

New York City Housing Authority Monitorship

Monitors' Report
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EXECUTIVE SUMMARY

On January 31, 2019, the New York City Housing Authority ("NYCHA") committed to implementing essential reforms to improve housing conditions for NYCHA residents through an agreement (the "HUD Agreement" or "Agreement") with the U.S. Attorney's Office for the Southern District of New York ("SDNY"), the U.S. Department of Housing and Urban Development ("HUD"), and the City of New York (the "City"). As part of the terms, a monitor was appointed to oversee and evaluate adherence to the Agreement. After the First Monitor completed a five-year term, on February 28, 2024, the current co-Monitors ("Monitors"), Neil Barofsky and Matthew Cipolla of Jenner & Block LLP ("Jenner"), began their five-year term. This is their ninth report.

In their prior reports, available on the Monitors' [website](#), the Monitors detailed their assessment of NYCHA's compliance with the HUD Agreement, including NYCHA's successes and challenges. In this report, and others going forward, the Monitors provide regular updates on NYCHA's progress in meeting those requirements. This report includes data for May 1, 2026, to July 31, 2026, unless otherwise noted.

NYCHA has continued to build on the progress described in the Monitors' previous reports and should be commended for those efforts. Nevertheless, many important areas for improvement remain, as detailed below and throughout this report.

The Monitors again recognize and thank those who are working to improve NYCHA and help it fully meet its obligations under the HUD Agreement, including the constructive and collaborative approach taken by NYCHA's leadership and staff; the vital information and feedback received from NYCHA residents; the cooperation of the leadership of Teamsters Local 237; and the expertise and engagement from SDNY and HUD officials, the New York City Mayor's Office, the New York City Council, and other stakeholders.

Property Management

NYCHA committed in the HUD Agreement to various obligations related to heat, elevators, pests and waste, lead, mold, and inspections. Further detail concerning these topics is contained in **Section I** of this report. As described further in that section, NYCHA has achieved significant milestones, including:

- Pests. For the first half of Year 8, NYCHA significantly improved its response times to pest complaints for mice, cockroaches, and bed bugs. NYCHA responded to 95% of these pest complaints within seven calendar days in the first half of Year 8, meeting this HUD obligation for the first time. NYCHA continues to respond to rat complaints quickly, responding to 97% of rat complaints within two business days and 98% within five calendar days, even in the face of an increasing estimated rat population. During this period, the estimated populations of bed bugs and mice decreased by 23% and 3%, respectively.
- Mold. In the first half of Year 8, NYCHA continued to improve its performance with the response-time requirements for mold work orders. Although further improvements are required, NYCHA removed mold within five business days 36% of the time, compared to 21% during the same period in Year 7 and just 7% in Year 6. NYCHA also completed timely cleaning and/or remediation for simple repairs 70% of the time and complex repairs 19% of the time, up from 53% and 11%, respectively, in the same period in Year 7. Cumulatively, NYCHA's blended compliance rate rose to 43%, compared to 25% in Year 7 and 8% in Year 6—a more than 400% improvement over two years. The mold and leak backlog also declined by 4,905 work orders year-over-year, aided by continued progress under the Mold and Leaks Restore and Renew ("MLRR") Program.
- Elevators. In the first half of Year 8, NYCHA reduced the frequency of elevator service outages, as compared to the first half of Year 7. Although further improvements are required, as of July 31, 2026, 68% of NYCHA's multi-elevator banks have experienced no more than one no-service condition this year, an increase in performance by six percentage points from the same period last year.
- Heat. During the 2025–2026 heating season, NYCHA continued to meet the HUD Agreement obligations measuring the duration of central heating outages—defined as failures of a central heating system that

prevent it from delivering heat to multiple apartments across a development—with NYCHA restoring heat within 7.2 hours after an outage on average and restoring heat within 12 hours for 92% of outages. NYCHA also continues to improve its restoration times for in-apartment heating failures, down from an average of 14.2 hours in the 2024–2025 heating season to 13.3 hours in the 2025–2026 heating season.

- Lead. NYCHA is nearing completion of its X-Ray Fluorescence ("XRF") testing initiative, having completed testing for approximately 94.2% of NYCHA apartments presumed to have lead-based paint. Separately, with \$10 million in funding from the City procured by the Mayor's Office, NYCHA is now executing a plan to abate lead at childcare centers on NYCHA properties this fall, and it has already completed abatement at 39 centers as of September 11, 2026.
- Inspections. Between January 1, 2026, and September 3, 2026, NYCHA received passing scores for 54 of 61 (88%) developments that have completed their 2026 NSPIRE inspections, an improvement from 2025, when NYCHA received passing scores for 89 of 124 (71.9%) inspected developments, and 2024, when NYCHA received passing scores for 63 of 138 (45.7%) inspected developments.

At the same time, as detailed further in the report, there are several notable areas that require improvement, including the following:

- Mold. Notwithstanding the progress described above, NYCHA remains substantially out of compliance with the HUD Agreement's mold and leak requirements. For example, NYCHA's performance on large mold growths—defined under the HUD Agreement as mold covering ten square feet or more—has remained stagnant, with 85% of verified mold complaints in the second quarter of Year 8 falling into this category, unchanged from the same period in Year 7. NYCHA is

not projected to reach compliance with this requirement before the end of the current Monitorship term, and doing so is likely to require significant capital investment to address the underlying causes of large mold growths.

- Heat. During an unusually cold winter, NYCHA's developments experienced more unplanned heating outages during the 2025–2026 heating season than any prior year during the monitorship, with eight lasting over 24 hours, and the share of occupied apartments experiencing more than three heating service interruptions increased from 29% in the 2024–2025 heating season to 37% in the 2025–2026 heating season. Additionally, although NYCHA improved its average restoration time for in-apartment heating failures, it does not yet comply with the HUD Agreement obligations for restoring heat to apartments affected by such failures.
- Elevators. During the first half of Year 8 of the monitorship, NYCHA's performance decreased or stayed about the same on each HUD Agreement obligation measuring the duration of elevator service outages, as compared to the first half of Year 7. Most notably, NYCHA restored elevator service in an average of 7.7 hours per elevator outage—12% longer than its average of 6.9 hours during the prior year.
- Pests. The estimated rat population increased by 23% in the first half of Year 8 compared to the first half of last year. While the estimated number of rats is still 58% lower than at the beginning of the monitorship, NYCHA has not yet met its requirement to reduce the rat population by 75% when evaluated over a full year, and this is the second year in a row in which the estimated rat population for the first half of the year has increased instead of decreased..

The Monitors will continue to report on NYCHA's efforts in all these areas and work collaboratively with NYCHA to drive improvement in NYCHA's performance.

Organizational Change

NYCHA committed under the HUD Agreement to change its management, organizational, and workforce structure in a manner to ensure sustained compliance with the Agreement's requirements. That commitment is embodied in the Transformation Plan, which contains both broad principles for improvement and specific initiatives intended to improve NYCHA's processes and performance. Further detail concerning these topics is included in **Section II** of this report.

As detailed in **Section II**, NYCHA has continued work on three major IT overhaul projects: replacing its Resident Case Management System ("RCMS"), implementing a new Human Capital Management System using Workday software, and upgrading Maximo, the system NYCHA uses to manage maintenance work orders. Despite NYCHA's significant investment of time and resources, each of these projects has experienced significant delays, and in the case of RCMS, NYCHA has halted the project and is revising its approach in this area entirely, as part of a broader shift in how NYCHA governs and sequences technology modernization programs.

NYCHA also has continued working to adopt employee performance evaluations. While participation in the second round of managerial evaluations has declined from the first round, NYCHA has adopted most of the Monitors' recommendations for improving the content and process of those evaluations. In addition, NYCHA and the Monitors, with cooperation from Teamsters Local 237, developed a pilot program for nonmanagerial performance evaluations which NYCHA launched in September 2026.

Consistent with the Neighborhood Model, which seeks to locate ownership of and accountability for operational decisions closer to the developments themselves, in September 2026, NYCHA also launched a pilot at Woodside Houses to test a decentralized approach to managing its development storerooms, shifting day-to-day management from a small, centralized team to staff at the developments themselves. The Monitors will carefully assess the pilot's results, including whether the new model improves NYCHA's ability to detect and remedy fraud, waste, and abuse with respect to its store of supplies.

Section II also provides updates on NYCHA's oversight and compliance functions—its Environmental Health & Safety department (“EH&S”), its Compliance department, and its Quality Assurance Unit (“QAU”)—which will be critical to sustaining NYCHA’s reforms after the monitorship ends.

Finally, **Section II** includes a table summarizing the status of each of the 47 initiatives in NYCHA’s Transformation Plan, together with the Monitors’ assessment of the work that remains for NYCHA to complete its transformation.

Capital Expenditures

The Monitors continue to track NYCHA’s management of City Capital Action Plan (“CCAP”) funding under the HUD Agreement. NYCHA received \$200 million in CCAP funds from the City for fiscal year 2026, bringing the total funding under the Agreement to \$1.6 billion. As of July 31, 2026, NYCHA has spent approximately \$1 billion and has contracts in place for an additional approximately \$900 million.¹ The Monitors’ ongoing review of CCAP projects includes tracking project progress, conducting site visits, examining delays, evaluating the resulting operating impact, and regularly meeting with NYCHA’s Asset & Capital Management team.

Compliance Projections

The Overview of Outstanding Requirements tables that accompany each section of the Monitors’ report now include an “Estimated Timeline” column that indicates, for each active requirement, whether NYCHA is in compliance with the HUD Agreement and, for requirements with which NYCHA is not in compliance, projects whether and when NYCHA is expected to reach compliance. The Monitors include this information in compliance with the 21st Century ROAD to Housing Act, which added reporting obligations for federal monitors overseeing public housing agencies. This information gives NYCHA, federal partners, the City, residents, and the public a transparent, requirement-by-requirement view of NYCHA’s progress to date and the path to compliance.

NYCHA is on course to meet many of the HUD Agreement’s requirements, though there are requirements that the Monitors do not project NYCHA will meet before the Monitors’ term ends in February 2029. For example, NYCHA is projected to reach

compliance with the requirement to annually inspect all occupied apartments (I3) and with the requirements to timely respond to rat and other pest complaints (P14, P15). By contrast, NYCHA is not projected to reach compliance with the requirement to remove or remediate mold within certain timeframes (M6). The blended rate at which NYCHA removes or remediates mold has increased more than 400% over the last two years, but closing the gap likely will require significant changes in the way NYCHA prioritizes and manages mold remediation as well as capital investment to address root causes of mold growth.

Stakeholder Engagement

From January 1, 2026, through July 31, 2026, the Monitors have continued to engage with residents and other stakeholders, including, but not limited to, the following activities:

- Four Community Advisory Committee meetings with residents, NYCHA, and other stakeholders regarding waste management, Strategy & Innovation, safety and security, and Compliance;
- Meetings with resident leaders at Rutgers Houses, Gun Hill Houses, and Straus Houses;
- A town hall at the Drew Hamilton Community Center;
- Active participation and attendance at NYCHA in Your Neighborhood events;
- Attendance at NYCHA Family Days events;
- Responses to approximately 257 phone calls and emails received from residents through the Monitors' email and phone lines; and
- Engagement with elected officials, NYC law enforcement, the NYC Department of Investigation, and HUD OIG.

Pursuant to Paragraph 28 of the HUD Agreement, NYCHA does not yet meet the criteria for termination. Further detail is set forth in the remainder of the report.

SECTION I: PROPERTY MANAGEMENT

I.1 Heat

The HUD Agreement requires NYCHA to improve heating conditions for NYCHA residents through a variety of measures, such as (1) replacing a specified number of boilers, (2) establishing systems for responding to apartments affected by **in-apartment heating failures**, (3) investigating failures to timely restore heat, (4) notifying residents of **heating outages**, (5) monitoring the temperature in apartments, and (6) reducing the duration and number of **heating service interruptions** experienced by residents.² The section below serves as the Monitors' annual heat report, covering NYCHA's full performance during the 2025–2026 **heating season**, which ended on May 31, 2026.³

A. NYCHA's Boiler Replacements (Requirement No. H1)

The HUD Agreement requires NYCHA to "replace or address approximately 500 boilers by [the end of] 2026," and it allows for some to be replaced by NYCHA and some to be replaced by PACT partners.⁴ Although NYCHA completed this obligation by December 31, 2025,⁵ it has continued to replace boilers at NYCHA-managed developments in 2026, replacing 23 boilers between the beginning of the year and July 31, 2026. NYCHA plans to complete replacement of 78 additional boilers in 2026. Boiler replacements are important to NYCHA's efforts to improve its heating service for residents, as newer boilers offer greater reliability because they use modern controls, improved materials, and higher-efficiency technology, which reduces stress on equipment and lowers the likelihood of boiler-related heating service interruptions.⁶

The HUD Agreement also requires NYCHA to evaluate heating infrastructure needs beyond boilers, such as "replacement of underground heating distribution systems," and to "take appropriate action" to improve the **heating system**.⁷ NYCHA developments are primarily heated by steam. Central heating plants produce steam, which travels through a distribution system to provide heat to apartments and common areas, and condensate systems recapture the condensed water and circulate it back to the boilers to be reheated. While NYCHA's boiler plants generally have the capacity to generate the steam needed for heating, decades of deferred maintenance, underground steam and condensate return leaks, deteriorated distribution components, malfunctioning traps and valves, and aging building pipes have resulted in heat loss, uneven

In-Apartment Heating Failures: Conditions where the heating system inside an apartment does not function properly due to issues with in-apartment components such as convectors, distribution pipes, radiators, or related parts, like clogged traps, that require cleaning to restore proper heating. An in-apartment heating failure can impact a single room in the apartment or the entire apartment.

Heating Outage: A failure of the central heating system that prevents the system from delivering heat to multiple apartments. It does not include instances when heat is not being provided to an individual apartment, such as when a single radiator malfunctions.

Heating Service Interruptions: This term consists of heating outages and in-apartment heating failures.

Heating Season: The heating season runs from October 1 in one year to May 31 in the next year. This is the period when resident-occupied buildings in New York City are required to be provided with heat from a central heating system.

Heating System: The full set of equipment and infrastructure required to deliver heat to occupied apartments. This end-to-end system includes central generation equipment (such as boiler plants), distribution components (including tank rooms, pipes, risers, and valves), and in-apartment equipment (such as convectors and radiators). A failure or condition requiring servicing within these components can affect the delivery of heat to apartments.

Physical Needs Assessment: A comprehensive evaluation of a building's condition to identify necessary repairs, maintenance, and upgrades. It helps determine the costs and priorities for keeping the property safe, functional, and up to standard. HUD recommends that housing authorities conduct a PNA every five years.

steam delivery, overheating in some apartments, and underheating in others. According to NYCHA, even developments receiving new boilers may continue to experience uneven heat delivery, poor temperature control, and operational inefficiencies if underlying distribution deficiencies are not addressed.

Although NYCHA has completed its obligation under the HUD Agreement to replace or address boilers, continued investment in heating infrastructure is vital to improving NYCHA's heating service.⁸ NYCHA's Asset & Capital Management Division ("A&CM") conducted evaluations of developments that were initially slated to receive boiler replacements. Several of these evaluations found that the developments' existing boilers were performing well despite their age and that heating issues were primarily caused by problems with the distribution systems.

Based on these evaluations, analyses of heating complaints, development maintenance histories, **physical needs assessments**, and equipment condition testing, A&CM redirected funding from boiler replacements towards distribution system upgrades. According to A&CM, those investments may include replacing condensate receiver tanks and pumps, upgrading feedwater systems, repairing underground steam leaks, replacing vacuum condensate tanks and zone valves, installing **Building Management Systems ("BMS")**, and undertaking significant distribution system repairs within heating plants. Since 2020, A&CM has invested approximately \$145 million in underground steam distribution replacement projects at sixteen developments, including Farragut Houses, Bronx River Addition, Sotomayor Houses, Sumner Houses, Ingersoll Houses, and Roosevelt Houses, and an additional \$10 million in targeted in-building steam optimization projects involving steam trap replacement, orifice plate installations, and associated piping modifications that improve and balance steam distribution across apartments.

NYCHA's Heating Management Services Department ("HMSD") has likewise expanded its focus to include distribution infrastructure. Since 2020, HMSD has invested approximately \$47.6 million in distribution-system-related repairs and upgrades across 131 developments, including underground steam and condensate line replacements, vacuum tank replacements, zone valve and heat control panel replacements, sump pumps, heat distribution piping repairs, and feedwater systems. HMSD reported that the largest

categories of investment were vacuum tank replacements (\$17.6 million), underground steam and condensate line replacements (\$14.4 million), and zone valve and control panel replacements (\$8.3 million).

The Monitors engaged consultants to independently evaluate the role that distribution systems play in heating failures. The consultants conducted field assessments of the heat distribution systems at Tilden Houses and Sumner Houses to evaluate the condition of those assets and their impact on heating conditions for residents. As discussed below, the consultants found that the deteriorated condition of the distribution systems at both developments impacts the delivery of heat to residents. These site visits demonstrated the importance of maintaining a development's distribution system as well as its boilers, and that new boilers alone will not resolve heating failures for individual apartments in developments with deteriorated distribution infrastructure.

At Tilden Houses, the consultants' findings were consistent with NYCHA's assessment that distribution system deficiencies are a significant obstacle to reliable heating. Tilden's steam heating infrastructure was built in the early 1960s and consists of four original boilers serving eight residential buildings through a campus-wide underground distribution network. NYCHA is now replacing that system through an electrification project that will heat apartments with infrared electric panels, eliminating the development's reliance on the boilers and the underground distribution network. This project is expected to be completed before the next heating season begins on October 1, 2026, pending the vendor's ability to access apartments to test the panels. During their site visit, the consultants observed active steam leaks, leaking condensate equipment, overflowing floor drains, corrosion affecting condensate return components, and distribution-related deficiencies documented in HMSD's inspections but not yet resolved. The consultants therefore attributed in-apartment heating failures at Tilden during the heating season to the distribution system rather than the boilers, which exhibited typical age-related deterioration but delivered adequate heat to the development for most of the 2025–2026 heating season.⁹ According to NYCHA, intensive repair of assets that will soon be abandoned is not a sound use of its limited resources, but HMSD did perform the targeted maintenance necessary to deliver heat to

Building Management Systems ("BMS"): The computerized controls that provide automation, remote monitoring, and remote control for building mechanical systems such as boiler plants.

residents through the transition, including piping repairs it completed during the 2025–2026 heating season.

At Sumner Houses, where NYCHA is replacing the original boilerplant with four new gas-fired boilers, the consultants found that the project's long-term success depends on the condition of the distribution system that will continue to serve the development's 13 residential buildings. They identified leaking condensate equipment, aging heating controls, deteriorated distribution assets, and recurring flooding in mechanical spaces housing heating equipment. The consultants recommended that NYCHA inspect and pressure test the existing distribution lines to identify deteriorated, leaking, or poorly insulated pipes, and that NYCHA expand temperature sensing and install thermostatic radiator valves to improve balancing. NYCHA notes it does not currently have the funding to do this comprehensively. Still, NYCHA completed approximately \$5 million in underground steam distribution work at Sumner in 2026 to address a major steam leak between two buildings at the development.

The HUD Agreement requires NYCHA to take appropriate action with respect to "heating-related capital needs" beyond boiler replacements.¹⁰ The consultants' findings at both developments confirm that functioning distribution systems are necessary to provide reliable heating. Aging underground steam systems, condensate return systems, vacuum equipment, valves, controls, and apartment-level components contribute to heating service interruptions and resident complaints. A&CM and HMSD have increasingly directed investment toward these root causes, which marks an evolution from a boiler-centric approach to a more comprehensive heating system strategy. The conditions observed at Tilden and Sumner nonetheless illustrate that distribution-related risk remains across the portfolio, and sustained improvement in heating reliability will require continued investment, condition assessments, and integration of distribution upgrades into future modernization projects. According to NYCHA, it will require at least \$4 billion in additional funding to fully repair or replace existing distribution lines.¹¹ Improved distribution infrastructure will improve heating system performance, reduce the number of heating service interruptions residents experience, and allow NYCHA employees to proactively maintain equipment rather than reacting to service interruptions, thereby improving NYCHA's ability to comply with the heating-related obligations.

B. Mandatory Minimum Indoor Temperature Violations (Requirement Nos. H6-H8)

The HUD Agreement requires NYCHA to ensure apartments stay above the **mandatory minimum temperatures** required by the New York City Code during the heating season.¹² Beginning with the 2024–2025 heating season, the Agreement sets limits on instances where an apartment’s temperature falls below the mandatory minimum indoor temperature.¹³ The Agreement specifies that NYCHA’s compliance with these obligations will be assessed according to procedures agreed upon in an Action Plan, which may include “a reliable sampling method.”¹⁴

During the 2025–2026 heating season, NYCHA began documenting both entry and exit temperature readings that are taken when responding to residents’ heating complaints as a sampling method to test whether NYCHA can measure its compliance with the mandatory minimum obligations for in-apartment heating failures in future heating seasons.¹⁵ The Monitors recognize that the procedure assists in measuring compliance with those obligations, but its reach is limited. It captures only apartments where a resident submits a complaint and an employee takes a reading during the response, so it does not account for apartments that fall below the legal minimum where no complaint is made. More significantly, the procedure does not address heating outages, which affect far more apartments than in-apartment heating failures do, and NYCHA does not yet have a method for measuring compliance with the mandatory minimum obligations during outages. Further, the Monitors found that NYCHA’s implementation of the temperature-taking procedure during the 2025–2026 heating season did not yet support reliable measurement of compliance. While the Monitors commend NYCHA’s efforts in improving its documentation, the procedure cannot be used to measure compliance even for in-apartment heating failures without improvement.¹⁶ NYCHA has acknowledged the need for improvement and committed to doing so.

Because NYCHA cannot currently provide reliable in-apartment temperature data, the Monitors use an interim methodology that tracks occupied apartments affected by heating service interruptions.¹⁷ A key limitation is that this methodology does not indicate whether apartments experienced temperatures below the legal limit.¹⁸ For example, it is possible that in some cases an

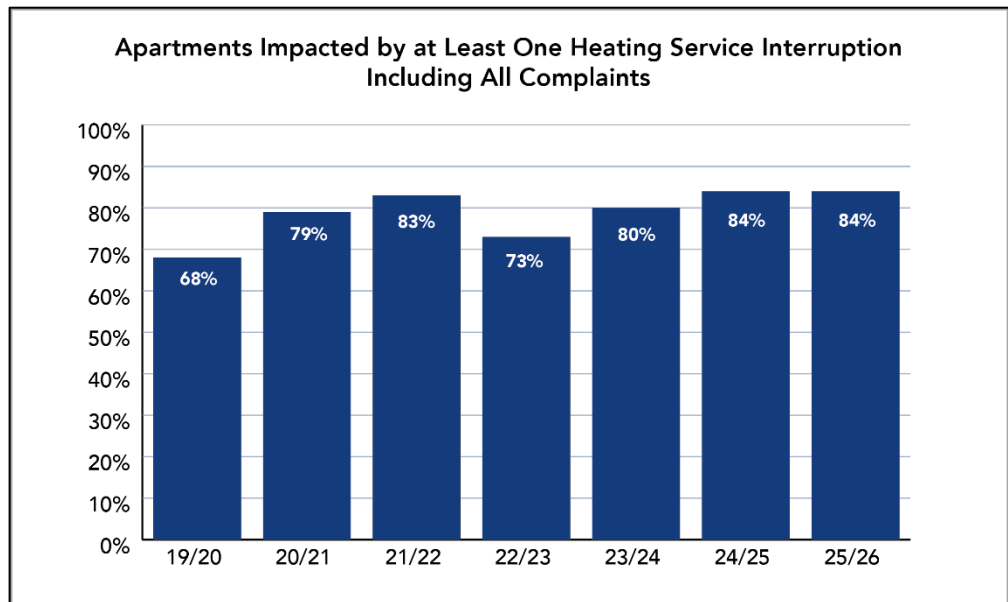
Mandatory Minimum Temperature: From October 1 to May 31 (the “Heating Season”), during the day (6:00 a.m. to 10:00 p.m.), apartments must be at least 68°F when the outside temperature is below 55°F, and at least 62°F at night (10:00 p.m. to 6:00 a.m.) regardless of the outside temperature.

apartment that experiences a heating interruption for a limited period of time does not fall below the mandatory minimum temperature.

1. At Least One Heating Service Interruption (Requirement No. H7)

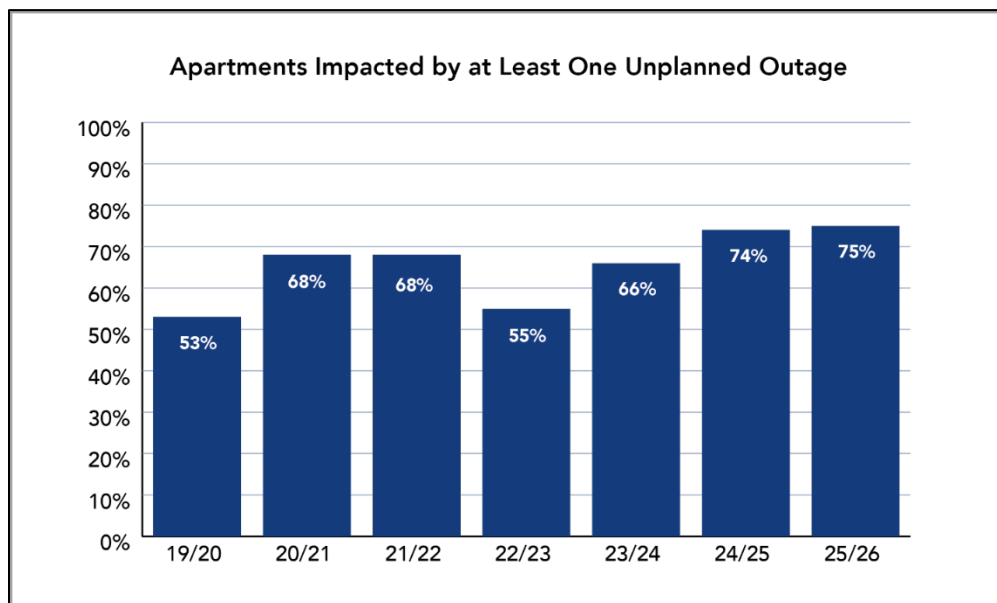
Beginning with the 2024–2025 heating season, the HUD Agreement requires NYCHA to ensure that no more than 15% of occupied apartments experience an instance when temperatures fall below the legal minimum.¹⁹ As discussed above, without reliable temperature tracking in apartments, the Monitors cannot fully assess NYCHA's performance under this Agreement obligation. Therefore, the Monitors use the interim methodology to measure how many occupied apartments were affected by heating service interruptions, as indicated by NYCHA's repair and maintenance activity.

