



# RESIDENTS DECIDE: BRONX RIVER ADDITION

12/1/2023



# What will we discuss today?

- 1 Background
- 2 Overview of Renovation Strategies
  - i. The Trust
  - ii. PACT
  - iii. Section 9
- 3 Voting timeline and eligibility
- 4 Upcoming dates
- 5 Q&A



# WHY ARE WE HERE?



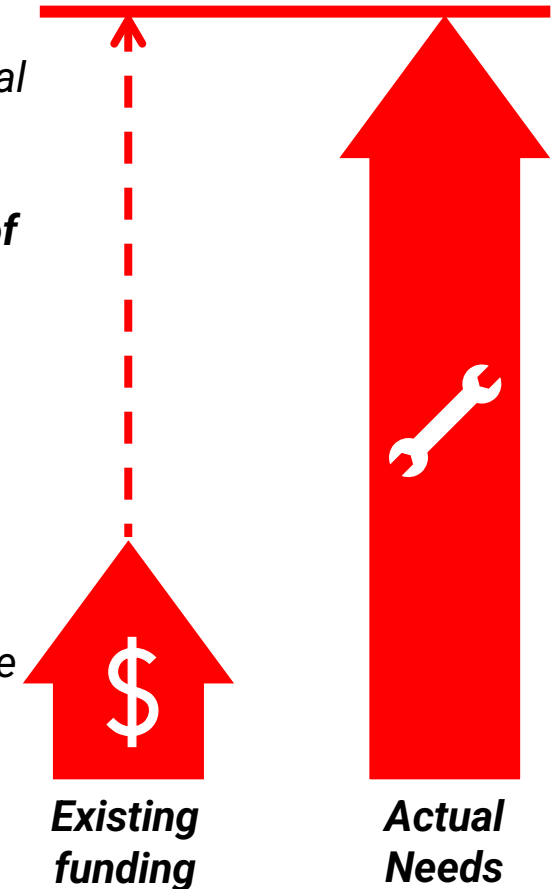


# Why are we here?

- For decades, public housing in New York City and across the country has received less and less funding in the federal budget.
- Currently, **NYCHA's buildings are funded with Section 9 subsidies** from HUD.
- Each year, **all of NYCHA only receives** roughly **\$700 million** in funding for renovations from Congress through **Section 9**, a **fraction of what we need**.
- **That is why only a fraction of Bronx River Addition's physical needs are currently funded. In 2022 NYCHA deemed Building 12 uninhabitable and relocated residents due to a failing heating system.**
- Recently, HUD has encouraged housing authorities to convert from Section 9 to Section 8 to access more consistent subsidy.
- **NYCHA has developed several innovative programs that use these tools to bring in additional funds** for renovations.

**Bronx River Addition's physical needs are estimated in the tens of millions of dollars**

However, only a **fraction** of the physical needs are funded





# What are the options for Bronx River Addition?

|   | <b>The Trust</b><br>(NYC Public Housing Preservation Trust) | <b>PACT</b><br>(Permanent Affordability Commitment Together)      | <b>Section 9</b><br>(Bronx River Addition Today) |
|---|---|---|--|
| <b>Federal funding:</b>                   | Project Based Section 8                                     | Project Based Section 8   | Section 9  |
| <b>Baseline Renovations:</b>              | Comprehensive renovations                                   | Comprehensive renovations   | Limited repairs                                  |
| <b>Management:</b>                        | NYCHA staff   | Private and non-profit partner(s), incl. social service providers | NYCHA staff                                      |
| <b>Resident Rights &amp; Protections:</b> | Preserved   | Preserved   | Continued  |
| <b>Rent:</b>                              | 30% of Income   | 30% of Income   | 30% of Income                                    |
| <b>Land &amp; building ownership:</b>     | NYCHA   | NYCHA   | NYCHA  |

