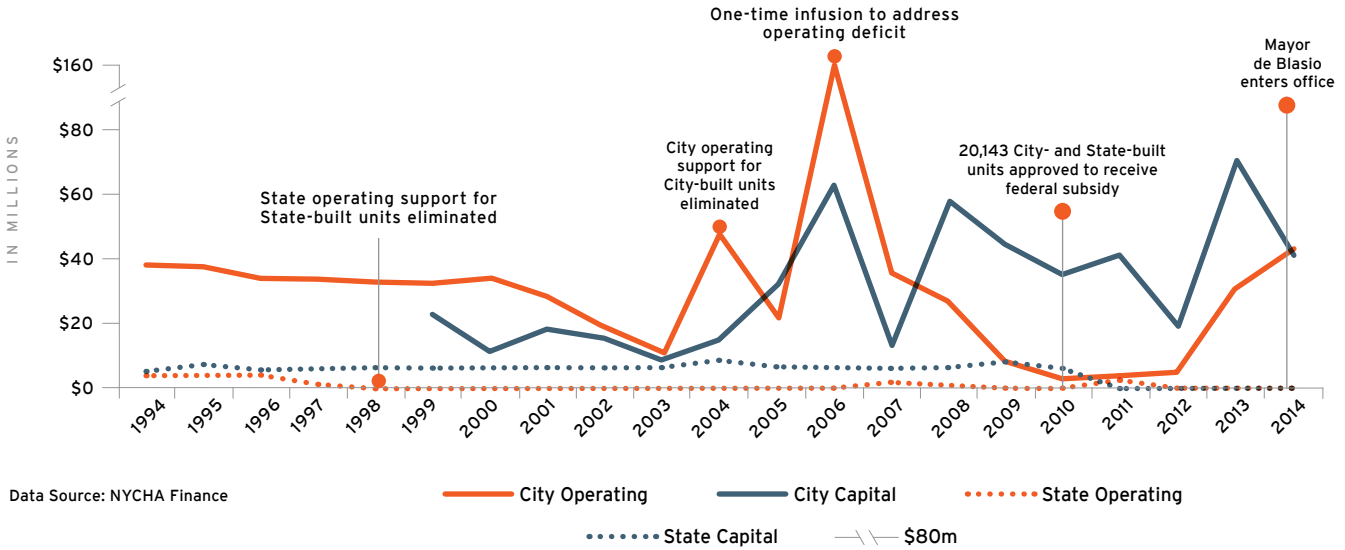
**NYCHA's Balance of City Funding and Payments since 2001**

In Millions			
Year	Payments to City	Funding from City	Balance
2001	\$92	\$28	-\$64
2002	\$99	\$19	-\$80
2003	\$98	\$11	-\$87
2004	\$106	\$48	-\$58
2005	\$108	\$21	-\$87
2006	\$123	\$153	\$30
2007	\$113	\$35	-\$78
2008	\$116	\$27	-\$89
2009	\$92	\$8	-\$84
2010	\$93	\$2	-\$91
2011	\$95	\$3	-\$92
2012	\$98	\$5	-\$93
2013	\$78	\$31	-\$47
2014	\$28	\$43	\$15

From 2001 to 2014, NYCHA received operating support from the City, but NYCHA was also required to pay the City each year, resulting in a negative balance in most years. Fees included payments to the NYPD (2001-13), payments in lieu of taxes (2001-14), and payments to DFTA (2004-08).

4) In 2011, NYCHA conducted a Physical Needs Assessment that reported a total five-year capital need (2011-2016) of \$16.5 billion. Since 2011, NYCHA has renovated and rehabilitated buildings funded by approximately \$1.5 billion in HUD monies. That work reduced the capital need to \$15 billion, measured in 2011 dollars. However, the value of that \$15 billion capital need in today's dollars is higher due to construction cost escalation. Assuming escalation of 3 percent per year, the value of the need today is equivalent to \$16.9 billion

## City and State Funding

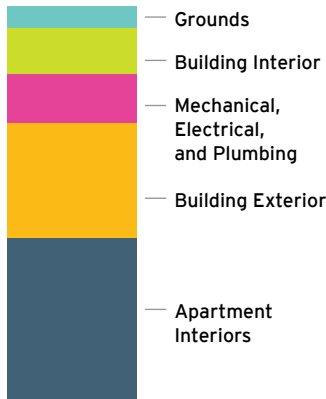


**structural deficits stemming from (1) ongoing federal underfunding, (2) nearly 5,000 unsubsidized units, and (3) escalating costs, NYCHA's projected annual operating deficit is expected to grow from \$98 million in 2015 to over \$400 million by 2025. In addition, NYCHA continues to face \$16.9 billion in unmet capital needs.**

Despite this dramatic underfunding, NYCHA has chosen to preserve its vast public housing stock. NYCHA has taken this approach because of decades of strong maintenance and property management practices (prior to the underfunding), the relatively high percentage of working residents, and strong public housing advocacy from supportive community groups. Most of all, NYCHA's commitment to preservation reflects the vital role of public housing in New York City—one of the only housing options for low-income households, seniors on fixed income, and families working their way out of poverty.

## 5-Year Unmet Capital Needs

**\$16.9B**



Data Source: Calculations based on NYCHA Physical Needs Assessment, 2011

Note: NYCHA will complete a new PNA by the end of 2017.

## Mayor de Blasio's Leadership

Soon after taking office, Mayor de Blasio highlighted his commitment to NYCHA and its residents by providing relief from the Authority's annual NYPD payment, and one year later he announced that NYCHA's annual NYPD payment would be waived in perpetuity. In 2013, the value to NYCHA of that waiver was \$54 million, and the Mayor directed that NYCHA use the savings to reduce the Authority's significant backlog of work orders. The results of the Mayor's investment are dramatic: From January 2013 through March 2015, NYCHA reduced its open work orders to 124,000 from 423,000. NYCHA also improved its service response times to 13 days from 134 days for basic maintenance, and to 55 days from 262 days for skilled trades' repairs.

Mayor de Blasio meets a Brownsville Jobs-Plus team member at Van Dyke Community Center

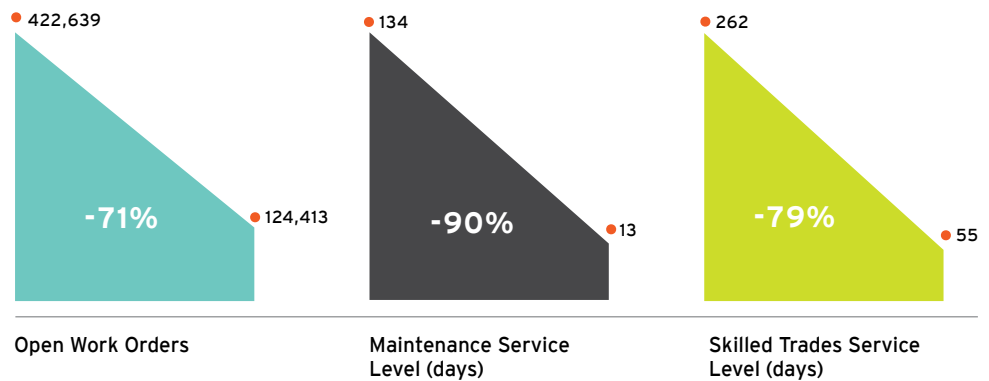


Photo by NYCHA

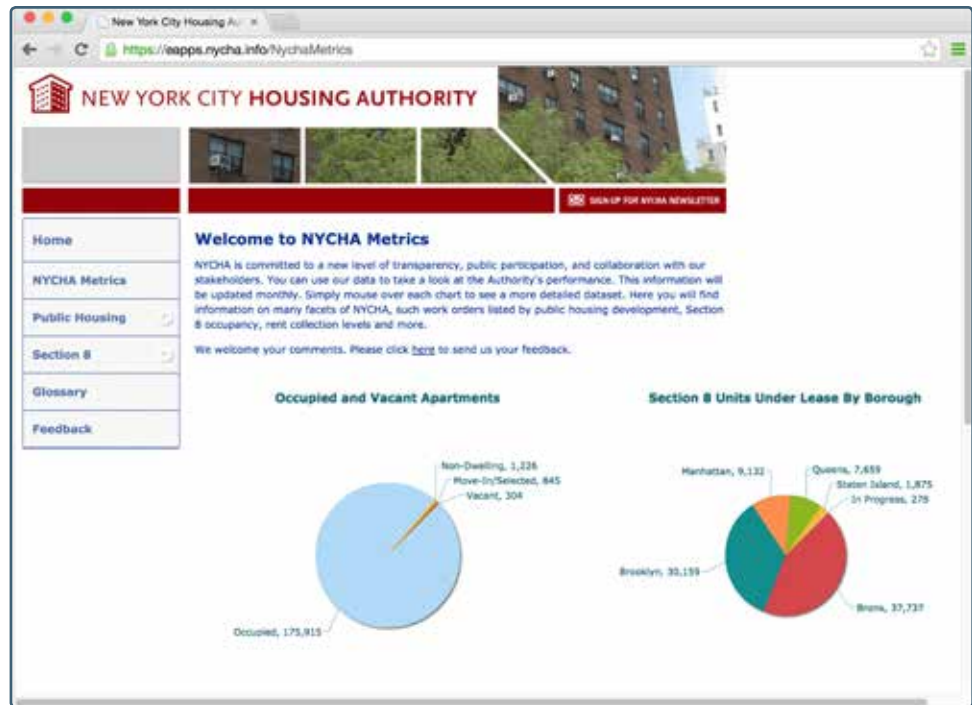
Mayor de Blasio demonstrated his strong commitment to improving safety and security in NYCHA developments by launching the \$210.5 million Mayor’s Action Plan (MAP) for Neighborhood Safety in July 2014. Aimed at strengthening neighborhoods and reducing violent crime, this multi-agency effort targeted the 15 NYCHA developments that account for nearly 20 percent of all violent crime in public housing with increased law enforcement efforts; physical upgrades, including exterior lights, CCTV, layered access controls, and new doors; intense community outreach and engagement; and extended hours for youth programs at community centers.

Building upon MAP, in December 2014, Manhattan District Attorney Cyrus Vance directed \$101 million of bank forfeiture funds for security improvements in those same 15 NYCHA developments. These resources, when received, will support camera installations with connection to the NYPD network, exterior lighting, new doors, layered access, and additional public safety programming.

### Decreased Service Times: January 1, 2013 to April 1, 2015



Data Source: NYCHA Department of Research and Management Analysis



The support of Mayor de Blasio and the administration enabled NYCHA to make significant strides in 2014 and the first quarter of 2015 toward addressing longstanding challenges. Funding-related accomplishments over the last 15 months include:

- Mayoral waiver of police payments to NYPD in perpetuity: \$72.5 million (per year)
- Mayor’s Action Plan funding: \$210.5 million (approximately \$184 million directly to NYCHA)
- Mayor’s commitment of \$100 million for roof repairs
- Manhattan District Attorney Cyrus Vance asset forfeiture funds: \$101 million

NYCHA has also made progress in operating as a more efficient and effective landlord, and will continue to make needed progress on this front, guided by **NextGeneration NYCHA**. Accomplishments in operations include:

- Reduced the work order backlog by more than 70 percent
- Improved service time for basic maintenance by 90 percent, to less than two weeks
- Reduced unit turnaround time to house over 1,000 homeless families in public housing or Section 8 units
- Launched online annual recertification for Section 8 residents

Bronxchester Houses before and after planned renovations resulting from the Section 8 recapitalization



BEFORE



AFTER

Images courtesy of L+M Development Partners, Inc

- Trained 350 supervisors in mold remediation
- Implemented the Public Housing Unit Assessment program to conduct assessments of all 178,000 public housing units and to use the data on unit conditions to plan for and deliver improved maintenance services

NYCHA also continued to rebuild its public housing stock and add to the City's supply of affordable housing. Progress was made on these fronts:

- Closed the financing for the Section 8 recapitalization project, which will preserve 874 units and will generate approximately \$350 million for NYCHA's operating and capital needs
- Secured agreement with FEMA to fund approximately \$3 billion in repairs and resiliency improvements for 35 Sandy-impacted developments
- Obligated \$740 million in capital funds in 2014, up from \$240 million in 2012, including a \$500 million bond, in just eight months
- Obligated construction funds in one-third the time mandated by HUD
- Entered into a Project-Labor Agreement that will improve construction quality, expedite work, and secure opportunities for resident construction careers
- Completed roof replacements at 18 buildings; started work at 99 others
- Completed 1,973 CCTV installations at 393 buildings across 54 developments
- Removed more than 36,000 linear feet of sidewalk sheds
- Published a request for proposals for developers of supportive housing and awarded over 1,800 project-based vouchers for future new construction for seniors, veterans, disabled, and homeless households

In addition, NYCHA placed 2,000 NYCHA residents in permanent jobs via its





Photo by NYCHA

An employee and resident of NYCHA works construction at Soundview Houses

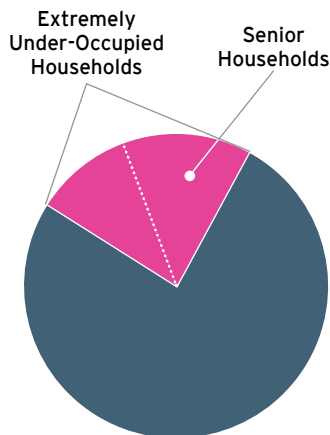
Office of Resident Economic Empowerment and Sustainability (REES) and partnered with the New York City Department of Education and the Administration for Children’s Services to house 101 UPK programs on NYCHA campuses that serve about 2,250 children.

Finally, in support of the City’s efforts to combat homelessness, NYCHA will set aside an additional 750 public housing units for homeless families over each of the next five years. Combined with the Authority’s existing commitment to place 750 homeless families in public housing and 500 families through voucher programs, this will result in 2,000 total homeless placements each year. In exchange, the City will provide NYCHA with the same subsidy it provides to private landlords to house homeless families, a portion of which NYCHA will set aside to connect these residents with services.

The City has also committed \$8.4 million to fund an incentive program for those households living in units too large for their family size, known as overhoused families, to move into appropriately sized units. Among the overhoused, households with two or more bedrooms beyond the number for which they qualify are living in units defined as “extremely under-occupied.” Over half of extremely under-occupied households are seniors who have aged in place. This initiative will ensure the rightsizing of 400 households; vacant units will then be available to house homeless families.

On this strong base of accomplishments and commitments led by the de Blasio administration, NYCHA moves forward with **NextGeneration NYCHA**.

## Extremely Under-Occupied Units



Of approximately 46,000 public housing units with 3 or more bedrooms, 24% are extremely under-occupied, meaning that the inhabitants have at least two more rooms than the household requires. Of the extremely under-occupied units, 57% are senior-headed households.

Data Source: NYCHA Department of Research Management and Analysis

## Sustaining NYCHA for the Next Generation

**NextGeneration NYCHA** is driven by a simple and clear vision held by every New Yorker: safe, clean, and connected communities. **NextGeneration NYCHA** aspires to provide just that for NYCHA’s residents.

This plan lays out how NYCHA will fundamentally change how it looks, how it operates, and how it is funded to ensure public housing is preserved for the next generation of New Yorkers. Without NYCHA, New York’s low-income households would have no alternative to call home. Without these transformative actions, NYCHA will not survive.

The 15 strategies set forth in **NextGeneration NYCHA** eliminate nine years of projected operating deficits and position the Authority in a place of financial stability so that it may address its unmet capital needs. **NextGeneration NYCHA** has the potential to raise over \$230 million in operating surpluses and invest approximately \$4.6 billion in the people and public housing stock of NYCHA to fix roofs, reduce mold and vermin, and achieve a better quality of life for many NYCHA residents.

**NextGeneration NYCHA** was created through listening. Over the course of 14 months, NYCHA engaged in a listening tour of nearly 150 meetings involving more



Chair Olatoye visits with residents at Carleton Manor and Randolph Houses



Photos by NYCHA

than 3,000 staff, over 2,000 residents at 85 development visits, the NYCHA Board, the Citywide Council of Presidents and Resident Advisory Board, Resident Association presidents, governmental agencies, elected officials, advocates, industry groups, lenders and investors, affordable housing experts, philanthropic organizations, service providers, other public housing authorities, and third-party property management groups. The themes, proposed solutions, and best practices that inform **NextGeneration NYCHA** are seeded in the invaluable consultations with this broad array of stakeholders.

Beginning in the summer of 2014, in collaboration with community organizing partners, NYCHA worked with 900 participants in three developments: Mill Brook Houses in Mott Haven, South Bronx; Van Dyke Houses in Brownsville, Brooklyn; and Ingersoll Houses in Fort Greene/Downtown Brooklyn. Residents led the creation of community vision plans to guide each community into the next generation. The common and clear themes of the residents' visions informed the **NextGeneration NYCHA** vision of "safe, clean, and connected communities." The community vision plans were published in November 2014, and NYCHA has been working directly with residents since then to facilitate implementation of the vision plans. The dedicated residents meet monthly to tackle the priorities they identified: topics like affordable housing, safety and security, maintenance and repairs, jobs, neighborhood services, issues concerning children and older adults, and needs of the physical environment.



Mill Brook Houses



Ingersoll Houses



Van Dyke Houses

Photos by NYCHA

In 2014, 900 residents and community members participated in visioning sessions at Ingersoll, Mill Brook, and Van Dyke Houses. They described ideas for how their communities can reach their full potential.

**NextGeneration NYCHA** reflects the hard work and input of NYCHA's residents and staff to realize the vision of safe, clean, and connected NYCHA communities.

## Plan Organization

This plan is organized by its four goals:

1. Achieve short-term financial stability and diversify funding for the long term
2. Operate as an efficient and effective landlord
3. (Re)build, expand, and preserve public and affordable housing stock
4. Develop sustainable, best-in-class resident services and resident engagement models

Within each goal is a set of strategic initiatives that drives the accomplishment of the stated goal. Each strategy begins with a description of existing conditions at NYCHA and is followed by an implementation approach.