Over the last four heating seasons, the share of occupied apartments experiencing at least one heating service interruption rose steadily, then plateaued. In the 2025–2026 heating season, including all residents' heating complaints, 84% of occupied apartments experienced at least one heating service interruption, the same as the 2024–2025 heating season. To put this in perspective, this means that approximately 113,000 of NYCHA's 135,000 occupied apartments experienced at least one heating service interruption in the 2025–2026 heating season.²⁰



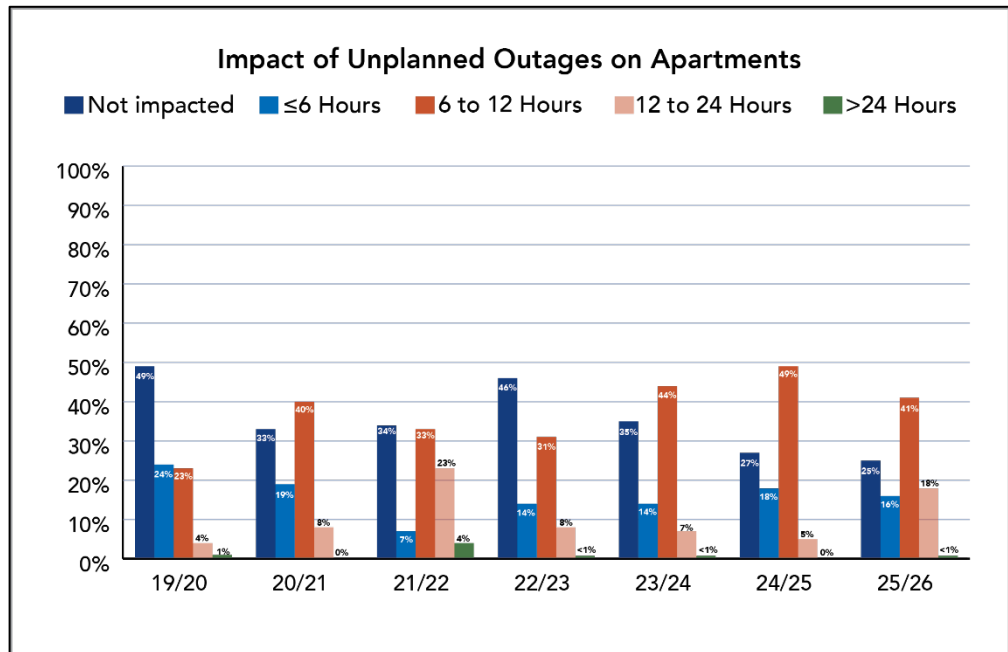
This overall percentage reflects three types of heating service interruptions: (1) unplanned outages;²¹ (2) planned outages;²² and (3) residents' heating complaints.²³ The Monitors analyzed each type separately and assessed the maximum duration of heating service interruption experienced by each affected apartment.²⁴

Unplanned Outages. In the 2025–2026 heating season, 75% of occupied apartments were impacted by at least one unplanned heating outage, up one percentage point from the 2024–2025 heating season.

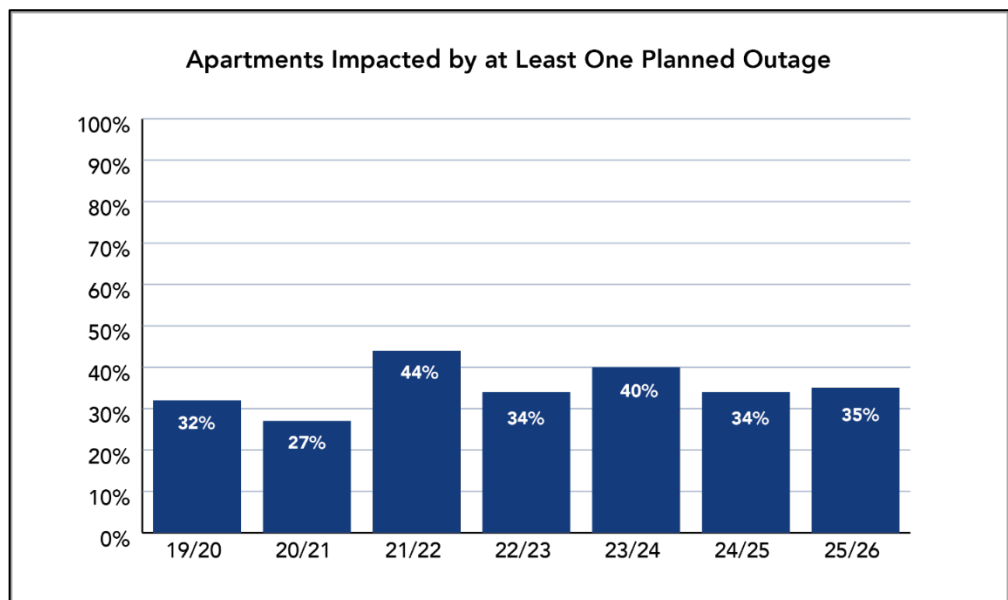


Compared to the 2024–2025 heating season, in the 2025–2026 heating season:

- Three developments experienced an unplanned outage lasting longer than 24 hours, compared to zero developments the season before;
- 18% of occupied apartments experienced at least one unplanned outage lasting between 12 and 24 hours, up 13 percentage points from the season before; and
- 41% of occupied apartments experienced at least one unplanned outage lasting between six and 12 hours, down eight percentage points from the season before.

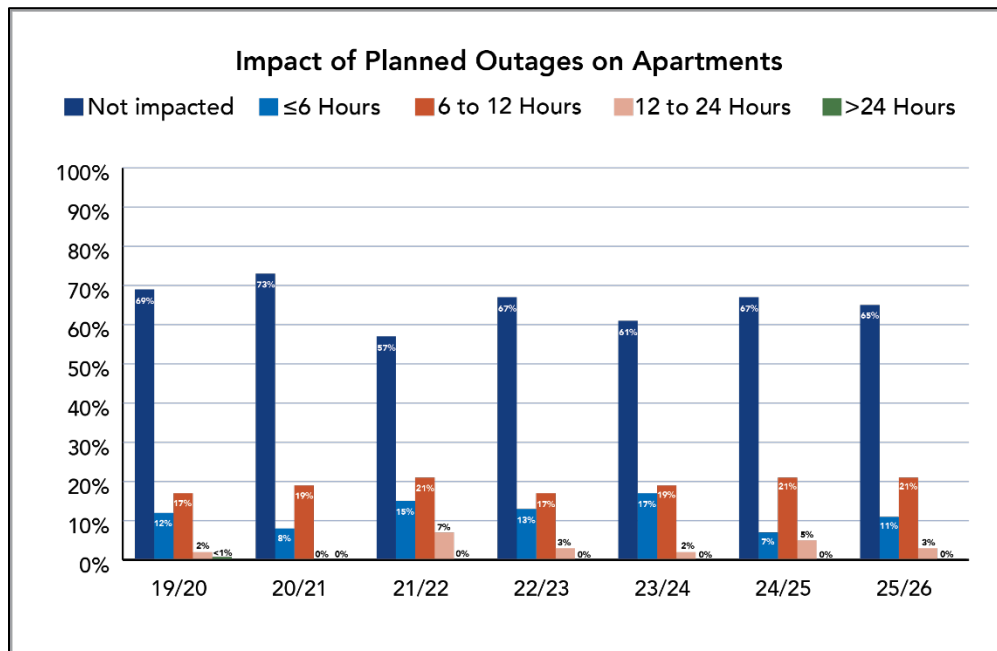


Planned Outages. In the 2025–2026 heating season, 35% of occupied apartments were impacted by at least one planned heating outage, up one percentage point from the 2024–2025 season.

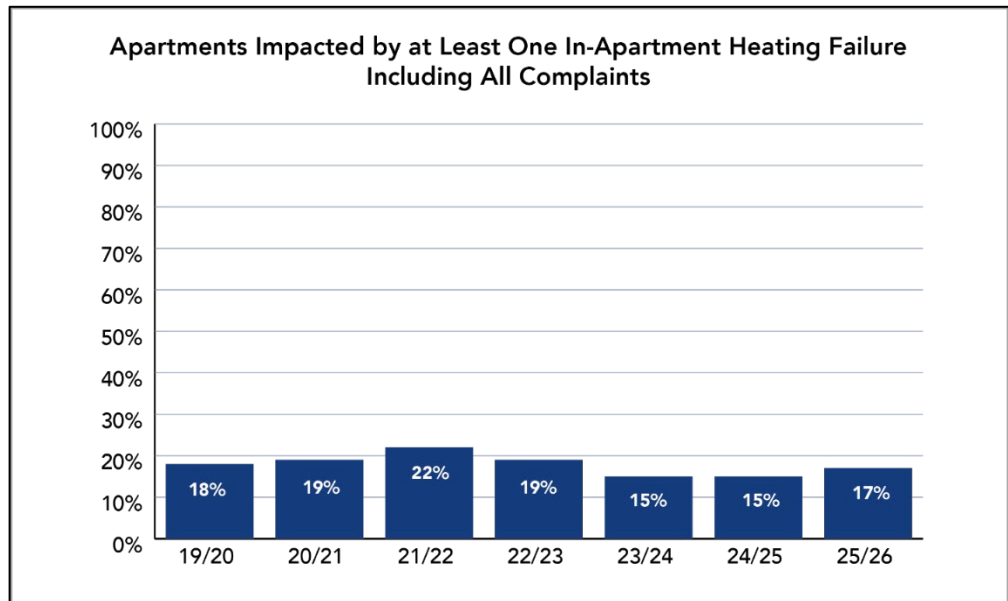


Compared to the 2024–2025 heating season, in the 2025–2026 heating season:

- 3% of occupied apartments experienced at least one planned outage lasting between 12 and 24 hours, down two percentage points from the season before;
- 21% of occupied apartments experienced at least one planned outage lasting between six and 12 hours, the same as the season before; and
- 11% of occupied apartments experienced at least one planned outage lasting less than six hours, up four percentage points from the season before.

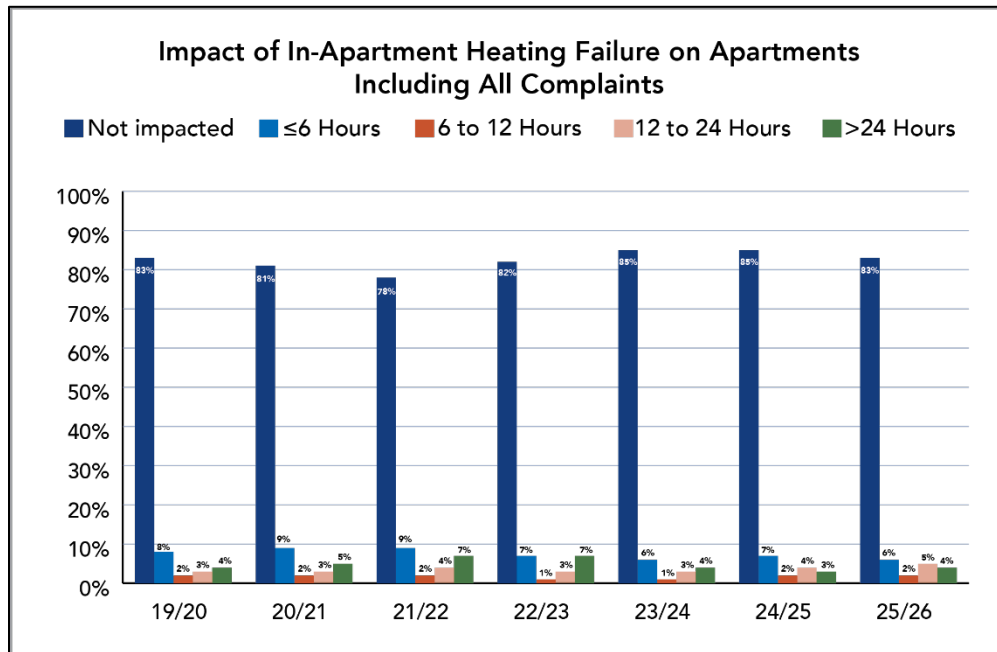


Complaints. In the 2025–2026 heating season, 17% of occupied apartments were impacted by at least one in-apartment heating failure as identified by all residents’ heating complaints, up two percentage points from the 2024–2025 heating season.



Compared to the 2024–2025 heating season, for all residents' heating complaints, in the 2025–2026 heating season:

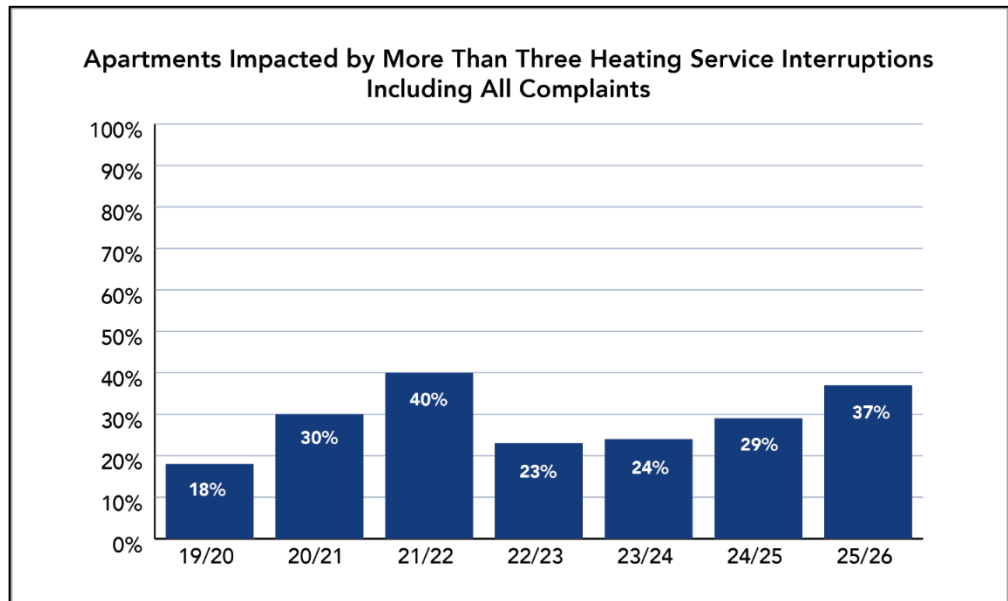
- 4% of occupied apartments experienced at least one in-apartment heating failure lasting longer than 24 hours, up one percentage point from the season before;
- 5% of occupied apartments experienced at least one in-apartment heating failure lasting between 12 and 24 hours, up one percentage point from the season before; and
- 2% of occupied apartments experienced at least one in-apartment heating failure lasting between six and 12 hours, the same as the season before.



2. More Than Three Heating Service Interruptions (Requirement No. H8)

Beginning with the 2024–2025 heating season, the HUD Agreement requires NYCHA to ensure that no occupied apartment experiences more than three instances when temperatures fall below the legal minimum.²⁵ As discussed above, without reliable temperature tracking in apartments, the Monitors cannot fully assess NYCHA’s performance against this Agreement obligation. Therefore, the Monitors used the interim methodology to measure how many occupied apartments were repeatedly affected by heating service interruptions, as indicated by NYCHA’s repair and maintenance activity.

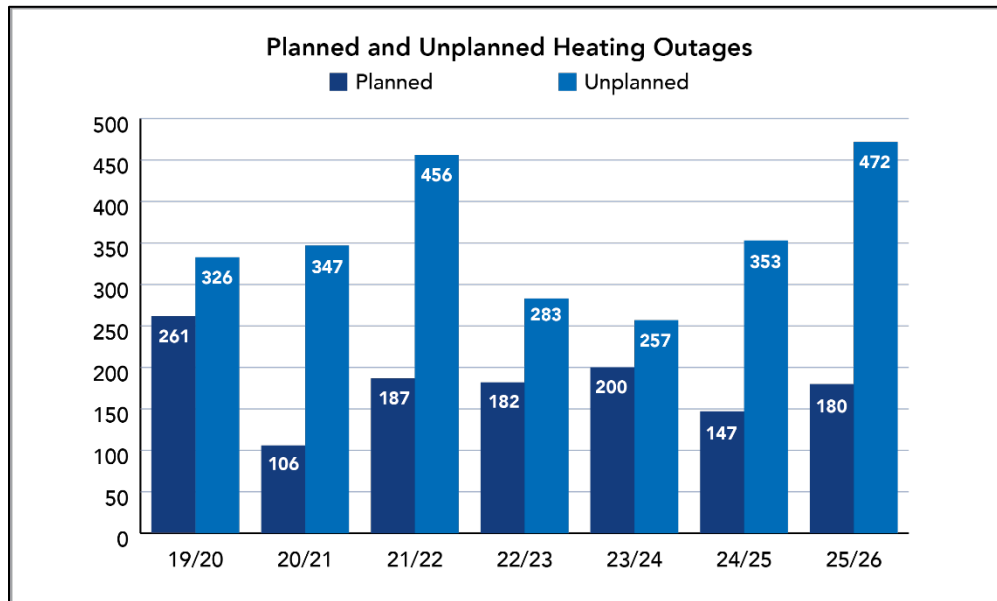
Over the last four heating seasons, the share of occupied apartments experiencing more than three heating service interruptions has also trended upward, but with a jump in the 2025–2026 heating season. In the 2025–2026 heating season, including all residents’ heating complaints, 37% of occupied apartments experienced more than three heating service interruptions, up eight percentage points from the 2024–2025 season.



Like the prior measure discussed in **Section I.1.B.1** above, this percentage also reflects three types of heating service interruptions: (1) unplanned outages; (2) planned outages; and (3) residents' heating complaints.

3. Increase in Heating Service Interruptions During the 2025–2026 Heating Season

NYCHA residents experienced a notable increase in heating service interruptions during the 2025–2026 heating season, especially in the number of unplanned heating outages, as compared to the 2024–2025 season. In the 2025–2026 heating season, NYCHA developments experienced 472 unplanned outages, which is higher than the 353 unplanned outages during the 2024–2025 heating season and roughly equal to the 456 unplanned outages during the 2021–2022 heating season.²⁶



NYCHA and the Monitors looked into statistical trends related to the increase in unplanned heating outages during the 2025–2026 season because this information helps guide NYCHA’s maintenance and investment efforts during the **annual overhaul** to mitigate the number of heating service interruptions for the upcoming and future heating seasons. To do so, the Monitors reviewed outage work order data alongside information about outside temperature, field observations, and capital projects, and compared data from the 2024–2025 and 2025–2026 heating seasons. The Monitors also looked into trends related to the number of in-apartment heating failures, as this information too helps guide NYCHA’s efforts. The Monitors discussed the below analyses with NYCHA this summer, who shared that its findings were similar and collaborated on refining these analyses.

Because heating demand fluctuates with outside temperatures, which may impact performance, the Monitors provide data on **Heating Degree Days** (“HDDs”) for the 2024–2025 and 2025–2026 heating seasons. Colder temperatures equate to higher HDDs, which means heating demand increases to keep apartments warm. In the 2025–2026 heating season, there were 4,767 HDDs, an increase of approximately 15% as compared to the 2024–2025 heating season.²⁷ As noted in the table below, the 2025–2026 heating season was colder than the 2024–2025 heating season, with every month colder than the corresponding month from the season before.

Annual Overhaul:

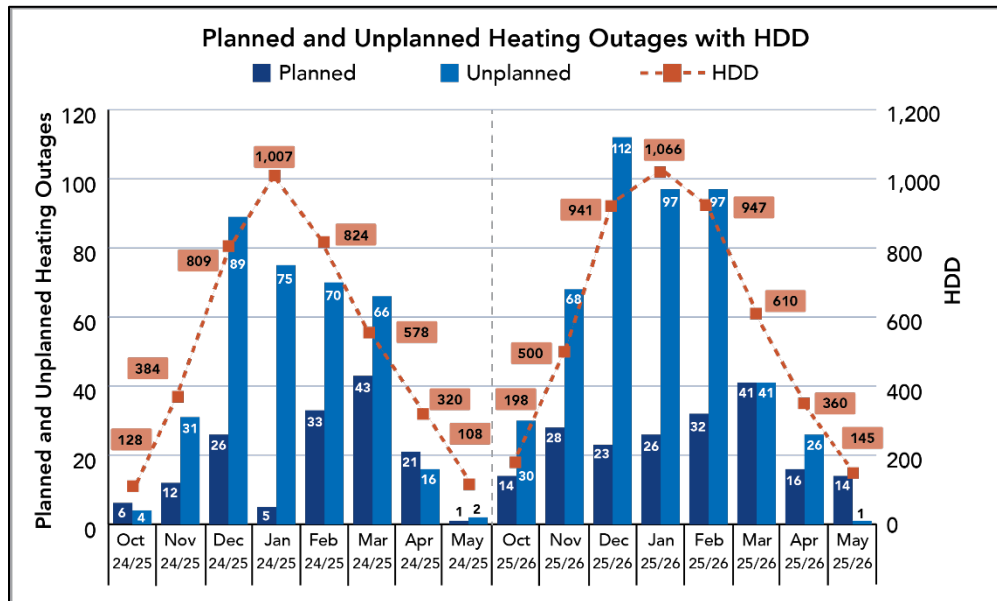
Annual overhaul refers to NYCHA’s yearly preventive and corrective maintenance performed on heating service equipment starting around February and finishing by October, with most of the work taking place in the summer. The annual overhaul involves performing maintenance on all heating equipment (e.g., cleaning, lubricating, replacing worn components), conducting thorough equipment inspections to identify all needed repairs and replacements, and then completing this work.

Heating Degree Days:

A measure of how cold it is over a period of time, calculated based on the number of degrees the daily average temperature falls below a set baseline (typically 65°F). Higher HDD values indicate greater demand for heat.

Month	24/25	25/26
Oct	128	198
Nov	384	500
Dec	809	941
Jan	1,007	1,066
Feb	824	947
Mar	578	610
Apr	320	360
May	108	145
Total	4,158	4,767

To help interpret NYCHA's performance, the Monitors assessed HDDs alongside counts of planned and unplanned outages for the 2024–2025 and 2025–2026 heating seasons.²⁸ The graph below suggests that colder outside temperatures, especially earlier in the heating season, are associated with an increase in the number of unplanned heating outages. As each month of the 2025–2026 heating season was colder than the corresponding month during the 2024–2025 heating season, there were more unplanned outages most months of the 2025–2026 heating season as compared to the corresponding month during the 2024–2025 heating season, with March and May as exceptions.



The Monitors also found that outages are highest at developments undergoing capital projects, which averaged 3.9 outages per development in the 2025–2026 heating season. Many of these developments rely on mobile boilers to deliver service during construction, and those mobile boilers have often performed poorly.

Working with NYCHA, the Monitors sought to quantify the correlation between age of the boilers and heating performance. Though NYCHA does not track the age of its boilers or other heating assets comprehensively, NYCHA and the Monitors were able to estimate the age of NYCHA's boilers. The Monitors found that many of these boilers are beyond their typical lifespan, with at least 57 developments relying on boilers that are 30 years old or older.²⁹ As illustrated by the chart below, developments undergoing capital projects had the highest number of outages and developments with boilers under 10 years old had the fewest number of outages.

Boiler Age	Count of Developments	Outages 25/26	Number of Outages Per Development
Capital Projects	25	97	3.9
Boilers Under 10 Years	48	75	1.6
Boiler 10-19 Years	18	64	3.6
Boilers 20-29 Years	54	101	1.9
Boilers 30+ Years	57	135	2.4

Although accounting for the fewest number of developments, developments with boilers between 10 and 19 years old had a higher number of outages per development than other ranges. One factor driving this trend is that the two developments with the most outages during the heating season, Mariner's Harbor Houses and Washington Houses, have boilers between 10 and 19 years old. Notably, these two developments also rely on advanced boiler management systems ("ABMS"), and ABMS developments experienced more outages on average in the 2025–2026 heating season than other developments.³⁰ Conversely, during the 2024–2025 heating season, ABMS developments experienced approximately the same number of outages on average as other developments.³¹ Thus, ABMS developments experienced a higher increase in outages on average from the 2024–2025 heating season to the 2025–2026 heating season than other developments.

As discussed in the Monitors' August 2024 Report, developments with ABMS were managed by third-party contractors until NYCHA took over management during 2024.³² Previously, NYCHA reported that this required it to manage approximately 900 more pieces of heating equipment, straining NYCHA's resources.³³ In addition, after taking over this equipment, NYCHA still relied on various short-term vendor contracts for maintenance and repairs of the ABMS control panels, while it sought out a more long-term contract. This summer, NYCHA secured a longer-term contract for this maintenance and repairs, which NYCHA expects will improve the performance of developments with ABMS since vendor performance under the short-term contracts was inconsistent. However, potential funding cuts across NYCHA may limit its ability to make use of this contract.