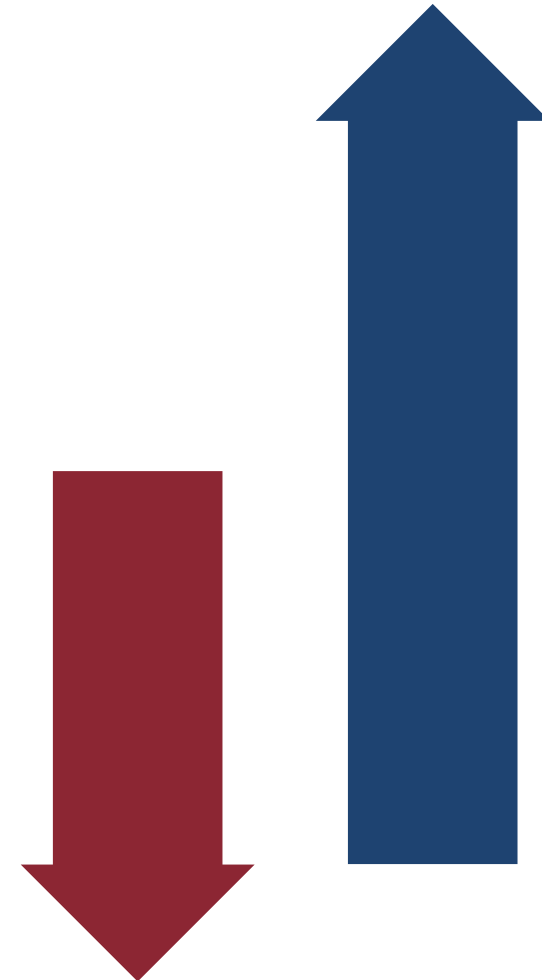


# Difference in Federal Funding between Section 8 & Section 9

Although **Section 8** and **Section 9** are both federal subsidies, Congress has diminished Section 9 funding while maintaining stable, increased Section 8 subsidy year-to-year.

Because of the increase in federal subsidy, Section 8 developments have the potential to **receive nearly double the funding** per unit.

Under both Section 8 and Section 9 tenant rents remain at **30%** of household income.

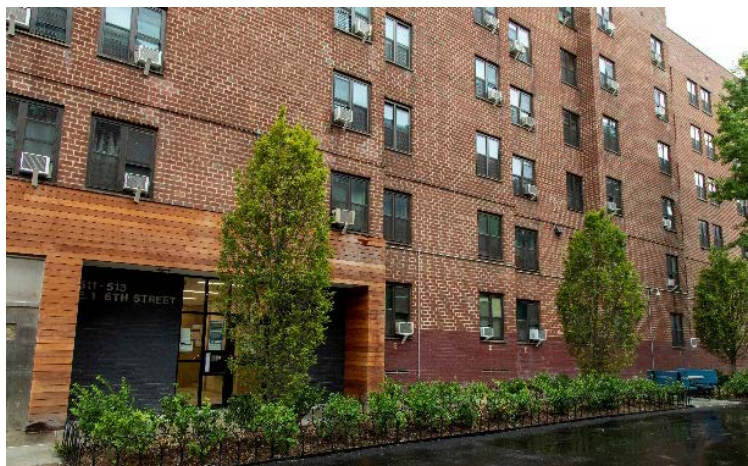




# Renovated public housing properties using Section 8



Roosevelt Towers, Cambridge (Public-Public Partnership)



Site improvements, Betances (PACT)



Site improvements, Twin Parks West (PACT)



Truman Apartments, Cambridge (Public-Public Partnership)



Millers River, Cambridge (Public-Public Partnership)



Newly renovated apartment, Twin Parks West (PACT)



# Public Housing Preservation Trust

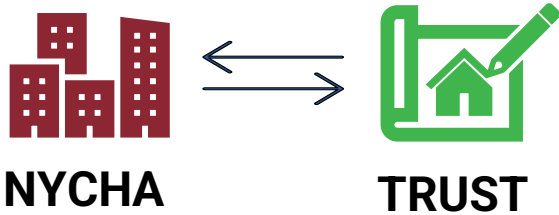






# What is the Public Housing Preservation Trust?

The Trust is a new government agency that, unlike NYCHA, can access the higher Section 8 subsidies to fund renovations at developments.



Over \$519 million in repairs have already been completed using a public-public partnership in Cambridge, which was the model for the Trust

|  |  |
|--|--|
| <i>What will happen under the Trust?</i>                   | ✓ Bronx River Addition will see comprehensive renovations  |
| <i>Who will own the land and buildings?</i>                | ✓ NYCHA owns the land and buildings. Properties remain 100% public. The land and buildings will be leased to the Trust.              |
| <i>Who will be the developer?</i>                          | ✓ The Trust, a government agency, will serve as the developer. The Trust will enter into contracts with vendors to perform the work. |
| <i>Who will manage Bronx River Addition going forward?</i> | ✓ NYCHA Property Management will continue to manage Bronx River Addition. There is no private manager.                               |
| <i>What will happen to the development workforce?</i>      | ✓ The workforce will remain a public workforce.  |
| <i>What about social services?</i>                         | ✓ Via the Trust, NYCHA Resident Services continues to assist residents in accessing social services.                                 |



# Resident rights remain under the Trust.

- Rent will be **30% of your household's income.**
- Your family will have **succession rights.**
- You will have the right to **renew your lease** so long as you want to continue living here.
- You will **not be re-screened** upon conversion.
- You will be able **to add family members** to your lease.
- You will be able to have **grievance hearings.**
- You will be able to **access in-person assistance** at the development as well as **phone and online assistance** with your paperwork.
- Via the Trust, NYCHA Resident Services continues to assist residents in accessing social services.
- You will have the right to organize.
- Resident associations will continue to receive funding.