# NextGeneration NYCHA Community Visioning

## Background

Building trust with NYCHA's residents and partners is an ongoing effort that is essential to the success of **NextGeneration NYCHA**. In the summer of 2014, three NYCHA developments were selected to participate in the **NextGeneration NYCHA** pilot, an initiative to convene residents to create long-term visions for their communities. Through this process, NYCHA aims to strengthen partnerships and redirect resources from duplicative services, enabling a variety of improvements to NYCHA communities and their surrounding neighborhoods. The pilot developments have a combined total of 4,917 apartments with almost 11,000 residents:

- Mill Brook Houses, Mott Haven, South Bronx
- Ingersoll Houses, Fort Greene/Downtown Brooklyn
- Van Dyke Houses, Brownsville, Brooklyn

**NextGeneration NYCHA** community engagement began in July 2014 with Community Voices Heard and New York Communities for Change conducting door-to-door canvassing at the three developments, followed by building and community-wide meetings. The organizing effort focused on identifying the six topics of highest importance to the residents at each development. In all, 2,028 residents were canvassed. The chosen topics included:

- Safety and Security
- Affordable Housing
- Maintenance and Repairs
- Job Training
- Community Services



Mill Brook Houses



Van Dyke Houses

Photos by NYCHA



Ingersoll Houses

- Senior Services
- Afterschool Programs
- Youth Development
- Childcare
- Playgrounds
- Abandoned Buildings and Lots
- Community Gardening

## Community Visioning

In September 2014, the six priority topics at each development became the focus of three facilitated workshops. In total, 900 people participated, including residents, elected officials, community-based organization staff, and other stakeholders. The approach to community visioning departed from NYCHA's historical approach to resident engagement. There was no set agenda, other than topics of discussion introduced by residents. The process created a forum to record participants' ideas and recommendations and was designed to engage residents to implement positive changes.

Over the series of visioning sessions at each development, workshop participants were asked to imagine how their communities could change for the better, map strong and weak places in their neighborhoods, express concerns, and vote on community priorities. The ideas generated at these sessions were gathered and used to develop vision statements, goals, and frameworks for implementation.

**"Effective community engagement must be part of the planning process from the start, in deciding whether and how redevelopment will shape the future of the community."**

**-Strengthening New York City's Public Housing: Directions for Change, Community Service Society, 2014**

## **Implementation**

In November 2014, NYCHA presented the vision plans to the three communities. Over 300 residents attended the meetings at the three developments. Residents reviewed their selected goals, priorities, and implementation steps described in the vision plans. To achieve the vision plan goals, each of the three developments embarked on an unprecedented collaborative effort. NYCHA's Office of Resident Engagement established an organized committee structure at each development with each of the developments' priority issues represented by a committee that would meet monthly throughout 2015. Over 100 residents signed up to join committees alongside NYCHA employees and community partners.

Since December 2014, the Office of Resident Engagement has conducted robust outreach to encourage residents to participate in monthly resident-led committee meetings by circulating flyers, conducting home visits, and making phone calls. The committees meet every month to discuss resident concerns, share previous meeting notes, and work on tasks to accomplish the goals identified during the community visioning process. Each committee has elected a NYCHA Resident Liaison to lead the committee and communicate outcomes and concerns to NYCHA staff. All committees expect to meet their goals, or make significant strides toward them, by December 2015. With NYCHA as a strong support system for the committees, residents are building organizing capacity, navigating government systems, and getting connected to additional resources.

As part of this monthly engagement, NYCHA works with the affordable housing committees to understand the needs and concerns of each community in planning for future development on site. Resident perspectives will guide the formation of any development plan, just as they are beginning to shape the types of services and facilities that will be available in their communities.

Progress already made by **NextGeneration NYCHA** committees includes the following:

### **Ingersoll**

- 64 percent reduction in crimes committed from the seven main crime types to date in 2015 compared to the same period in 2014 (January through March)
- Increase by 190 percent in Ingersoll resident referrals to REES (July 2014 versus April 2015); Ingersoll residents account for more REES referrals than residents of any other Brooklyn development

## **Mill Brook**

- Collaboration to hold a clean-up day with Police Service Area 7, the Mill Brook Resident Association, Jobs Plus, East Side House, Healthfirst, Patterson Resident Association, Mitchel Houses residents, and NYCHA NAACP (70 participants)
- Hiring of seven new caretakers between January 2015 and May 2015

## **Van Dyke**

- A 33 percent reduction in maintenance work orders from July 2014 to April 2015
- Opening of Brownsville Jobs-Plus in November 2014; since opening, 32 area residents have been placed in jobs, including 23 residents of Van Dyke Houses



# GOAL #1

**ACHIEVE SHORT-TERM  
FINANCIAL STABILITY  
AND DIVERSIFY FUNDING  
FOR THE LONG TERM**

# Strategy #1

## Secure relief from annual PILOT

### Existing Conditions

NYCHA pays approximately \$30 million to the City for payments in lieu of taxes (PILOT) each year. Other City agencies and public landowners do not typically make PILOT, while NYCHA—a federally funded, New York State-created authority, for which the New York City Mayor appoints the Chair and Board—has been required to do so. Since 1949, NYCHA has been making these annual payments to the City pursuant to a series of Cooperation Agreements between the City and NYCHA. When the federal government began disinvesting in public housing in the late 1990s, the required PILOT became untenable for the Authority.

Nearly all public owners of land in New York City are exempt from the payment of property taxes. Unlike other public landowners, NYCHA has made a large PILOT to the City for over 60 years; over just the last 20 years, it has totaled some \$447 million.

Given that NYCHA's annual PILOT obligation amounts to approximately one-third of the agency's operating deficit, the City's waiver of the obligation represents a major step toward the elimination of NYCHA's operating deficit.

### Implementation

NYCHA sought a waiver of the PILOT. Mayor de Blasio remains steadfastly committed to protecting affordability for the most vulnerable New Yorkers. In line with his goal to preserve public housing in New York City, the Mayor's waiving of the PILOT will enable NYCHA to further diminish its structural deficit, reinvest the monies into the operating budget, and focus expenditures on maintaining safe, clean developments.

**"The City should terminate standing agreements requiring NYCHA to pay for special services and PILOT payments (in lieu of property taxes)."**

**–Strengthening New York City's Public Housing: Directions for Change, Community Service Society, 2014**

## Strategy #2: Improve resident rent and fee collection

### Existing Conditions

One-third of NYCHA's budget is funded from rent and fee revenue, and yet a significant amount of rent and fees owed by NYCHA's 176,000 public housing households goes uncollected each year. The average household pays \$484 in rent every month. If a household installs air conditioners, washing machines, or other large appliances, NYCHA charges fees because, in most cases, it must bear the incremental cost of utilities and charges associated with these appliances.

Improving NYCHA's rent and fee collection is critical because it is one of the few significant sources of revenue over which NYCHA has control, as opposed to governmental funding that is subject to annual appropriations.<sup>5</sup> The Authority also recognizes that the quality of landlord services is an important part of rent collection, and will continue to make operational changes that result in more efficient and effective repairs and maintenance.

By the end of 2014, NYCHA was owed more than \$56 million in total back rent and fees from prior months and years. Though NYCHA manages to collect a high percentage of the current monthly rent owed, its combined gross rent and fee monthly collection rate averages approximately 74 percent due to the significant back payments that remain unpaid month after month. The Authority's rent and fee collection rate is much lower than that of most large affordable housing owners and operators in New York City.

In total, 32,000 households are currently one month behind in their rent and 22,000 households are several months behind. In addition to the \$56 million of annual uncollected rent and fees is \$27 million of forgone rent and fees, which NYCHA will never recoup. Yet even at these relatively low collection rates, and contrary to public perception, NYCHA evicts only 0.12 percent of its households for non-payment of rent.

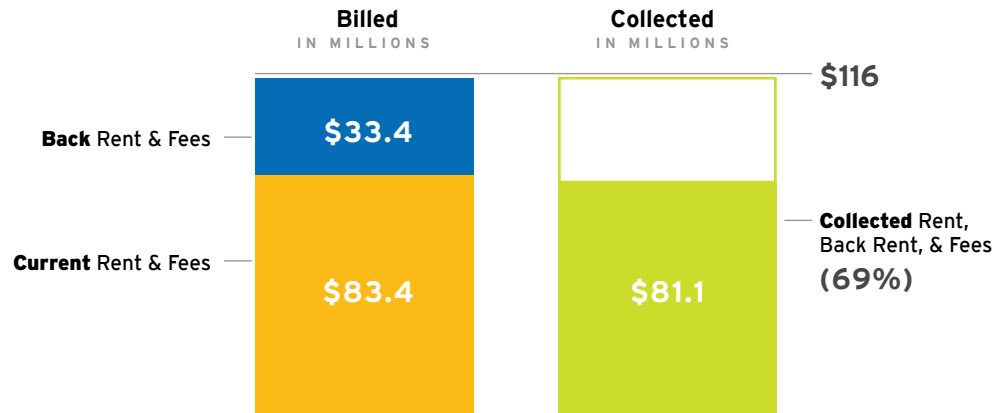
To facilitate rent and fee payment, NYCHA currently offers a wide variety of payment options to residents, such as payment online, by phone, by mail, through payroll deduction, at a local bank, or at any licensed money transmitter. Residents

NYCHA's Office of Resident Economic Empowerment and Sustainability works with residents to address rent payment and other financial wealth-building challenges by connecting residents to local economic opportunity providers known as "Zone Partners." REES helps property management increase timely rent payment by empowering them with tools to connect residents with providers of one-on-one financial counseling, workforce training, and other services.

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5) According to the HUD formula for the operating subsidy calculation, resident rental revenue is subtracted to determine the need of the PHA. While an increase in rent collection may provide positive cash flow for the year when it is collected, it could result in a reduction in operating subsidy for future years.

## Rent and Fee Collection: Snapshot of December 2014



Data Source: NYCHA Finance

can also pay by check, cash, money order, debit card, or funds transfer. NYCHA offers residents the option to receive the monthly rent statement as an “e-bill,” which is convenient, free, and environmentally friendly. NYCHA also allows residents to pay on a bi-weekly basis if they pay online by direct transfer from their bank accounts.

### Implementation

NYCHA is implementing a resident rent and fee collection initiative to increase annual revenue by \$30 million from the current level.

In 2014, REES scaled its referral system by training over 500 front-line property management staff and Zone Partners. Now, every NYCHA property management office is mapped to a local service provider, as well as connected to the central call center of the Department of Consumer Affairs’ Office of Financial Empowerment, where staff can schedule residents for individualized financial counseling at any of the City’s Financial Empowerment Centers.

To help residents pay their rent and fees on time, NYCHA has already instituted earlier mailings of rent statements. The Authority has also redesigned two key documents related to rent collection to increase clarity: the resident rent statement and property managers’ rent collection report. The new documents make it easier to understand what is owed, what has been paid, and what relevant deadlines exist.

Starting this summer, NYCHA will pilot the use of bilingual and TTY robocalls and automated payment reminder letters to prompt residents who have not yet paid their rent within the first two weeks of the month. These methods will be tested for effectiveness and, if they are generating positive results at the target sites, will be rolled out across the rest of the NYCHA developments. At a minimum, conversion to this automated approach will free up staff time that can be devoted to improving other core functions that directly impact rent revenue.

In tandem with piloting a new reminder system, NYCHA, through its REES group, will more actively connect residents to service providers that offer financial counseling to help residents budget for upcoming rent payments and plan for back payments. NYCHA is also exploring additional options for bi-weekly payment methods to allow residents more flexibility.

NYCHA is also revisiting its policies and procedures to increase clarity and ensure that the rent and fee collection process is more efficient. For example, NYCHA has

already simplified the definition of rent delinquency and will be launching a communications campaign to relay this information. NYCHA will explore further strategies to improve rent collection from chronically rent delinquent households. The Authority is also coordinating with City agencies to assist residents with rent payments; improving reporting systems on resident compliance with payment plans and court stipulations; and making process improvements for Housing Court paperwork submissions.

## Strategy #3: Maximize the revenue and uses of ground floor spaces

### Existing Conditions

#### Building

The ground floor of most NYCHA buildings contains a mix of residential units and commercial, community, and other space. There is well over 2.5 million square feet of non-residential space throughout NYCHA's portfolio, including 250,000 square feet of retail space. While NYCHA has a sound, established practice for leasing its rentable retail space, it lacks a comprehensive strategy for maximizing usage of and revenue from its other several million square feet of non-residential ground floor space.

While NYCHA's average residential vacancy is under 1 percent and its retail vacancy rate is 5 percent, it is estimated that the vacancy rate of NYCHA's community spaces exceeds 20 percent. This vacancy rate can only be roughly estimated because no exhaustive, detailed survey of all occupied and vacant NYCHA non-residential space has been performed in more than a decade.

In addition to underutilization of non-residential space, many of the community-based organizations that occupy NYCHA space do not pay rent, or the rent they do pay is insufficient to cover the operations costs of those spaces. For instance, the Authority covered \$3.8 million directly-metered tenant utilities costs in 2014. Moreover, since only about one-sixth of the community spaces for which NYCHA pays the utilities are directly metered, the \$3.8 million cost represents only a small fraction of the actual annual liability. NYCHA is re-examining its current lease arrangements, including utility cost pass-throughs and rental rates.

#### Parking

Apart from the ground floor spaces within its buildings, NYCHA licenses more than 11,000 spaces in parking lots that span over 200 developments, both to residents and non-residents through the issuance of parking permits. NYCHA charges more for some parking permits than others: indoor more than outdoor, reserved more than unreserved, and non-residents more than residents. Since 2011, NYCHA has begun the process of converting all unreserved lots to reserved, by painting and numbering spaces and adjusting the permit fees for those lots accordingly. NYCHA charges an average of \$6.80 per month for unreserved

### Monthly Parking Rates

For 24-hour, outdoor parking



Lower East Side  
NYCHA Lot  
\$26.33



Private Parking  
(1 block away)  
\$305\*

\*Based on quote received April 3, 2015

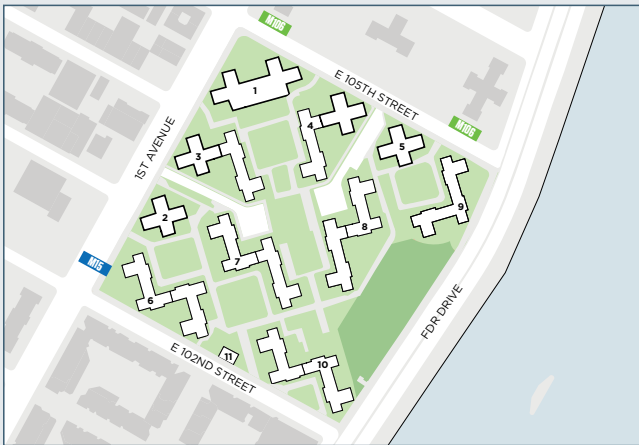
**"[NYCHA] should start collecting or increasing rents from nonprofit tenants, and explore opportunities for other commercial enterprises on NYCHA land."**

**—Cleaning House: How to Close the New York City Housing Authority's Operating Gaps, Citizens Budget Commission, 2015**

# Ground Floor Design Exercise

Early work on the ground floor strategy began in the fall of 2014 with a design exercise. NYCHA collaborated with Kohn Pedersen Fox Associates to consider how to activate green spaces, better connect developments to their surrounding neighborhoods, and create street frontage at different types of developments. NYCHA's common building types range from low-rise garden apartments and walk-up tenements to slabs and towers. Each building and development type presents unique planning challenges that can be addressed with good design. The design exercise focused on the following:

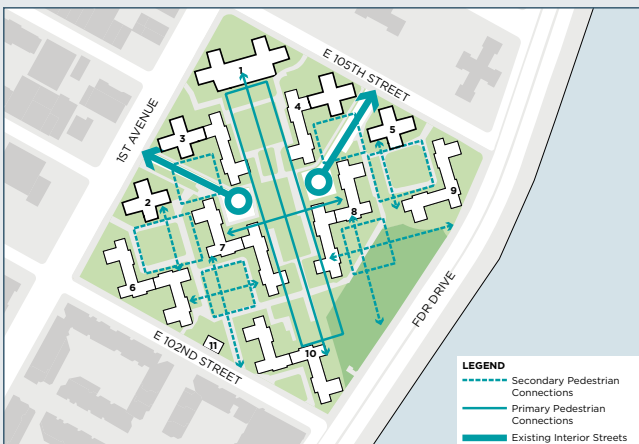
- Weaving NYCHA developments back into their surrounding communities through street-facing installations
- Creating vibrant outdoor spaces that contain a mix of uses and have a variety of programming
- Welcoming pedestrians by redesigning walkways and circulation plans, and bringing the street grid back into NYCHA superblocks
- Increasing the use of signage and glass or other transparent materials
- Landscaping NYCHA campuses to make them more resilient to storms
- Incorporating principles of Crime Prevention through Environmental Design (CPTED) to increase safety and security



Existing Site



Existing Parcels and Parking



Existing Site Analysis



Proposed Site Opportunities

Images courtesy of Kohn Pedersen Fox Associates

# Ground Floor Improvement at Ocean Bay – Bayside



BEFORE



Beginning with HOPE VI funding in 1999, the Arverne and Edgemere developments in the Rockaways underwent a transformation to become the Ocean Bay Apartments – Oceanside and Bayside. Through several phases of construction funded by HOPE VI and other federal capital funds, many interior and exterior improvements were made to both developments. Featured here is one element of the renovation of Ocean Bay – Bayside, completed in 2010. The main goal of this phase was to secure the ground floor and outdoor areas for comfortable use by residents. Improvements included:

- Restoration of brick facades
- Conversion of exterior terraces to private balconies
- Construction of new egress for high-rise buildings via two new stair towers

- Enclosure of ground floor lobbies
- Landscaping of development grounds

The above photos show one of the four mid-rise buildings at Ocean Bay–Bayside before and after the renovations. The “before” images show open lobbies, which were inhospitable to residents due to a lack of clear sightlines to the entrances and lobby interiors. As a result, criminal activity could more easily occur in and around these spaces. At each high-rise, NYCHA enclosed the open lobbies, resulting in light-filled spaces where residents could feel safe, secure, and welcomed at the main entrance to their homes. The stair towers were constructed to create a second means of egress for each side of these four buildings. Also visible in the photos are the exterior terraces on the upper floors—originally part of the path of fire egress from one side of the building to the other, and often the site of disruptive loitering—which were converted into private balconies for the central line of apartments.