Cause and Repair

Codes: Cause and repair codes are standardized codes used in NYCHA's Maximo system to categorize the cause of a heat outage (cause code) and the work performed to resolve it (repair code). Accurate coding helps NYCHA identify patterns, target preventive maintenance, and track the effectiveness of repairs.

The Monitors also analyzed NYCHA's heating outage work order data, specifically the reported **cause and repair codes**, to explore whether particular issues with NYCHA's heating system could account for the increase. The Monitors do not see trends in this data to account for the increase in unplanned outages this season, as compared to the 2024–2025 heating season. Notably, the most common repair code this season has been flame failure, which occurs when the flame inside a boiler extinguishes such that the boiler is no longer producing heat.³⁴ However, flame failure has been the most common repair code in nearly every prior heating season as well, suggesting it does not account for this season's increase.

NYCHA's preparation for the 2025–2026 heating season was very similar to its preparation for the 2024–2025 heating season, if not slightly better. As discussed in the Monitors' December 2025 Report, NYCHA's annual overhaul prepares heating equipment for the heating season.³⁵ Prior to the 2025–2026 heating season, NYCHA completed all **preventive maintenance** work orders and inspections, and of the highest priority **corrective maintenance** work orders, NYCHA completed 66% by October 1 and 97% by October 31.³⁶ As in previous years, because of limited staffing and resources, NYCHA was unable to complete all lower priority corrective maintenance work orders during the 2025 annual overhaul, and some of NYCHA's boilers remained offline on October 1, though NYCHA considered all developments to be **heat ready** before October 1 because they had working boilers in place. NYCHA entered the 2025–2026 heating season with fewer outstanding corrective maintenance work orders and fewer boilers offline than it did entering the 2024–2025 heating season, so its preparation was very similar to its preparation for the season before, if not slightly better.³⁷ That said, in reviewing NYCHA's preparation for the 2025–2026 heating season, the Monitors found that the number of corrective maintenance work orders not completed at a development by October 1, 2025, correlated with an increase in the number of outages over the course of the heating season.³⁸ This finding supports the importance of completing corrective maintenance work orders before the start of the heating season to reduce heating outages.

The Monitors also observed an increase in the number of in-apartment heating failures as indicated by residents' heating complaints. When considering all residents' heating complaints, the number of in-apartment heating failures increased from approximately 66,000 in the 2024–2025 heating season to approximately 74,000 in the 2025–2026 heating season.

In addition to the trends discussed above, NYCHA's aging infrastructure means it will need to continue replacing boilers at a significant pace beyond what the HUD Agreement required. NYCHA's current capital plan includes replacing 78 more boilers. Where possible, NYCHA also plans to move away from "in-kind boiler replacements," meaning the replacement of an aging boiler with a new boiler of the same type and fuel source, because in-kind replacements are more costly and perpetuate NYCHA's reliance on fossil fuels. Instead, NYCHA is exploring alternative heating solutions

Preventive

Maintenance: For heating, preventive maintenance consists of cleaning, lubricating, adjusting, repairing, and replacing worn components, and ensuring equipment and mechanical areas are in satisfactory operating condition.

Corrective
Maintenance:

Corrective maintenance consists of repairing or replacing damaged or malfunctioning components such as burners, pumps, valves, control systems, and piping; performing hydrostatic tests to detect leaks; and restoring full operational capacity to ensure safe and reliable boiler function.

Heat Ready: Heat ready refers to NYCHA's assessment that the boilers at a development are capable of providing sufficient heat to the residents of the development in the upcoming heating season. Because many developments have boiler rooms with more than the necessary number of boilers, not all boilers must be operational in a development's boiler room before NYCHA considers the development to be heat ready.

such as electrification. Because the expected improvements from new boiler replacements can be limited by aging distribution systems, these systems must also be a focus. As discussed in **Section I.1.A**, A&CM plans on redirecting funds to upgrade distribution systems, and HMSD's yearly operational improvements focus largely on repairing distribution infrastructure, in addition to maintaining boilers. The Monitors will work with NYCHA to evaluate how best to deploy its capital resources to address these ongoing infrastructure needs.

C. Heat Restoration Obligations (Requirement Nos. H6, H9, H11)

The HUD Agreement requires NYCHA to restore heat in a timely manner when an apartment loses heat. Since its inception, the Agreement has required NYCHA to restore heat to affected apartments, on average, within 12 hours per heating service interruption.³⁹ Beginning with the 2024–2025 heating season, the Agreement requires NYCHA to restore heat to affected apartments within 12 hours for 85% of heating service interruptions, and to restore heat to affected apartments within 24 hours for all heating service interruptions.⁴⁰

As in prior reports, the Monitors present NYCHA's compliance with the HUD Agreement obligations for restoration times following in-apartment heating failures based on residents' heating complaints.⁴¹ During the 2025–2026 heating season, NYCHA met two of its three heat restoration obligations for heating outages. While it did not meet any of these obligations for in-apartment heating failures, NYCHA nevertheless has shown improvement in the last three heating seasons, as detailed in the subsections below.

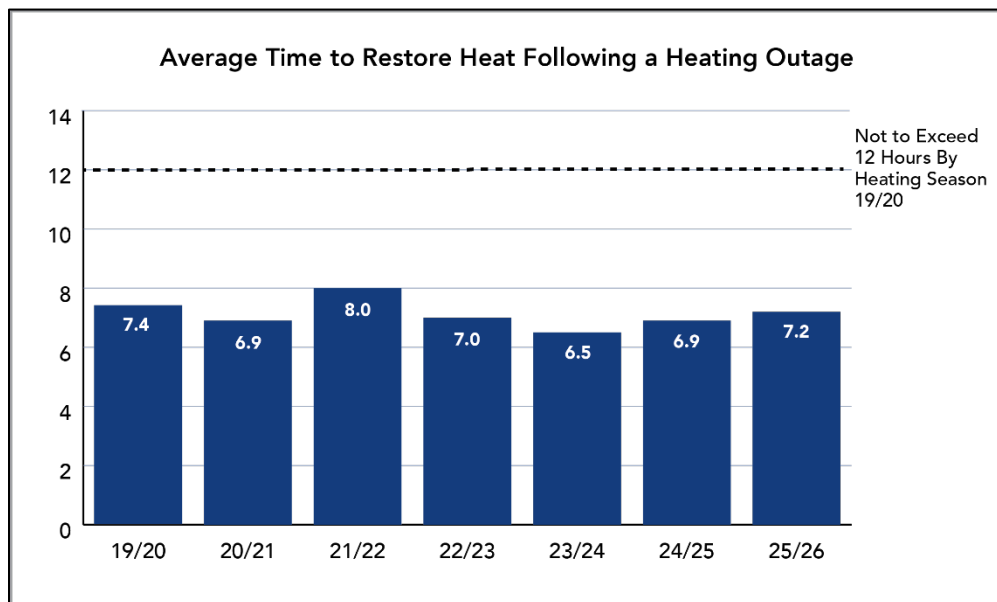
NYCHA attributes its improvements in restoring heat to apartments affected by in-apartment heating failures to operational changes that emphasize data-driven decision-making and increased accountability. Specifically, HMSD revamped daily management meetings to review and address aging work orders, prioritizing those submitted the night before, and HMSD directed more experienced employees to travel between developments to assist the employees on site at developments that experienced a spike in residents' heating complaints.

1. Twelve-Hour Average Heat Restoration (Requirement No. H9)

Beginning with the 2019–2020 heating season, the HUD Agreement requires NYCHA to restore heat to affected apartments in an average of 12 hours per heating service interruption.⁴²

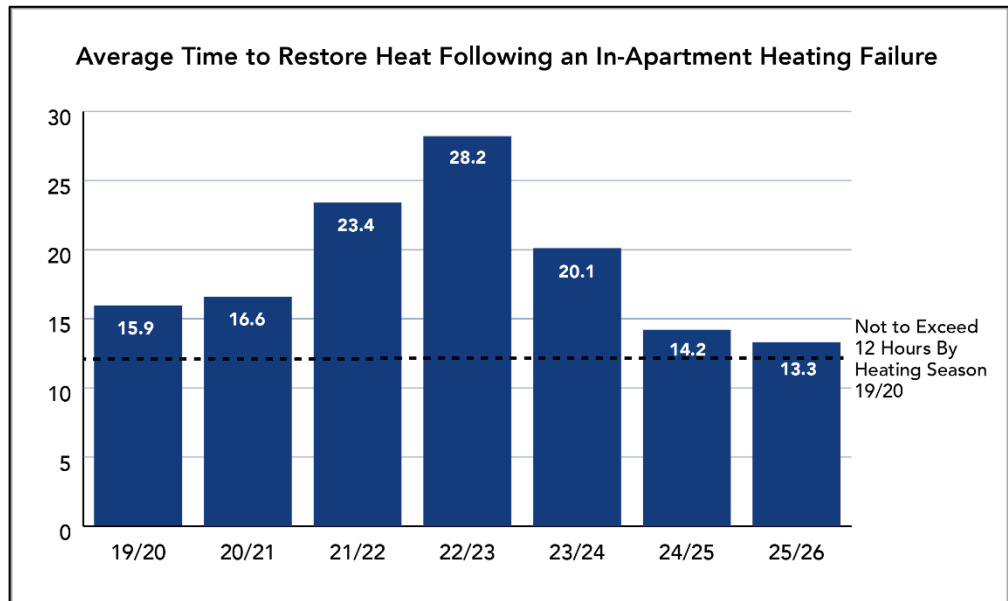
Heating Outages. For the 2025–2026 heating season, NYCHA met this requirement for heating outages once again. NYCHA has met this requirement in every heating season of the monitorship since its inception.

In the 2025–2026 heating season, NYCHA restored heat to apartments affected by heating outages in an average of 7.2 hours, 0.3 hours slower than the 2024–2025 heating season.



In-Apartment Heating Failures. NYCHA has not yet met the requirement to restore heat within an average of 12 hours in response to in-apartment heating failures. However, NYCHA has improved year-over-year for each of the past three heating seasons.

In the 2025–2026 heating season, NYCHA restored heat to apartments affected by in-apartment heating failures in an average of 13.3 hours, 0.9 hours faster than the 2024–2025 heating season. This is NYCHA's shortest response time since the monitorship began and reflects meaningful progress in reducing the length of in-apartment heating failures reported in residents' heating complaints.



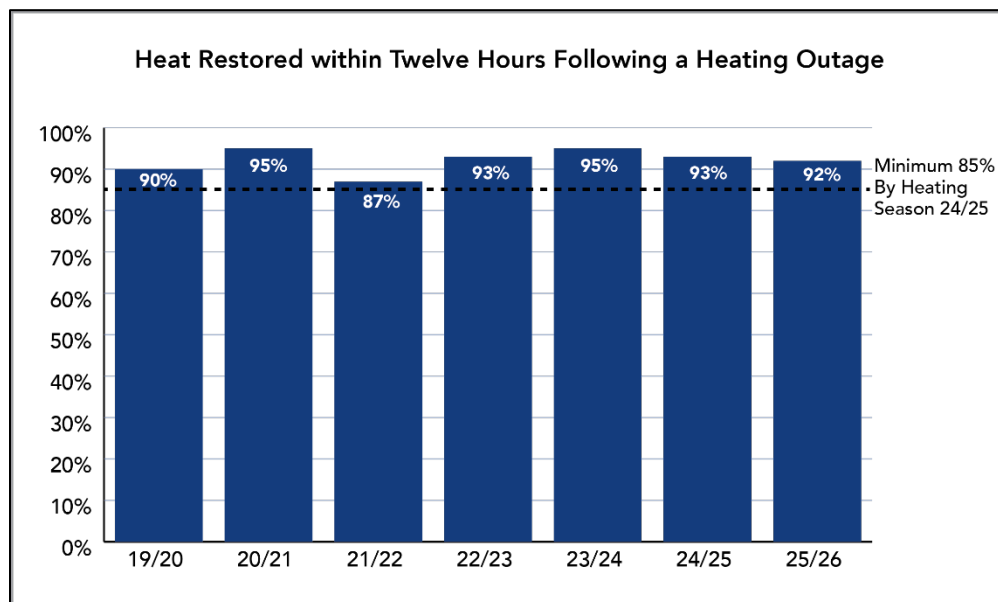
While NYCHA did not meet this obligation across all its developments in the 2025–2026 heating season, NYCHA restored heat to affected apartments in Brooklyn and Queens in an average of 9.6 hours and 9.5 hours, respectively. Meanwhile, NYCHA restored heat to affected apartments in the Bronx and Manhattan in an average of 17.5 hours and 15.5 hours, respectively. To reach compliance with this obligation, NYCHA should focus its efforts on improving its response in the Bronx and Manhattan, while maintaining its response to residents' heating complaints in Brooklyn and Queens.⁴³

2. Twelve-Hour Heat Restoration (Requirement No. H11)

Beginning with the 2024–2025 heating season, the HUD Agreement requires NYCHA to restore heat to affected apartments within 12 hours for 85% of heating service interruptions.⁴⁴ Unlike the prior obligation, which assessed whether the average restoration time was within 12 hours, this obligation measures the percentage of heating service interruptions addressed within 12 hours.

Heating Outages. For the 2025–2026 heating season, NYCHA met this obligation for heating outages.

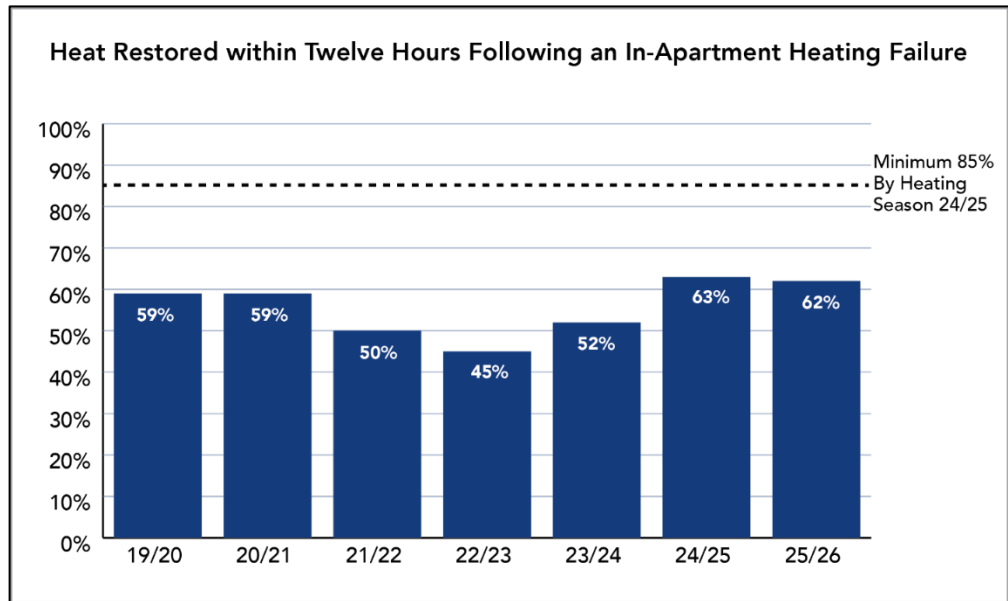
In the 2025–2026 heating season, NYCHA restored heat to apartments affected by heating outages within 12 hours for 92% of heating outages, down one percentage point from the 2024–2025 season.



In-Apartment Heating Failures. NYCHA did not meet this requirement for in-apartment heating failures, as illustrated in the graph below. After improving its performance in the two prior heating seasons, NYCHA's improvement stalled during the 2025–2026 heating season.

In the 2025–2026 heating season, NYCHA restored heat to apartments affected by in-apartment heating failures within 12 hours

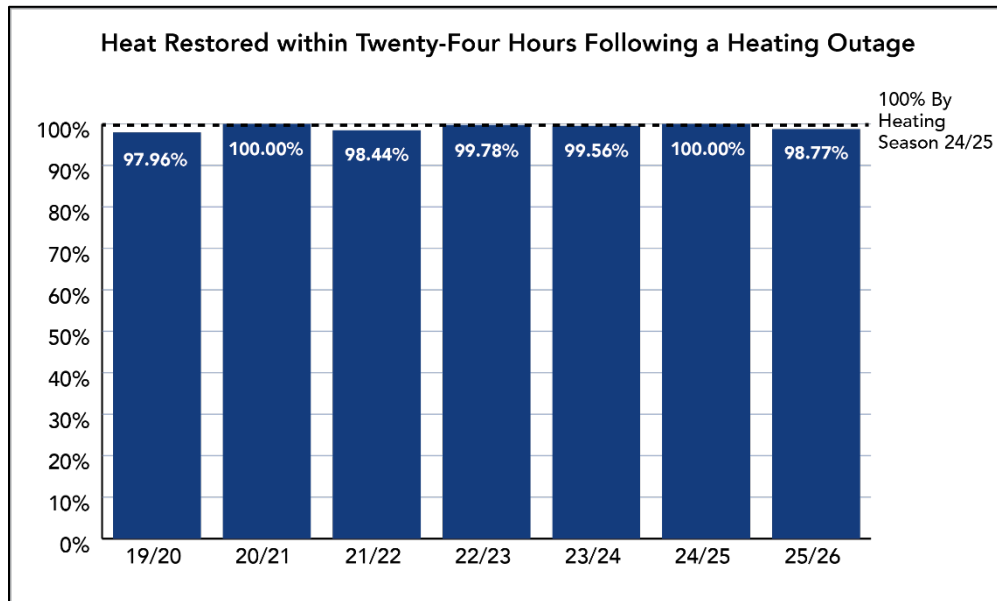
for 62% of in-apartment heating failures, down by one percentage point from the 2024–2025 heating season.



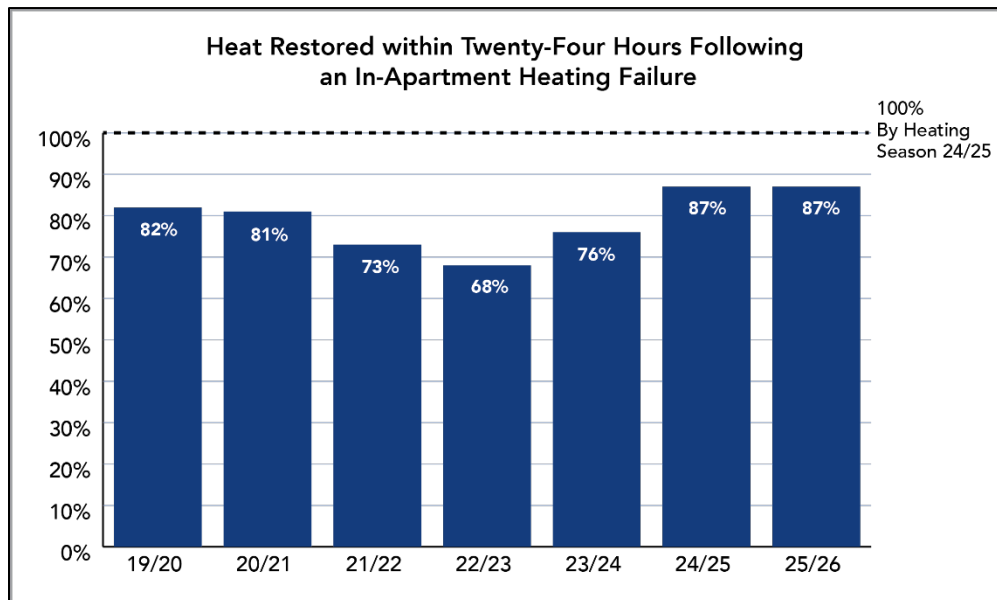
3. Twenty-Four-Hour Heat Restoration (Requirement No. H11)

Beginning with the 2024–2025 heating season, the HUD Agreement requires NYCHA to restore heat to affected apartments within 24 hours for 100% of heating service interruptions.⁴⁵ For the 2025–2026 heating season, NYCHA did not meet this obligation for heating outages or in-apartment heating failures.

Heating Outages. In the 2025–2026 heating season, NYCHA restored heat to apartments affected by heating outages within 24 hours for 98.8% of heating outages. There were eight outages longer than 24 hours in the 2025–2026 heating season, whereas there were none in the 2024–2025 heating season.



In-Apartment Heating Failures. In the 2025–2026 heating season, NYCHA restored heat to apartments affected by in-apartment heating failures within 24 hours for 87% of in-apartment heating failures, the same as the 2024–2025 heating season.



Unlike heating outages, to which NYCHA responds at all hours, NYCHA does not respond to residents' heating complaints at all times of the day and week. This limits NYCHA's ability to respond to all heating complaints in compliance with the HUD Agreement. In the

2025–2026 heating season, 35% of residents' heating complaints were created Monday through Friday from 8:00 a.m. to 4:30 p.m., excluding holidays. For these complaints, in the 2025–2026 heating season, NYCHA restored heat to apartments affected by in-apartment heating failures in an average of 9.7 hours, within 12 hours for 80% of in-apartment heating failures, and within 24 hours for 90% of in-apartment heating failures. In comparison, for all other complaints during the same season, NYCHA restored heat to apartments affected by in-apartment heating failures in an average of 15.3 hours, within 12 hours for 52% of in-apartment heating failures, and within 24 hours for 85% of in-apartment heating failures.

D. Heating Failure Investigations (Requirement No. H14)

The HUD Agreement requires NYCHA to investigate and report on instances when it takes more than 12 hours to restore heat to a particular apartment.⁴⁶ NYCHA's Environmental Health and Safety ("EH&S") Department conducts root cause failure analysis investigations for heating outages that impact multiple apartments lasting more than 12 hours and issues recommended corrective actions. In the 2025–2026 heating season, EH&S began conducting investigations of certain in-apartment heating failures that last longer than 12 hours as well.⁴⁷

During the 2025–2026 heating season, NYCHA had 41 heating outages that lasted longer than 12 hours for which EH&S conducted 29 root cause failure investigations.⁴⁸ From these investigations, EH&S issued 101 recommended corrective actions during the 2025–2026 heating season, separate from issues that were already corrected in the course of resolving the outages themselves. EH&S also reviewed 59 in-apartment heating failures and issued 18 additional recommended corrective actions. EH&S expects to perform more apartment-related investigations in the upcoming heating season.

In addition, NYCHA has been implementing EH&S's recommendations for corrective action from prior heating seasons. Of the recommendations made by EH&S prior to the 2025–2026 heating season, as of July 31, 2026, 11 remain open.⁴⁹ While NYCHA has continued to address the backlog of corrective recommendations, it is important that NYCHA consistently implement and close out EH&S's corrective action recommendations in a timely manner as they arise during the heating season.

E. Electronic Temperature Monitoring (Requirement Nos. H4, H5, H15)

As of January 31, 2025, NYCHA met the HUD Agreement requirement to install temperature sensors in at least 30% of the apartments in 44 developments with modernized Building Management Systems.⁵⁰ NYCHA is continuing its efforts to install BMS and temperature sensors at additional developments, consistent with its 2019 Heat Action Plan.⁵¹

Although NYCHA has made real-time temperature data from sensors available to personnel responsible for heating, as well as to the Monitors, HUD, and SDNY, as the HUD Agreement requires, NYCHA is not publishing this data on its website due to concerns about the accuracy of sensor readings.⁵²

F. Completed, In Compliance, and Superseded Obligations

The HUD Agreement obligations that NYCHA met prior to or were superseded before the period covered by this report (**Requirement Nos. H1, H2, H3, H4, H10, H12, H13**) are listed in the **Appendix**.

Overview of Outstanding Heat Obligations

The following table summarizes the status of NYCHA's compliance with the outstanding requirements of the HUD Agreement through May 31, 2026, the end of the 2025–2026 heating season, unless otherwise noted, and categorizes each requirement as a one-time obligation (blue); occurrence obligation (yellow); response obligation (orange); or policy and practice obligation (green). The "Estimated Timeline" column describes when NYCHA is projected to reach compliance with each outstanding requirement, based on information currently available to the Monitors. Obligations completed in the period covered by this report will be moved to the Appendix in future reports. The requirements listed in the Appendix have either been satisfied by NYCHA or have been superseded, as set forth in more detail therein.

Req. No.	Description	Status	Compliance Status	Estimated Timeline
One-Time Obligations				
H5 (Ex. B ¶¶ 6–7)	Action Plan for Installing Temperature Monitoring and Disclosing Temperature Information. NYCHA will draft an action plan to set electronic temperature sensing device installation deadlines for the rest of all the developments and provide an appropriate mechanism for disclosing information from electronic temperature reading devices to the public.	Incomplete	The Monitors will work with NYCHA to update its action plan as needed in light of its concerns regarding the accuracy of the temperature sensors. According to NYCHA, it will continue to install sensors with boiler replacement projects but does not expect to have funding to install BMS more widely under current conditions. NYCHA represented that any action plan would include NYCHA's current schedule of installations.	NYCHA has not provided an action plan meeting the requirements of this obligation, and a specific compliance date cannot currently be projected. Compliance is likely to require significant capital investment to expand BMS across all developments, as discussed in H6. NYCHA does not currently have the funding to install BMS comprehensively, so its plan is to install BMS alongside modernization and replacement projects.
H6 (Ex. B ¶ 2(a))	Action Plan for Heat Mandatory Minimum Indoor	Incomplete	NYCHA implemented a procedure during	NYCHA has not provided an action plan meeting the

Req. No.	Description	Status	Compliance Status	Estimated Timeline
	Temperature: NYCHA will establish an Action Plan setting forth a reliable method to measure what percentage of occupied apartments have had the temperatures fall below the mandatory minimum indoor temperature by October 1, 2024.		the 2025–2026 heating season to capture in-apartment temperatures when responding to residents’ heating complaints. The Monitors reviewed this procedure after the heating season and found it was not sufficiently reliable as implemented. NYCHA is making changes to improve implementation next season. Nevertheless, NYCHA currently does not have a plan to take temperatures during heating outages.	requirements of this obligation. As noted in Section I.1.B, NYCHA is working to improve its methodology for measuring in-apartment temperatures in response to heating complaints, but does not currently have a plan to measure temperatures during heating outages. A specific compliance date cannot currently be projected. Compliance is likely to require significant capital investment and increased staffing. NYCHA reports it will need to engage with HUD, SDNY, and the Monitors to discuss paths forward given the constraints under current conditions before it can prepare an action plan. NYCHA has estimated that installing BMS sensors across all developments, which would allow NYCHA to measure temperatures during heating outages and in response to heating

Req. No.	Description	Status	Compliance Status	Estimated Timeline
				complaints, would cost at least \$375 million. Further, NYCHA estimates that BMS installations would require yearly service and maintenance contracts and additional staff to monitor the data.
Occurrence Obligations				
H7 (Ex. B ¶ 2(a))	Apartments with One Violation: Beginning with the 2024–2025 heating season, no more than 15% of occupied apartments shall have an occasion in which the temperatures fall below the mandatory minimum indoor temperature.	TBD Based on their interim methodology, the Monitors determined that 84% of occupied apartments experienced at least one heating service interruption during the 2025–2026 heating season. The Monitors note that this data does not reflect whether the temperatures in these apartments fell below the mandatory minimum indoor temperature.	NYCHA and the Monitors are unable to measure compliance with these obligations because there is currently no reliable method or procedure to measure temperatures in individual apartments. NYCHA implemented a procedure to measure temperatures in individual apartments when responding to residents' heating complaints during the 2025–2026 heating season. However, NYCHA does not have a plan for measuring temperatures in apartments during heating outages and has advised that it is not practical to take	Compliance with this requirement cannot currently be measured because there is no reliable method or procedure to measure temperatures in individual apartments, as discussed in H6. Once a reliable method to measure temperature is in place, the Monitors will assess a projected timeline.