# Selecting vendors under the Trust

## *How does the Trust procure vendors?*

The Trust can use “best value” to select the most qualified vendors and ensure renovations are durable, high-quality, and built to last. This is instead of using the “lowest responsive bidder”—namely, the cheapest bidder which NYCHA is typically required to do.

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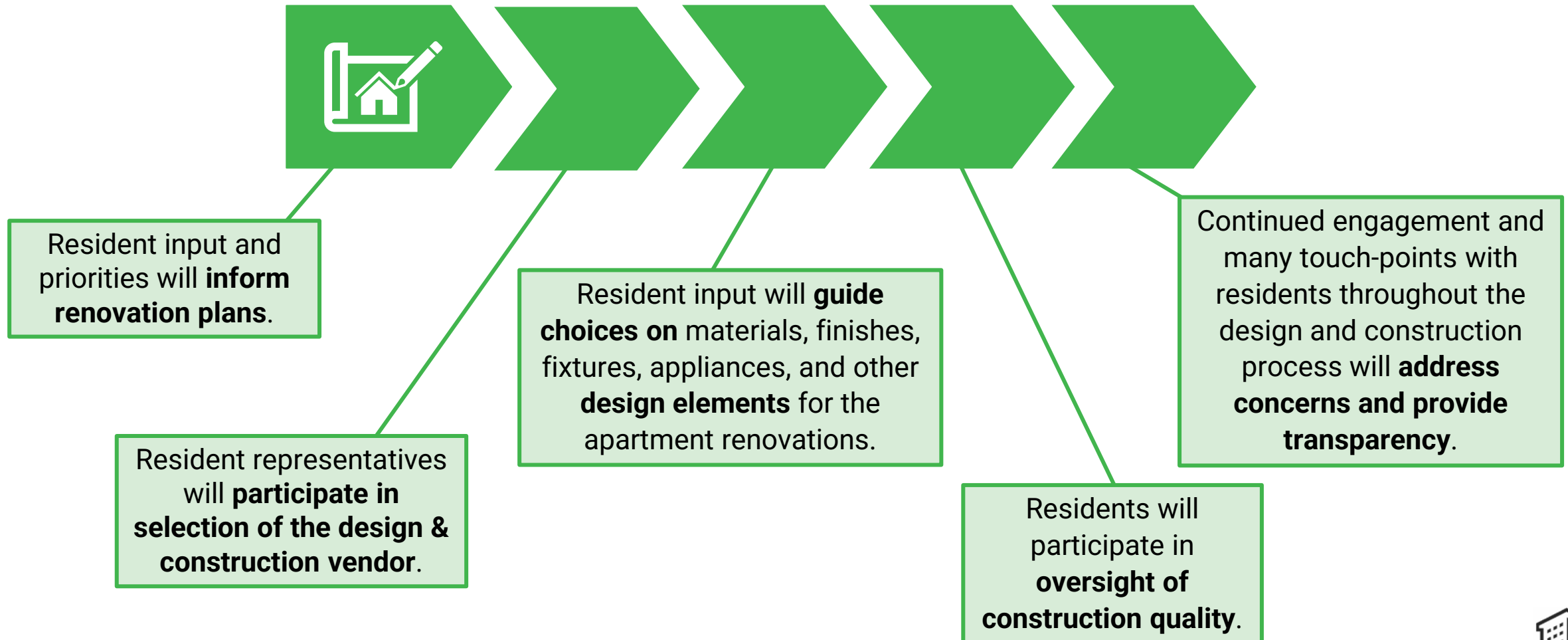
## *What else can the Trust “do better” for NYCHA residents?*

The Trust can select integrated teams that include designers and construction firms who work together to effectively manage risk, improve accountability, enhance efficiency, and ensure high-quality renovations for residents. This is instead of selecting them separately, which is how most City and NYCHA projects are managed.



# Resident Participation in the Renovation Process

Residents will have many opportunities to participate in the renovation process.





# What kind of renovations will happen?

## Baseline renovations

- Apartment renovations including kitchen and bath and abatement of all lead and mold.
- Upgrades to building systems including heating and hot water, plumbing and electrical.