AFTER



Photos by NYCHA



parking and \$26.33 per month for reserved parking, and collects a total of \$2.4 million annually for parking permits.

## Implementation

### Building Interiors

NYCHA is developing a comprehensive leasing strategy for its non-residential space portfolio—to maximize the use of all available space, bring online spaces that have been taken offline, improve the ground floor experience in the developments, provide appropriate services for residents, lower the Authority’s costs, and generate rental revenue. The strategy will include all commercial, community, and other non-residential ground floor spaces throughout the portfolio.

First, the Authority will continue to aggressively lease its retail space portfolio and maintain vacancy rates around 5 percent.

Second, NYCHA will conduct an inventory of all NYCHA-owned ground floor spaces, especially the community and miscellaneous spaces, and a survey of their capital needs. Many of these spaces face inward, and some lack windows, limiting their commercial appeal; deferred maintenance is also an issue. Careful, targeted investment will be required to create viable, income-generating ventures in these spaces that improve the lives of NYCHA residents and better connect their developments to the surrounding communities.

As the first step in this strategy, NYCHA has started to catalog all non-residential spaces. This effort has begun in the three NextGeneration NYCHA developments: Ingersoll, Mill Brook, and Van Dyke Houses. NYCHA will devise a space-planning strategy for the ground floor level and will formulate a site-specific leasing strategy informed by resident needs and the real estate leasing submarkets in these three developments. The findings from this pilot will inform the broader activation approach for the remainder of the portfolio.

Experts in the social service, architecture, design, urban planning, property management, and development fields are assisting NYCHA in determining the best uses for its ground floor spaces. NYCHA and its partners will analyze rental submarkets, consider optimal design approaches, identify potential tenants,



St. Mark's Bookshop, located on the ground floor of First Houses, NYCHA's oldest development

# Ground Floor Inventory

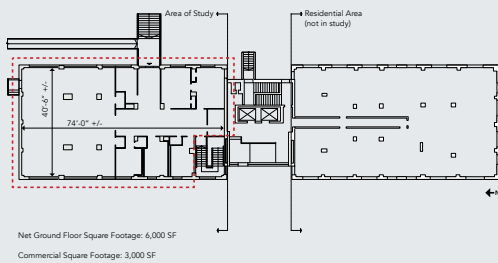
Civic Consulting and Goulston & Storrs are spearheading a pro bono collaboration to develop NYCHA's ground floor leasing strategy. This effort has begun with Bernheimer Architecture, LEVENBETTS, and Parsons School of Design conducting surveys of the three NextGeneration NYCHA developments: Ingersoll, Mill Brook, and Van Dyke. Once the surveys are complete, the team will finalize the ground floor inventory and analyze relevant submarkets to make recommendations for managing and leasing these spaces. A selection of the output from the first building surveyed at Van Dyke Houses is featured here.



View of entry to commercial spaces



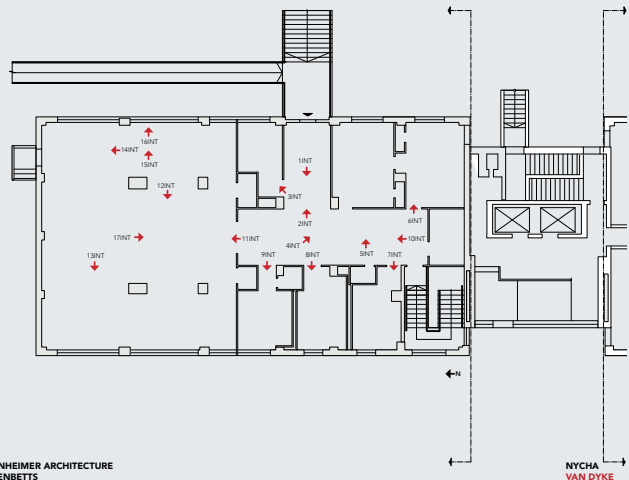
View toward front door at entry



BERNHEIMER ARCHITECTURE  
LEVENBETTS

Key plan of exterior views

NYCHA  
VAN DYKE



BERNHEIMER ARCHITECTURE  
LEVENBETTS

Key plan of interior views

NYCHA  
VAN DYKE

Images courtesy of Bernheimer  
Architecture and LEVENBETTS

perform cost benefit analyses, pinpoint sources of capital, and establish streamlined leasing and management processes.

For those ground floor spaces in need of significant capital upgrades, NYCHA will assess the costs and benefits of renovation and incorporate these conclusions into the leasing strategy.

NYCHA will develop combined leasing and design interventions for the main building types found throughout the Authority's existing portfolio. This approach will allow NYCHA to replicate leasing and activation strategies in an efficient and consistent manner. The Authority estimates that it will be able to generate at least \$1 million in revenues annually by 2025 through the increased leasing of all non-residential spaces.

In addition, NYCHA will work toward establishing leases with new and existing tenants and establishing terms that, at a minimum, require tenants to cover the cost of their own operating expenses.

### **Parking**

NYCHA will increase revenue generated from its parking lots. Market rates for parking, though they range by neighborhood, are considerably higher than the rates NYCHA charges its residents. In some neighborhoods, for example, market rates are 12 times or more than NYCHA's current rates, which average \$26.33 per month.

NYCHA plans to increase its monthly permit charges to capped local market rates for residents, while charging full market rates to non-residents. Starting in 2016, NYCHA will phase in increases to rates at a first group of 80 to 90 developments, containing approximately 6,000 parking spaces. The Authority will set capped market rates for residents at approximately \$150 per month in those submarkets with the highest demand. A subsequent set of developments will follow, utilizing the same resident capped rate, beginning in 2017, to cover all 200 developments at which parking lots are located by 2018. The selection of lots for each phase will be guided by lot condition, ease of upgrade, and demand for spaces.

NYCHA's initial estimate for incremental revenue from this initiative is approximately \$5 million per year by 2019.

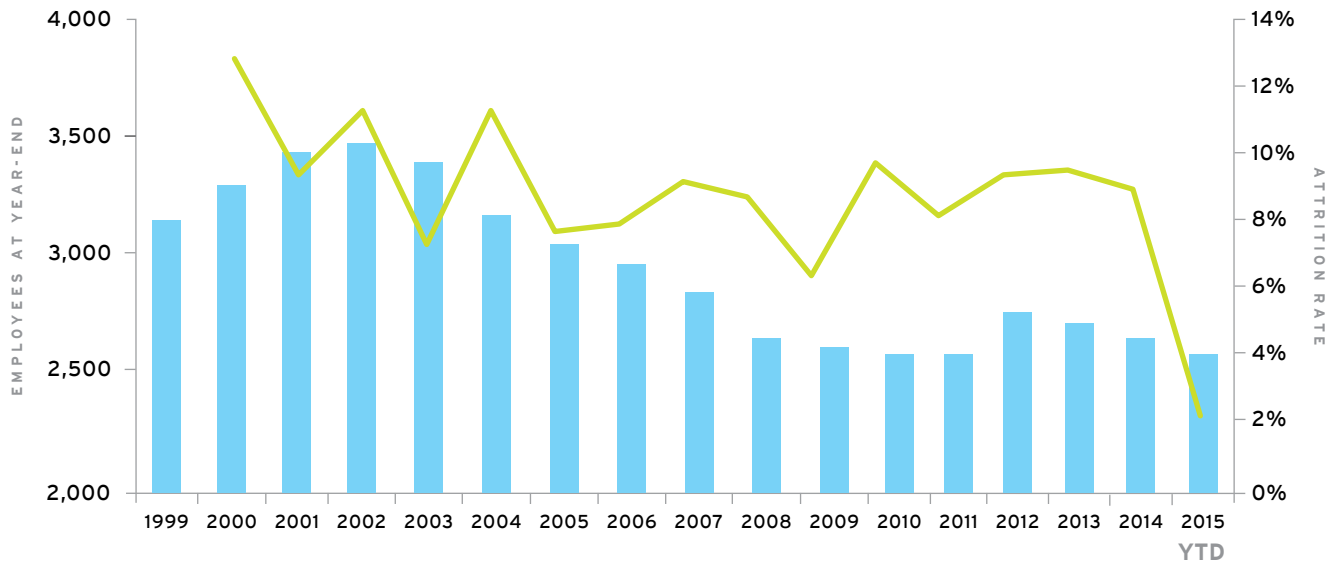
# Strategy #4: Reduce central office costs

## Existing Conditions

For decades, NYCHA has functioned as a stand-alone entity. Though its leadership is appointed by the Mayor and it regularly collaborates with many City agencies, NYCHA has not been integrated into, nor has it taken advantage of the broad and extensive resources and expertise of City government. This appears to be a vestige of the Authority having been created by the State and funded primarily by the federal government.

By operating separate and apart from City agencies, NYCHA has had to replicate a host of central office functions that City agencies perform. For example, the Department of Citywide Administrative Services handles the leasing of office space for City agency use and the Department of Design and Construction manages the design and construction of buildings and infrastructure. By contrast, NYCHA performs these functions for itself, by itself, utilizing its own resources. This redundancy is true for many other NYCHA central office functions, such as fleet management, customer call center, legal services, mailroom services, and procurement.

## Central Office Workforce



Data Source: NYCHA Finance

Note: NYCHA annual attrition rates exclude all job titles typically associated with direct service or field work. Resulting rates may be lower than actual central office attrition rates. Attrition data is not available prior to 2000.

NYCHA's central office costs contribute to the Authority's annual operating deficit, both past and projected. HUD calculates each PHA's operating subsidy primarily on the basis of a dollar amount per housing unit. NYCHA's per unit operating costs exceed HUD's per-unit operating subsidy due, in part, to NYCHA's high central office costs.

Twenty-two percent of NYCHA's employees are central office staff, defined as those employees whose functions support property management. Today's percentage of central office staff is approximately the same percentage as in the late 1990s, prior to the Authority's steep decline in funding that began in 2001. Although the central office staff declined by 26 percent from 2002 to 2010, it has stayed essentially constant over the past five years.

## **Implementation**

As part of NYCHA's efforts to eliminate its structural operating deficit, it must reduce central office costs. It will do so by transferring responsibility for certain central office functions, as well as some NYCHA staff and job titles, to the City agencies that perform similar functions. The efficiencies that result from that City-NYCHA integration of operations will allow NYCHA to shrink its central office staff further by attrition. Neither the transfers nor the attrition will impact service levels at the front-line to ensure service quality to residents.

Through the integration efforts, NYCHA will seek to reduce central office staff by approximately 1,000 by the end of 2018, which will reduce the overall NYCHA percentage of office staff to 15 percent. The assumed attrition rate is consistent with the average central office staff attrition rate over the past seven years. This reorganization will result in annual savings of approximately \$90 million by 2018. NYCHA intends to meet with the various unions in the coming weeks to discuss the impact on the employees.

As staff is reduced, NYCHA will need less central office space and fewer supplies. These indirect effects of reducing central office costs have the potential to generate additional operational efficiencies and savings for NYCHA, such as consolidation of central office locations. The Authority projects savings of 2 percent to its other administrative expenses in its central office budget as a result of the staff reduction.



# GOAL #2

**OPERATE AS AN EFFICIENT  
AND EFFECTIVE LANDLORD**

## Strategy #5

# Transform to a digital organization that leverages technology to improve customer service and increase efficiency

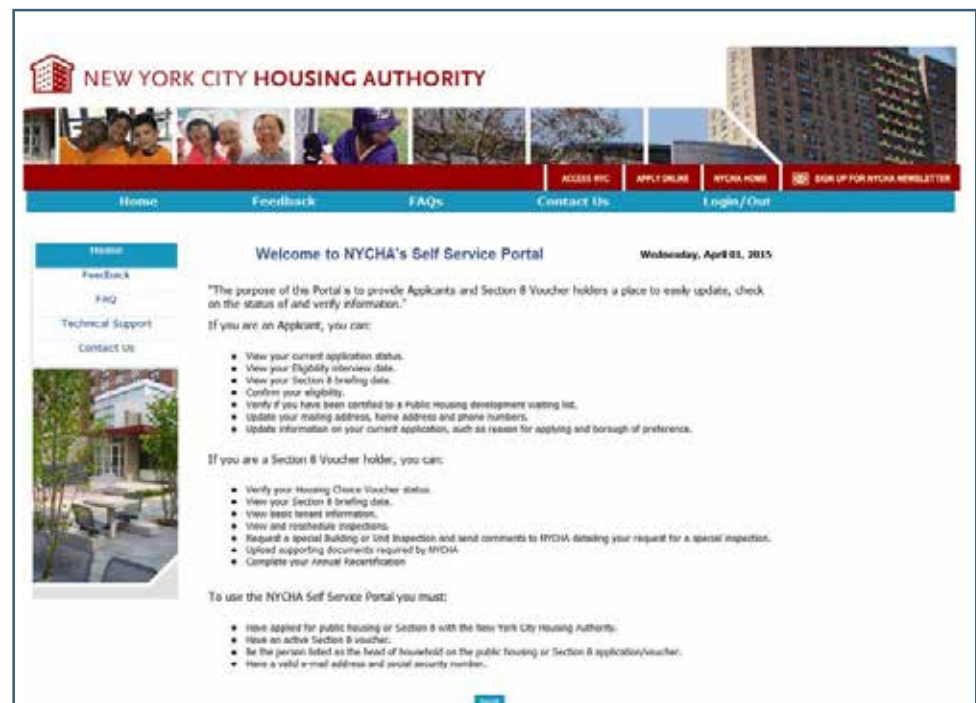
### Existing Conditions

Since 2014, NYCHA has focused much of its technology investments on improving customer service and increasing customer access to information, and on transparency and accountability for, and to, NYCHA stakeholders. Highlights of this initiative include:

#### For Section 8 participants:

- Online access to participants' own tenancy information and inspection status
- Online inspection rescheduling and special inspection requests
- Annual online recertification (in pilot phase)

NYCHA's Self-Service Portal, where Section 8 applicants and voucher holders can update and verify information





**For Section 8 landlords:**

- Online lease renewal submission and inspection repair certification
- Online application for direct deposit payments
- Online review of rent-related tenant information (e.g., last inspection result, payment history)
- Online posting of vacant rental apartments
- Online review of service requests

**For applicants:**

- Online applications for Public Housing and Section 8
- Online updates to applications and online status checks

**For NYCHA Property Managers:**

- 1,746 of 3,304 elevators (53 percent) are monitored and controlled remotely through “smart building” technology
- 219 of 602 boiler plants are connected for central monitoring
- 740 of 1,898 boilers are connected for central monitoring

**For all NYCHA stakeholders:**

In spring of 2014, NYCHA initiated **NYCHA Metrics**, a real-time, online, public “dashboard” of key metrics for NYCHA public housing, Section 8, capital projects, and community programs. Building upon this, in early 2015, NYCHA created an online portal part of **NYCHA Alerts** to post real-time heat, water, and gas outages.

NYCHA has made significant progress in improving customer service with technology, yet much remains to be done over the next 10 years. Technologies to improve customer service, organizational efficiency, and building management exist but are underutilized by the Authority. NYCHA has an opportunity to adopt new technologies to improve its operations and enhance customer service for its residents.

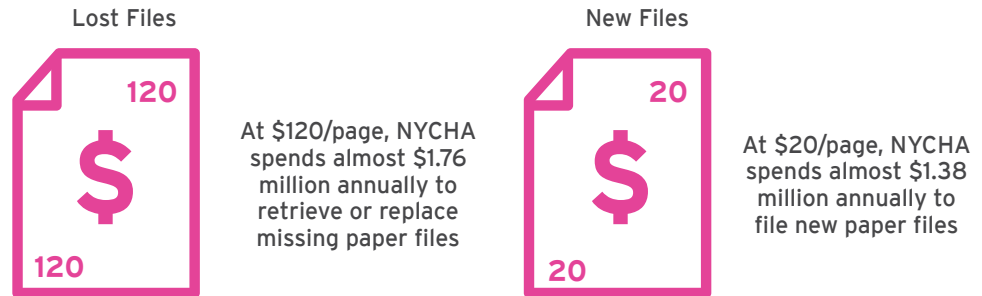
In its customer-facing side, NYCHA currently offers limited tools to engage online. For example, public housing residents can only schedule service appointments by telephone, and must complete extensive paperwork for the required annual income recertification.

In the area of records management, NYCHA has substantial obligations for the 607,000 customers served and the 11,700 employees of the Authority. Today, most of these records are kept and maintained manually at a significant cost to the Authority. Customer service satisfaction levels also suffer due to time-intensive manual records systems.

NYCHA estimates human resources expenses of about \$3 million annually to file new documents and retrieve/replace missing documents. NYCHA also has a backlog of approximately 100,000 paper documents needing to be filed for a total of \$2 million.

## Implementation

NYCHA's digital transformation will allow the Authority to increase administrative efficiency and reduce costs while providing public housing residents, Section 8 tenants and landlords, and community and commercial tenants with improved customer service and better access to their data.