Req. No.	Description	Status	Compliance Status	Estimated Timeline
			temperatures of apartments during an outage.	
H8 (Ex. B ¶ 2(b))	Apartments with More Than Three Violations: Beginning with the 2024–2025 heating season, no apartment shall have an occasion in which the temperatures fall below the mandatory minimum indoor temperature on more than three separate occasions.	TBD Based on their interim methodology, the Monitors determined that 37% of occupied apartments experienced at least four heating service interruptions during the 2025–2026 heating season. The Monitors note that this data does not reflect whether the temperatures in these apartments fell below the mandatory minimum indoor temperature.	NYCHA and the Monitors are unable to measure compliance with these obligations because there is currently no reliable method or procedure to measure temperatures in individual apartments. NYCHA implemented a procedure to measure temperatures in individual apartments when responding to residents' heating complaints during the 2025–2026 heating season. However, NYCHA does not have a plan for measuring temperatures in apartments during heating outages and has advised that it is not practical to take temperatures of apartments during an outage.	Compliance with this requirement cannot currently be measured because there is no reliable method or procedure to measure temperatures in individual apartments, as discussed in H6. Once a reliable method to measure temperature is in place, the Monitors will assess a projected timeline.
Response Obligations				
H9 (Ex. B ¶ 9(a))	Twelve-Hour Average Heat Restoration: Beginning with the 2019–2020 heating season, NYCHA will	Partial compliance Heating outages: 7.2 hours per heating outage	For the 2025–2026 heating season, NYCHA restored heat from heating outages impacting multiple apartments	For the requirement to restore heat from heating outages within an average of 12 hours (part (1)),

Req. No.	Description	Status	Compliance Status	Estimated Timeline
	restore heat to apartments affected by a heating failure within an average of 12 hours.	In-apartment heating failures: 13.3 hours per qualifying complaint	within an average of 12 hours, but NYCHA did not restore heat to apartments affected by in-apartment heating failures within an average of 12 hours.	NYCHA is currently in compliance. For the requirement to restore heat to apartments affected by in-apartment heating failures within an average of 12 hours (part (2)), based on the trajectory of improvement over the monitorship, NYCHA is not projected to reach compliance before the end of the current monitorship term (February 27, 2029), and a specific compliance date cannot currently be projected. Compliance is likely to require significant additional staffing and overtime funding for NYCHA and/or changes to the shifts of NYCHA employees allowing for some employees to have regular shifts at night and on weekends. NYCHA's current staffing only allows response to residents' heating complaints during the regular shift during the week, which limits its ability to resolve

Req. No.	Description	Status	Compliance Status	Estimated Timeline
				complaints within 12 hours. Further, compliance is likely to require increased funding for maintenance of in-apartment heating equipment, such as expanding the Steam Optimization Squad (SOS), and for repairing distribution systems.
H11 (Ex. B ¶ 10(a))	Overall Heat Restoration (2024–2029): Beginning with the 2024–2025 heating season, NYCHA will restore heat to affected apartments within (i) 12 hours for 85% of heating failures, and (ii) 24 hours for 100% of heating failures.	Partial compliance Heating outages: (i) 92% within 12 hours; (ii) 98.8% within 24 hours In-apartment heating failures: (i) 62% within 12 hours; (ii) 87% within 24 hours	Supersedes H10 (Ex. B ¶ 9(b)). For the 2025–2026 heating season, NYCHA resolved 92% of heating outages within 12 hours, and 98.8% of heating outages within 24 hours. For the 2025–2026 heating season, NYCHA resolved 62% of in-apartment heating failures within 12 hours, and 87% of in-apartment heating failures within 24 hours.	For the 12-hour restoration requirement for heating outages (85% target), NYCHA is currently in compliance. For the 24-hour restoration requirement for heating outages (100% target), NYCHA reached compliance in the 2024–2025 heating season and was at 98.8% in the 2025–2026 heating season. Sustained compliance would likely require continued investment in HMSD staffing and annual overhaul work. For both in-apartment heating failure requirements, based on the

Req. No.	Description	Status	Compliance Status	Estimated Timeline
				trajectory of improvement over the monitorship, NYCHA is not projected to reach compliance before the end of the current monitorship term (February 27, 2029), and a specific compliance date cannot currently be projected. Compliance is likely to require significant additional staffing and overtime funding for NYCHA and/or changes to the shifts of NYCHA employees allowing for some employees to have regular shifts at night and on weekends. NYCHA's current staffing only allows response to residents' heating complaints during the regular shift during the week, which limits its ability to resolve complaints within 12 hours and 24 hours. Further, compliance is likely to require increased funding for maintenance of in-apartment heating equipment, such as expanding the Steam

Req. No.	Description	Status	Compliance Status	Estimated Timeline
				Optimization Squad ("SOS"), and for repairing distribution systems.
Policy and Practice Obligations				
H14 (Ex. B ¶¶ 9(c), 10(b))	Heating Failure Investigation: Starting in October 2019, a root cause investigation will be performed for all heating failures where heat was not restored within 12 hours in an apartment. Starting in October 2024, the investigation shall be performed by the Quality Assurance Unit.	Partial compliance	For the 2025–2026 heating season, NYCHA performed the required root cause investigations for all heating outages that lasted more than 12 hours, and some in-apartment heating failures. For the upcoming heating season, NYCHA plans to expand its root cause investigations for in-apartment heating failures.	For the requirement to investigate all heating outages exceeding 12 hours, NYCHA is currently in compliance. For the requirement to investigate in-apartment heating failures exceeding 12 hours, based on the trajectory over the monitorship, NYCHA is not projected to reach compliance before the end of the current monitorship term (February 27, 2029), and a specific compliance date cannot currently be projected. Compliance is likely to require a significant increase in EH&S staffing to conduct root cause investigations for the approximately 17,000 in-apartment heating complaints per heating season that last longer than 12 hours, and/or the improvements

Req. No.	Description	Status	Compliance Status	Estimated Timeline
				described above to better the performance of heating equipment so there are fewer heating failures.
H15 (Ex. B ¶¶ 3-5)	Information from Electronic Temperature Sensing Devices: For apartments with electronic temperature sensors, NYCHA shall institute and maintain a system that identifies apartments in violation of New York City temperature code requirements and the in-apartment and outdoor temperatures associated with the violations by April 1, 2019. This information will be available to all NYCHA personnel, the Monitors, HUD, and SDNY.	Partial compliance	NYCHA has made live temperature readings that are reported by electronic temperature sensors available to NYCHA development managers, the Monitors, HUD, and SDNY, but removed this data from its website due to its concerns regarding the accuracy of the temperature sensors.	A specific compliance date cannot currently be projected. As discussed in H5 and H6, compliance is likely to require significant capital investment to resolve the BMS reliability issues that limit NYCHA's ability to reliably identify apartments in violation of the NYC temperature code.

I.2 Elevators

The HUD Agreement requires NYCHA to (1) reduce the frequency and duration of occasions when all of the elevator cars in a bank are not in service (“**no-service conditions**”);⁵³ (2) reduce the frequency and duration of outages for all elevator cars;⁵⁴ (3) give prompt notice of and collect data about elevator car outages;⁵⁵ (4) replace a set number of elevators;⁵⁶ (5) install remote elevator monitoring systems;⁵⁷ and (6) establish schedules for cleaning elevators and other planned elevator car outages to limit the inconvenience caused to residents.⁵⁸ The section below reports NYCHA’s performance on its outstanding elevator-related obligations for the first half of Year 8 of the monitorship (from February 1, 2026 to July 31, 2026), examines the factors affecting that performance, and describes the steps NYCHA is taking to improve it.

A. Elevator Replacements (Requirement Nos. E1, E2)

The HUD Agreement required NYCHA to replace 275 elevators in its buildings by December 31, 2024, and to transfer 150 additional elevators for **modernization** or replacement to third-party management through the PACT program.⁵⁹ NYCHA completed this obligation by December 31, 2025.⁶⁰ Since that time, NYCHA has continued to replace elevators at NYCHA-managed developments. This year, NYCHA has replaced 20 elevators as of July 31, 2026. In the remainder of the year, NYCHA plans to complete replacement of one additional elevator and begin **procurement** for another 205 elevators.⁶¹

All NYCHA elevator replacement contracts, including those covering the replacements described above, include two parts. Part A requires a vendor to install new elevators. Part B requires the vendor to maintain all elevators in the development until one year after the last elevator at a development is completed, at which point the vendor turns the development over to NYCHA’s Elevator Service and Repair Department (“ESRD”) as a whole. Because vendors replace a development’s elevators in stages rather than all at once, the vendor maintains both the elevators it has replaced and those where it has not yet begun construction.

The Monitors examined unplanned outage rates for newly replaced elevators before construction and during the Part B period. For elevators replaced in 2023, 2024, and 2025, outage rates during

No-Service Condition:

The HUD Agreement defines “no-service conditions” to include only a situation where all elevators are out of service at one *building*. However, NYCHA, HUD, and SDNY have agreed that it is consistent with the purpose of the Agreement for “no-service conditions” to also include a situation where all elevators that serve an apartment are out of service, which generally means all elevators in one *bank* are out of service. For example, a single building may have one bank of elevators that serves the northern half of the building, and a second bank of elevators that serves the southern half of the building. If all of the elevators that serve the northern half of the building stop working, that would be considered a no-service condition because the apartments on the northern half of the building cannot be accessed by elevator, even though other elevators in the building continue to function.

Modernization:

Modernizing elevators refers to replacing key equipment and electronics and refurbishing the elevator cabs.

Procurement:

The competitive process through which NYCHA selects and contracts with the vendors that perform capital projects. NYCHA develops the project scope and specifications, solicits bids from qualified vendors, evaluates the bids received, completes a background check on the vendor with the lowest bid, and awards a contract. Typically, this phase takes six to eight months. Physical replacement work begins only after this phase is complete.

the Part B period exceeded pre-replacement rates on average by between 0.14 and 0.24 outages per elevator per month. Individual elevators vary considerably around those averages, with some performing substantially better after replacement and others substantially worse. At Mitchel Houses, for example, where the elevators were replaced between February 2023 and July 2025, 11 of the 20 new elevators experienced more outages per month after replacement than before. The average number of outages per elevator per month at Mitchel Houses nonetheless decreased from 2.8 to 2.5 because the elevators that improved did so by a wider margin than those that declined.

The types of unplanned outages also changed substantially. Before replacement, mechanical failures in the machine room accounted for approximately 17% of unplanned outages across replaced elevators, and obstruction-related failures, including debris and vermin, accounted for approximately 5%. After replacement, those shares fell to approximately 11% and 2%, respectively. Over the same period, electrical failures in the machine room rose from approximately 23% to 27% of outages, and mechanical hatch failures rose from approximately 24% to 32%. The pattern at Mitchel Houses is more pronounced, with mechanical machine room failures falling from approximately 19% of outages to approximately 7% and electrical machine room failures rising from approximately 19% of outages to approximately 31%.

Based on this data, replacement more effectively addresses particular types of outages, namely the outage types typically associated with aged and worn equipment. The outages that persist on replaced elevators are concentrated in door and hatch faults and in electrical faults in the machine room. NYCHA attributes these types of outages to two factors. First, newly installed elevators require adjustment and calibration that continues after installation is complete, and issues arise as the elevator is placed into regular service. This pattern is typical of newly installed equipment. Second, these types of outages often reflect poor maintenance, and during the Part B period, the vendor rather than ESRD is responsible for maintenance. According to NYCHA, ESRD generally maintains elevators better than vendors because of ESRD's staffing (ESRD employs more mechanics per elevator to respond to outages and perform maintenance), knowledge (ESRD is more familiar with

NYCHA buildings), and incentive (ESRD will be responsible for the elevators for the long term, not only for a limited period of time).

NYCHA has begun monitoring its vendors more closely during the Part B period, requiring improved maintenance and communication, strengthening supervision, and holding vendors accountable when they fail to perform as NYCHA expects. NYCHA's more demanding maintenance requirements, however, carry a cost. According to NYCHA, vendors have begun pricing these requirements into their bids for the tranche of elevator replacement projects currently in procurement, and the cost of Part B is rising as a result. NYCHA is evaluating options to control those costs, including by reducing the standard Part B duration from one year to three months after completion of the last elevator at a development. Shortening the Part B period would reduce vendor costs and transfer maintenance responsibility for newly installed elevators to ESRD substantially earlier, which NYCHA expects will reduce the number of outages at newly replaced elevators for the reasons described above.

At the Monitors' recommendation, NYCHA also intends to convene meetings of key personnel, including architects and engineers, construction vendors, and vendor maintenance teams for recently modernized or replaced elevators experiencing recurring issues with the objective of identifying root causes and coordinating corrective actions. Once NYCHA has determined the root cause of the outages for these elevator cars, it will pilot changes at one development that has experienced considerable outages after replacement, and will evaluate the results to determine whether to expand the process to other developments.

B. Low Voltage Outages

Low voltage conditions may cause elevators to shut down automatically to prevent unsafe operation. During the summer, Con Edison occasionally imposes **voltage reductions**, one type of low voltage condition, in certain sectors of the electrical grid serving New York City to help avoid blackouts during heat waves. These voltage reductions have caused elevator outages at many NYCHA buildings, and such outages impact NYCHA's aging elevator portfolio as well as newly replaced elevators.

Although the HUD Agreement does not exclude outages due to low voltage conditions ("low voltage outages") from NYCHA's

Low Voltage

Conditions: Low voltage conditions refer to when an elevator is not receiving enough voltage to continue operating. Many elevators (including NYCHA's) cannot operate at lower voltages. Elevators need a steady supply of electricity to run safely. When the electrical voltage drops too low, the elevator's motor does not have enough power to move the elevator car, and the safety systems automatically shut the elevator down to prevent damage or unsafe operation. Low voltage conditions can occur from widespread (e.g., a grid goes down) or local (e.g., a transformer blows) electrical issues. Low voltage conditions generally require an electrician to resolve the issue at the source of the problem. In responding to all outages, NYCHA mechanics will take voltage readings to confirm if the outage is due to low voltage conditions.

Voltage Reductions:

During heat waves, demand for electricity spikes as the use of cooling devices, such as fans and air conditioners, increases. If demand exceeds available capacity, equipment powering the electrical grid can overheat and fail, leading to blackouts. Reducing the voltage provided to the grid reduces overall electricity use, which lowers the risk of equipment failure or blackout.

elevator-related obligations, the Monitors have provided data that illustrates the extent to which low voltage conditions impact NYCHA's elevator performance. As of July 31, 2026, low voltage outages reduced NYCHA's performance across the Agreement's requirements by up to four percentage points. However, low voltage outages have had less impact on NYCHA's performance this year than last. As of July 31, 2026, NYCHA reported 607 low voltage outages in its elevators this year, lasting an average of 30 hours. In the same period last year, NYCHA reported 898 low voltage outages in its elevators, lasting an average of 24 hours.

The impact of low voltage conditions on residents can be mitigated by installing Automatic Voltage Regulators ("AVRs"). AVRs are devices installed on existing elevators that stabilize incoming electrical voltage, allowing elevators to continue operating safely and reliably despite fluctuations in power supply. The installation of AVRs on existing elevators helps reduce low voltage outages, including those caused by voltage reductions, which can cause no-service conditions. As discussed in the Monitors' September 2025 Report, NYCHA previously installed AVRs for 13 elevators, and those elevators experienced fewer low voltage outages in the summer of 2025.⁶² This year, NYCHA installed nine AVRs by September 10, 2026. NYCHA also purchased seven more AVRs and is preparing an order for nine more. The current and future orders will bring NYCHA's total to 38 AVRs. NYCHA is actively reviewing recently completed elevator replacements to identify elevators that would benefit from AVR installations and has already identified one such development. Additionally, NYCHA will also include one AVR per elevator bank for the 205 New York State-funded elevators slated for replacement, and has already issued procurement packages for the first few developments with AVRs in scope.⁶³ This will eliminate the need for separate AVR installations at those developments. Even so, while these initiatives will multiply the number of elevator banks receiving AVRs, many will still be without AVRs, and installing AVRs more broadly will require further investment.⁶⁴

C. No-Service Conditions (Requirement Nos. E7, E8, E15, E16, E20, E22)

The HUD Agreement requires NYCHA to reduce how often and for how long residents face no-service conditions. The subsections below provide updates on NYCHA's obligations to (1) reduce the frequency of no-service conditions in elevator banks with

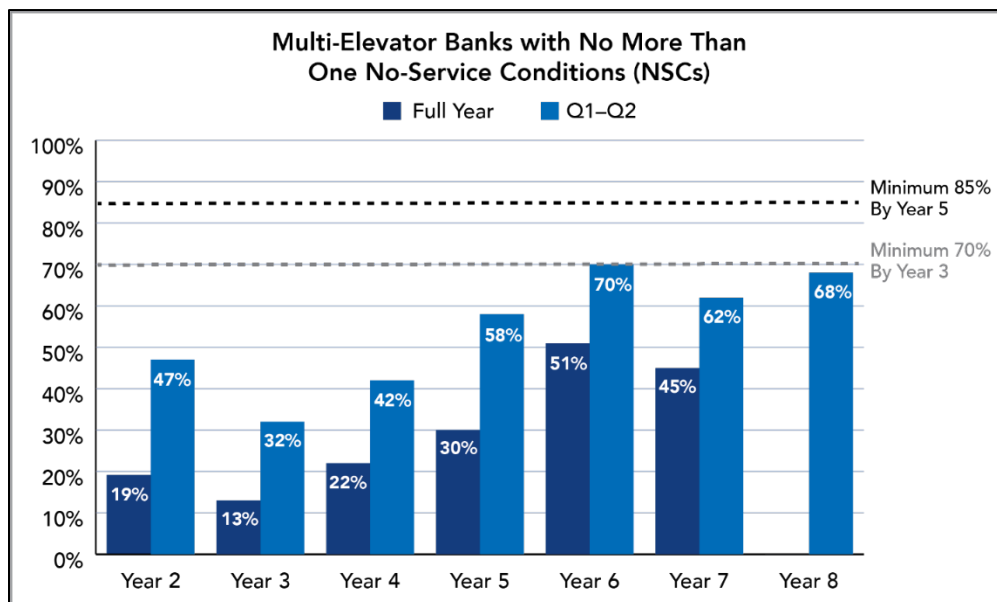
multiple elevators; (2) reduce the duration of all no-service conditions; and (3) avoid scheduling planned outages that will result in a no-service condition during Agreement-restricted hours (between 6:00 a.m. and 9:00 a.m. and between 4:00 p.m. and 8:00 p.m.), and provide at least 24 hours' advanced notice of planned outages to residents.

1. Frequency of No-Service Conditions (Requirement Nos. E7, E8)

The HUD Agreement requires NYCHA to reduce the frequency of no-service conditions in elevator banks with multiple elevators (multi-elevator banks). In NYCHA developments, there are 683 elevator banks with multiple elevators.⁶⁵

a. No More Than One No-Service Condition Per Year (Requirement No. E7)

Beginning in Year 5, the HUD Agreement requires NYCHA to ensure that at least 85% of multi-elevator banks have no more than one no-service condition per year.⁶⁶ As of July 31, 2026, 68% of NYCHA's multi-elevator banks have experienced no more than one no-service condition this year, an increase in performance by six percentage points from the same period last year.

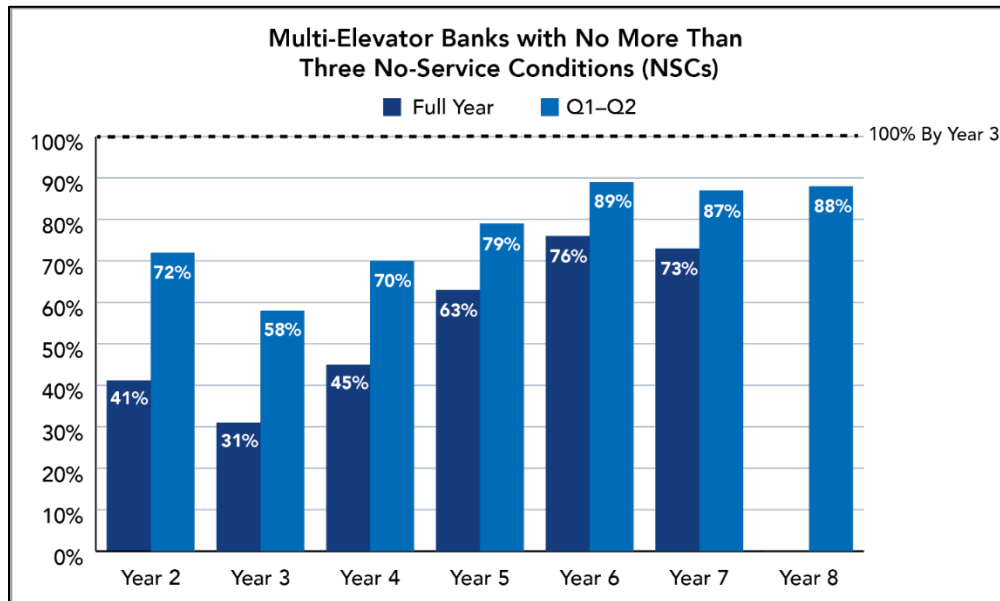


Excluding the low voltage outages from this year and previous years, as of July 31, 2026, 70% of NYCHA's multi-elevator banks have experienced no more than one no-service condition this year, an increase in performance by three percentage points from the same period last year.⁶⁷

Although this is an improvement, given this performance to date, NYCHA will not comply with the 85% annual compliance rate the HUD Agreement has required since Year 5. Closing the remaining gap in the years to come will likely require sustained capital investment in aging elevators alongside strategic operational improvements, such as continuing to invest in ESRD's preventive maintenance initiatives. NYCHA has projected that ESRD would need 58 additional field teams, which consist of one elevator mechanic and one elevator mechanic helper, at an estimated annual cost of \$22 million, to perform preventive maintenance frequently and consistently enough to reach and sustain compliance.

b. No More Than Three No-Service Conditions Per Year (Requirement No. E8)

Beginning in Year 3, the HUD Agreement requires NYCHA to ensure that no multi-elevator banks have more than three no-service conditions per year.⁶⁸ As of July 31, 2026, 88% of NYCHA's multi-elevator banks have experienced no more than three no-service conditions this year, an increase in performance by one percentage point from the same period last year.



Excluding the low voltage outages from this year and previous years, as of July 31, 2026, 90% of NYCHA's multi-elevator banks have experienced no more than three no-service conditions this year, an increase in performance by one percentage point from the same period last year.

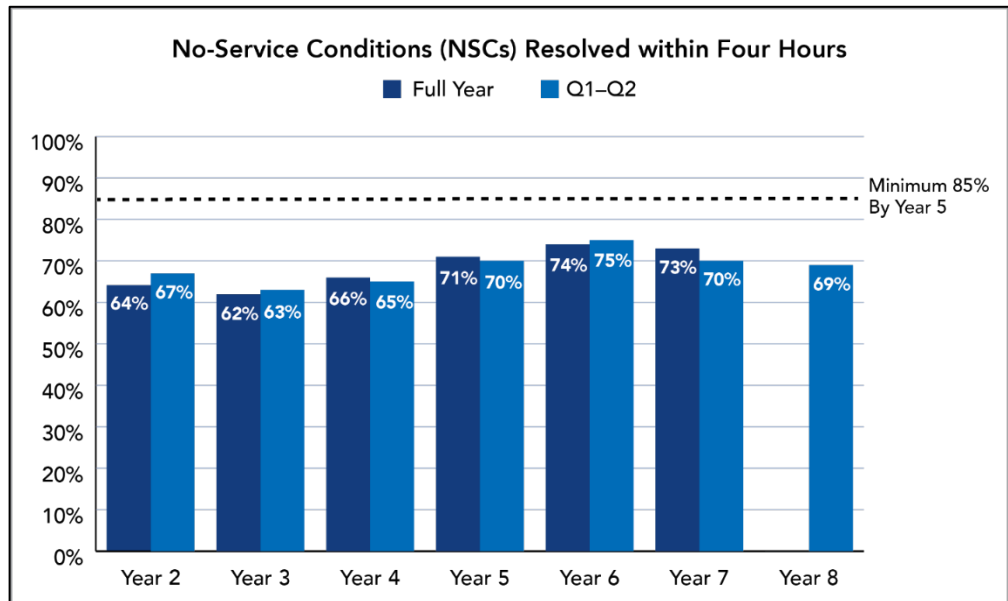
NYCHA made steady gains on this requirement through Year 6, then performance flattened, suggesting that the initiatives that drove those gains have reached their limit. Closing the remaining gap will likely require capital investment, strategic operational improvements, and additional staffing.