## Potential types of renovations

Other potential types of work that may be included in the renovations:



## How final scope of renovations will be determined

Final scope of renovations will depend on the needs identified by in-depth site investigations conducted by technical experts. **The Trust is committed to extensive resident engagement to inform the final scope of work.**



# Financing Basics

*How will a monthly subsidy turn into funding to renovate the entire development?*

- The Trust can work in partnership with the City's housing finance agency to access or issue bonds.
- Municipal bonds are a tool local governments use when they receive a steady stream of money over time but need large sums of money in the present (e.g. tunnels, bridges, or subway stations.)
- Municipal bonds are issued and then can be purchased by the general public – for example, by pension institutions, retirement institutions, and even everyday citizens.
- The government then repays these groups over time, using the incoming steady revenue.
- **Municipal bonds are considered to be one of the safest investments for bondholders, as they are backed by the government.**



# Permanent Affordability Commitment Together (PACT)



# What is PACT?

PACT depends on partnerships with private and non-profit development partners, who are selected by resident leadership.

**Over \$4.3 billion in repairs have already been completed or are underway at other NYCHA developments.**

*What will happen under PACT?*

✓ Bronx River Addition will see comprehensive renovations.

*Who will own the land and buildings?*

✓ NYCHA will own the land and buildings; they will be leased to the PACT partners.

*Who will be the developer?*

✓ Resident leaders will select private and non-profit partners to serve as the developers, contractors, property managers, and social service providers.

*Who will manage Bronx River Addition?*

✓ A new property management company will be responsible for daily operations and upkeep. Live-in supers will provide 24/7 coverage.

*Will there be a role for NYCHA?*

✓ NYCHA will set the rent, manage the waitlist, approve transfers, monitor conditions, and oversee the performance of all partners.

*What about social services?*

✓ PACT will fund social workers to provide health, economic, and other assistance directly to residents on-site. Community programs will be expanded.





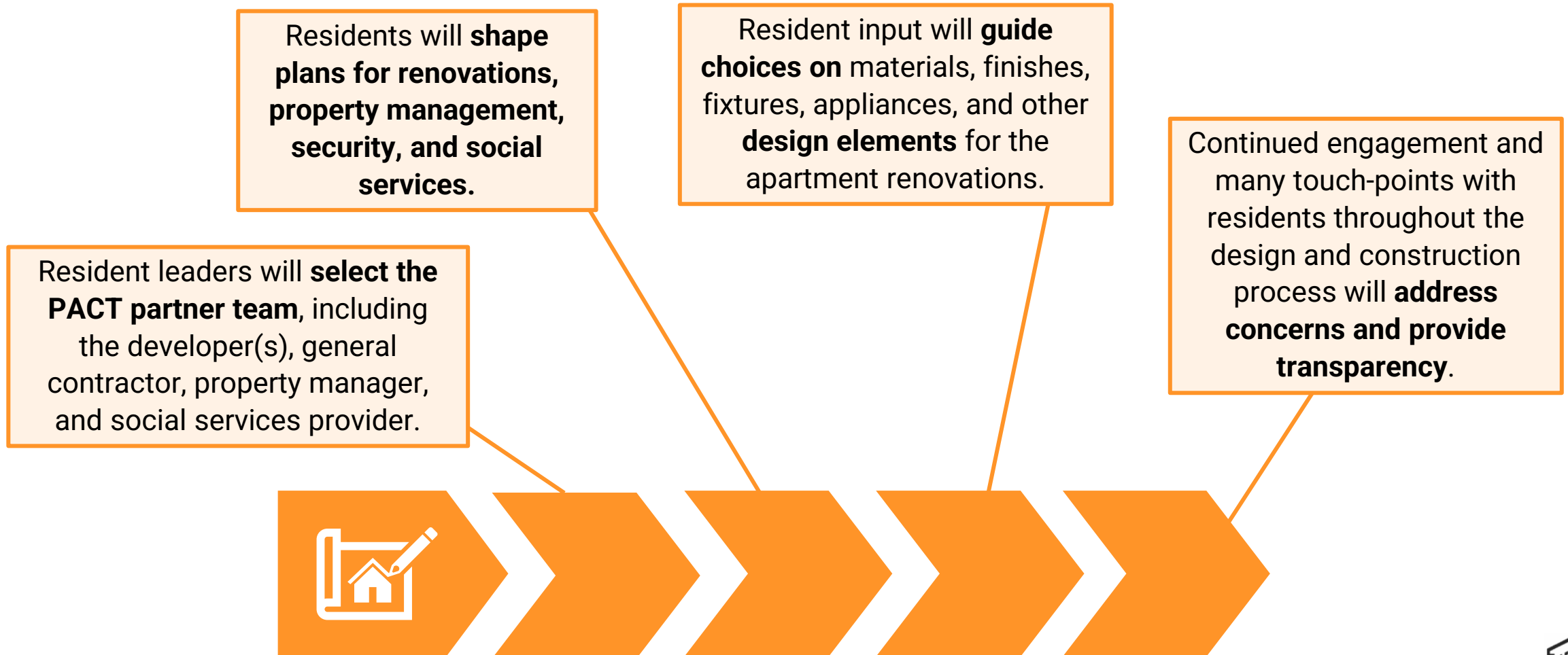
# Resident rights remain under PACT.