Data Sources: PricewaterhouseCoopers and NYCHA Human Resources Department

## Customer Service

In 2015, NYCHA continues to progress toward its long-term goal to replace decades-old, cumbersome, and limited tenant management and rent collection systems. In 2014, NYCHA released a pilot of an online self-service annual recertification application, which eliminates the costs of printing, mailing, receiving, and then keying and storing hundreds of thousands of documents a year. Pushing this transaction to the web also reduces error rates as well as reduces the time to approve the reviews. In 2015, the pilot will move to full deployment, and NYCHA expects a 50 percent increase in utilization by the end of the year. Over 6,000 Section 8 tenants have been selected to participate in the online recertification pilot program so far. Of the selected participants, 80 percent submitted all of their annual recertification information online. Based on observations at the borough Walk-In Centers, an average family of four requires approximately 20 to 25 minutes to complete the entire annual recertification process online. The current cost of printing and mailing a paper annual recertification packet is \$2.80 per 40 sheets. With the expected utilization of the online services at 50 percent, NYCHA projects first-year savings of almost \$122,000 in supply costs alone. When fully implemented, NYCHA estimates the total savings could be as high as \$5 million each year.

The next phase is replacing the paper-intensive, manual, duplicative, and costly public housing annual income recertification process with an online system, applying lessons learned through NYCHA's Section 8 pilot. The new system, being piloted in the second half of 2015, will be faster, less expensive, more accessible, and will provide



MyNYCHA, NYCHA's first mobile app, coming in the summer of 2015

pre-populated information to ease self-service completion of the mandatory annual recertification. Full deployment of this system is scheduled for 2016.

In June 2015, NYCHA will test a beta version of its first mobile app, **MyNYCHA**. The app's full release will be in July, at which time residents will be able to use the app on their smartphones and tablets to create, view, schedule, and reschedule requests for maintenance service. NYCHA technology staff is working now to test and deploy **MyNYCHA** to residents.

## Records Management

In 2016, NYCHA will begin digitizing over 200,000 paper folders and files. The first phase will focus on human resources files, and the second phase will target property management files housed at NYCHA developments. The human resources digital files team is developing the initial project documentation, clearly outlining the expected benefits and savings that the project will generate, and will soon begin implementation. Altogether, the digitizing of NYCHA's records will generate multi-million dollar savings each year, while providing more accessibility to residents, participants, and employees. NYCHA will expend approximately 50 percent less on labor costs by digitizing the filing system, which could result in up to \$1.5 million in savings per year and a one-time savings of up to \$1 million to digitize the backlog of files.

## Smart Buildings

"Smart" buildings are buildings whose systems can be integrated, monitored, controlled, and even repaired remotely. This coordination leads to better information that will allow for more efficient building maintenance and use of resources by property management staff. Staff can then use the smart technology to plan and implement appropriate remedies for residents' concerns.

NYCHA will launch a feasibility study in 2016 to determine the potential benefits of expanding its smart building technology. NYCHA will consider three to five developments for a smart building pilot that integrates layered-access control, closed-circuit television, remote elevator monitoring, heating systems, and other building systems. Developments will be selected for the pilot based on whether they have these systems and also have broadband access.

NYCHA's digital transformation will also help to bridge the digital divide between many residents and the contemporary demands of school, work, and even communication with loved ones. By making service requests and case status updates available on a variety of platforms, all residents will have greater access to information on their own schedules. Low-income households often rely on their smartphones to use the internet, so NYCHA is building mobile apps for self-service functions to accommodate these residents; however, many older adults prefer to call a phone number to coordinate service requests and report issues, so NYCHA is ensuring that automated voice access will remain available along with web and mobile platforms.

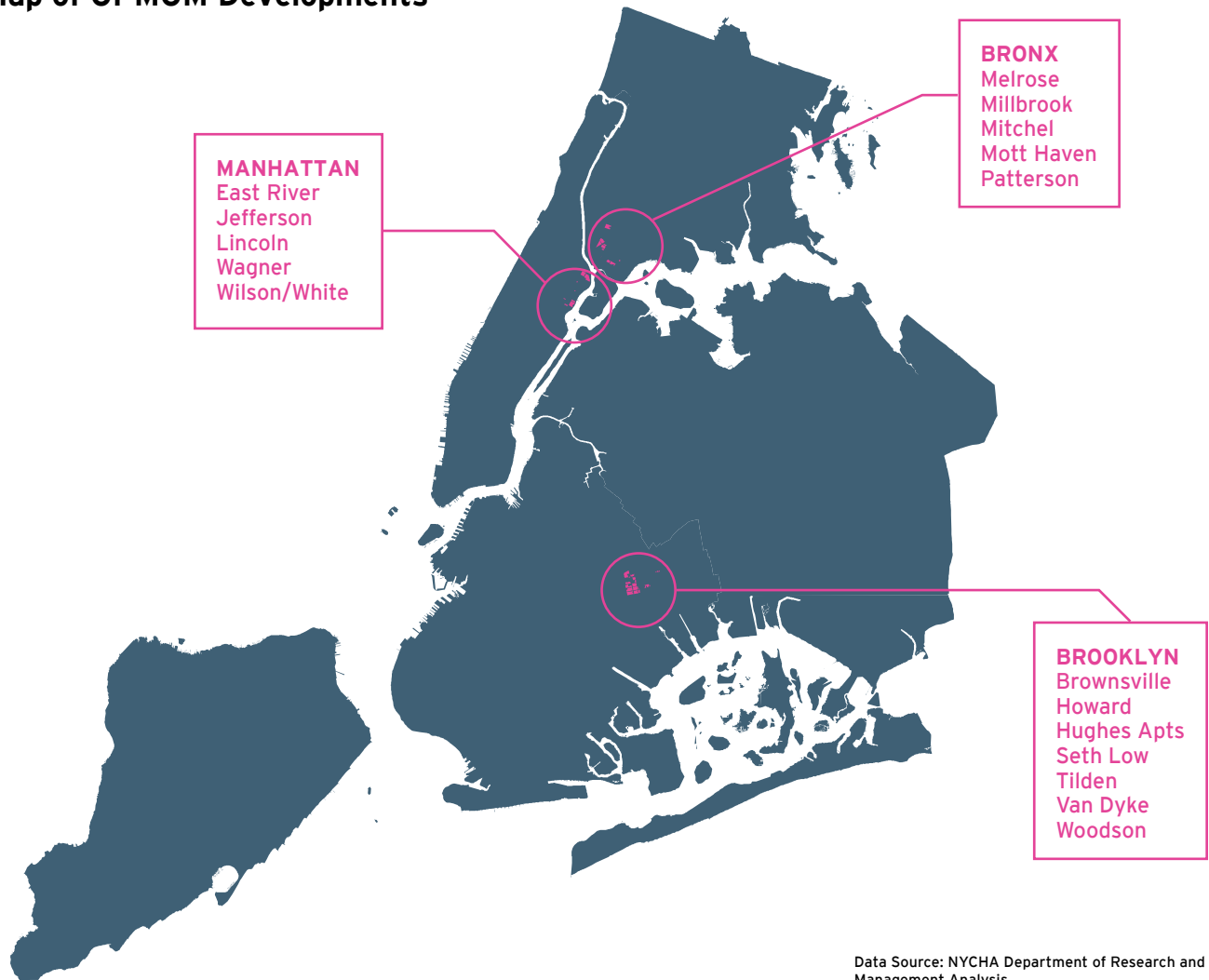
By 2025, NYCHA will be a technologically mature organization, with industry-proven, well-integrated financial, human resources, resident, and building management systems designed to advance NYCHA's goal of being an efficient and effective landlord.

## Strategy #6: Localize decision-making at the developments and empower on-site staff to increase customer satisfaction

### Existing Conditions

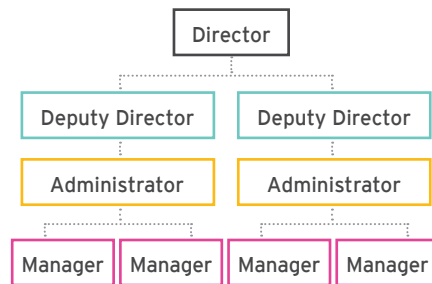
NYCHA's staff currently works in a centralized, top-down decision-making environment where most decisions for the property level are made from the central office, borough offices, or by deputies and administrators. Central office staff also decides the levels and types of staffing positions for developments.

### Map of OPMOM Developments

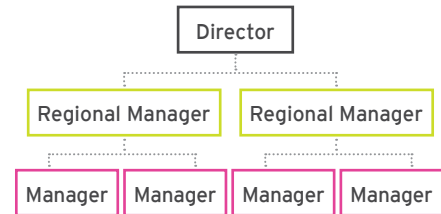


## Property Management Structure

**Traditional NYCHA Property Management Structure**  
Each Manager is responsible for up to 8 developments



**OPMOM Management Structure**  
Each Manager is responsible for up to 5 developments



OPMOM property managers report positive progress in the initial months of the pilot. They are now able to decide how best to target the revenue they collect for necessary repairs and maintenance. They have heard from residents that work orders are being completed more efficiently, and they hope that this new way of operating will improve their developments.

This structure does not allow property managers the control or accountability to make decisions that affect their properties' needs, or to base them on real-time data. NYCHA also uses a top-down approach to creating budgets for properties. The Authority funds central offices and then allocates funds to developments based on numbers of dwelling units. This current approach to development management is intended to create efficiencies but has been ineffective due to the wide variety of development types and needs.

In March 2014, NYCHA began formulating a property management decentralization plan. The planning was guided by one theme: how can NYCHA give its property managers the ability to improve customer service and remove bureaucratic barriers? NYCHA staff formed working groups and met with resident leaders and elected officials to gather input.

The pilot, known as the Optimal Property Management Operating Model (OPMOM), is an effort to move away from a one-size-fits-all approach toward a localization of control at the property level, in which property managers are empowered to make customized, data-driven, real-time decisions.

**“The OPMOM project is very good because all the managers get to make independent decisions in the developments. We can decide what repairs need to be done in our developments. It’s bottom-up budgeting. We don’t need permission from the Borough office and we can make the decisions ourselves. Before, you had to go through so many layers of approval to get things done, and with OPMOM, a lot of the layers are taken away. Now, if we feel we need an extra staff member, we can look at our budget and hire that caretaker.”**

**–Jose Espinal, OPMOM Property Manager, Hughes Apartments**

**"The [OPMOM] meetings have been a productive platform for communicating the concept and creating open lines of communication between the OPMOM target group and resident leadership."**

**–Reginald Bowman, CCOP President, Seth Low Houses**

## Implementation

On January 5, 2015, NYCHA launched the OPMOM pilot in 18 developments, spanning 22,386 units, to test the new decentralized property management structure. The sites were selected to create clusters, allowing for greater collaboration between staff at different developments, opportunities to share resources, and ease in oversight.

Prior to the OPMOM launch, NYCHA allowed property managers to opt in to the pilot. Most property managers chose to participate, while some chose to transfer to developments outside of the pilot. The first step in implementation was to ensure that the management staff at each development was in place. The next step has been to re-engineer the organizational structure at pilot developments to ensure staffing levels are sufficient by:

- Flattening the central office reporting structure for properties
- Empowering property managers to set staffing levels for properties based on personnel budgets and property-specific characteristics and needs
- Allowing property managers to decide on all staff hired for their development, while complying with civil service rules and collective bargaining contracts

### OPMOM Metrics Quarter One, 2015 Sample

Pilot developments have progressed in the first three months

Rent Collection Rate (%) Metric Target: 95		
Jan	Feb	Mar
65.6	68.3	78.0

Apartment Turnaround (Days) Metric Target: 40		
Jan	Feb	Mar
89.8	66.9	59.8

Emergency Service Level (Hours) Metric Target: 24		
Jan	Feb	Mar
21.5	20.1	19.0

Data Source: NYCHA Department of Research Management and Analysis

This is intended to support the bottom-up budgeting process being tested in OPMOM. Instead of allocating funds and charging for central office costs evenly across developments, as is the current model, the budget allocation will be based on a particular development's revenues, its use of central office services, and HUD funding. This new process introduces greater accountability for the property manager to operate within their budget and balance expenses and revenues. NYCHA is supporting property managers with intensive financial training to equip them for this new level of responsibility. OPMOM property managers now work with NYCHA's finance team to build budgets that are reflective of each property's needs, and they will be able to monitor spending and make decisions based on the financial condition of each property.

Property managers are revisiting their work methods and being given new tools to do so. NYCHA has created:

- A balanced scorecard to track metrics and performance at a property in key areas of operations, such as:
  - Maintenance and emergency work order Service Level Agreements
  - Recordable and lost time injury rates to track employee safety

- Occupancy rate and unit turnaround time
- Annual income recertification completion rate
- Resident Association Report Card
- Budget variance report
- Resident rent and fee collection rates for each property
- Detailed monthly financial reporting and reviews with property managers
- More frequent meetings with resident leaders to enable joint decision-making

With the new model, NYCHA is striving to increase staff control and accountability and to improve customer service and resident engagement. As such, NYCHA is committed to reducing service times for basic maintenance to seven days in OPMOM developments over the course of the next year. This metric is a better measure of customer service than work orders, a measurement that often masks the amount of time it requires NYCHA to actually complete repairs. Through OPMOM, the Authority will refocus its performance to measure completion time for a total repair instead of individual work orders.

Furthermore, the Authority values transparency and will communicate performance results by posting the OPMOM balanced scorecard publicly starting in fall 2015, and on a quarterly basis thereafter.

Finally, the OPMOM approach will also allow NYCHA to deepen its embrace of the HUD Asset Management Model and better control central office costs. Under the Asset Management Model, PHAs must monitor and report on the financial, physical, and management performance metrics of their individual housing developments to create accountability for each property. This model is meant to improve public housing in the present and provide a basis for future investment. With a localized property management model and use of the balanced scorecard, the Authority will be better equipped to isolate each development's metrics and report to HUD accordingly.

NYCHA does not want to limit the successes and lessons from the OPMOM pilot to the 18 sites. Instead, the Authority plans to revise policies and procedures portfolio-wide to reflect the best practices from OPMOM and to generate cost savings. NYCHA will begin rolling out successful strategies from OPMOM throughout its full portfolio by the end of 2016.

Alongside OPMOM, NYCHA will make portfolio-wide operations improvements. It will identify appropriate Key Performance Indicators, building upon the OPMOM balanced scorecard, to measure property management performance. To become a more efficient, effective, and modern landlord, the Authority will collaborate with its unions to find ways to create and to maintain responsive public housing operations and infrastructure in the City. The first area of focus will be with the Teamsters Local 237, whose current work rules limit service hours to NYCHA residents at considerable expense to the Authority.

## **Strategy #7:**

### **Pursue a comprehensive sustainability agenda aimed at reducing NYCHA's carbon footprint Existing Conditions**

#### **Existing Conditions**

##### **Recycling**

NYCHA residents generate approximately 190,000 tons of solid waste per year but only 51 out of NYCHA's 328 developments, or 15.5 percent, have designated recycling areas and bins.

##### **Energy and Water Efficiency**

Aging infrastructure and outdated systems render much of NYCHA's public housing portfolio water and energy inefficient. Over the last 12 years, the utility costs for NYCHA properties have more than doubled, from \$268 million in 2002 to \$577 million in 2014. To address skyrocketing utility costs, NYCHA has implemented sustainability initiatives over the past two decades, including an energy efficient refrigerator replacement program, conversion of boilers from heavy heating fuels to natural gas, energy efficiency lighting retrofits, the instantaneous hot water heater program, installation of apartment temperature sensors, and automated heating systems that allow remote monitoring of boilers and building controls. These sustainability initiatives have saved NYCHA tens of millions of dollars in utility costs, but much more can be done.

##### **Superstorm Sandy**

During Superstorm Sandy in October 2012, many NYCHA developments were flooded by inches to several feet of water. At many sites, mechanical, electrical, and plumbing equipment and systems services were damaged beyond repair. A total of 218 residential buildings were impacted by Sandy. To date, NYCHA has completed more than \$200 million of Sandy-related clean-up work and temporary and permanent repairs.

**"NYCHA should...work with HUD to finalize and expand NYCHA's participation in the Energy Performance Contracting Program. This program will retrofit all NYCHA buildings using green energy techniques; reduce NYCHA's carbon footprint, utility bills, and repair and maintenance costs; and, most importantly, improve and invest in the current housing stock."**

**—A Report Card for the New York City Housing Authority (NYCHA): Residents' Evaluation of NYCHA and Recommendations for Improvement, CAAAV: Organizing Asian Communities, Community Voices Heard (CVH), Families United for Racial and Economic Equality (FUREE), Good Old Lower East Side (GOLES), Mothers on the Move (MOM), Urban Justice Center (UJC), 2011**





1.



2.



3.



4.

Photos by NYCHA

1. High-efficiency boilers at Castle Hill Houses 2. Storm water Drainage at Bronx River Houses 3. Green roof at Corsi Houses 4. Instantaneous steam water heater

## Implementation

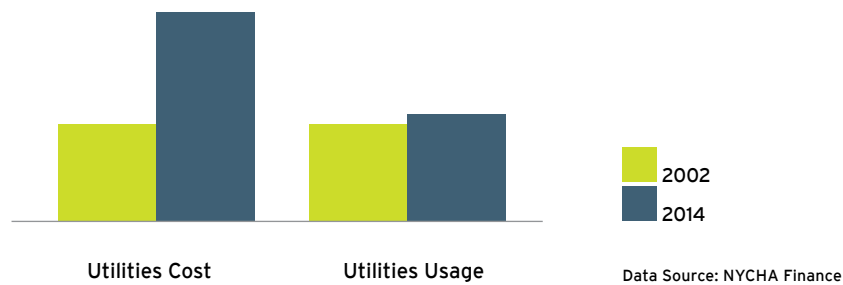
Consistent with the Mayor's **One City Built to Last** plan released in September 2014, NYCHA seeks to reduce greenhouse gas emissions.