2. Duration of No-Service Conditions (Requirement Nos. E15, E16)

The HUD Agreement requires NYCHA to reduce the duration of all no-service conditions, regardless of whether they occur in multi-elevator banks or single-elevator banks.⁶⁹

a. Four-Hour No-Service Resolution Obligation (Requirement No. E15)

Beginning in Year 5, the HUD Agreement requires NYCHA to resolve 85% of no-service conditions within four hours of learning of them.⁷⁰ As of July 31, 2026, NYCHA has resolved 69% of no-service conditions within four hours this year, a decrease in performance by one percentage point from the same period last year.

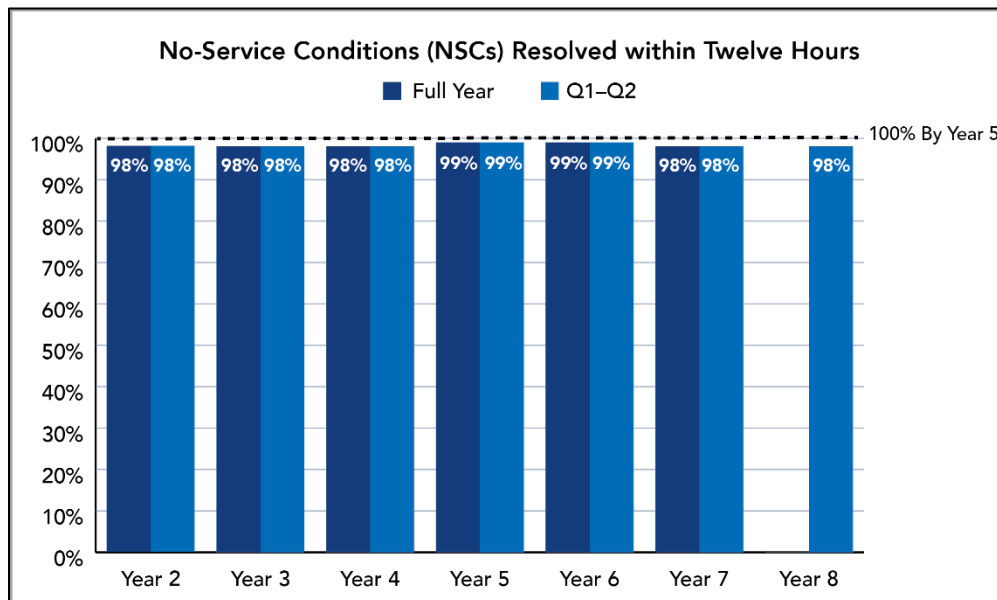


Excluding the low voltage outages from this year and previous years, as of July 31, 2026, NYCHA has resolved 73% of no-service conditions within four hours this year, a decrease in performance by three percentage points from the same period last year.

Because NYCHA's performance has not improved on this obligation, the Monitors are working with NYCHA on potential process improvements to reduce the duration of elevator car outages, and in turn, no-service conditions. As part of this effort, the Monitors have examined the interval between the creation of an unplanned outage work order and the assignment of a mechanic as one contributor to NYCHA's duration times. In most cases that interval is brief, but the Monitors identified work orders created during the regular shift that went unassigned for two or more hours even though there was at least one mechanic available to do the work at that time. Because the HUD Agreement requires NYCHA to resolve these no-service conditions within four hours, delays of that length consume much of the window before any repair work begins. Following workshops with the Monitors, NYCHA has implemented operational changes to its dispatch process and is evaluating others to expedite assignment. For example, NYCHA began automating attendance data to expedite assignments.

b. Twelve-Hour No-Service Resolution Obligation (Requirement No. E16)

Beginning in Year 5, the HUD Agreement requires NYCHA to resolve all no-service conditions within twelve hours, with limited exceptions.⁷¹ As of July 31, 2026, NYCHA has resolved 98% of no-service conditions within 12 hours this year, matching its performance from the same period last year.

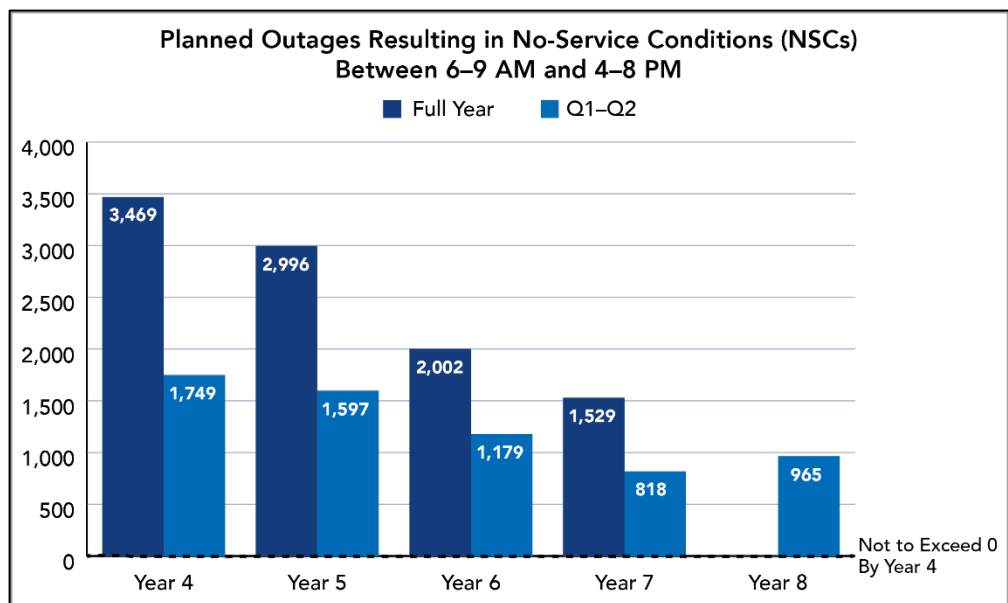


Excluding the low voltage outages from this year and previous years, as of July 31, 2026, NYCHA has resolved 99% of no-service conditions within 12 hours this year, matching its performance from the same period last year.

NYCHA's performance on this obligation has remained flat for two years, and the small remaining gap may be partly attributable to no-service conditions the HUD Agreement would excuse. NYCHA does not track certain exceptions permitted by the Agreement, including whether a no-service condition involved an industry-accepted repair time exceeding twelve hours or an unavailable part. The Monitors first raised this issue in September 2024 and continue to encourage NYCHA to capture this data, which would allow both NYCHA and the Monitors to assess how much of the remaining shortfall reflects noncompliance.

3. Timing of No-Service Conditions and Providing Advance Notice to Residents (Requirement Nos. E20, E22)

To minimize disruptions to residents during specified morning and evening hours, the HUD Agreement requires NYCHA to avoid scheduling planned outages that will result in no-service conditions between 6:00 a.m. and 9:00 a.m. and between 4:00 p.m. and 8:00 p.m., with limited exceptions.⁷² As of July 31, 2026, NYCHA developments have experienced 965 no-service conditions resulting from planned outages, including preventive maintenance outages, during Agreement-restricted hours this year, which are 147 more no-service conditions than during the same period last year.



The increase in planned outages during Agreement-restricted hours in Year 8 was driven by a significant increase in the first quarter, with NYCHA's performance improving in the second quarter. NYCHA attributed the increase in the first quarter to the external vendors who were performing maintenance during the Part B period following elevator replacement, and attributes the decline in planned outages in the second quarter to its efforts to direct those vendors to reduce these occurrences. NYCHA also has represented it intends to implement controls within its work order tracking system to prevent mechanics from initiating planned outage work orders during Agreement-restricted hours.

Additionally, the HUD Agreement requires NYCHA to provide residents with at least 24 hours' advanced notice of planned outages via robocall, postings in the building, and postings on NYCHA's website.⁷³ NYCHA's procedures have required elevator mechanics to provide written notice through postings in buildings at least 24 hours before taking an elevator offline for preventive maintenance since 2019, and NYCHA represents that its elevator mechanics are posting buildings before all planned outages, including preventive maintenance.⁷⁴ However, NYCHA residents have told the Monitors that NYCHA does not always make these postings according to its procedures. In response, NYCHA has noted that mechanics' need to prioritize unplanned outages can disrupt preventive maintenance schedules and timely postings, but that all mechanics are nonetheless required to make these postings. NYCHA and the Monitors are discussing a process to verify that NYCHA's mechanics are consistently making postings and doing so at least 24 hours in advance of preventive maintenance.

In Year 8, NYCHA introduced supervisor check-ins to improve the frequency and timeliness of advance postings and provided guidance on record-keeping to its elevator mechanics to document when postings are made. During the spring, NYCHA supervisors randomly checked a handful of work orders each week to ensure that postings were being made for planned outages, including preventive maintenance. However, these check-ins did not focus on whether postings were made at least 24 hours in advance. The Monitors will work with NYCHA to expand these check-ins and improve record-keeping to confirm that NYCHA complies with the written notice aspect of this obligation.

NYCHA also expanded its robocall notification process for preventive maintenance outages, expanding a pilot program that started in South Jamaica Houses to also include Baisley Park Houses and International Tower in November 2025.⁷⁵ For this pilot, NYCHA relied on one elevator mechanic team dedicated to performing preventive maintenance across the three developments. NYCHA reported that this team has successfully scheduled preventive maintenance in advance so that residents receive robocall notifications more than 24 hours before an elevator is taken offline, and largely stayed on schedule in performing the preventive maintenance.⁷⁶ Residents provided positive feedback early in this pilot.⁷⁷ While the robocall pilot has been successful, according to

NYCHA, it is limited in expanding the pilot further because of staffing and operational constraints. NYCHA explained that it does not have the resources to assign a dedicated preventive maintenance team to each development, and consistently scheduling preventive maintenance without a dedicated team is difficult and would require significant operational changes.⁷⁸ NYCHA noted that it is considering redeploying the dedicated team from these three developments, which could allow NYCHA to test scheduling preventive maintenance and providing advance robocalls without the dedicated team as a next step in the pilot.

D. Elevator Car Outages (Requirement Nos. E10, E12, E17-E19)

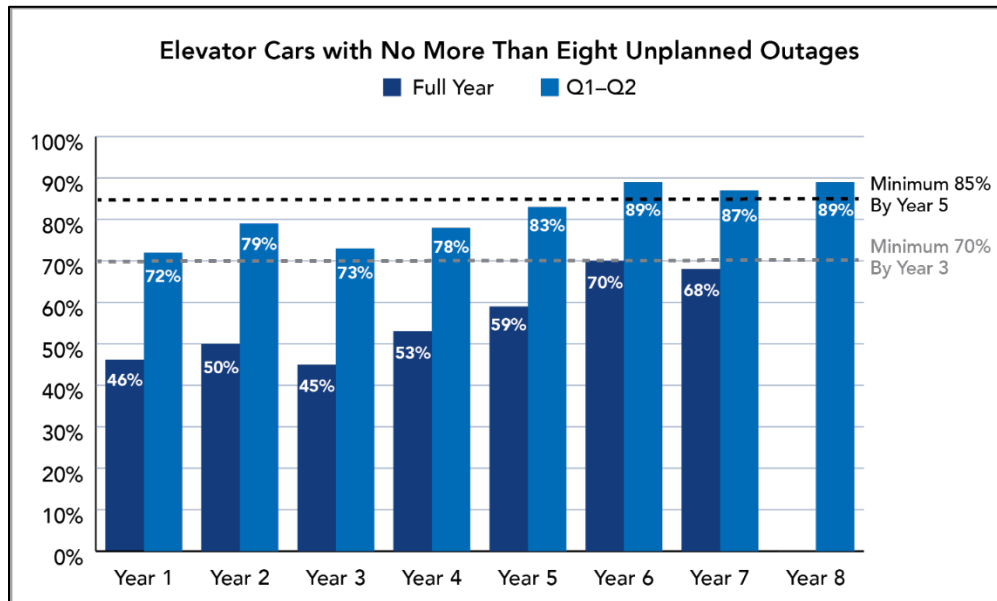
The HUD Agreement requires NYCHA to reduce how often and for how long elevator cars experience service disruptions. The subsections below provide an update on NYCHA's obligations to (1) reduce the frequency of unplanned elevator car outages; and (2) reduce the duration of elevator car outages.

1. Frequency of Unplanned Elevator Car Outages (Requirement Nos. E10, E12)

The HUD Agreement requires NYCHA to reduce the frequency of all unplanned elevator car outages, regardless of whether they occur in multi-elevator banks or single-elevator banks.

a. No More Than Eight Unplanned Outages (Requirement No. E10)

Beginning in Year 5, the HUD Agreement requires NYCHA to ensure that at least 85% of elevator cars have no more than eight unplanned outages per year.⁷⁹ As of July 31, 2026, 89% of NYCHA's elevator cars have experienced no more than eight unplanned outages this year, an increase in performance by two percentage points from the same period last year.



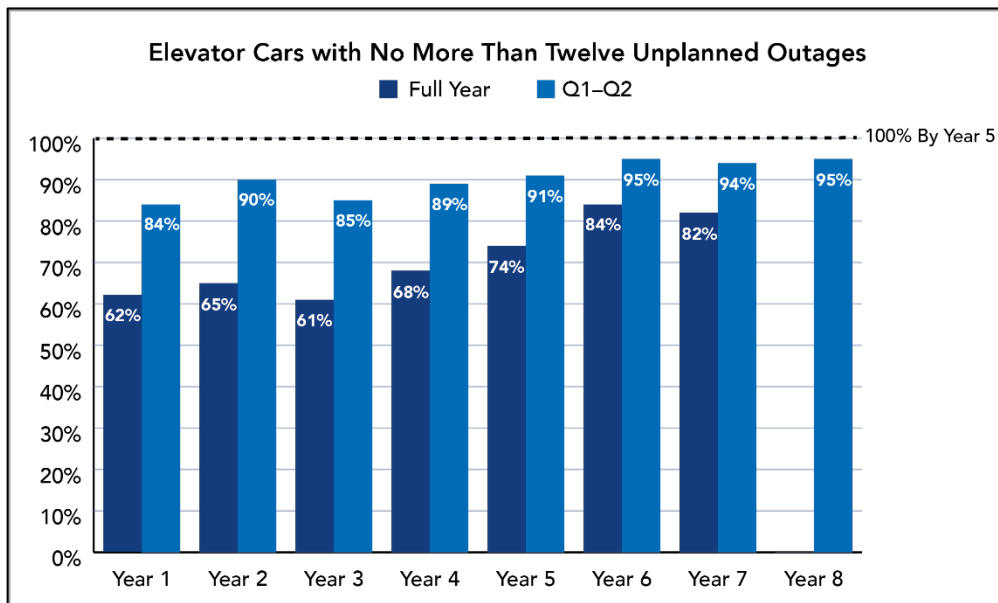
Excluding the low voltage outages from this year and previous years, as of July 31, 2026, 90% of NYCHA's elevator cars have experienced no more than eight unplanned outages this year, an increase in performance by two percentage points from the same period last year.

NYCHA's performance on this obligation has held between 87% and 89% during the first two quarters each year since Year 6. Low voltage outages accounted only for one percentage point of that figure in each of the last two years, meaning low voltage outages did not contribute significantly to NYCHA's performance in the first half of these years. Further improvement will therefore depend on the condition and maintenance of the cars that fail this obligation repeatedly. As of July 31, 2026, 315 elevator cars have experienced more than eight unplanned outages this year. Of those, 61 were elevators that NYCHA had recently replaced and that remained within the Part B maintenance period.

b. No More Than Twelve Unplanned Outages (Requirement No. E12)

Beginning in Year 5, the HUD Agreement also requires NYCHA to ensure that no elevator car has more than 12 unplanned outages per year.⁸⁰ As of July 31, 2026, 95% of NYCHA's elevator cars have experienced no more than twelve unplanned outages this year, an

increase in performance by one percentage point from the same period last year.



As of July 31, 2026, low voltage outages have not impacted NYCHA's performance on this requirement this year. NYCHA made steady gains on this requirement through Year 6, then performance flattened. Closing the remaining gap will likely require sustained capital investment in aging elevators alongside strategic operational improvements and additional staffing.

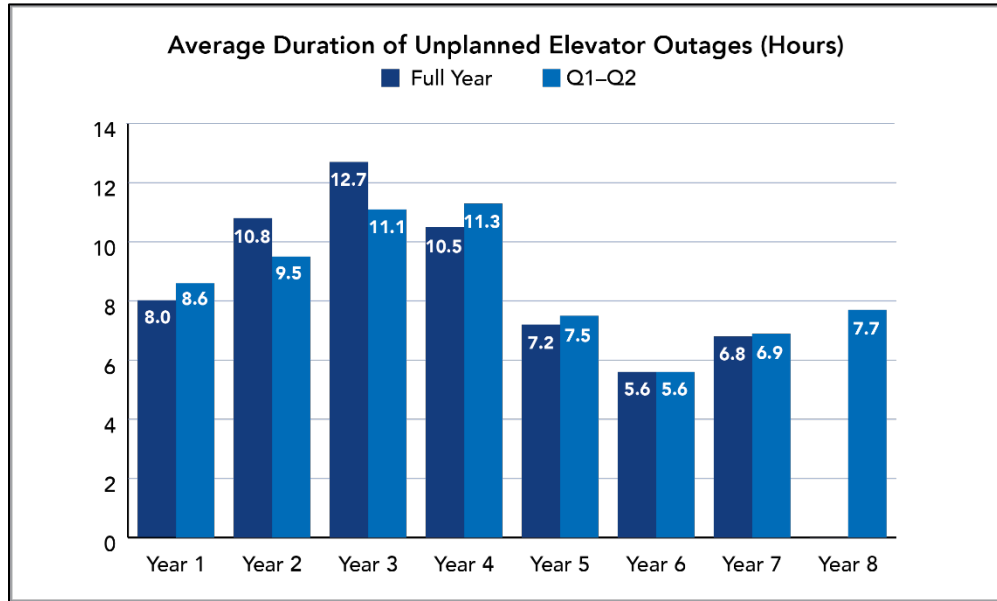
2. Duration of Elevator Car Outages (Requirement Nos. E17-E19)

The HUD Agreement requires NYCHA to reduce the duration of elevator car outages as well.

a. Percentage Reduction in Outage Duration (Requirement No. E17)

The HUD Agreement has required NYCHA to reduce the duration of service outages by 10% in Year 1 of the monitorship and to then reduce the average outage duration by a rate set by the Monitors.⁸¹ Before Year 8, NYCHA and the Monitors agreed to target a 10% reduction in average duration of unplanned outages from Year 7 to Year 8. As of July 31, 2026, NYCHA has resolved unplanned elevator car outages in an average of 7.7 hours this year, which is 12% higher than its average of 6.9 hours during the same period last year

and 24% above the 6.2 hours that the targeted 10% reduction from the first half of Year 7 would have required.



Excluding the low voltage outages from this year and previous years, as of July 31, 2026, NYCHA has resolved unplanned elevator car outages in an average of 6.4 hours this year, which is still 16% higher than its average of 5.5 hours during the same period last year. Low voltage outages continue to lengthen NYCHA's average outage duration, adding 1.3 hours during the first half of Year 8.

NYCHA and the Monitors are exploring multiple initiatives to reduce the average duration it takes to restore elevator service to residents. First, NYCHA revamped its organization of elevator mechanic supervisors to align more closely with the **Neighborhood Model** used by property management. NYCHA expects this change to put supervisors closer to the developments they serve and make it easier to deploy mechanics where they are needed most. Second, NYCHA's apprenticeship program has continued to train its first class of apprentices, who are being trained to be certified as elevator mechanics and expand NYCHA's staffing pool.⁸² Third, NYCHA's pilot of the **wrench time** dashboard developed in collaboration with the Monitors to improve the capacity and efficiency of its elevator repair and maintenance operations has been productive. The dashboard aggregates NYCHA's data to show where NYCHA has been inefficient in its deployment of mechanics, allowing NYCHA to adjust its approach. NYCHA is expanding its use of the dashboard from one

Neighborhood Model:

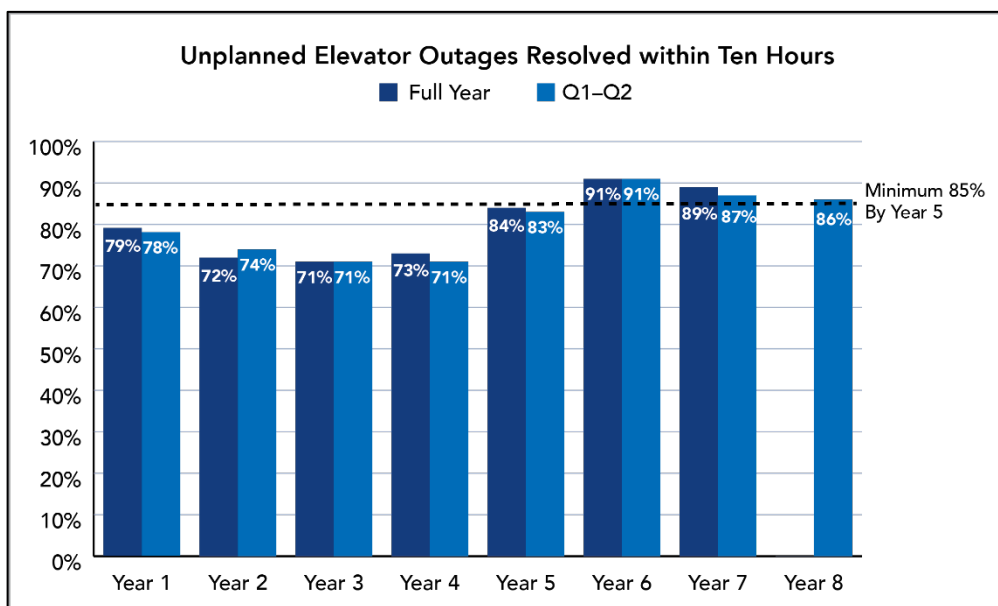
An operating structure NYCHA adopted under the Transformation Plan, in which NYCHA's properties are organized into 29 localized "neighborhoods" of adjacent developments. The central goal is to make operational decision-making less dependent on staff at NYCHA's central office and bring it closer to the developments themselves, including by re-orienting central-office and support-service functions, such as heating and elevators, toward the neighborhoods.

Wrench Time: The share of a mechanic's shift spent performing repair and maintenance work, as distinct from time spent traveling between developments, obtaining parts, or completing administrative tasks. Measuring wrench time allows NYCHA to identify where mechanics' time is being lost and to adjust deployment accordingly.

borough to all boroughs.⁸³ Fourth, NYCHA is developing a centralized inventory management system to track parts availability and orders across the portfolio, so that mechanics spend less time locating components and NYCHA can identify shortages before they delay repairs. NYCHA is also strengthening its arrangements with third-party vendors to expedite the manufacturing and delivery of critical components, which will help reduce excessively long outages. Fifth, as discussed above, NYCHA and the Monitors are collaborating on improving NYCHA's dispatch process for responding to elevator car outages and scheduling elevator maintenance. As part of this process, NYCHA has made changes to reduce the time between when an outage is reported and when a mechanic is assigned to address it.

b. Ten-Hour Outage Obligation (Requirement No. E18)

Beginning in Year 5, the HUD Agreement requires NYCHA to resolve 85% of unplanned elevator car outages within ten hours of learning of them.⁸⁴ As of July 31, 2026, NYCHA has resolved 86% of unplanned elevator car outages within ten hours this year, a decrease in performance by one percentage point from the same period last year.

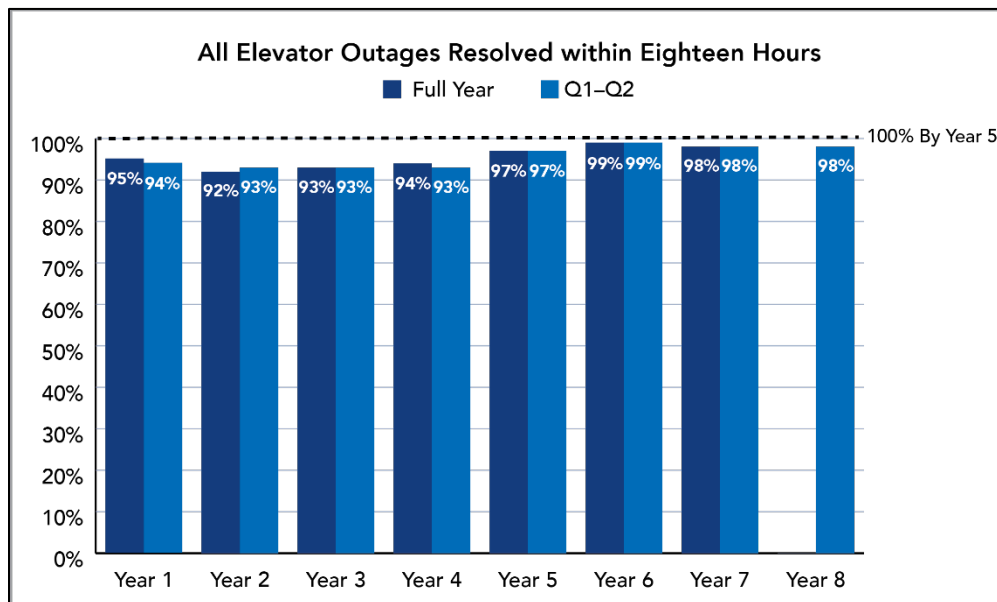


Excluding the low voltage outages from this year and previous years, as of July 31, 2026, NYCHA has resolved 89% of unplanned

elevator car outages within ten hours this year, a decrease in performance by two percentage points from the same period last year.

c. **Eighteen-Hour Outage Obligation (Requirement No. E19)**

Beginning in Year 5, the HUD Agreement also requires NYCHA to resolve all elevator car outages within 18 hours, with limited exceptions.⁸⁵ As of July 31, 2026, NYCHA has resolved 98% of all elevator car outages within 18 hours this year, matching its performance during the same period last year.