- Rent will be **30% of your household's income**.
- Your family will have **succession rights**.
- You will have the right to **renew your lease** so long as you want to continue living here.
- You will **not be re-screened** upon conversion.
- You will be able to **add family members** to your lease.
- You will be able to have **grievance hearings**.
- You will be able to **access in-person assistance** at the development as well as **phone and online assistance** with your paperwork.
- PACT requires partnerships with community-based organizations, who will provide enhanced, on-site social services
- You will have the right to organize
- Resident associations will continue to receive funding.



# Resident Participation in the Renovation Process

Residents will have many opportunities to participate in the renovation process.





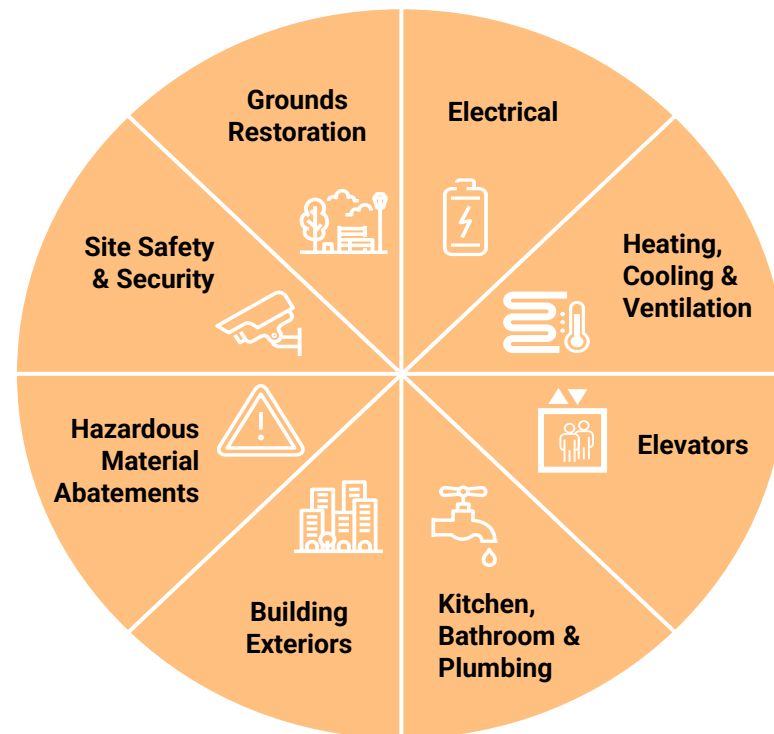
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## Baseline renovations

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## Potential types of renovations

Other potential types of work that may be included in the renovations:



## How final scope of renovations will be determined

Final scope of renovations will depend on the needs identified by in-depth site investigations conducted by technical experts. **PACT is committed to extensive resident engagement to inform the final scope of work.**



# Financing Basics

## *What are the sources of funding?*

- PACT partners can access municipal bonds issued by HDC and/or seek loans from other lenders, Fannie Mae or Freddie Mac, in both cases leveraging HUD funding from Section 8.
- For developments deemed historic in nature by the State and Federal government, Historic Tax Credits can be used as an additional source of funding.
- PACT partners are required to dedicate their own funding (i.e., equity) towards the costs to rehab the developments.
- The City of New York also contributes additional subsidy in certain cases.



# Remaining in Section 9



# What does it mean to remain in Section 9?

## Governance:

- The development will continue to be managed by NYCHA Property Management.
- NYCHA owns the land and buildings. The properties remain 100% public.
- The workforce remains a public workforce.

## Rights:

- Your rights as a tenant will remain the same as today.