## Recycling

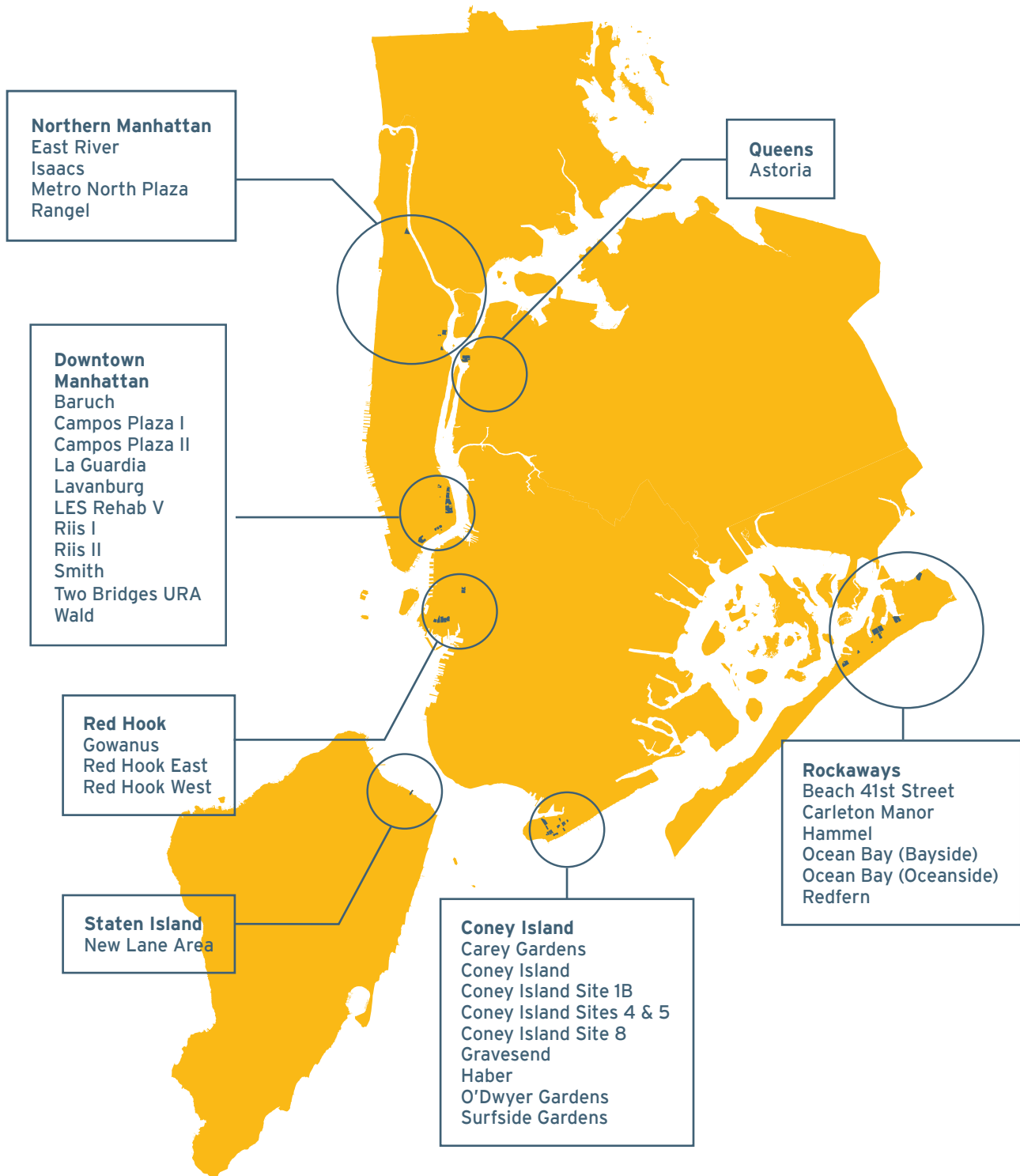
NYCHA is committed to working with the Department of Sanitation (DSNY) to achieve full compliance with the City's recycling law throughout NYCHA developments by the end of 2016.

The Authority will comply by making recycling bins available and designating recycling areas, but will also go beyond to ensure success. NYCHA is working closely

## Soaring Utilities Cost



# Housing Affected By Sandy



Data Source: NYCHA Department of Research and Management Analysis

with DSNY and GrowNYC to develop a community engagement strategy with educational activities, workshops, and events to promote recycling.

In addition to the positive environmental impact, recycling will improve the physical landscape and environmental health for residents. It will also benefit NYCHA employees by creating safer waste collection conditions for employees in the field.

The recycling effort will begin at five NYCHA developments in spring 2015, followed by a rollout to all other NYCHA developments by the end of 2016. DSNY and GrowNYC will partner with NYCHA on the rollout to additional developments.

### **Energy and Water Efficiency**

To address rising utility costs, NYCHA will undertake water and energy efficiency improvements that will reduce energy consumption. Thanks to HUD's innovative Energy Performance Contract (EPC) program, NYCHA will be able to finance the upfront capital costs of such improvements on the basis of the projected utility cost savings they will generate, rather than having to divert NYCHA's scarce capital funding away from other necessary capital repairs.

On April 9, 2015, HUD Secretary Castro, Senator Schumer, and Mayor de Blasio announced a plan for a series of NYCHA EPCs totaling \$100 million, the largest energy savings program of any PHA. The first in the series, expected to involve \$40 to \$60 million of work at more than 87,000 apartments (or 50 percent of NYCHA developments), will target inefficient heating plants and distribution systems. Work on those improvements is expected to begin in 2016.

### **Superstorm Sandy**

NYCHA will be investing an average of \$100 million in improvements at each of the 35 developments significantly impacted by Sandy, largely funded by FEMA. Design work is in progress for all of the developments and is expected to be completed during 2015. Half of the affected apartments have already been repaired, and all impacted playground surfaces have been replaced.

There will be numerous benefits derived from the FEMA funding and the work at Sandy-impacted developments, including:

- Executing other capital repairs along with Sandy-related repairs
- Replacing oil-fueled temporary boilers with gas-fueled boilers, which are cheaper to operate and generate lower emissions
- Enhancing resiliency of developments against future storms and other weather events, beyond just mere rebuilding
- Reinventing how the affected developments look, operate, and feel
- Deploying NYCHA's scarce capital funds to repairs at other properties
- Hiring more than 300 NYCHA residents

## Strategy #8: Increase safety and security at NYCHA developments

### Existing Conditions

In July 2014, Mayor de Blasio launched the Mayor's Action Plan (MAP) for Neighborhood Safety, an initiative to reduce crime in NYCHA developments for the long term. The focus on improving safety in NYCHA stemmed from the fact that, while crime was dropping citywide, violent crime in public housing had soared 33 percent. Though it only houses 5 percent of the City population, NYCHA public housing bears the brunt of the City's shootings (19 percent) and homicides (15 percent). MAP launched with a focus on the 15 public housing developments across the City that drove 20 percent of NYCHA's violent crime.

At the core of the initiative is the recognition that reducing crime requires a multi-pronged strategy. MAP brings together over 10 City agencies, including law enforcement, with community groups and nonprofits, recognizing that crime goes down not only through data-driven law enforcement strategies, but also when physical conditions are improved and neighborhoods are strong.

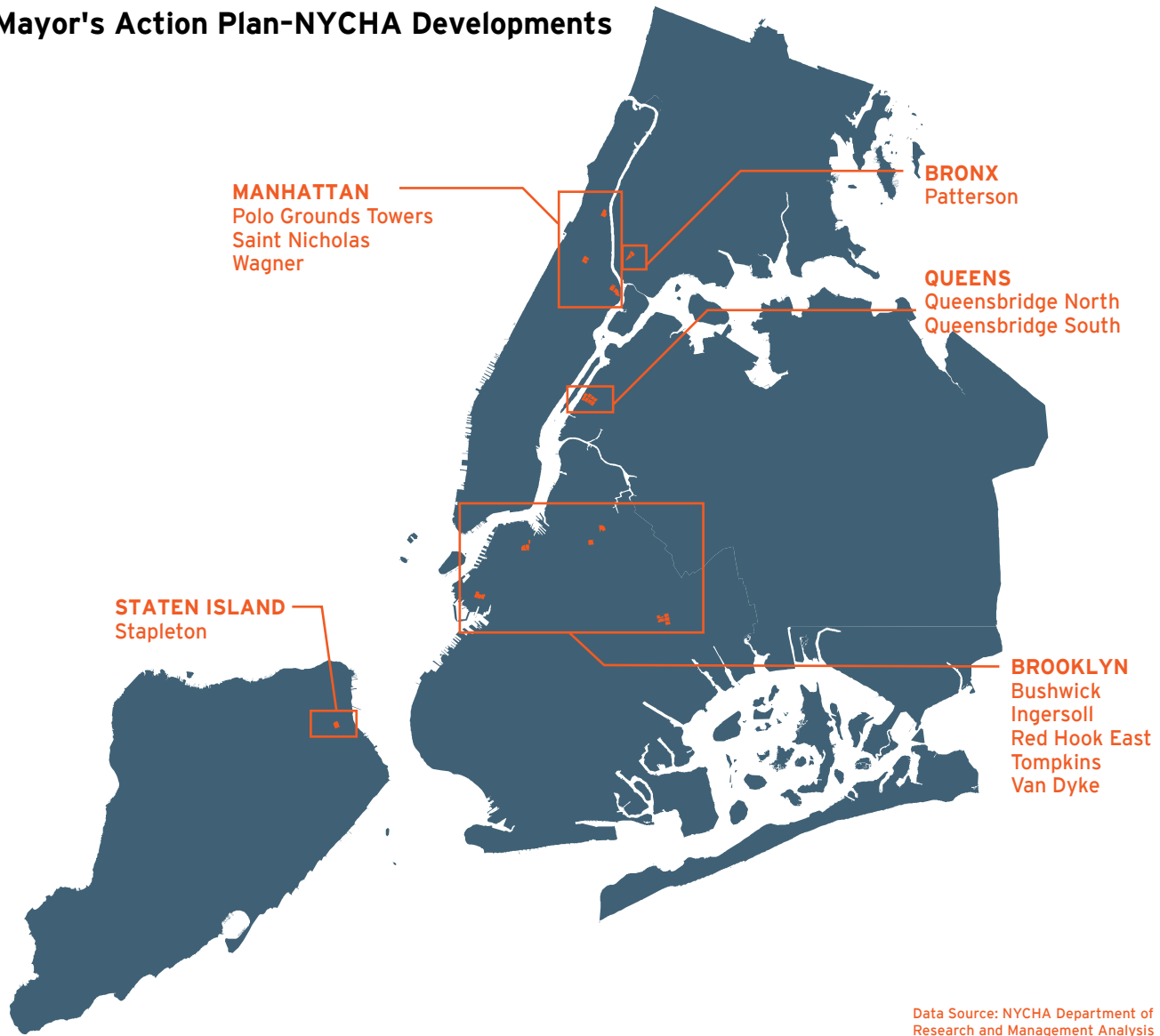
The objectives are to reduce violent crime, prevent crime through environmental design and improved infrastructure, focus programming to support families and intervene before crime occurs, and strengthen neighborhood cohesion overall. Through regular meetings among the participating agencies and monthly "CompStat"-style meetings to review data and track results, the City evaluates its progress in real time to ensure the initiative delivers results.



Photo courtesy of the Mayoral Photography Office

In 2014, through DYCD's Summer Youth Employment Program (SYEP), the New York City Community Expert Program (NYCCEP) hired 30 young adult residents from the NYCHA developments included in the Mayor's Action Plan for Neighborhood Safety. The young adults in the program worked with the Mayor's Office of Operations' Street Conditions Observation Unit Team (SCOUT) and NYCHA's Resident Engagement Department to survey and assess the developments.

## Mayor's Action Plan-NYCHA Developments



### Implementation

NYCHA is partnering with the Mayor's Office of Criminal Justice (MOCJ), the NYPD, and other City agencies to reduce violent crime at NYCHA developments and ensure that neighborhoods are safe and vibrant.

With an initial investment of \$210.5 million, the initiative's accomplishments to date include:

- Placing 184 temporary exterior light towers to improve lighting of public spaces
- Hiring 992 youth through the Summer Youth Employment Program. This includes 30 young people who identified quality of life issues in their developments, including disrepair in fencing, playgrounds, parking lots, and

Safety measures deployed to date through the Mayor's **Action Plan for Neighborhood Safety** have reduced violent crime by nearly 10 percent at the 15 targeted developments.

other public spaces, through work in the City's Street Conditions and Observation Unit

- Serving over 38,292 youth in additional Kids in Motion classes operated by the Department of Parks and Recreation
- Extending the hours of community centers at 105 developments during the summer, including staying open until 11:00 p.m. on weeknights and until 12:30 a.m. on weekends at centers with gyms
- Hiring 86 young adults ages 16 to 24 through programs run by the Center for Economic Opportunity through December 31, 2014
- Linking NYCHA residents to domestic violence support services through the Mayor's Office to Combat Domestic Violence's NYCHA-specific Domestic Violence Response Team, staffed by 10 domestic violence education and outreach professionals; as of April 2015, OCDV had held 160 outreach events
- Allocating additional law enforcement resources on the ground, including officers stationed at community centers

Additional funding has been provided to support grandparents raising young children, outreach to close the benefits gap for individuals eligible for but not receiving public assistance, mentoring services for 200 youth, and recreational opportunities at neighborhood parks.

NYCHA recognizes the importance of building safety strategies based on the expressed needs of the residents, and has worked with its partners to engage residents on these issues:

- Nearly 500 NYCHA residents were surveyed on key neighborhood issues, their biggest concerns, and their recommendations for improving public safety during listening sessions at all 15 developments to ensure that resident voices are heard
- Community-based organizations are working with residents and other stakeholders in the 15 MAP sites and their surrounding neighborhoods to ensure true partnership with the City in improving neighborhood safety. These efforts feature leadership development, identification of top resident concerns, and creation of neighborhood-specific action plans, much of which has built upon the **NextGeneration NYCHA** community visioning model

MAP is committed to accountability and continued evaluation to track how effectively its programs and interventions reduce violent crime. Through regular "NeighborhoodStat" meetings, MAP engages NYCHA residents in an ongoing evaluation of the initiative's progress, using data to make real-time adjustments to City services, programs, and interventions to ensure that resident voices are heard, violent crime continues to decrease, and the quality of New York City's neighborhoods continues to improve. MOCJ is also identifying mechanisms to

track the impact on neighborhood cohesion and is developing tools to ensure that resident voices are reflected in assessing quality of life impacts.

The capital contribution from the Mayor and the City Council, and an additional investment of \$101 million in asset forfeiture funds, have been secured to fund CCTV cameras, layered access, and lights in all 15 developments in 2015, ensuring full security upgrades in NYCHA developments experiencing some of the highest levels of violent crime.

Citywide, NYCHA will integrate principles of Crime Prevention through Environmental Design (CPTED), a multi-disciplinary approach to deterring criminal behavior through environmental design, in the inception of all capital projects. These CPTED principles may shape everything from the small scale, such as the use of shrubbery and vegetation, to the large scale, promoting an increased use of public space and presence.

As NYCHA and the City continue their focus on the 15 housing developments initially targeted by the Mayor's initiative, the most promising interventions and programs will be deployed to other housing developments citywide, with ongoing and rigorous research and evaluation. Solutions such as resident-police engagement for targeted interventions at neighborhood hot spots; infrastructure improvements, including illuminating dark streets and walkways; and deploying behavioral economics "nudges" to address resident concerns such as broken door locks are among the public safety innovations that will take place to ensure that NYCHA neighborhoods are safe, clean, and connected.

**City MAP Partners** Led by the Mayor's Office of Criminal Justice, the Mayor's Action Plan for Neighborhood Safety partners with the New York City Housing Authority, the New York City Police Department, the Department of Youth and Community Development, the Mayor's Office to Combat Domestic Violence, the Department for the Aging, the Department of Probation, the Center for Economic Opportunity, the Human Resources Administration, and the Department of Parks and Recreation.

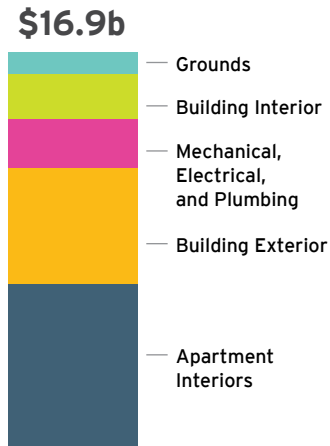




# GOAL #3

**(RE)BUILD, EXPAND,  
AND PRESERVE  
PUBLIC AND AFFORDABLE  
HOUSING STOCK**

## 5-Year Unmet Capital Needs



Data Source: Calculations based on NYCHA Physical Needs Assessment, 2011

Note: NYCHA will complete a new PNA by the end of 2017.

# Strategy #9: Devise a capital planning strategy to address portfolio-wide needs

## Existing Conditions

In 2001, when federal disinvestment in NYCHA began, NYCHA buildings were almost 40 years old, on average, and critical building systems were failing or were in need of replacement. Over the ensuing 14 years, annual capital allocations declined steadily to where NYCHA has been unable to fund the comprehensive rehabilitation of its buildings and address its failing infrastructure. Forced to adapt, NYCHA has stretched insufficient funds across a vast real estate portfolio, spending capital funds for selective upgrades, with a focus on developments that have the highest density of residents. As such, NYCHA could only afford to fix a fraction of the systems or structures that had failed or were on the verge of failure.