As of July 31, 2026, low voltage outages have not impacted NYCHA's performance on this requirement this year. NYCHA's performance on this obligation has remained between 98% and 99% since Year 6. As with the twelve-hour no-service condition obligation, the remaining shortfall may include outages the HUD Agreement would excuse, which NYCHA cannot demonstrate because it does not track industry-accepted repair times. Tracking this data would allow both NYCHA and the Monitors to assess how much of the remaining shortfall reflects noncompliance.

E. **Remote Elevator Monitoring (Requirement No. E5)**

The HUD Agreement required NYCHA to establish continuous remote monitoring in 70% of its elevators by January 31, 2024.⁸⁶

Remote Elevator Monitoring Systems:

REMS provide continuous real-time monitoring by tracking elevator performance through sensors that detect faults and generate fault codes. The local elevator motor room receives the fault codes in a fault log, then transmits the codes to either physical servers at the central office of NYCHA's Elevator Service and Repair Department ("ESRD") for older REMS devices ("server-based"), or to a cloud-based monitoring system for newer REMS devices ("cloud-based"), where the data can be accessed and used to coordinate responses, generate work orders, and monitor elevator performance offsite.

NYCHA reports that it installed **Remote Elevator Monitoring Systems** ("REMS") on at least 70% of its elevators by October 1, 2024,⁸⁷ and has continued installing these devices, with 80.4% of its elevators now equipped with REMS.⁸⁸

During the Monitors' ongoing verification of NYCHA's REMS installations, the Monitors identified that at least 1,300 of NYCHA's approximately 2,300 REMS devices were not transmitting information from the local elevator motor room to ESRD's central office, limiting ESRD's offsite monitoring of those elevators. As a result, NYCHA surveyed all 1,300 devices to confirm whether these devices were recording information locally, and NYCHA attested that elevator mechanics could access REMS information locally for nearly 1,100 of the 1,300 devices.⁸⁹ Since then, NYCHA has dedicated experienced elevator mechanics to focus on repairing and maintaining REMS devices full-time. These teams have repaired approximately 95 devices thus far and are continuing to repair more. As of August 31, 2026, 90 devices still do not allow mechanics to access the data locally and will be addressed by ESRD.

The Monitors' ongoing verification involved taking a sample of the 1,300 devices that were not reporting to ESRD's central office, including those NYCHA flagged as having local issues. Through visits to around 30 developments this year, the Monitors verified NYCHA's attestations at over 100 elevators. The Monitors also confirmed that NYCHA's REMS teams had repaired REMS devices that ESRD previously reported were not working locally.

F. Completed, In Compliance, and Superseded Obligations

The HUD Agreement obligations that NYCHA met prior to or were superseded before the period covered by this report (**Requirement Nos. E1, E2, E3, E4, E5, E6, E9, E11, E13, E14, E23**) are listed in the **Appendix**. However, as noted above, the Monitors continue to have challenges with verifying completion of the Agreement obligation E5 (Ex. B ¶ 31).

Overview of Outstanding Elevator Obligations

The following table summarizes the status of NYCHA's compliance with the outstanding requirements of the HUD Agreement through the first half of Year 8 of the monitorship (from February 1, 2026 to July 31, 2026), unless otherwise noted, and categorizes each requirement as an occurrence obligation (yellow); response obligation (orange); or policy and practice obligation (green). The "Estimated Timeline" column describes when NYCHA is projected to reach compliance with each outstanding requirement, based on information currently available to the Monitors. Obligations completed in the period covered by this report will be moved to the Appendix in future reports. The requirements listed in the Appendix have either been satisfied by NYCHA or have been superseded, as set forth in more detail therein.

Req. No.	Description	Status	Compliance Status	Estimated Timeline
Occurrence Obligations				
E7 (Ex. B ¶ 24(a))	Buildings with No More Than One No-Service Condition: Beginning in Year 5, at least 85% of elevator banks with more than one elevator will have no more than one instance per year where all elevators are out of service.	Not in compliance; 68% as of Q2 Year 8	As of July 31, 2026, 32% of multi-elevator banks experienced more than one no-service condition in Year 8. Because this requirement is measured over a full year, the share of multi-elevator banks with more than one no-service condition is expected to increase—and the compliance rate to decrease—as Year 8 progresses. NYCHA's performance through the first half of the monitorship year improved by six percentage points year-over-year, from 62% in Year 7 to 68% in Year 8.	Based on the trajectory of improvement over the monitorship, NYCHA is not projected to reach compliance with this requirement before the end of the current monitorship term (February 27, 2029), and a specific compliance date cannot currently be projected. Compliance is likely to require sustained capital investment, additional staffing, and strategic operational improvements, including better deployment of staff, which will allow for more

Req. No.	Description	Status	Compliance Status	Estimated Timeline
				effective preventive maintenance.
E8 (Ex. B ¶¶ 23(a), 24(a))	Buildings with No More Than Three No-Service Conditions: Beginning in Year 3, no elevator bank with more than one elevator shall have more than three no-service conditions per year.	Not in compliance; 88% as of Q2 Year 8	As of July 31, 2026, 12% of multi-elevator banks experienced more than three no-service conditions in Year 8. Because this requirement is measured over a full year, the share of multi-elevator banks with more than three no-service conditions is expected to increase—and the compliance rate to decrease—as Year 8 progresses. NYCHA's performance through the first half of the monitorship year improved by one percentage point year-over-year, from 87% in Year 7 to 88% in Year 8.	Based on the trajectory of improvement over the monitorship, NYCHA is projected to reach compliance with this requirement by the end of 2029. In the Monitors' assessment, however, this projection is unlikely to be borne out, as NYCHA's performance on this requirement has flattened since Year 6. Compliance is likely to require sustained capital investment, additional staffing, and strategic operational improvements.
E10 (Ex. B ¶ 24(b))	Eight Unplanned Outages: Beginning in Year 5, at least 85% of all elevators in NYCHA buildings shall have no more than eight unplanned outages per year.	TBD; 89% as of Q2 Year 8	As of July 31, 2026, 11% of elevator cars experienced more than eight unplanned outages in Year 8. Because this requirement is measured over a full year, the share of elevator cars exceeding eight unplanned outages is expected to increase—and the compliance rate to decrease—as Year 8	Based on the trajectory of improvement over the monitorship, NYCHA is projected to reach compliance with this requirement by the end of 2030. In the Monitors' assessment, however, this projection is unlikely to be borne out, as NYCHA's

Req. No.	Description	Status	Compliance Status	Estimated Timeline
			progresses. NYCHA's performance through the first half of the monitorship year improved by two percentage points year-over-year, from 87% in Year 7 to 89% in Year 8.	performance on this requirement has flattened since Year 6. Compliance is likely to require sustained capital investment, additional staffing, and strategic operational improvements.
E12 (Ex. B ¶ 24(b))	Twelve Unplanned Outages: Beginning in Year 5, no elevator shall have more than twelve unplanned outages per year.	Not in compliance; 95% as of Q2 Year 8	As of July 31, 2026, 5% of elevator cars experienced more than twelve unplanned outages in Year 8. Because this requirement is measured over a full year, the share of elevator cars exceeding twelve unplanned outages is expected to increase—and the compliance rate to decrease—as Year 8 progresses. NYCHA's performance through the first half of the monitorship year improved by one percentage point year-over-year, from 94% in Year 7 to 95% in Year 8.	Based on the trajectory of improvement over the monitorship, NYCHA is not projected to reach compliance with this requirement before the end of the current monitorship term (February 27, 2029), and a specific compliance date cannot currently be projected. Compliance is likely to require sustained capital investment, additional staffing, and strategic operational improvements.
Response Obligations				
E15 (Ex. B ¶ 29(a)(i))	Four-Hour No-Service Conditions: Beginning in Year 5, at least 85% of no-service conditions shall be	Not on track to comply; 69% as of Q2 Year 8	As of July 31, 2026, 31% of no-service conditions resulting from unplanned outages lasted	Based on the trajectory of improvement over the monitorship, NYCHA is projected to meet this requirement by

Req. No.	Description	Status	Compliance Status	Estimated Timeline
	resolved within four hours of the time NYCHA learns of them.		more than four hours in Year 8. Although NYCHA's performance through the first half of the monitorship year declined slightly year-over-year (from 70% in Year 6 to 69% in Year 7), performance on this requirement has improved significantly over the full monitorship. As noted above, NYCHA and the Monitors are working on process improvements to dispatch and mechanic assignment.	the end of 2027. In the Monitors' assessment, however, this projection is unlikely to be borne out, as NYCHA's annual performance has ranged from 71% to 74% since Year 5. Compliance is likely to require additional staffing, strategic operational improvements, and sustained capital investment, including replacing aging elevators with newer elevators, which should break down less frequently and thus allow staff to respond to each outage more quickly.
E16 (Ex. B ¶ 29(a)(ii))	Twelve-Hour No-Service Conditions: Beginning in Year 5, no no-service condition shall last more than twelve hours, with limited exceptions.	Substantial compliance; 98% as of Q2 Year 8	As of July 31, 2026, 2% of no-service conditions resulting from all qualifying outages lasted more than twelve hours in Year 8. Of the limited exceptions provided for by the HUD Agreement, NYCHA only tracks outages due to elevator rehabilitation or replacement, and no-service conditions resulting from these outages	NYCHA is on track for compliance with this requirement, matching its Year 7 performance. The small remaining gap may include no-service conditions that the HUD Agreement would excuse but that NYCHA does not currently track, such as those exceeding twelve hours due to industry-accepted

Req. No.	Description	Status	Compliance Status	Estimated Timeline
			are excluded. NYCHA does not track the industry-accepted repair time or whether the outage requires NYCHA to order unavailable parts. Accordingly, the Monitors' assessment of NYCHA's performance under this obligation may include such outages.	repair times or unavailable parts.
E17 (Ex. B ¶ 28)	Improved Outage Duration: After Year 1, the outage duration shall improve over the prior year by a rate set by the Monitors.	Not on track to comply; 12% higher average unplanned outage duration compared to same period last year	NYCHA and the Monitors agreed to a target of 10% reduction in outage duration for Year 8. The average unplanned outage duration has increased from 6.9 hours during the first half of Year 7 to 7.7 hours during the first half of Year 8.	This is a rolling annual requirement, with the Monitors setting a new reduction target each year based on prior-year performance. Because there is no fixed compliance threshold, no end-date projection applies; NYCHA must continue reducing average outage duration on an ongoing basis. As noted above, NYCHA is pursuing multiple initiatives to reduce outage duration.
E18 (Ex. B ¶ 29(b)(iii))	Ten-Hour Elevator Car Outages: Beginning in Year 5, at least 85% of elevator car outages shall be resolved within ten hours of the time	On track to comply; 86% as of Q2 Year 8	As of July 31, 2026, 14% of unplanned elevator car outages lasted more than ten hours in Year 8.	NYCHA is currently in compliance with this requirement, but NYCHA's performance has declined slightly year-over-year since Year 6.

Req. No.	Description	Status	Compliance Status	Estimated Timeline
	NYCHA learns of them.			Sustained compliance will require continued strategic operational improvements.
E19 (Ex. B ¶ 29(b)(iv))	Eighteen-Hour Elevator Car Outages: Beginning in Year 5, no elevator car outage shall last more than eighteen hours, with limited exceptions.	Substantial compliance; 98% as of Q2 Year 8	As of July 31, 2026, 2% of all qualifying elevator car outages lasted more than 18 hours in Year 8. Of the limited exceptions provided for by the HUD Agreement, NYCHA only tracks outages due to elevator rehabilitation or replacement, and these outages are excluded. NYCHA does not track the industry-accepted repair time. Accordingly, the Monitors' assessment of NYCHA's performance under this obligation may include such outages.	NYCHA is on track for compliance with this requirement, matching its Year 7 performance. As noted above, the small remaining gap may include elevator car outages that the HUD Agreement would excuse but that NYCHA does not currently track, such as those exceeding 18 hours due to industry-accepted repair times.
E20 (Ex. B ¶ 32)	Resident Outage Notification System: NYCHA will provide 24 hours' advanced notice of all planned outages and notice of all unplanned outages within two hours to residents of buildings affected by the outages. Notice shall occur	Not in compliance	NYCHA does not comply with this obligation, as it provides notice to residents for some but not all outages, most often for preventive maintenance. Although NYCHA's procedures have required mechanics to post 24-hour advance notice for	As noted above, NYCHA has stated that expanding its notification efforts further is not currently feasible due to staffing and operational constraints, and that meeting this requirement is likely to require both additional staff and upgrades

Req. No.	Description	Status	Compliance Status	Estimated Timeline
	by robocalls and postings in the building and on the NYCHA website.		preventive maintenance outages since 2019, NYCHA reports that mechanics' need to prioritize unplanned outages disrupts preventive maintenance schedules and timely postings. NYCHA currently only sends robocalls for preventive maintenance outages at South Jamaica Houses, Baisley Park Houses, and International Tower, where it is conducting a pilot on scheduling preventive maintenance outages and providing at least 24 hours' advanced notice to residents.	to NYCHA's underlying scheduling systems. NYCHA notes that it is unable to provide an estimated timeline for when those constraints will be resolved and the necessary changes will be implemented, given the costs associated with doing so.
E21 (Ex. B ¶ 33)	Monitor Outage Notification: NYCHA will provide the Monitors 24 hours' advanced notice of any planned outage and shall notify the Monitors of any unplanned outage within two hours of learning about it.	Not in compliance	NYCHA does not comply with this obligation because it generally does not provide notice to the Monitors for outages due to preventive maintenance. In Year 7, NYCHA began sharing with the Monitors schedules for outages due to preventive maintenance at selected	As noted above, ESRD is developing an automated process to provide the Monitors with advance notice of planned outages, and NYCHA plans to expand Monitor visibility into planned outages. NYCHA has not yet provided an estimated timeline for when those

Req. No.	Description	Status	Compliance Status	Estimated Timeline
			developments, and NYCHA plans to expand this practice.	processes will be fully in place.
Policy and Practice Obligations				
E22 (Ex. B ¶ 27)	Planned Outages: By February 1, 2020, NYCHA shall not have planned outages resulting in a no-service condition between 6:00 a.m. and 9:00 a.m. or between 4:00 p.m. and 8:00 p.m., except for planned elevator rehabilitation or replacement or outages mandated by another governmental agency or regulatory entity.	Not in compliance; NYCHA had 965 instances of planned outages resulting in a no-service condition during the Agreement-restricted hours as of Q2 Year 8	NYCHA does not comply with this obligation. As of July 31, 2026, planned outages, including service disruptions due to preventive maintenance, continue to result in no-service conditions during the prohibited hours. Although NYCHA is not currently in compliance, the number of no-service conditions during Agreement-restricted hours has declined substantially, and NYCHA's second-quarter performance this year improved significantly from the first quarter. As noted above, NYCHA intends to implement work-order tracking system controls to prevent mechanics from initiating planned outage work orders during Agreement-restricted hours.	Based on the trajectory of improvement over the monitorship, NYCHA is projected to meet this requirement by the end of 2029.

I. 3 Pests & Waste

Under the HUD Agreement, NYCHA must (1) estimate and report on the size of the pest population at each development and reduce those pest populations by specific percentages over time;⁹⁰ (2) respond to residents' **pest** complaints within prescribed deadlines;⁹¹ (3) apply timely and effective pest management techniques informed by **Integrated Pest Management ("IPM")** practices;⁹² (4) increase cleanliness at developments by improving waste management practices;⁹³ and (5) upgrade specified pest and waste management infrastructure.⁹⁴ The section below provides an update on NYCHA's progress with respect to pest- and waste-related requirements under the Agreement as well as pest- and waste-related capital projects as of the end of the second quarter of Year 8.

A. Pest Population Reporting and Reduction Requirements (Requirement Nos. P7-P11)

Pursuant to the HUD Agreement, the Monitors, in consultation with NYCHA, established reasonable protocols (the "Protocols") for NYCHA to estimate the pest populations at each development on a quarterly basis.⁹⁵ Using the Protocols, NYCHA must publish those estimates on its website so stakeholders, including residents, can see whether NYCHA is reducing pest populations.⁹⁶ The Agreement also requires NYCHA to meet certain pest population reduction targets.⁹⁷

The following subsections provide an update on (1) NYCHA's publication of the pest population estimates on its website; (2) NYCHA-wide pest population estimates for the second quarter of Year 8; and (3) NYCHA's progress in meeting the HUD Agreement's pest reduction target requirements.

1. Publish Pest Population Estimates

As discussed in the Monitors' April 2025 Report, the Monitors, in consultation with NYCHA, developed Protocols to establish reasonable estimates of the presence of pests.⁹⁸ These estimates do not count the actual number of pests, as that is not possible. Instead, the estimates are approximations of the pest presence at NYCHA's developments based on residents' pest complaints, and as adjusted for over- and underreporting of pests.

Pests: Under the HUD Agreement, the term "pests" refers to rats, mice, cockroaches, and bed bugs.

Integrated Pest Management ("IPM"): An environmentally friendly, commonsense approach to pest control. Unlike traditional pest management, which involves the routine application of pesticide, IPM focuses on the prevention of pests and uses pesticide only as needed. It involves multiple forms of pest controls and has a four-tier approach: (1) identify pests and monitor progress; (2) set action thresholds; (3) prevent pests; and (4) control pests.

Pest Population Estimate Calculations:

The calculations to determine the pest population estimates begin with the number of complaints submitted by NYCHA residents for each type of pest. To arrive at the estimated pest populations, these figures are then adjusted to account for cases where the complaint is not verified, and where there is a pest presence that is not the subject of a resident complaint. These adjustments are made pursuant to an overcount adjustment and an undercount multiplier. The overcount adjustment accounts for when a resident makes a pest complaint about a pest in their apartment whose presence cannot be verified. For example, if a resident complains about mice, but an exterminator identifies cockroaches or finds no evidence of the presence of any pests during the inspection, then an overcount has occurred. These overcounts are subtracted from the number of pest complaints. *(continued on next page)*

Under the HUD Agreement, once the Monitors establish the Protocols, NYCHA is required to use the Protocols to develop and publish reliable pest population estimates for each development at least quarterly.⁹⁹ NYCHA continues to publish the pest population estimates for each development on its website at <https://www.nyc.gov/site/nycha/residents/pest-population-estimates.page>.

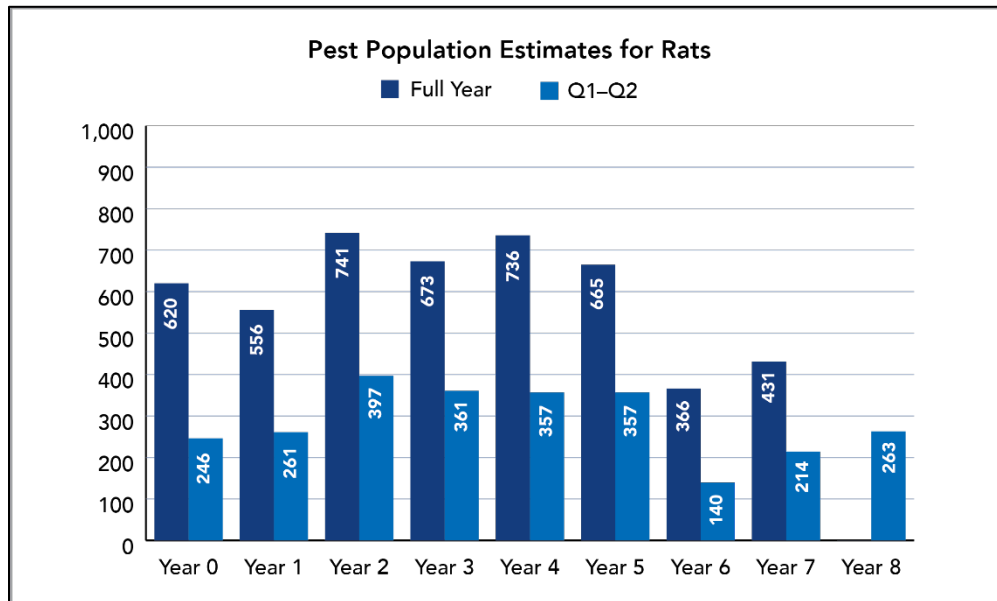
In the second quarter of Year 8, NYCHA established the processes that enable NYCHA to calculate and publish the pest population estimates on its own, and NYCHA has committed to do these calculations on its own going forward.

To improve the accessibility of this data to residents and the public, the Monitors also proposed that NYCHA present pest population estimates in a more user-friendly manner on its website, such as by making it easier for a resident to identify the information for their development, but NYCHA has rejected this proposal, stating that doing so would require resources it believes would be better spent elsewhere.

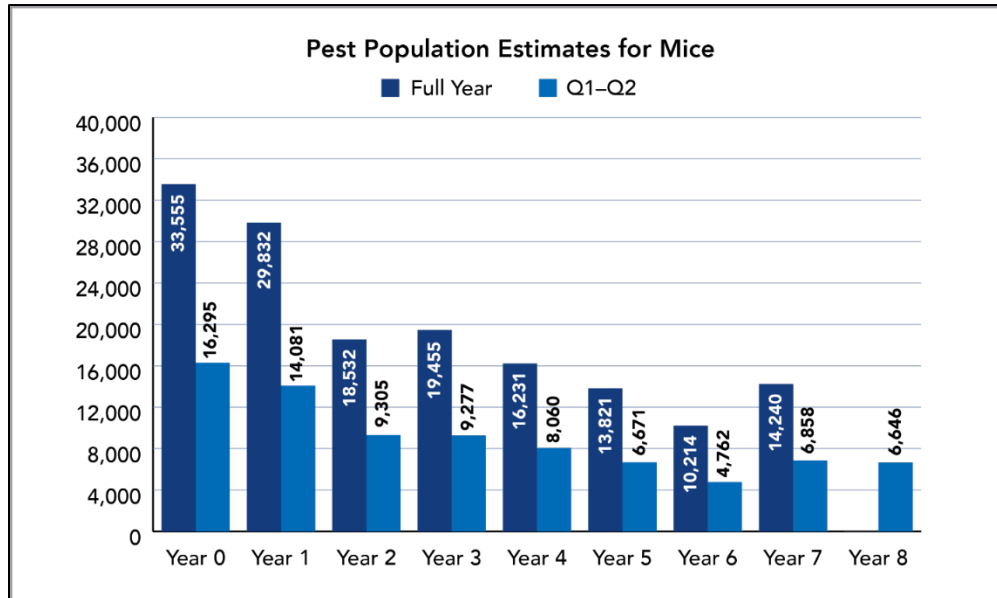
2. Estimated Pest Populations

The charts below illustrate the NYCHA-wide pest population estimates for each year beginning with the year before the monitorship began (which is denoted as “Year 0”). In the first half of Year 8, NYCHA’s developments experienced increased estimated populations of rats and cockroaches, with the estimated population for mice reducing slightly and bedbugs reducing substantially, as compared to the prior year. As discussed in prior reporting, there can be many causes behind changes in the pest population estimates, but the most effective path to continuing to reduce pest populations is through effective IPM being consistently used throughout NYCHA, particularly through preventive pest treatments.

Rats. As illustrated below, the pest population estimate for rats was 263, for the first half of Year 8, up 23% from 214 in the first half of Year 7.¹⁰⁰ There were 250 verified rat complaints, which were then adjusted by taking into consideration an **undercount multiplier**.