## Anticipated renovations will not address Bronx River Addition's physical needs:

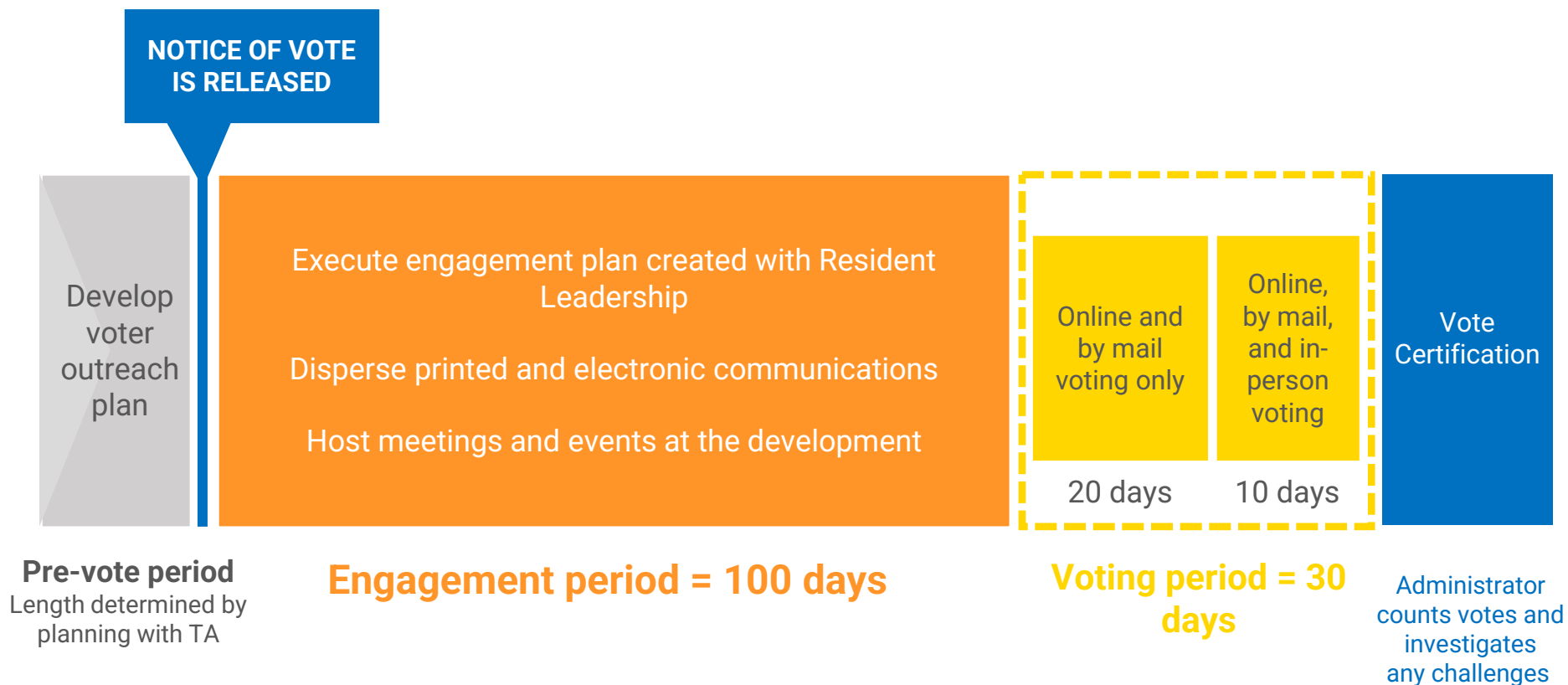
- NYCHA will continue making limited repairs when possible.
- Opportunity for development-wide repairs and ability to rehabilitate Building 12 will be heavily constrained by funding.



# Voting Timeline and Eligibility



# Engagement + Voting Timeline







# When and how can I VOTE?

VOTING BEGINS MARCH 13, 2024, AT 10AM  
AND ENDS APRIL 11, 2024, AT 7PM



## March 13, 2024 – April 11, 2024 Voting online and by mail open

- Ballots will be mailed to each eligible voter near the start of voting
- Ballot mailings will include credentials for online voting through the Resident Portal