Today, more than 60 percent of NYCHA's buildings are 50 years or older. More and more systems are in need of complete replacement, and capital funding has reached a historic low. The continually aging infrastructure and a lack of investment have resulted in a five-year unmet capital need of approximately \$16.9 billion in 2015. With such a severe shortage in capital funds, NYCHA has not been able to pursue a comprehensive strategy to plan capital upgrades across the entire portfolio. The agency addresses buildings selectively instead of comprehensively, and it does not have a longer-term strategy to guide the capital planning decisions that become critical as funding dwindles.

## Implementation

This initiative sets a path to preserving the NYCHA portfolio. The goal of the capital planning strategy is to make the most effective use of limited funds by ensuring all decisions regarding investment of capital are based on well-defined criteria and all aspects of managing the portfolio, including capital construction and daily maintenance and operation, are aligned.

The capital planning strategy is based on four factors:

- Degree of building deterioration
- Operational efficiency
- Availability of underutilized, vacant land
- Potential to leverage multiple funding sources

Each development in NYCHA's portfolio has been analyzed through these four data points and then assessed comparatively. With this assessment, NYCHA can make

rigorous, data-centered decisions on which developments to target for limited repairs versus comprehensive rehabilitation, which developments operate more efficiently and are not in need of major capital investments, and which developments could leverage other funding sources with their NYCHA funding. This capital planning approach also reveals where alternative funding, beyond HUD capital dollars, needs to be pursued, or where there exist revenue-generating opportunities to yield more capital dollars. For example, the \$3 billion in FEMA grants for the 35 Sandy-impacted developments will (1) address pre-existing unmet capital needs of \$875 million and (2) facilitate resilient reinvention of those campuses, all while freeing up limited federal funding for other developments.

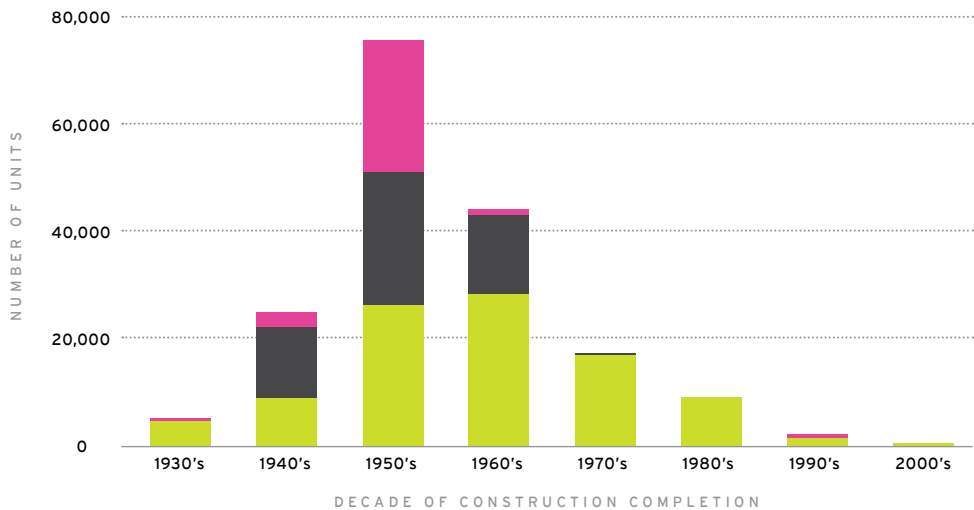
NYCHA has begun to employ this portfolio-wide capital planning strategy in drafting the 2016 five-year capital plan. The capital planning strategy will also inform the property management level and day-to-day decisions. NYCHA will also fold this capital planning approach into the creation of its 2016 Annual Plan for HUD as it continues to refine the strategy over the next several years.

In the near term, NYCHA will seek capital support from the City and State to fund a vital roof replacement program at those developments with the highest amount of leaks, mold, and painting requests. The City has committed to funding \$100 million per year for the next three years and NYCHA calls on the State to match the funds. With a total of \$600 million over the next three years, NYCHA will complete repairs on the worst roofs in the portfolio, addressing one of the primary causes of mold. Indeed, in developments where roofs have been replaced, work tickets normally associated with mold abatement work have decreased by an average of 56 percent.<sup>6</sup> The City's first \$100 million will be spent on replacement roofs at 66 buildings housing nearly 13,000 residents.

## Age of NYCHA Units

- City-Built Units
- State-Built Units
- Federal-Built Units

Data Source: NYCHA Department of Research and Management Analysis



6) This average is based on work order reductions at three developments where capital improvements projects took place. NYCHA compared all wall-related work tickets from two years prior to construction to two years following construction at Armstrong, Marlboro, and Johnson Houses.

## Strategy #10: Provide underutilized NYCHA-owned land to support the creation of affordable housing units

### Existing Conditions

NYCHA is one of the largest landowners in New York City. The Authority owns property in all five boroughs, nearly 2,500 acres, that is organized into 328 separate developments. A significant component of the portfolio is characterized by “Tower in the Park” design, campuses that contain sufficient, underutilized spaces to add new residential buildings.

Between 2004 and 2014, approximately 6,000 affordable renovated or new units were constructed or planned for underutilized NYCHA sites. In 2014, financing closed for 499 units. Today, 959 units are under construction. NYCHA has facilitated the construction of both senior and family buildings, most of which are equipped with community facility space and have an on-site superintendent. After the construction of new housing on former NYCHA property, NYCHA residents have received a preference to live in the new, affordable buildings. New buildings are owned and managed by private affordable housing development teams; NYCHA does not operate the new projects.

Development on NYCHA sites has not only brought affordable housing opportunities to public housing neighborhoods but other much needed amenities. Community centers, schools, a park, and grocery stores have been built or are planned on NYCHA sites.

In addition, NYCHA’s large land holdings across the five boroughs contain value. The potential value of underutilized land, such as parking lots and trash areas, can be harnessed to reinvest into existing NYCHA housing and bring properties back to a



Photo courtesy of Metropolitan Council on Jewish Poverty

**Council Towers VI** is an eight-story building with 78 one-bedroom supportive housing units at the Pomonok Houses in Queens. All units are reserved for residents age 62 and older, earning no more than 50 percent of the AMI. This building was developed by the Metropolitan Council on Jewish Poverty under the HUD Section 202 program for supportive older adult housing. NYCHA provided the land and the the City’s HDC provided construction financing through an HDC First Mortgage. The City’s HPD provided additional funding through the federal HOME program, the Federal Home Loan Bank Board of New York contributed permanent financing, and Enterprise Community Partners provided financing through LIHTC.

## Affordable Housing on NYCHA Land



BEFORE: Parking lot at Ninth Avenue and West 25th Street

Photos by NYCHA



AFTER: The Elliot-Chelsea, a 168-unit residential building for low- and middle-income households, completed in 2012

state of good repair, or assist NYCHA with operating deficits. The sites could also provide an opportunity for market-rate units to cross-subsidize affordable housing units on the site. NYCHA could generate revenue from its existing holdings while providing additional affordable housing units.

## Implementation

All new development would involve a transparent resident engagement process at developments, where all stakeholders can provide input and take part in deciding what is brought to their communities.

## 100% Affordable Housing Program

NYCHA will play a key role in achieving the goals set forth in Mayor de Blasio 's 2014 **Housing New York: A Five-Borough, Ten-Year Plan**. Over the next 10 years, The Authority is committing to the creation of 10,000 units of affordable housing or 12.5 percent of the new construction goal outlined in **Housing New York**. NYCHA will partner with the City's Department of Housing Preservation and Development (HPD) and Housing Development Corporation (HDC) on the planning, development, and ground leasing of its sites.

Typically, new development sites will be underutilized, street-facing areas currently used as parking lots, trash areas, or storage sites. New construction will be subject to the following conditions:

- No displacement of existing NYCHA residents
- Efficient new building footprints
- New buildings will not block sight lines between front doors of existing NYCHA buildings and the public sidewalk

In addition, NYCHA will identify sites based on proximity to neighborhoods of planned City rezonings and ability to leverage other public investments.

Based on a preliminary analysis of a portion of the portfolio, the Authority has several acres of potential development sites throughout the five boroughs to support construction of 10,000 new affordable apartments. The new construction programs will include a mix of uses, where possible, as well as units sized for smaller households, such as senior households, with the goal of creating homes for all NYCHA residents while freeing up currently under-occupied units for larger households in need.

NYCHA estimates that this program could generate \$100 to \$200 million over the next 10 years, which would be reinvested into the adjacent developments and the Authority itself. In the near term, the Authority will release RFPs for the first three **NextGeneration NYCHA** sites.

## **50% Affordable Housing / 50% Market Rate Housing Program**

NYCHA has a limited number of vacant or underutilized sites within developments with potential marketplace value. By working with residents and requiring 50 percent of units to be affordable and 50 percent to be targeted to market-rate tenants, these sites could offer unique opportunities to deliver community amenities and significant capital repairs to the surrounding NYCHA development, while also securing the Authority's financial future.

NYCHA would ensure that these new developments would have 50 percent of new units dedicated to families earning no more than 60 percent of AMI (approximately \$46,600 for a family of three in 2015).

Based on a preliminary analysis, NYCHA estimates that this program could generate \$300 to \$600 million over the next 10 years, which would be dedicated to improvement projects in the adjacent development and to ensuring the Authority's financial sustainability.

# Mixed Use at NYCHA Developments



Image courtesy of Harlem RBI

## East Harlem Center for Living and Learning

A former parking lot at Washington Houses in East Harlem will be home to the East Harlem Center for Living and Learning, a mixed-use development that includes 88 affordable apartments; office space for Harlem RBI, a non-profit specializing in after-school programs for students; and the new DREAM Charter School, serving grades K-6. Harlem RBI and Jonathan Rose Companies are the developers for this project, which is expected to finish in 2015. Preference for 22 units of housing has been given to NYCHA-affiliated applicants, with NYCHA Washington Houses residents having first priority. Many NYCHA residents, community members, and neighborhood organizations have been instrumental in the planning of this development.

“Harlem RBI and DREAM Charter School presented us with the first-ever opportunity to both improve educational outcomes for our children and upgrade living conditions for our families within a single innovative community development for the neighborhood,” said Marietta Palmer, former Washington Houses Resident Association President. “Residents gave our full approval for this project, as we saw the value it delivers in the form of new technologies in classrooms, a safe and better commute for students, and improved public housing for our citizens. We welcome more opportunities like this one.”

## Arbor House

A corner lot at Forest Houses in the Morrisania neighborhood of the Bronx, which included a seating and picnic area, is now home to Arbor House, an award-winning 123-unit affordable housing development available to households earning no more than 60 percent of AMI. Arbor House, developed by Blue Sea Development Company and completed in 2013, has amenities such as an indoor gym and an outdoor recreation area with modules for different exercise routines. It also includes an underground parking garage, a community room, and a rooftop hydroponic farm operated by Sky Vegetables. The farm produces around 100,000 pounds of fresh vegetables annually, which are available to community residents. Preference for 31 units of housing has been given to NYCHA-affiliated applicants, with NYCHA Forest Houses residents having first priority.



Photo courtesy of Blue Sea Development Company

# Strategy #11:

## Leverage HUD programs to preserve housing

### Existing Conditions

Over the last 14 years, while HUD funding for public housing has declined dramatically, HUD has introduced new ways to finance public housing properties. The Section 8 program was initiated by Congress in 1974. Section 8 provides Housing Choice Vouchers (HCVs) to eligible tenants and property owners: tenants pay private landlords a portion of their income toward rent, and the HCV subsidizes the rest. Today, NYCHA is the largest administrator of the HCV program nationally. Over 213,000 tenants are served through the subsidized rental of 88,000 privately-owned apartments in the Authority's Section 8 program.

In 2012, HUD created the Rental Assistance Demonstration (RAD) program, which is a tool for PHAs to leverage private funding by converting public housing subsidy into Section 8 rental assistance; through this conversion, the funds can also be used to make capital upgrades to properties. The Section 8 program and RAD have been used by public housing authorities across the nation to preserve their housing stock. For example, San Diego converted its entire public housing portfolio to Section 8 due to the challenge of operating public housing units in an environment of persistent funding cuts. HUD has also worked with several housing authorities, such as Chicago and San Francisco, to secure approvals for a combination of RAD Section 8 conversions and traditional Section 8 conversions to better address the needs of broader public housing portfolios.

NYCHA has identified properties that could potentially be addressed with alternative HUD programs, including the 6,380 scattered site units and about 9,000 units in traditional Tower in the Park buildings with extremely high capital needs, considered by HUD to be obsolete. Together, these 15,000 scattered-site and obsolete units represent only 8 percent of NYCHA's total real estate portfolio, but 18 percent of NYCHA's total \$16.9 billion unmet capital need.

In addition, 4,962 City- and State-built units remain unconverted and unfunded from NYCHA's 2010 "Federalization" transaction. These units were built by the City and State but no longer receive operating or capital support. NYCHA currently obtains additional subsidy for approximately 100 to 300 units annually through the use of project-based Section 8 vouchers when there is turnover of a unit; however, several thousand are still unsubsidized.

### Implementation

With diminished funding for public housing projected, and faced with an unmet capital need of \$16.9 billion, NYCHA will explore with HUD the possibility of



leveraging the full range of Section 8 programs to preserve the portfolio, while ensuring that affordability and tenants' rights are maintained. NYCHA will engage with residents and advocates as proposals relying on new HUD financing are prepared. In any scenario, NYCHA will:

- Retain all key decision-making authority
- Impose affordability terms beyond 50 years
- Ensure a full property renovation program
- Remain in full control of the rehabilitation process
- Guarantee that residents' rights are preserved at an equivalent standard to those already available to households living in public housing

To start, NYCHA will convert approximately 1,400 public housing units at Bayside Apartments in Far Rockaway to project-based Section 8 through HUD's RAD program. Through RAD, the units will undergo comprehensive rehabilitation, leading to operating savings for NYCHA and a reduction in overall capital need measuring \$87 million.

The Authority will then prioritize the 15,000 scattered-site and obsolete units that represent some of the highest capital needs for preservation utilizing HUD programs.

Lastly, NYCHA will work with HUD to implement a program to obtain rent subsidy for the 4,962 unsubsidized units, which is projected to contribute nearly \$60 million per year to the Authority's operating budget.

## Strategy #12:

# Adopt practices of design excellence to improve the quality of NYCHA's interior and exterior spaces

### Existing Conditions

Deferred maintenance and capital repairs have accelerated the deterioration of NYCHA's aging buildings, and past missteps in maintenance and operations have caused code violations to mount and unsafe, problematic conditions to arise. Given budget shortfalls, which result in a focus on immediate repairs rather than long-term design interventions, consistent, high-quality design has been difficult to achieve. NYCHA residents deserve a safe and healthy environment, but they should also have inviting communal spaces that create a sense of ownership and pride.

In the past, NYCHA developed and followed design guidelines and specifications. For various reasons, including changes in staff, failure to institutionalize a design doctrine, and lack of systematic updates to NYCHA's governing design documents, these past attempts have not been sustained. While NYCHA design staff strive to include contemporary best practices of resident-centered design into projects within their individual portfolios of work, those individual efforts are neither coordinated nor continual. When NYCHA has an opportunity to build or renovate, the end product often looks no more contemporary than the buildings in NYCHA's classic superblocks.



Highbridge Houses is one of NYCHA's many Tower in the Park developments

Photo by NYCHA

Precedents for design excellence in public housing abound globally—from Austria, to Singapore, to Spain. Recognizing past and continuing challenges, New York City’s public housing—NYCHA buildings and campuses, old and new—can and should provide welcoming, well-functioning homes.

## Implementation

The next generation of NYCHA will be characterized by design excellence in buildings and on campuses. NYCHA seeks to define overarching design principles; create consistent, resident-focused design guidelines; and develop standards and specifications to promote excellence in renovations and new construction.

NYCHA will define overarching design principles to guide all future work on NYCHA properties. These principles will drive toward the goal of creating safe, clean, and connected NYCHA communities and housing, and they will set the bar for what and how NYCHA builds as it moves forward. They will also establish maintenance and operations guidelines for the efficient use and upkeep of rehabilitated spaces. NYCHA will develop these design guidelines in collaboration with other City agencies, as well as with the input of residents and the wider design community, to ensure coordination, consistency, and creativity.

The design principles will focus on the following:

- Integrating NYCHA with surrounding communities
- Creating safe, accessible, and attractive housing
- Building facilities that are high quality, durable, and easy to maintain
- Attracting the best designers, architects, and engineers to work at and with NYCHA
- Activating the ground floor (see Strategy #3)

NYCHA has already begun drafting its design principles, guidelines, standards, and specifications, and developing pilot design interventions. NYCHA has engaged with architectural and engineering firms, nonprofit organizations, academic institutions, foundations, and other government agencies to help achieve the goal of design excellence. NYCHA will continue to seek input from residents about how design improvements can make their homes safer, cleaner, and better connected.

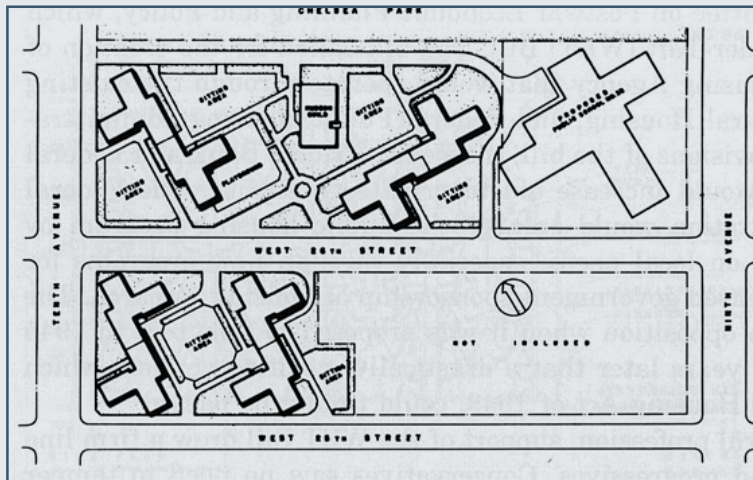
In the near term, through these collaborations, NYCHA will draft design guidelines for new development that are tailored to NYCHA campuses. These guidelines will be an important part of every RFP for new construction. The Authority will also launch a peer review program utilizing pro bono services from architecture and engineering firms. NYCHA sought and received guidance from the Department of Design and Construction and the School Construction Authority and will model its program after their successful design peer review programs.