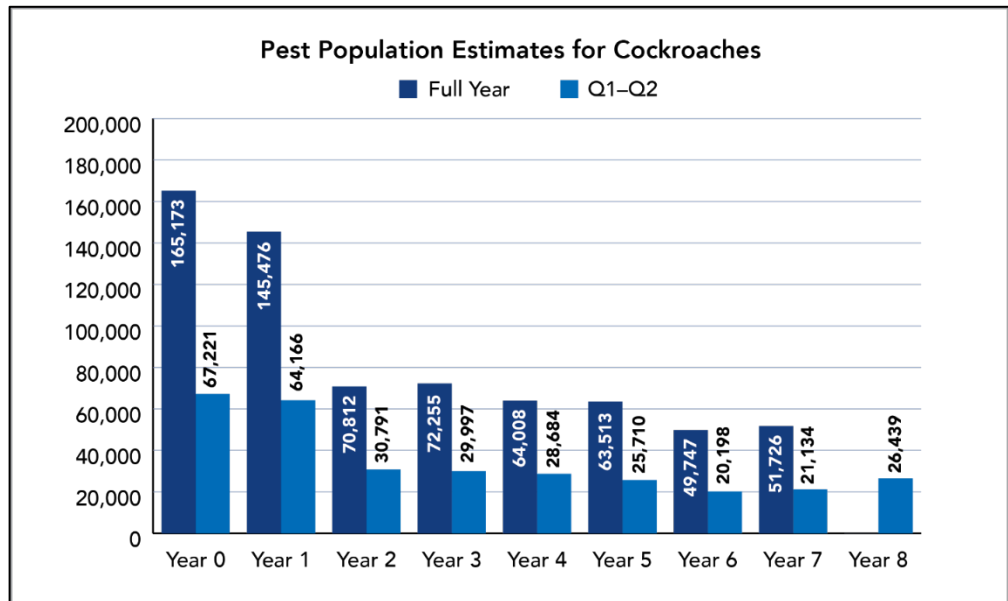


Mice. The pest population estimate for mice was about 6,650 for the first half of Year 8, down approximately 3% from the first half of Year 7.¹⁰¹

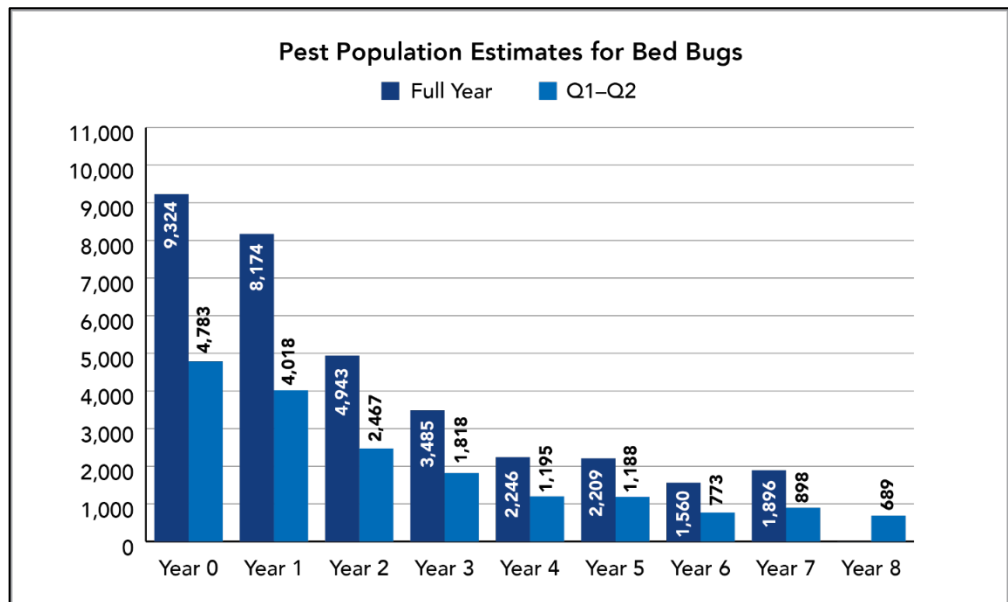


Cockroaches. The pest population estimate for cockroaches was nearly 26,440 for the first half of Year 8, up approximately 25% from the first half of Year 7.

The undercount multiplier takes into account that not all residents report when there are pests present in their apartments. This can happen, for example, when a resident is unaware of a bed bug infestation and therefore does not make a complaint. The undercount multiplier is based on the number of NYCHA apartments inspected where EH&S inspectors identify a pest presence that residents did not submit a complaint for. The undercount multiplier increases the pest population estimates if there are pests that residents have not submitted complaints for.



Bed Bugs. The pest population estimate for bed bugs was about 690 for the first half of Year 8, down approximately 23% from the first half of Year 7.



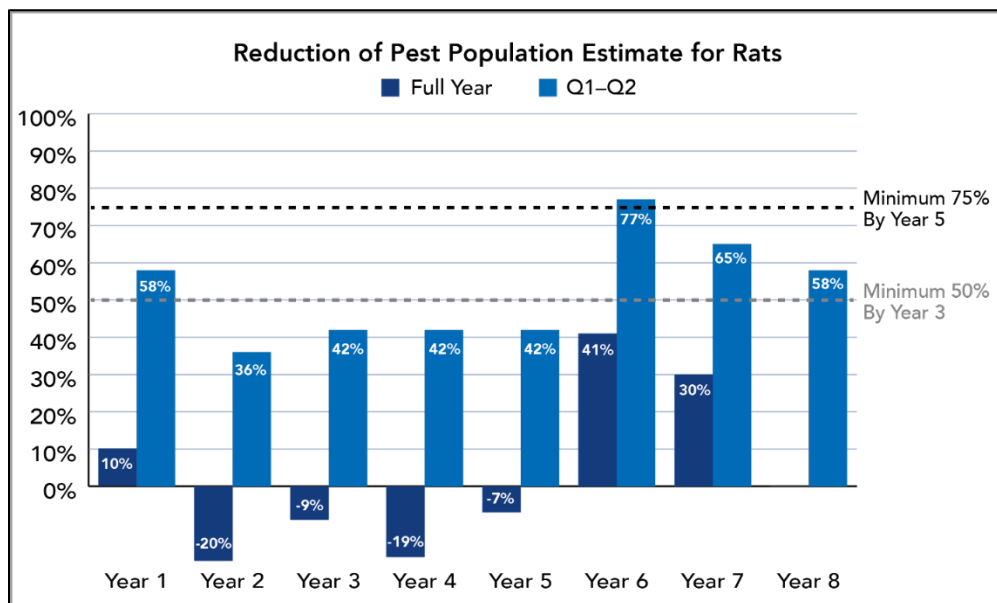
3. Reduce Pest Populations

The HUD Agreement required NYCHA to reduce pest populations by certain percentages by the end of Year 3¹⁰² and by the end of Year 5.¹⁰³ As discussed in the Monitors' April 2025 Report,

NYCHA met the pest reduction targets for mice, cockroaches, and bed bugs in Year 6.¹⁰⁴

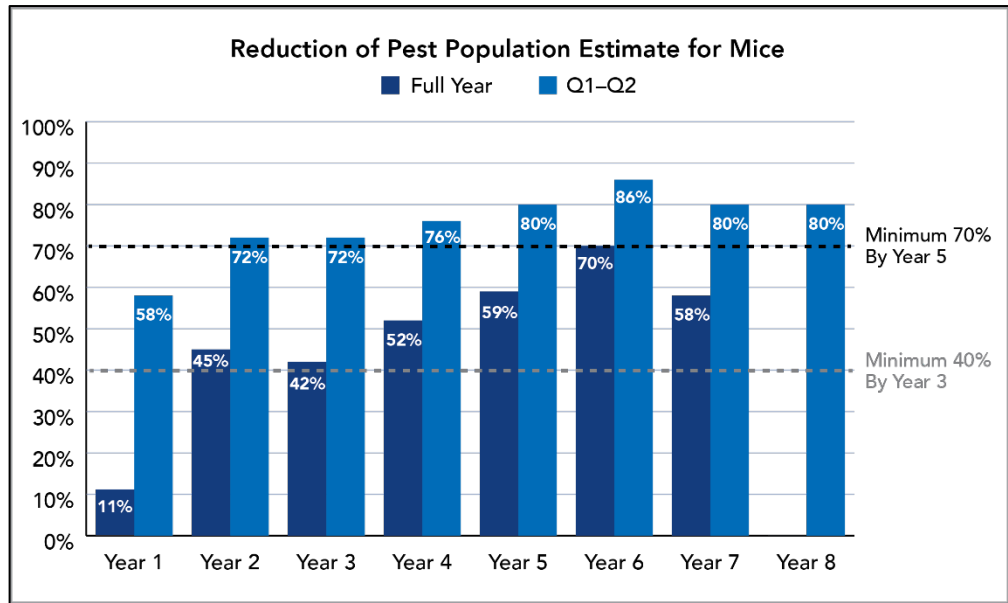
The reduction requirements are calculated by comparing the estimated pest population of the past year with the estimated pest population at the beginning of the monitorship. Despite the recent increase in some pest population estimates as of the end of the second quarter of Year 8, NYCHA continued to meet the pest reduction targets for cockroaches, mice, and bed bugs because those pest population estimates are substantially lower compared to the pest population estimates for when the monitorship started.

Rats. For rats, by the end of Year 3, NYCHA was required to reduce the rat population by 50%, and by the end of Year 5, by an additional 50%.¹⁰⁵ This means that NYCHA was required to cumulatively reduce the rat population by 75% by the end of Year 5. NYCHA met the Year 3 50% requirement by the end of the second quarter of Year 8, as it also had by the end of the second quarters of Years 6 and 7.¹⁰⁶ However, NYCHA has not yet met the rat reduction requirements over the course of an entire year, as set forth in the graph below.

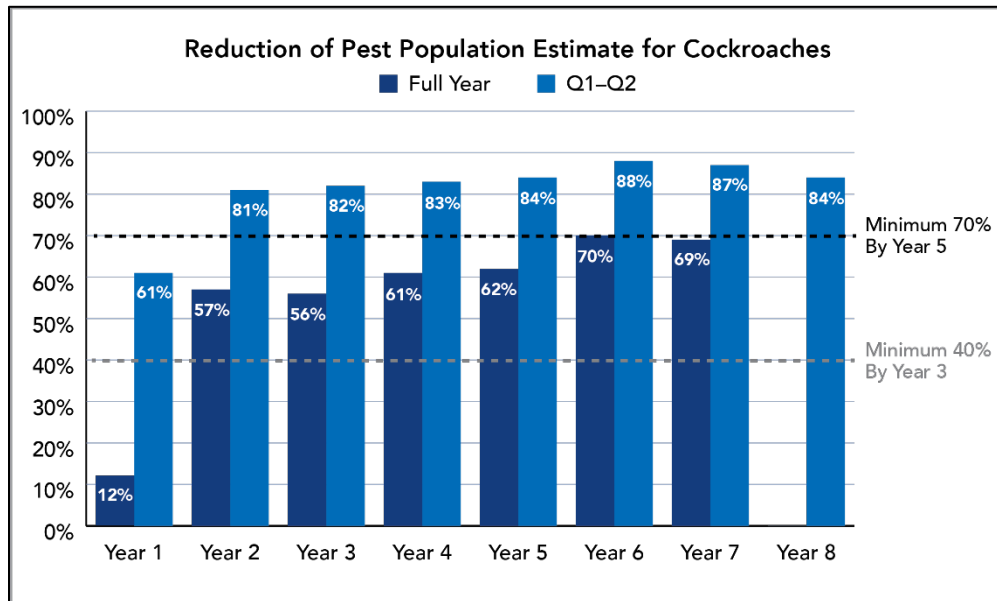


By the end of the second quarter of Year 8, the percent reduction for rats was 58%, a decrease in performance by seven percentage points from the same period last year, meaning the reported rat population was higher than last year.

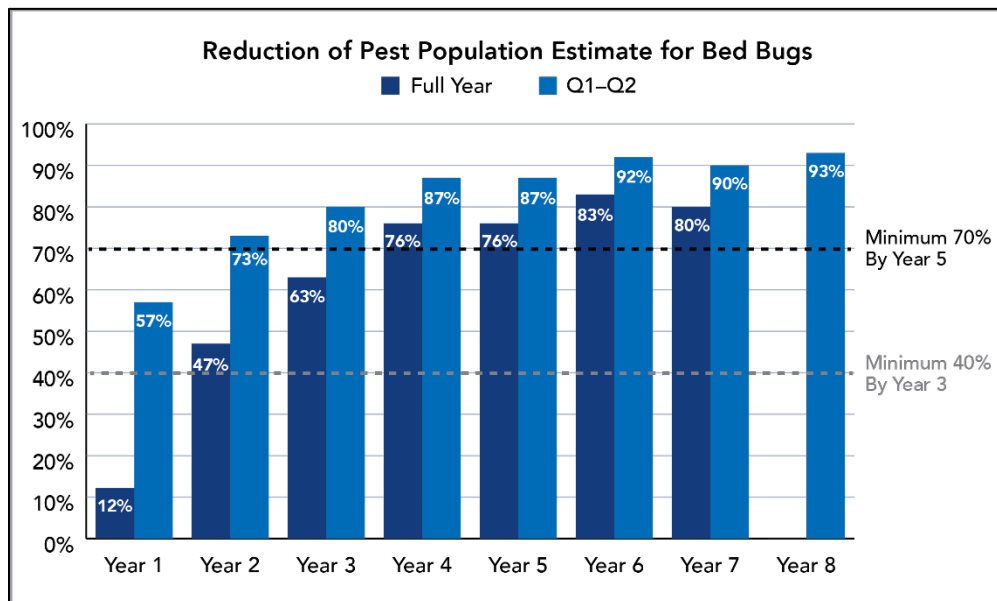
Mice. By the end of the second quarter of Year 8, the percent reduction for mice was 80%, the same as last year, meaning the reported mouse population was about the same as of the end of the second quarter of Year 7.



Cockroaches. By the end of the second quarter of Year 8, the percent reduction for cockroaches was 84%, a decrease in performance by three percentage points from the same period last year, but still above the 70% threshold set forth in the HUD Agreement.



Bed Bugs. By the end of the second quarter of Year 8, the percent reduction for bed bugs was 93%, an increase in performance by three percentage points from the same period last year, meaning the reported bed bugs population was lower than last year.



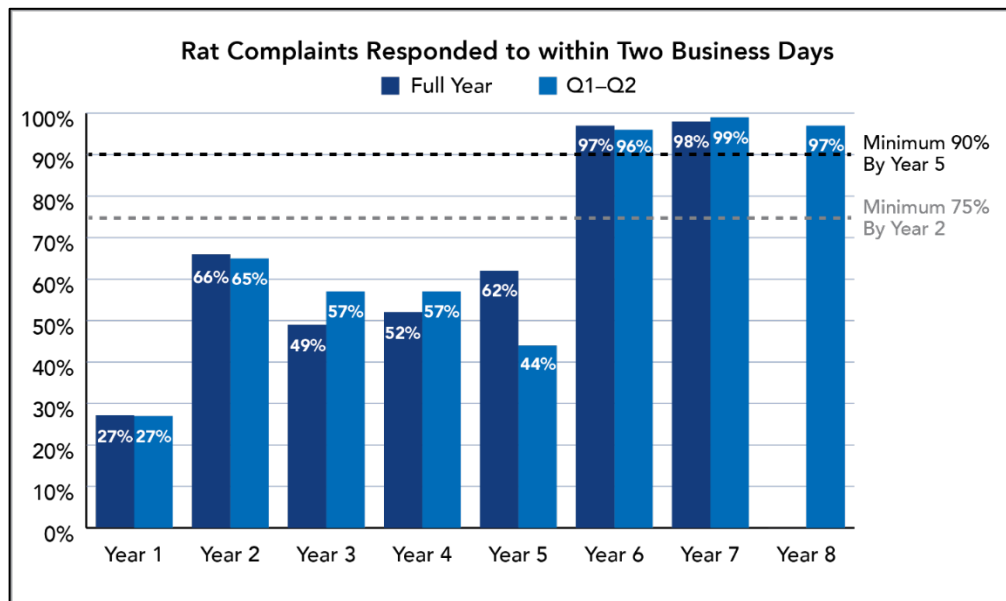
B. Respond to Resident Pest Complaints (Requirement Nos. P14-P15)

Under the HUD Agreement, NYCHA must respond to resident pest complaints in apartments within certain timeframes depending on the pest.¹⁰⁷ The subsections below provide an update on NYCHA's progress meeting these requirements.

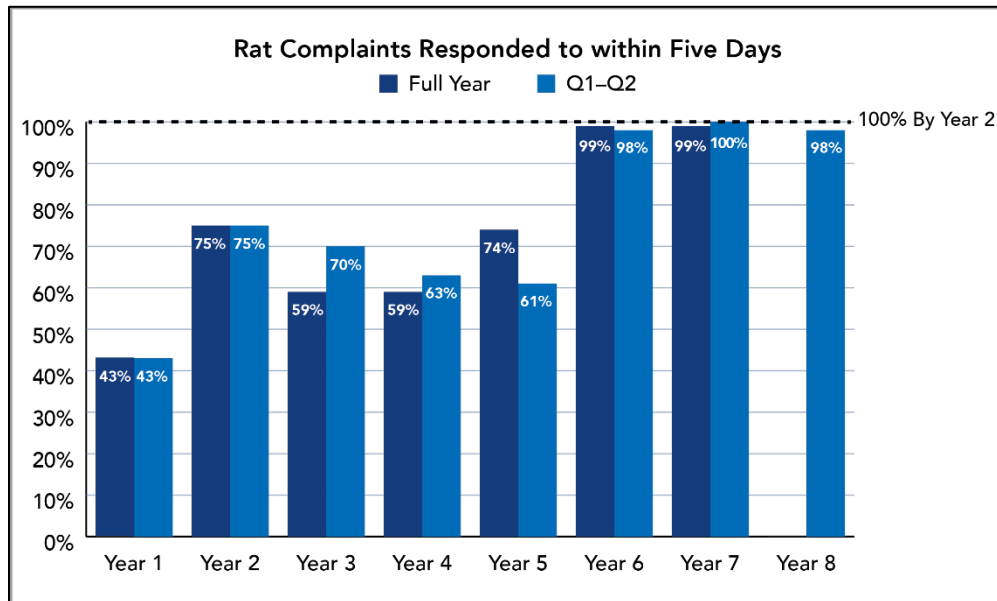
1. Respond to Rat Complaints (Requirement No. P14)

The HUD Agreement requires NYCHA to respond to 90% of all rat complaints within two business days, and to 100% of rat complaints within five calendar days.¹⁰⁸

NYCHA responded to 97% of all rat complaints within two business days in the first half of Year 8, two percentage points lower than last year. Recognizing that there were more rat complaints in the first half of Year 8 as compared to the prior year, the Monitors commend NYCHA on its continued swift response times to rat complaints.



NYCHA responded to 98% of resident rat complaints within five calendar days during the first half of Year 8, two percentage points lower than last year.

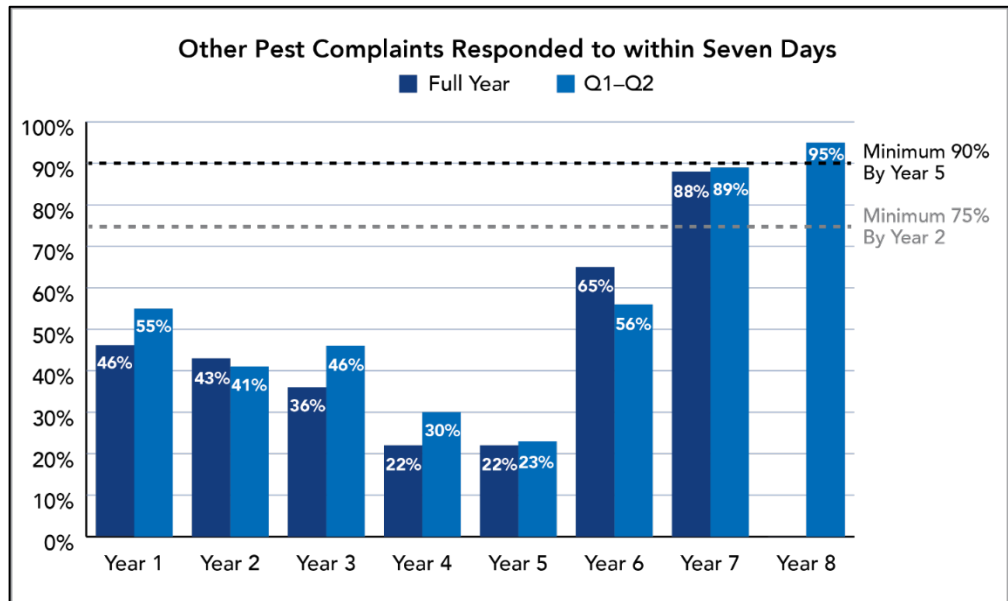


2. Respond to Other Pest Complaints (Requirement No. P15)

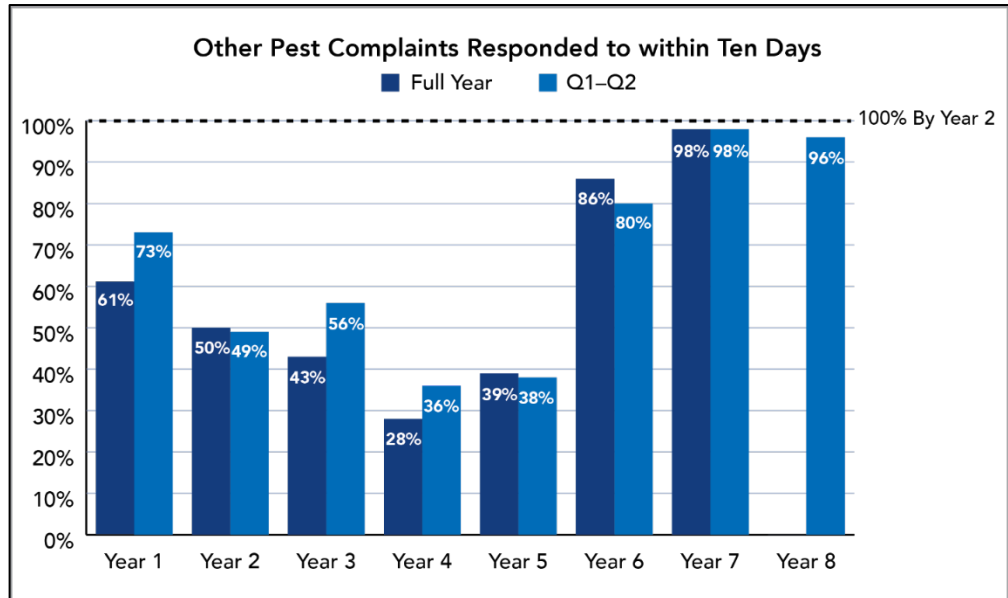
The HUD Agreement requires NYCHA to respond to 90% of **other pest** complaints within seven calendar days and 100% of other pest complaints within ten calendar days.¹⁰⁹

NYCHA responded to 95% of other pest complaints within seven calendar days during the first half of Year 8, six percentage points higher than last year.

Other Pests: Under the HUD Agreement, the term "other pests" refers to mice, cockroaches, and bed bugs.



NYCHA responded to 96% of other pest complaints within ten calendar days in the first half of Year 8, two percentage points lower than last year.

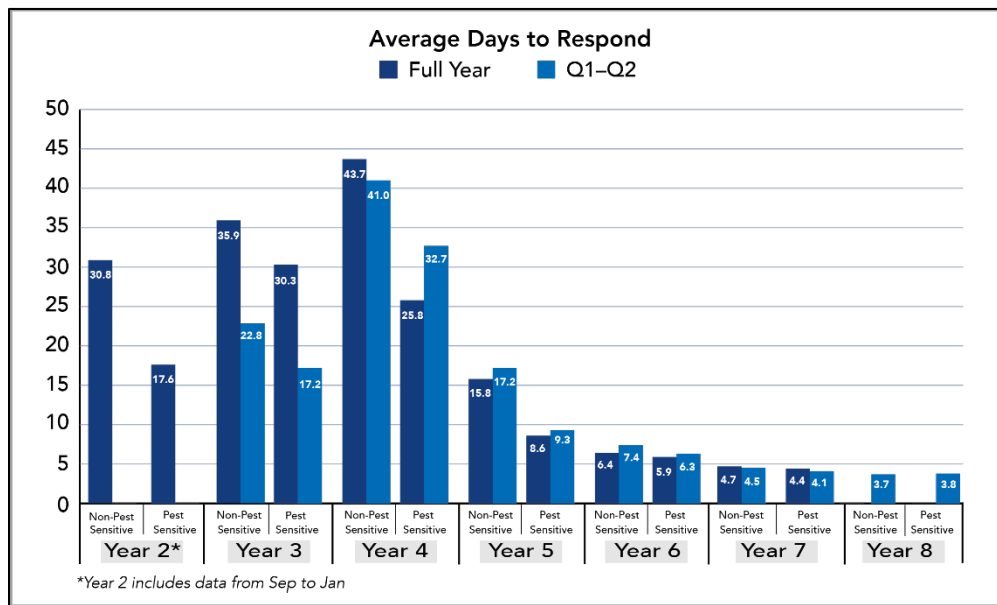


C. Address Pest Complaints from Residents with Health Conditions in an Expedited Manner (Requirement No. P17)

The HUD Agreement requires NYCHA to respond to pest complaints in apartments occupied by residents whose health

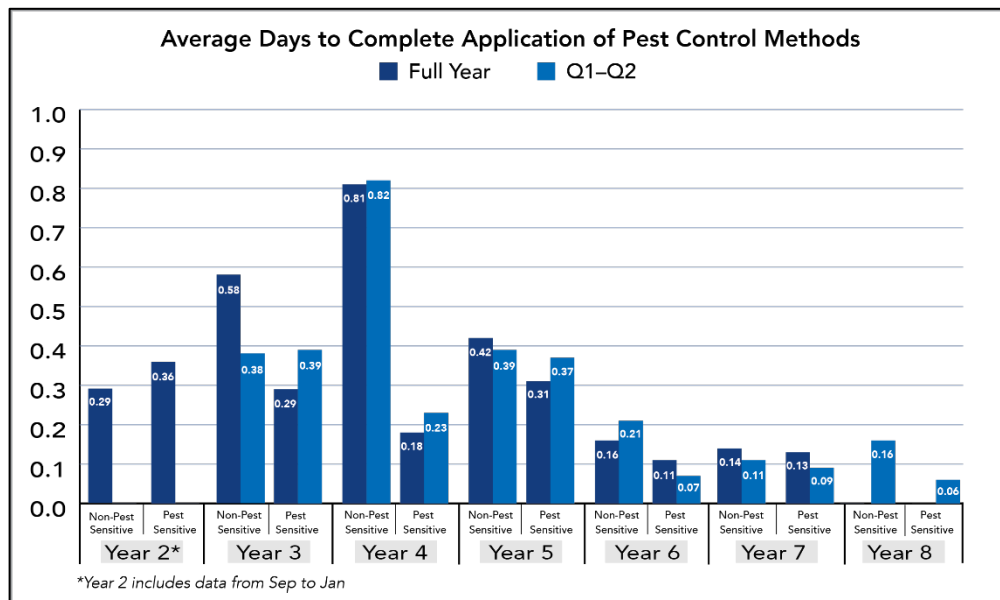
conditions may be caused or exacerbated by exposure to pest infestations ("Pest Sensitive Units") and to **apply** pest control methods in Pest Sensitive Units in an expedited manner.¹¹⁰ In order to satisfy this requirement, NYCHA must address pest complaints in Pest Sensitive Units more quickly than in other apartments.