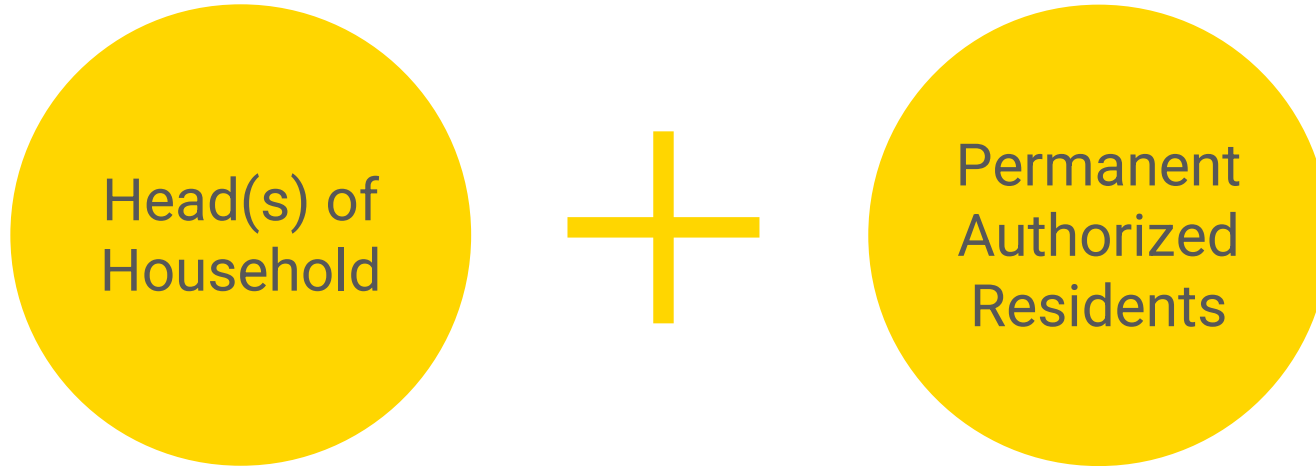


## April 2, 2024 – April 11, 2024 In-person voting opens, online and mail voting continue

- You must bring the ballot and envelope mailed to you
- In-person voting hours will start at 10am and end at 7pm for all days.



# Who is eligible to vote?



- Signed the lease for their NYCHA apartment
- Ages 18 and older by April 11, 2024

- Recorded on the Household Composition
- Ages 18 and older by April 11, 2024

***This includes Building 12 residents who were relocated by NYCHA in 2022 and meet the above criteria.***

# Who is NOT eligible to vote?

- Residents under age 18
- Unauthorized residents
- Residents with temporary permission
- Visitors
- Employees (not living in the development)


*\*Be sure to recertify by Thursday, December 29, 2023, to make sure that all potential eligible voters in your household able to vote*



# How do I know if I am an eligible voter?


If you are an eligible voter, you should have received a **Notice of Vote** in the mail, by phone or via email, if NYCHA has a valid email address for you.

on.nyc.gov/voting-at-BxRA  
vote@nycha.nyc.gov  
(212) 306-6794



**RESIDENTS DECIDE  
BRONX RIVER ADDITION**

NYCHA – BxRA Voting  
90 Church Street, Floor 10-232  
New York, NY 10007




[NAME]  
[STREET], [APT]  
[CITY, STATE, ZIP] [DATE]

### Notice of Resident Vote


Beginning March 13, 2024, residents of Bronx River Addition will have the opportunity to vote on the future of the development. Residents will have the ability to decide whether to pursue one of two approaches to building renovations or remain in the existing Section 9 program.

Over the next 100 days, NYCHA staff will be on site to provide residents with information on the options considered during this vote. Under state law, NYCHA must follow the wishes of the residents and implement the option that receives the most votes.


*This notice includes information about:*



**the 3 options that will appear on the ballot**



**opportunities to learn about the voting options**



**how and when to cast your vote**

Please keep this notice for future reference. You can also visit [on.nyc.gov/voting-at-BxRA](https://on.nyc.gov/voting-at-BxRA) for additional info and upcoming outreach events.

**What are the voting options I will be deciding between?**  
In the upcoming vote, you will be asked to choose ONE of the three following options:

|   |   |   |
|---|---|---|
| <p><b>The Trust</b></p> <p>The Trust is a public agency that will partner with NYCHA to bring funding for repairs and upgrades to Bronx River Addition's apartments, buildings, and grounds. Rents remain at 30% of income and resident rights continue unchanged. The property will continue to be managed by NYCHA.</p> | <p><b>PACT</b></p> <p>PACT is a partnership with private and/or non-profit partners that will bring funding for repairs and upgrades to Bronx River Addition's apartments, buildings, and grounds. Rents remain at 30% of income and resident rights continue unchanged. The property will be managed by a private partner.</p> | <p><b>Section 9</b></p> <p>Under Section 9, which is how Bronx River Addition is currently funded, the development will continue to be dependent on federal funding allocated annually by Congress. Rents remain at 30% of income. The property will continue to be managed by NYCHA.</p> |
|---|---|---|

You can also check your voter status by emailing [vote@nycha.nyc.gov](mailto:vote@nycha.nyc.gov) or by calling (212) 306-6794.



# How will voting happen?

## Election administrator

NYCHA is working with an independent third-party firm to administer the election, count the ballots, and certify the results.

## Voting methods

Residents will be able to vote through three methods: by mail, online, and in-person.

## Minimum participation

The vote will be certified if at least 20% of Heads of Household cast a vote in their development's election. If this threshold is not met, the development will remain in Section 9.

## Most votes wins

NYCHA must implement the option that receives the most votes (between the Trust, PACT, or remaining in Section 9).

## Elected option applies to all

The option that receives the most votes applies to the entire development (all apartments and buildings).



# What's next?

We have more opportunities for you to ask questions and vote on the future of Bronx River Addition.

## 1 Additional development meetings:

### **Public Meeting**

- Wednesday, December 13 @ 11am
- Monday, December 18 @ 1pm (online)
- Tuesday, January 9 @ 11am
- Wednesday, January 17 @ 11am

## 2 Can't make any of those time?

Don't worry!