# Tower in the Park

The Swiss-French architect Le Corbusier developed and promoted the “Tower in the Park” master urban plan as a solution to overcrowding and pollution that would increase the quality of life for residents of urban areas. His planning philosophy was most famously published in “The Radiant City” in 1935. His planning model promoted segregation of uses—housing, factories, and business centers, for example—and dictated that residents be housed in numerous high-rise buildings that were each surrounded by green open space in “superblocks” that are much larger than a standard city block. Le Corbusier’s ideas were actualized during the urban renewal era of

the 1950s and 1960s when NYCHA and other housing authorities across the United States used this model to develop new public housing en-masse. Jane Jacobs, an activist and resident of Greenwich Village, argued in her 1961 book, “The Death and Life of Great American Cities,” that cities should have mixed uses and short blocks that would encourage high pedestrian activity and natural surveillance, or “eyes on the street.” She argued that the unnatural Tower in the Park model devastated communities through isolation. Many of NYCHA’s developments are of the Tower in the Park model.

## Elliot Houses, Manhattan



- Completion Date: July 15, 1947
- Borders are West 25th Street, Chelsea Park, Ninth Avenue, Tenth Avenue
- First post-war housing development
- 4 buildings - 11 and 12 stories
- 4.7-acre development
- 589 apartments housing approximately 1,420 residents
- First structural concrete and cavity wall construction

# GOAL #4

**ENGAGE RESIDENTS AND  
CONNECT THEM TO  
BEST-IN-CLASS SERVICES**

## Strategy #13

# Transition from direct service provision to a partnership-based model and transform resident engagement

### Existing Conditions

A core component of NYCHA's mission is to facilitate residents' access to social and community services. Throughout its history, NYCHA has interpreted this imperative to mean providing a combination of direct and contracted services and programs to residents. NYCHA has long provided services for residents, including case management, summer meals programs, gardening and greening, youth-serving community centers, arts and sports programs, and senior center services.

While NYCHA has remained steadfast about ensuring high quality services to residents, three fundamental flaws exist in the current service provision and engagement model:

- Funding for service provision has not been reliable, which renders the model financially unsustainable
- The range of services that NYCHA offered has been limited in scope and innovation
- Ineffective communication with residents regarding their needs and services

NYCHA does not receive dedicated federal funding to support community-based programming at the developments. Rather, NYCHA has been forced to make difficult decisions to offer services to residents, including diverting funds needed from maintenance and repairs and other operational functions. This has led to uneven service provision, stunted planning and implementation, and has inhibited proactive, planned innovation in program development and service delivery. Due to insufficient funding, NYCHA has been forced to downsize staff and limit the breadth of services. Only by collaborating with City agencies like DYCD and DFTA, as well as with community-based organizations, have services continued. For example, in 2009, NYCHA downsized 200 community center staff and closed 25

**“While NYCHA has a long history of delivering services to residents, service delivery is neither its core function nor its core competency. At the same time, other agencies are able to provide higher quality services at greater scale.”**

**-Resident Services Framework, study by Public Works Partners and Community Resource Exchange, 2013**



NYCHA residents participating in programming at Richmond Community Center, Parkside Community Center, and Polo Grounds Senior Center



Photos by NYCHA

community centers, which were reopened by DYCD. In 2013, when faced with additional funding challenges for community programs, NYCHA effectively collaborated with DYCD and DFTA to maintain services at 45 community centers and four senior centers in danger of closing.

The range of services that NYCHA has been able to offer residents has been limited in scope and innovation. Most of NYCHA's programs and services are based in community centers and senior centers. Although these programs maintain the virtue of tradition, they have not been evaluated or updated to ensure that they achieve measured outcomes or meet the most pressing needs of today's NYCHA residents.

Finally, NYCHA's inadequate resident engagement framework has contributed to its fragile relationship with residents. NYCHA engages with residents in a variety of ways that build upon the HUD regulation stating, "residents have a right to organize and elect a resident council to represent their interests."<sup>7</sup> Yet of NYCHA's 328 developments, only about 200 have functioning resident associations, meaning that almost 30 percent of NYCHA's residents, or some 120,000 people, lack representation.

Furthermore, HUD regulations allow for the resident council presidents to convene and form a jurisdiction-wide organization, "which can represent the interest of residents residing in units under a [PHA's] jurisdiction," and advise the Board of Commissioners on "operations, including but not limited to occupancy, general management, maintenance, security, resident training, resident employment, social services and modernization priorities."<sup>8</sup> NYCHA's Citywide Council of Presidents (CCOP), the Resident Advisory Board (RAB), and existing tenant associations are important leadership bodies but they vary in quality and capacity. Traditionally, leadership has been concentrated in the hands of a vocal few, leaving the vast majority of residents without an entry point into discussions about the Authority and their developments.

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7) 24 CFR § 964.11 HUD policy on tenant participation

8) 24 CFR § 964.105 Role of the jurisdiction-wide resident council



NYCHA residents gardening at Milbank-Frawley Houses and New Lane Shores

Photos by NYCHA

Robust training and capacity-building is necessary to equip these resident groups to be more effective, and to ensure strong mutual engagement between the Authority and residents.

## Implementation

To meet the challenges of funding deficiencies and service delivery model limitations, NYCHA will begin by integrating its direct service provision with other City agencies. Specifically, starting in July 2016, DYCD will begin to operate 24 community centers and DFTA will begin to operate 17 senior centers. The staff associated with these centers will be transferred to other City agencies. NYCHA will continue to operate 15 senior centers throughout 2015 and will engage with residents and community stakeholders to conduct an RFP process and identify providers in 2016. Through this interagency collaboration, NYCHA will better ensure high quality and financially sustainable services for residents. The Authority will also reinvest the \$16 million of annual savings into its operations.

NYCHA will continue its transition from direct service to a partnership-based model by adopting a new coordination model for all resident services. The Authority has experience with this coordination model for workforce development services, specifically, through its REES program (see Strategy #15). REES coordinates workforce providers and training opportunities, connecting residents to financial literacy and public benefit providers, facilitating public and private partnerships to support training and incubation of NYCHA entrepreneurs, and partnering with residents, Resident Association leaders, service providers, and funders to create and connect residents to economic empowerment opportunities.

The third element of this transition will be a new resident engagement model. NYCHA recognizes and appreciates the value of effective resident engagement to improve operations and provide “real-time” feedback to management. This is why in the summer of 2014, NYCHA developed a new model of engagement that worked with existing elected resident leaders but also sought to engage new residents. By partnering with community organizing groups, NYCHA and its partners canvassed residents in Ingersoll, Mill Brook, and Van Dyke Houses about their local issues and



concerns. In September, more than nine meetings and 900 residents were convened. The results of their work and their stated priorities were published in Community Vision Plans. The communities have been implementing the short- and long-term goals in their Visions through monthly committee meetings.

Going forward, the Authority will seek to ensure all NYCHA developments have a functioning elected resident association. NYCHA will do this by partnering with existing resident leadership and community organizations to develop capacity for local governance. Second, NYCHA will develop a Resident Leadership Training Academy based on successful models in St. Louis, Boston, and Washington, DC. Finally, NYCHA will conduct an overhaul of the process, use, and access to Tenant Participation Funds, including publishing quarterly the amounts of all available funds on a development-by-development basis.

Residents of Throggs Neck Houses and NYCHA staff work together at a community clean-up day



Photo by NYCHA

Collective Impact is a commitment of a group of actors from different sectors, including residents, to a common agenda and clearly defined goal, for solving a complex problem. Conditions of Collective Impact success include:

- Joint agenda and shared vision
- Common measurements that are clear and time bound
- Mutually reinforcing activities for improvement toward goals
- Ongoing communication and feedback loops
- An independent, funded staff dedicated to the initiative (backbone)

Data Source: FSG, Inc. 2015. For more information, visit: [www.fsg.org](http://www.fsg.org)

## Strategy #14

# Attract philanthropic dollars for resident services through the creation of a nonprofit 501(c)(3)

### Existing Conditions

Service provision from NYCHA to its residents originates from several departments across the Authority. The social and community services that NYCHA provides are not directly funded by HUD; instead, NYCHA stretches the residential unit operating subsidy from HUD, taps Tenant Participation Funds, and applies for limited City and philanthropic grants to support its service provision. As a government entity providing direct services, NYCHA is limited in a variety of ways: it does not have the operational flexibility to facilitate best-in-class service provision, to create partnerships and networks of providers, or access the full range of funding available from the private and nonprofit sectors.

### Implementation

To respond to the three fundamental flaws described in Strategy #13, NYCHA will create an independent, nonprofit 501(c)(3) affiliate to support its transformation from a direct service provider to a partnership-based model, also known as a collective impact framework. This structure will provide operational flexibility and the ability to leverage philanthropic dollars and activate innovative partnerships to support resident services.

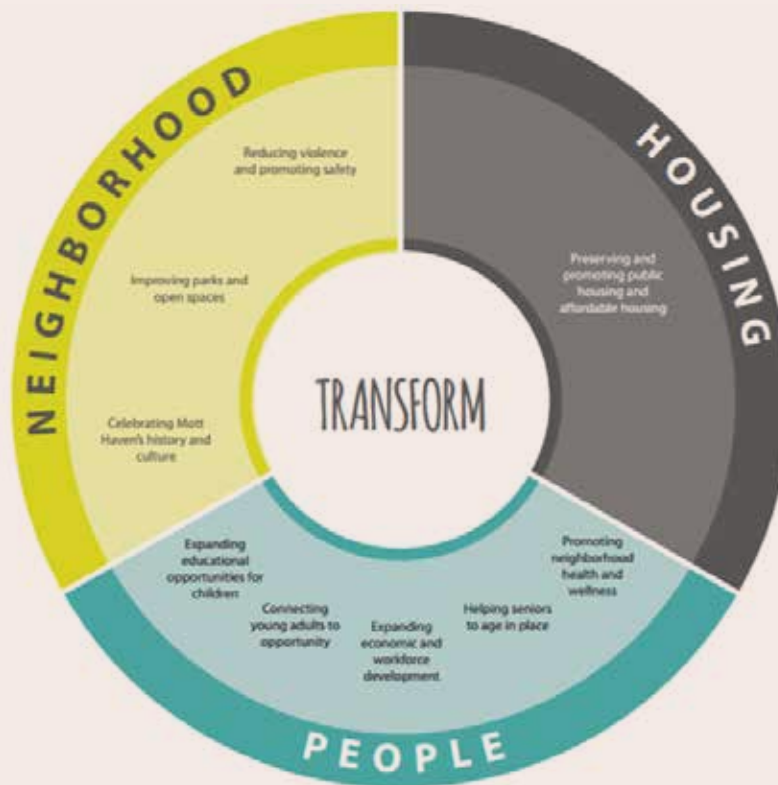
The 501(c)(3), called the Fund for Public Housing (The Fund), will achieve the following in response to NYCHA's current lack of sustainable funding, limited range of services and innovation, and fractured relationship with residents:

- A partnership model eliminates the financial burden on NYCHA to be both effective and efficient landlord and primary service provider. The Fund will invest in new and existing partnerships to create a network of services for residents.
- Increasing operational flexibility will improve innovation and the scope of services available to NYCHA residents. The Fund will allow for a more creative approach to partnership, fundraising, and service delivery. By consistently measuring both the outcomes and impacts of resident services, the Fund and the partners can ensure excellence in service delivery and communication by incorporating feedback and adapting services.
- Residents and communities are part of any partnership framework. The Fund will support NYCHA's new resident engagement model by collaborating on the

# Choice Neighborhoods in Mott Haven

In 2012, NYCHA was awarded a \$300,000 Choice Neighborhoods Initiative planning grant from the U.S. Department of Housing and Urban Development (HUD) to create a master revitalization plan for the Mott Haven neighborhood of the South Bronx. The resulting Transformation Plan is the guiding document for the revitalization of public housing and improvement of the surrounding neighborhood.

From 2012 to 2014, NYCHA partnered with multiple stakeholders in the development of the Make Mott Haven (MMH) plan. Convening stakeholders to identify strategies for neighborhood transformation, including leveraging high quality housing, academic opportunities, community programs, and potential investments was central to the collective planning process. Over 6,000 people participated in 78 visioning and planning sessions to identify community assets and forthcoming investments and examine unmet needs to establish a shared vision and collective goals. MMH partners, with NYCHA as the backbone of the collective, defined the priorities, roles, and level of accountability each stakeholder will contribute to Mott Haven's neighborhood transformation. This process yielded investments from partners totaling nearly \$300 million, both in dollars and services. Reflecting the definition of collective impact, the planned interventions will cross multiple sectors for coordinated implementation. The interventions fall into three focus areas:





Community members at St. Mary's Park during a Mott Haven clean-up day

Photo by NYCHA

## People

Educational opportunities; workforce development; and affordable, high quality healthcare are integral parts of a thriving neighborhood. NYCHA looked to leaders in these fields to determine the major interventions in these sectors and will coordinate the interventions over the next five years.

The Choice Neighborhoods Initiative will bring an expansion of literacy programming to Mott Haven schools, the creation of a new Community School, and additional pre-kindergarten sites. MMH focuses on program expansion to serve students during critical junctures in their lives: pre-kindergarten, third grade, middle school, and high school. Innovative programs for parents and students that focus on health, safety, and flexible curricula will require a collective approach, and will focus on positive outcomes for youth in Mott Haven.

Residents, multi-service providers, and the business community will interact in new ways through REES, increasing residents' access to information through multiple venues—from individual connections to an online web portal and referral system. NYCHA's partners will streamline services, remove duplication, and add capacity to fill identified gaps in training and service delivery.

NYCHA strives to facilitate the growth of healthy communities where residents have access to quality, affordable healthcare and wellness programs. MMH partners will work with NYCHA residents to reduce chronic disease rates by increasing health knowledge and implementing best-in-class wellness and fitness programs. NYCHA will contribute to these efforts by using active design principles in its renovations and construction that encourage physical activity.



Images courtesy of James McCullar Architecture

East 146th Street is gated and cut off to external vehicular traffic. During the day, the street is used by residents as a plaza, but at night the street is a dark, empty alley where criminal activity often takes place. It is currently a fire lane and not in the city grid. To enhance safety and allow for better use of the open space, the planned street transformation incorporates a moveable gated entry that will be operated at the discretion of development resident leaders. It will allow the space to be a pedestrian path during the day and a vehicular road after dark. Transparent lobbies at building entrances along East 146th will also increase "eyes on the street."

### Mott Haven Choice Neighborhoods Initiative

- CNI "Catchment Area"
- CNI "Target Area"
- NYCHA Development



Data Source: NYCHA Department of Research and Management Analysis

**A backbone organization convenes and supports the cross-sector group of partners using collective impact to solve a complex problem.**

Six common backbone activities:

- Guide vision and strategy
- Support aligned activity
- Establish shared measurement practices, and support data collection and analysis
- Build public will
- Advance policy
- Mobilize funding

Source: Turner, Shiloh; Kathy Merchant, John Kania, and Ellen Martin. "Understanding the Value of Backbone Organizations in Collective Impact." July 18, 2012. Stanford Social Innovation Review.

DOHMH, with NYCHA, will create a walk-in health hub for South Bronx residents that will improve connectivity and service coordination between local health providers and residents to provide high quality, clinically appropriate services.

## Housing

NYCHA will create new affordable housing, preserve the existing public housing stock, activate commercial spaces, redesign open spaces, and ensure public housing developments are integrated into the urban landscape. The plan includes redesigning the streetscapes and public spaces to be more pedestrian-friendly. Through the use of an interconnected network of sidewalks, streets, and open space, redesigned neighborhoods will provide opportunities for recreation in appropriate settings, and defensible space—"eyes on the street." NYCHA has identified three sites for affordable housing and mixed-use development on underutilized land to create approximately 291 new affordable units. The sites will provide an opportunity to build much needed community and commercial space and create additional quality affordable housing. Building plans take into account the current landscape, proposed nearby development and rezoning, and resident needs. The plan also includes rehabilitation (with residents in place) of almost 500 current public housing units.

## Neighborhood

Increasing safety, specifically through the reduction of gun violence, is the most important aspect of neighborhood transformation for most residents of Mott Haven. NYCHA partners will expand Cure Violence programs built on place-based crime-deterrence strategies. East 138th Street will be the gateway to open space improvements, community programming, and beautification—proven crime reduction tactics. MMH health initiatives and social networks will facilitate residents' use of the supermarket, health programs, and active-living resources that are planned to be housed in the new developments. Additionally, NYCHA and its partners will use the Mitchel HUB to connect Mott Haven residents to outdoor cultural activities that grow out of the Roberto Clemente Plaza transformation to help sustain a lively neighborhood. MMH aims to create a safe, thriving community that will be sustained by established anchor institutions.

launch of a Resident Training Academy to develop the capacity of both current and emerging leaders.

The Fund will have five areas of focus. These focus areas reflect the results of the implementation committees that evolved from the Community Visioning sessions at Van Dyke, Ingersoll, and Mill Brook Houses.

1. Youth & Education
2. Health & Wellness
3. Human Capital Development
4. Age-Friendly Integration
5. Sustainable Practices

The Fund will be governed by an independent board comprised of NYCHA senior staff, NYCHA residents, and private sector citizens, and will be advised by a group of community, business, and civic leaders.