We will be hosting multiple events in the coming months.

There are multiple ways to find out about new events and get your questions answered!

## 3 Find out more:

### **Website:**

<https://on.nyc.gov/voting-at-BxRA>

### **Email:**

[vote@nycha.nyc.gov](mailto:vote@nycha.nyc.gov)

### **Phone number:**

(212) 306-6794



# Q&A



# Appendix

## Financing

Both the Trust and PACT partners can work with the NYC Housing Development Corporation (or "HDC"), the City's housing finance agency.

HDC is the nation's largest municipal Housing Finance Agency and is charged with helping to finance the creation or preservation of affordable housing for New Yorkers. HDC also serves as a key financing partner in the rehabilitation of our city's public housing stock under the NYCHA Permanent Affordability Commitment Together (PACT) initiative.

- **The Trust** can work in partnership with HDC to access or issue bonds based on HUD funding through Section 8
- **PACT** partners can work HDC's PACT bond resolution and conventional loans leveraged by the HUD funding through Section 8

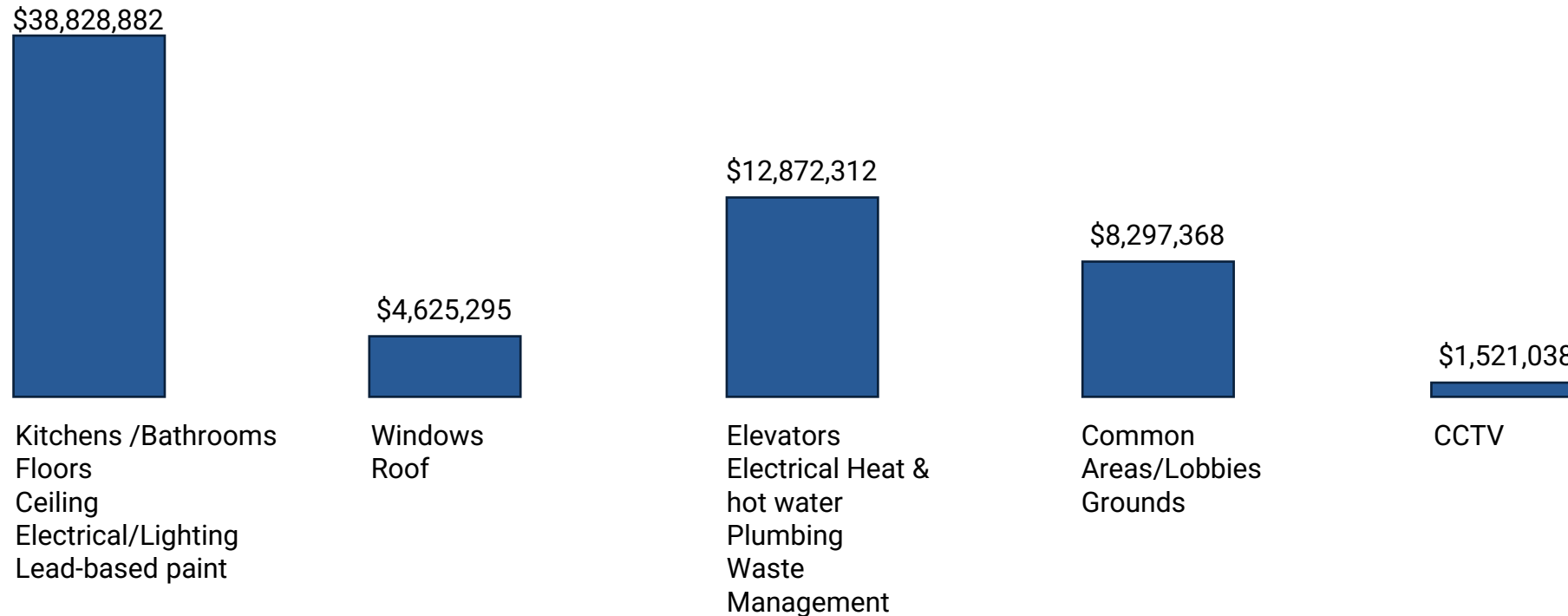




# Appendix

## Physical Needs Assessment, Bronx River Addition

5 Year Physical Needs Assessment, 2023



### What is the Physical Needs Assessment (PNA)?

Conducted approximately every five years as recommended by the U.S. Department of Housing and Urban Development (HUD), the PNA involves assessing when in the next 20 years the physical assets that make up NYCHA's buildings and campuses will require replacement or upgrade, and then estimating the costs for these renovations based on current market prices. The chart above shows the physical assets that will require replacement within the next 5 years.