The Fund for Public Housing, like the Fund for Public Health, the Fund for Public Schools, and other government-affiliated nonprofit organizations, will be a member of a consortium in partnership with the Mayor's Office of Strategic Partnerships. The Fund will also maintain a strong relationship with the Mayor's Fund to Advance New York City.

The Fund, which will formally launch in 2016, will pursue a three-year fundraising goal of \$200 million.

## Strategy #15

# Connect residents to quality workforce opportunities

### Existing Conditions

NYCHA residents have an average annual household income of \$23,300. NYCHA residents lack access to workforce, educational, and other services that would enable them to become “job ready” and move along career pathways. Data show that NYCHA residents traditionally have had weak attachment to, and information on, available community-based and City services. Between 2009 and 2011, NYCHA analyzed resident participation in key City workforce, education, and financial empowerment systems and found that NYCHA residents comprised only 6 to 11 percent of the customer base.<sup>8</sup> This proportion is low relative to the number of New Yorkers the Authority serves who need access to these critical services.

NYCHA is subject to a federal policy known as Section 3. Section 3 is a provision of the HUD Act of 1968 that helps foster local economic development, neighborhood economic improvement, and individual self-sufficiency. The Section 3 program requires that recipients (contractors, vendors, and suppliers) of certain HUD financial assistance, to the greatest extent feasible, provide job training, employment, and contracting opportunities for low- or very low-income residents in connection with projects and activities in their neighborhoods.



Two NYCHA residents at work through NYCHA contracts



Photos by NYCHA

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8) Interagency data match conducted by NYCHA in 2012



## **Economic Opportunity for All**

In addition to expanding NYCHA residents' training and employment opportunities, NYCHA is committed to the Mayor's vision of providing ample opportunity for all New Yorkers to create a stronger, more diverse economic future for the city. NYCHA hosts quarterly procurement fairs to connect minority and women-owned businesses (M/WBEs) to contract opportunities with NYCHA, such as \$3 billion in Sandy recovery and resiliency work, and with other government entities and prime contractors. NYCHA also works to connect M/WBEs to capacity-building resources such as the City's Compete to Win program. NYCHA is working to improve tracking of its M/WBE contracting and expenditures and will report on those metrics quarterly.

NYCHA's Resident Employment Program (REP) extends the reach of the federal Section 3 regulation. In 2001, NYCHA implemented REP which mandates that any contractor awarded a contract exceeding \$500,000 must spend 15 percent of its labor cost on the employment of NYCHA residents.

In 2014, NYCHA facilitated 965 job placements through Section 3. But Section 3 is only one way in which NYCHA connects residents to workforce opportunities. To complement the workforce development services provided by other organizations and in an effort to increase economic opportunity for residents, NYCHA's Board created REES in late 2009 to develop the Agency's service coordination strategy. REES has launched key programs such as Jobs-Plus and the NYCHA Resident Training Academy (NRTA), through which 1,600 residents were placed in jobs in 2014.

## **Implementation**

The Authority, through greater coordination with City agencies, its Section 3 compliance and REES, will work to double workforce opportunities for its residents, with the goal of connecting up to 4,000 residents to quality jobs annually by 2025.

First, NYCHA will expand the REES service coordination model via the Fund for Public Housing, by increasing partnerships like the NRTA and Jobs-Plus. Second, NYCHA will leverage its own assets and resources to create careers through NYCHA's new 2015 Project Labor Agreement (PLA) with the Building and Construction Trades Council of Greater New York and its affiliated unions. The PLA will provide NYCHA residents with union jobs and training through pre-apprenticeship and apprenticeship programs. The apprenticeship programs—for which 10 percent of all slots have been set aside for NYCHA residents—are an opportunity for NYCHA residents to not only learn a new trade but become union members. More than 500 NYCHA residents will have a pathway to the increased economic opportunity over the next five years.

**The NYCHA Resident Training Academy (NRTA)**, funded by Robin Hood, provides employment-linked training opportunities and job placement assistance to NYCHA residents in the construction, pest control, maintenance, and janitorial fields. REES works with graduates of the Academy to provide job placement assistance that focuses on career paths. Past NRTA graduates have worked with REES to obtain jobs at NYCHA in positions such as Caretaker and Pest Control Technician, and with NYCHA contractors and affordable housing developers in the various construction trades.



Graduates of NYCHA's Food Business Pathways program present their products to their colleagues



Photos by NYCHA

## Food Business Pathways

The NYCHA Food Business Pathways Program (FBP) is a collaboration between the NYC Department of Small Business Services (SBS), The NYC Economic Development Corporation (EDC), Citi, Hot Bread Kitchen, and NYCHA REES plus other kitchen incubators and REES zone partners around the city.

Program goals are as follows:

- Assist NYCHA residents in becoming “incubator-ready”
- Strengthen the connection between NYCHA businesses and New York City’s economy through streamlined links to industry-specific resources and customized curricula
- Systematize assistance to NYCHApreneurs.

# IMPLEMENTING THE PLAN

## Year One Milestones

NYCHA is committed to transparency in implementing **NextGeneration NYCHA**. The Authority will remain accountable to its many partners by publishing quarterly progress reports on each **NextGeneration NYCHA** goal, beginning with outcomes from the fall of 2015.

NYCHA commits to achieving the following priorities by the end of 2016:

### GOAL #1

**Achieve short-term financial stability and diversify funding for the long term**

1. Obtain waiver of PILOT payment (Strategy #1)
2. Utilize robocalls and automated letters to improve resident rent collection (Strategy #2)
3. Develop a scalable and cost effective space planning, design, and utilization strategy for the ground floor spaces at the three **NextGeneration NYCHA** developments (Mill Brook, Ingersoll, and Van Dyke Houses), and initiate inventorying and planning at additional developments (Strategy #3)
4. Begin increasing parking permit fees in a first group of developments (Strategy #3)
5. Begin integrating NYCHA functional infrastructure with City services (Strategy #4)

### GOAL #2

**Operate as an efficient and effective landlord**

6. Roll out the first phase of Digital NYCHA's online customer service tools: a pilot for online annual income recertification applications for public housing and Section 8 residents (Strategy #5)
7. Release the MyNYCHA app for electronic scheduling of work order appointments (Strategy #5)
8. Roll out the first phase of Digital NYCHA's file management: begin digitizing records in the Human Resources department (Strategy #5)
9. Launch a mobile technology pilot for field staff (Strategy #5)
10. Analyze data from the first year of OPMOM to determine a sequence for Authority-wide adoption of successful practices; commence rollout of successes to full portfolio (Strategy #6)
11. Install recycling infrastructure across the full NYCHA portfolio on a phased timeline that will ensure minimum compliance with City Recycling Law by the end of 2016 (Strategy #7)
12. Procure an Energy Services Company to audit the energy needs of the first group of developments targeted for an Energy Performance Contract and begin construction (Strategy #7)
13. Begin permanent repair and resiliency projects at all 35 Sandy-impacted developments (Strategy #7)

- 14. Continue to work with MOCJ to engage NYCHA residents in the Mayor's Action Plan for Neighborhood Safety (Strategy #8)
- 15. Upon receipt, obligate funds from DA Vance to install exterior lighting, cameras, and layered access, and develop programming as part of the Mayor's Action Plan for Neighborhood Safety (Strategy #8)
- 16. Remove all sidewalk sheds resulting from Local Law 11 that are no longer performing a safety function (Strategy #8)

## GOAL #3

### **(Re)build, expand, and preserve public and affordable housing stock**

- 17. Integrate the new capital planning approach into 2016 Annual Plan (Strategy #9)
- 18. In collaboration with HPD, contribute approximately 750 units of affordable housing development on underutilized NYCHA land (Strategy #10)
- 19. In cooperation with HUD, devise a plan to preserve scattered-site and obsolete units and to obtain subsidy for the 4,962 City- and State-built unsubsidized units (Strategy #11)
- 20. Initiate the RAD program for Ocean Bay - Bayside Apartments (Strategy #11)
- 21. Finalize design guidelines for new development that are tailored to NYCHA and campuses; launch revision of NYCHA design specifications (Strategy #12)
- 22. Launch a peer review program for NYCHA rehabilitation and new construction projects with partner architecture and engineering firms (Strategy #12)

## GOAL #4

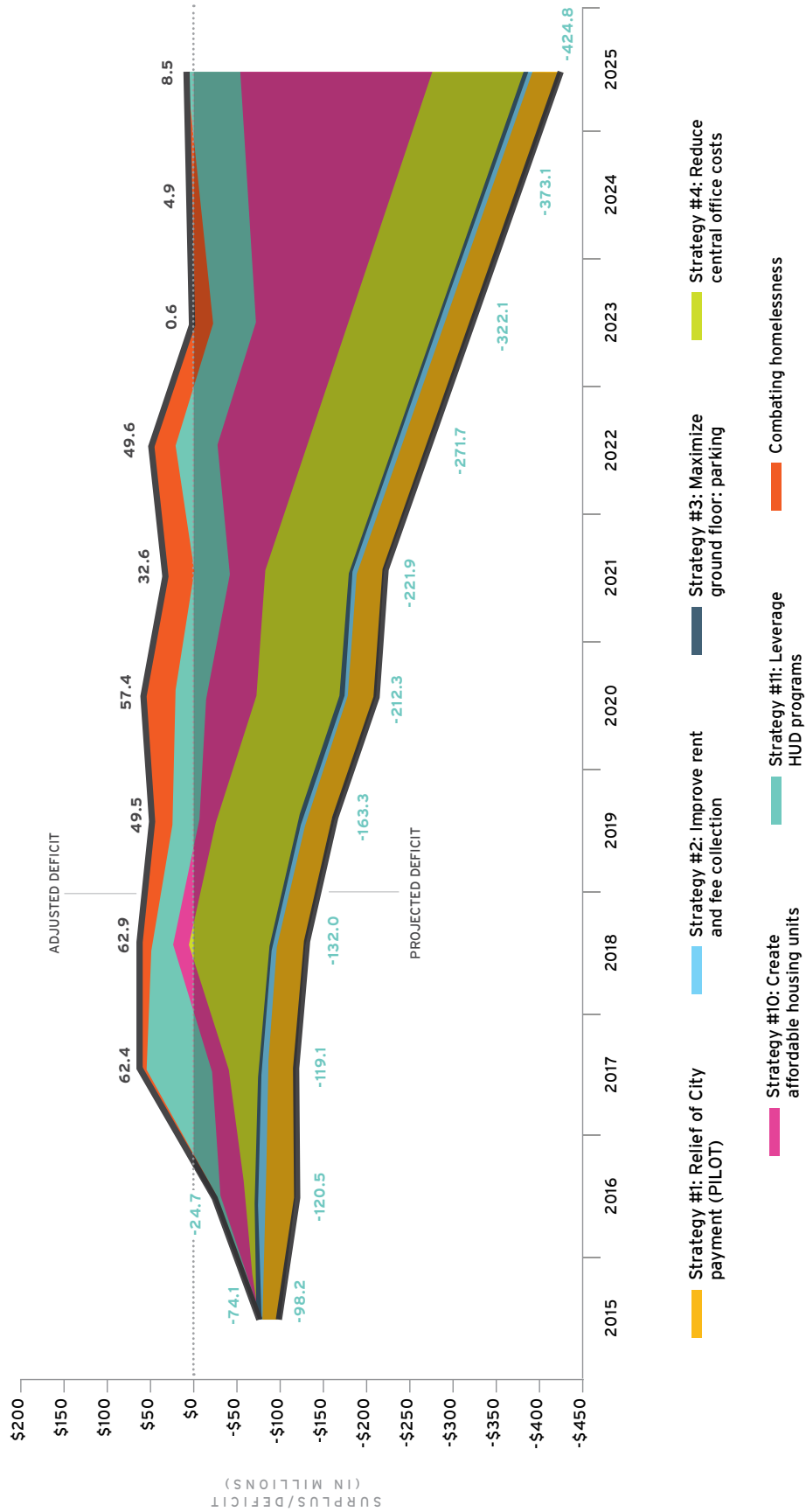
### **Develop best-in-class resident services and resident engagement models**

- 23. Collaborate with residents and resident leaders to create 25 new resident associations and youth councils (Strategy #13)
- 24. Launch the Fund for Public Housing, NYCHA's 501(c)(3) (Strategy #14)
- 25. Launch a new resident leadership capacity-building program (Strategy #14)
- 26. Graduate three cycles of the NYCHA's Food Business Pathways Program (Strategy #15)
- 27. Graduate eight cohorts of NYCHA's Resident Training Academy program, connecting NYCHA residents to jobs and apprenticeship opportunities generated by NYCHA and contractors (Strategy #15)

28. Launch new REES e-service options and connect over 1,000 NYCHA residents to financial capability and other economic opportunity service online (Strategy #15)
  
29. Develop plan to overhaul inventory and supply chain management processes

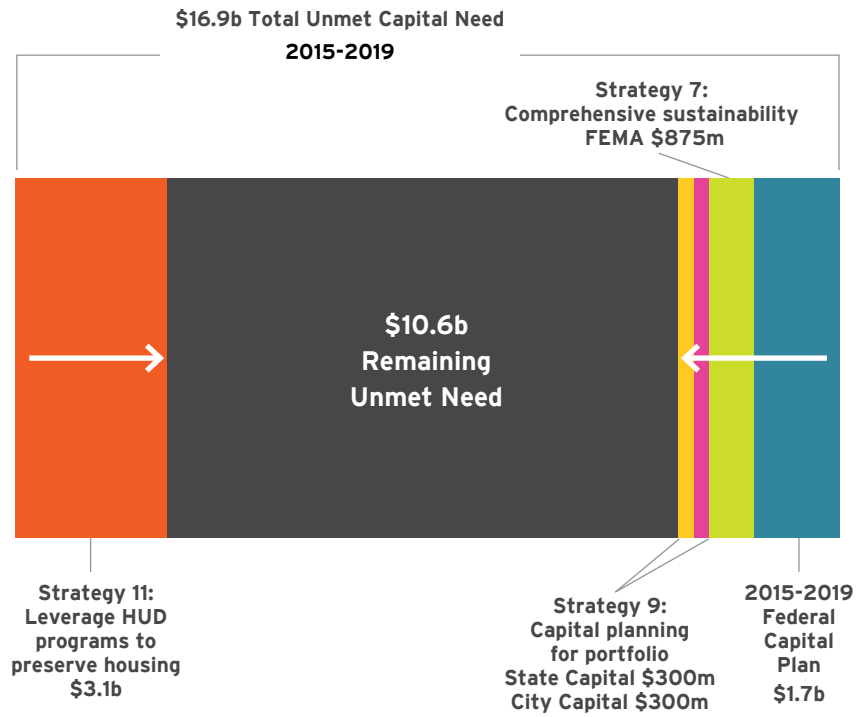
# FINANCIAL IMPACT

## Financial Impact of Select NextGeneration NYCHA Strategies





## Reduction of 5-Year Unmet Capital Needs





# ACKNOWLEDGEMENTS

**NextGeneration NYCHA** is the result of hundreds of conversations with staff, residents, and partners. The diverse perspectives of residents, employees, community members, elected and appointed leaders, service providers, advocates, and developers have shaped this plan to transform the New York City Housing Authority for the next generation of New Yorkers. We deeply appreciate their input over the last year and their commitments to continue their work with us to make **NextGeneration NYCHA** a reality.

### **New York City Housing Authority**

**Shola Olatoye**, Chair and Chief Executive Officer

**Michael Kelly**, General Manager

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**Brian Clarke**, Senior Vice President for Property Management Operations

**Richard Couch**, Executive Vice President and Chief Financial Officer

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**Valerie Rosenberg**, Policy Analyst, Office of the Chair

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**Derrick Cephas**, Board Member

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**Alicia Glen**, Deputy Mayor for Housing and Economic Development  
**Lilliam Barrios-Paoli**, Deputy Mayor for Health and Human Services  
**Maya Wiley**, Counsel to the Mayor  
**Emma Wolfe**, Director, Mayor's Office of Intergovernmental Affairs

### **Elected Officials**

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**Ritchie Torres**, Chair of the Public Housing Committee

#### **Federal and New York State government partners**

### **City Agency Leaders**

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**Mary Bassett**, Commissioner, Department of Health and Mental Hygiene  
**Vicki Been**, Commissioner, Department of Housing Preservation and Development  
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### **Private Partners**

9 x 18 – Sagi Golan, Miriam Peterson, and Nathan Rich  
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Nicholas Bloom  
Blue Sea Development Company  
Bronx Pro Real Estate Management  
C+C Apartment Management  
Citizens Budget Commission  
Civic Consulting

Community Resource Exchange and Toni Harris Quinerly  
Community Service Society  
Community Solutions  
Community Voices Heard  
Dunn Development Corporation  
East Side House  
Edelman  
Ennead Architects/Ennead Lab  
Enterprise Community Partners  
Fifth Avenue Committee  
Green City Force  
Good Old Lower East Side (GOLES)  
Goulston & Storrs  
Harlem RBI  
Jonathan Rose Companies  
Kohn Pedersen Fox Associates  
Legal Aid Society  
Lemle & Wolff  
LEVENBETTS  
L+M Development Partners  
Local Initiatives Support Corporation (LISC)  
Mathews Nielsen Landscape Architects  
Metropolitan Council on Jewish Poverty  
Metropolitan Housing Association of New York  
Mothers on the Move (MOM)  
New York Communities for Change  
New York Legal Assistance Group  
NYU Furman Center for Real Estate and Urban Policy  
Ocean Bay Development Corporation  
Parsons School of Design  
Phipps Houses  
Red Hook Initiative  
Research Foundation of CUNY  
Robin Hood Foundation  
University Settlement  
Wavecrest Management  
West Side Federation for Senior and Supportive Housing  
Workforce Housing Group

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