NYCHA did not respond to pest complaints in Pest Sensitive Units more quickly than other apartments in the first half of Year 8. However, NYCHA improved its response time compared to last year and the response time difference between Pest Sensitive Units and Non-Pest Sensitive Units is minimal.



Apply: Under the definition agreed to by the First Monitor and NYCHA, this is the time from the moment a complaint is verified to the moment that NYCHA staff completes the initial work order for inspection and initial treatment. Typically, the same NYCHA staff member who responds to the initial work order applies the initial pest control treatment during the same visit. Application of pest control methods should take, on average, 45 minutes.

Although NYCHA did not respond to Pest Sensitive Units more quickly in the first half of Year 8, it did *apply* pest control methods more quickly in Pest Sensitive Units than in other apartments, meeting the HUD Agreement requirement, as it has done beginning in Year 3.



D. Implement Integrated Pest Management Practices (Requirement Nos. P16, P18-P19)

The HUD Agreement requires NYCHA to consistently and comprehensively implement IPM practices.¹¹¹ Specifically, NYCHA must (1) apply effective pest control in a timely manner; (2) incorporate industry-standard IPM into building operations in all NYCHA developments; and (3) send staff appropriately trained in IPM to respond to all pest complaints.¹¹²

As discussed in prior reporting, NYCHA continues to train its staff and implement IPM techniques, leading to improved compliance and services for residents.¹¹³ But more work remains. To fully comply with the HUD Agreement's IPM requirements, NYCHA must ensure that all staff consistently follow the **Pest Standard Procedure ("Pest SP")** and effectively apply IPM techniques. The subsections below provide an update on NYCHA's progress on the IPM requirements.

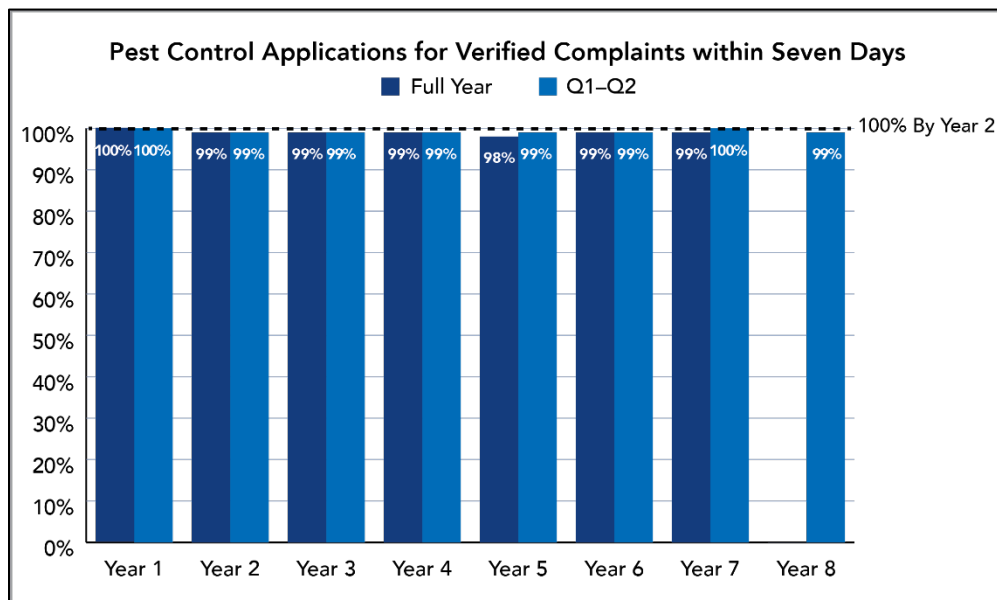
1. Apply Effective Pest Control Methods in a Timely Manner (Requirement No. P16)

Under the HUD Agreement, NYCHA must apply effective pest control methods within seven calendar days of verifying the presence of a pest.¹¹⁴ NYCHA applied pest control methods 99% of the time within the specified time period in the first half of Year 8, maintaining

Pests Standard Procedure ("Pest SP"):

The Pest SP provides instructions to NYCHA staff on how to implement and comply with preventive and responsive measures to control pest infestations. It also creates protocols to protect the health of residents, employees, and vendors when removing and reducing pest activity using IPM techniques.

the same performance compared to last year. This means that for nearly every pest complaint, NYCHA applied pest control methods within seven days of an exterminator visiting the apartment to respond to a resident's complaint. However, as discussed further below, NYCHA does not yet apply effective pest control methods during every visit to a resident's apartment. This requires NYCHA exterminators to fully adhere to the Pest SP at every visit, as the Pest SP is IPM-compliant. The Monitors' consulting urban entomologists have observed exterminators deviating from the Pest SP. Although NYCHA has significantly improved and continues to do so, which the Monitors commend, it must still work to further improve the quality of its application of pest control methods to meet this requirement.



2. Implement and Apply Integrated Pest Management Techniques

The HUD Agreement requires NYCHA to incorporate IPM practices into building operations at all developments and to send staff appropriately trained on IPM techniques to respond to all pest complaints.¹¹⁵ The Monitors note that although NYCHA's Pest Management Department ("PMD") plays a key role in implementing IPM across NYCHA developments, other departments and individual developments must also implement and uphold effective IPM practices. Environmental Health & Safety ("EH&S") provides oversight to PMD's exterminators, ensuring they are following the Pest SP, and also performs the undercount inspections that inform NYCHA's pest

population estimates. Additionally, the Waste Management Department (“WMD”), discussed below, must ensure that waste is timely picked up from developments’ waste yards so pests do not have trash to feed on. Finally, individual developments also must maintain their IPM practices by ensuring their doors are properly secured to prevent pests from entering and by keeping their buildings and grounds clean and clear of trash.

PMD. PMD has made several improvements in the second quarter of Year 8. PMD hired new exterminators to fill its ranks, including 11 graduates from its Resident Economic Empowerment & Sustainability program, which educates and trains residents before hiring them at NYCHA. PMD also expanded the kind of pest control methods that it employs, including increasing their use of carbon monoxide gas to treat rats in their burrows, and new products that are more effective in treating rats and do not affect non-target organisms, like hawks, owls, and other birds who often prey on rats.

In addition, PMD is more effectively using data and IPM practices to create and implement strategies for building-wide pest problems. First, PMD has categorized NYCHA’s developments by the number of complaints for each pest. Based on that data, PMD has begun prioritizing which developments need more pest treatments or building-wide coordinated treatments. For example, PMD has identified some developments with significant rat activity, which are called rat “hot spots.” At those developments, PMD is working with the skilled trades, such as carpenters, plasterers, and bricklayers, to fix holes in building and apartment walls that rats use to enter. PMD has also directed that more cement be added to basements, and PMD has completed work on nine compactor chutes this year. That work occurred when PMD took advantage of the buildings’ compactors being pulled out of their usual spots in order to be replaced. With the compactors removed, PMD and NYCHA’s skilled tradespeople had access to the actual chutes that residents toss trash down and the walls and ceiling that are hidden while the compactors are in place. PMD and the skilled tradespeople sealed holes in the chutes, walls, and ceilings that had been made by pests seeking access to trash for food. Additionally, at Claremont, PMD added a permanent maintenance worker to help seal holes. Where PMD and skilled tradespeople have completed such work, there has been a decrease in rat complaints. For example, the building at 1162 Washington Avenue had 21 rat complaints last year. This year, after

PMD sealed holes and gaps to prevent rats from entering the building, called exclusion work, it has had two rat complaints. Likewise, since skilled tradespeople performed similar exclusion work at the Sumner Houses development, the rat complaints dropped from six to zero.

Finally, PMD improved its policies and training to incorporate more IPM practices. PMD has developed industry-standard IPM trainings, and this quarter, PMD incorporated that information into its Pest SP, building out the sections on rat pest control methods especially.

However, the Monitors continue to find areas where implementation of effective IPM should be improved. During recent testing of NYCHA exterminators' performance, the Monitors' consulting urban entomologist observed that, while some exterminators were well-equipped and often perform most of the required steps of the Pest SP, some exterminators do not follow it consistently and lack required equipment. For example, during recent monitoring, the consulting urban entomologist observed one exterminator missing required equipment, failing to use his inspection mirror, failing to inspect all kitchen cabinets when the kitchen showed signs of cockroaches, failing to apply enough bait material, and failing to apply enough pesticide in the proper areas. Another exterminator lacked required equipment, and when treating bed bugs, did not treat the legs of the bed, the legs of other furniture, and the baseboards, all of which are required under the Pest SP in order to rid an apartment of bed bugs.

Additionally, some of PMD's exterminators have not attained passing scores on the quizzes they take after some training sessions. For example, PMD provided a pesticide label training to its exterminators in June. Reading a pesticide label is critical because pesticides must be applied correctly in order to effectively treat pests in a manner that is safe for residents. PMD's training materials are of high quality, as previously reported,¹¹⁶ but after the training, exterminators achieved an average of 57% on the quiz. The Monitors' consulting urban entomologists have advised that the scores should be above 75%. PMD has stated that to ensure its exterminators learn the required material, PMD's Supervisors of Exterminators ("SOEs") will receive additional training, which they will provide to exterminators in the field. Exterminators who received lower scores will retake the training in November. PMD is also in the process of

creating a short guide for exterminators that informs them of what to look for on the labels of pesticide products.

As PMD improves its compliance with its Pest SP, the number of pest complaints should decrease, which should enable PMD to perform more preventive treatments. The Monitors' consulting urban entomologists have noted that a ratio of four preventive work orders to every complaint-based work order meets IPM standards and helps control pest populations. PMD currently completes about 1.3 preventive work orders for every complaint-based work order.

EH&S. EH&S provides oversight over PMD and helps NYCHA maintain IPM practices by performing quality assurance observations of PMD's exterminators and by performing the undercount inspections that provide data for NYCHA's pest population estimates. EH&S's current quality assurance process does not adequately check exterminators' work, as its quality assurance checklist is not detailed enough to assess whether exterminators follow each step of the Pest SP. However, EH&S is in the process of updating its quality assurance process by creating a new checklist that is specific to each pest and mirrors the Pest SP. The Monitors' consulting urban entomologists have observed that certain of EH&S's inspectors have been resistant to implementing the updated quality assurance process, but the consulting urban entomologists will continue to work with EH&S to develop and provide further training on the updated quality assurance process.

By the end of the second quarter of Year 8, EH&S completed the required number of inspections for the undercount multiplier needed for the calculation of NYCHA's pest population estimates. EH&S has also begun conducting quality assurance of its own inspectors' undercount inspections, to ensure that the inspections are done consistently each time.

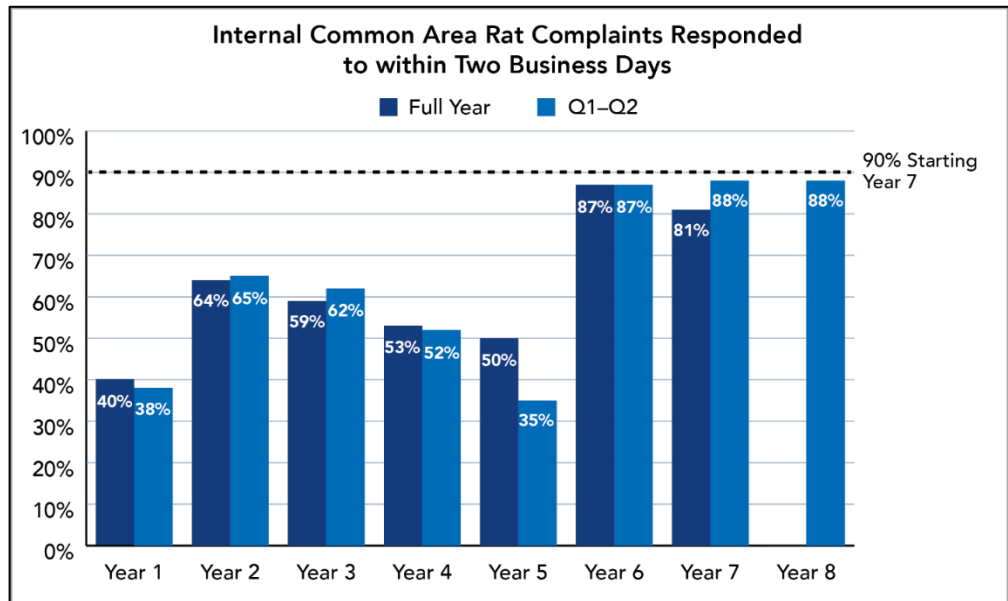
Developments. NYCHA's developments must also keep up with IPM practices to help reduce the pest population at NYCHA. In the first few years of the monitorship, NYCHA installed over 8,000 door sweeps across NYCHA's developments.¹¹⁷ Door sweeps are devices attached to the bottom of exterior doors that keep rats, mice, and other pests from entering the building. The Monitors conducted an inspection across NYCHA developments to determine whether the door sweeps that were initially installed are still functioning. They inspected over 800 door sweeps, and found that many have become

damaged or have fallen off. The Monitors informed NYCHA of this issue, and PMD has replaced close to 3,000 door sweeps since January 2025. Often, PMD exterminators inspect doors of developments while doing exclusion work, and they make note of missing or damaged door sweeps. Some developments also report missing or damaged door sweeps to PMD, as PMD encourages, but more developments must inspect their exterior doors and ensure the door sweeps are properly maintained.

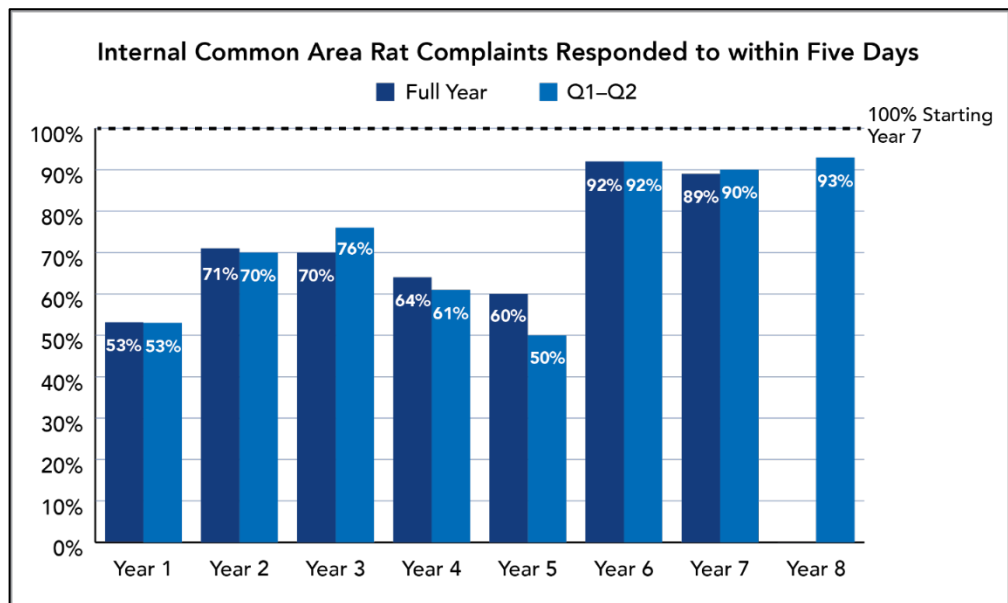
3. Address Common Area Pest Complaints

IPM practices require NYCHA to eliminate pests' access to food, water, and shelter across developments, including in common areas such as lobbies and stair halls. In Year 6, NYCHA, HUD, and SDNY agreed that NYCHA must respond to common area pest complaints in a timely manner, based on timeframes proposed by the Monitors' consulting urban entomologists.¹¹⁸ Specifically, NYCHA must (1) respond to 90% of rat complaints in internal common areas within two business days, and to 100% of rat complaints within five calendar days; (2) respond to 100% of rat complaints in external common areas within ten calendar days; and (3) respond to 100% of other pest complaints in internal and external common areas within ten business days.¹¹⁹ For rat complaints in high-traffic areas, NYCHA must respond in an expedited manner.¹²⁰

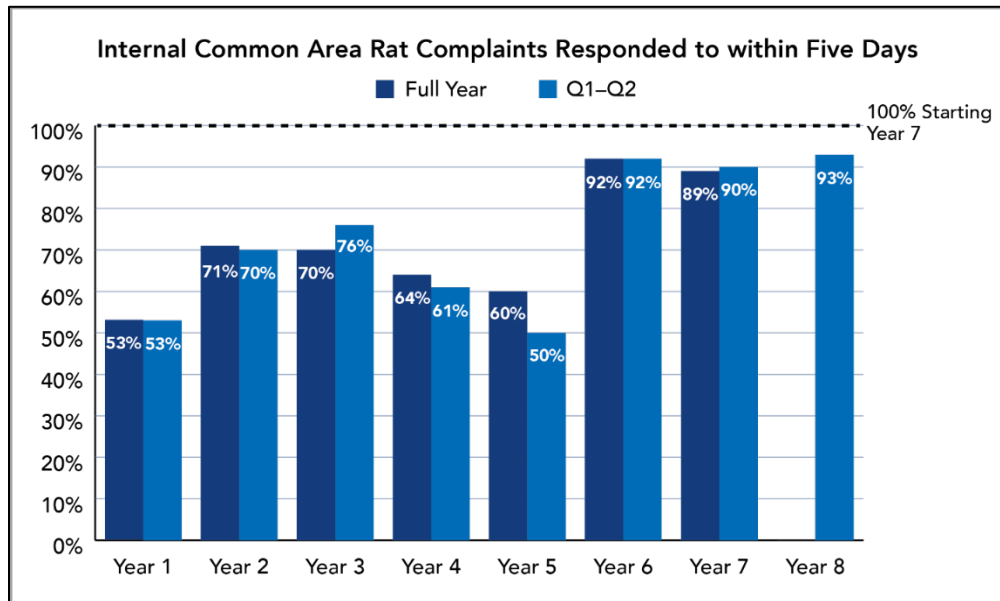
NYCHA responded to 88% of rat complaints in internal common areas within two business days in the first half of Year 8.



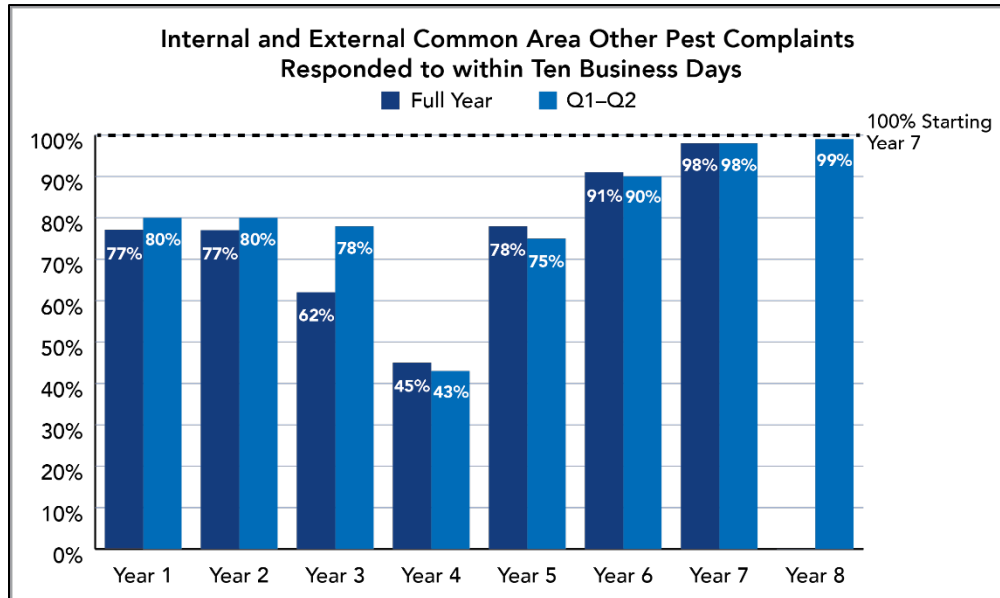
NYCHA responded to 93% of rat complaints in internal common areas within five calendar days in the first half of Year 8.



NYCHA responded to 98% of rat complaints in external common areas within ten calendar days in the first half of Year 8.



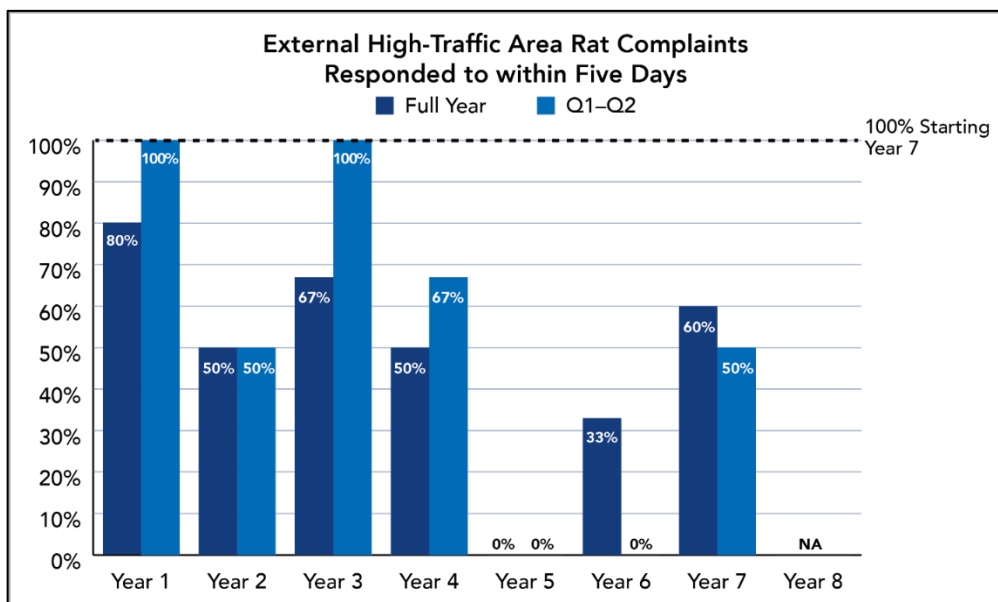
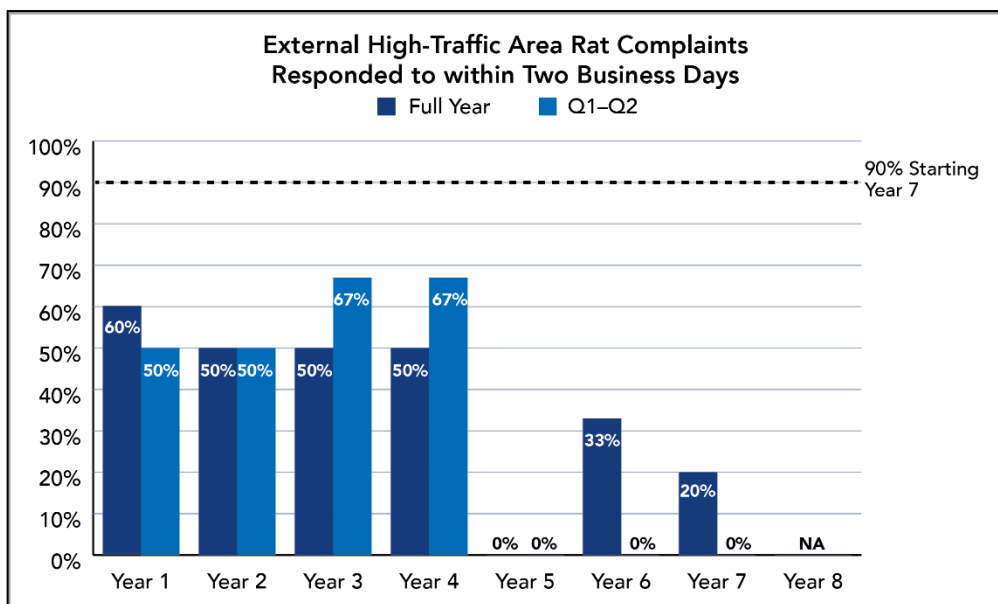
NYCHA responded to 99% of other pest complaints in internal and external common areas within ten business days in the first half of Year 8.



In Year 7, NYCHA and the Monitors agreed to the definitions of the terms "high-traffic areas" and "expedited manner."¹²¹ "High-traffic areas" include playgrounds and parking lots. "Expedited manner" means that NYCHA will respond to 90% of high-traffic area

rat complaints within two business days and to 100% of high-traffic area rat complaints within five calendar days.

During the first half of Year 8, there were no high-traffic area rat complaints.



E. Improve Waste Management (Requirement No. P11)

The HUD Agreement requires NYCHA to ensure that trash on the grounds or common areas of each NYCHA building is collected

and either removed from the premises or stored in a manner that prevents access by pests at least once every 24 hours. NYCHA must also inspect grounds and common areas at every development for cleaning and maintenance needs and correct such conditions at least once every 24 hours. Together, these comprise the Waste Management Requirement.¹²² The first part of that requirement is the responsibility of NYCHA's Waste Management Department ("WMD"), which ensures NYCHA's developments have the proper equipment and systems so that trash on the grounds or in the common areas of each NYCHA development is collected and either removed from the premises or stored in a manner that prevents access by pests at least once every 24 hours.¹²³ The second part of that requirement is the responsibility of NYCHA's individual developments, which must ensure that their grounds and common areas are cleaned every day.

To facilitate compliance with this requirement, NYCHA committed to several capital projects aimed at improving its waste management capabilities.¹²⁴ These projects include building new waste yards and trash collection systems and replacing and upgrading the agency's waste collection and hauling equipment.¹²⁵

The subsections below provide an update on (1) data from NYCHA's waste inspections; (2) NYCHA's compliance with the Waste Management Requirement, as verified by the Monitors' inspection team; and (3) the agency's pest and waste management capital projects.

1. Data from NYCHA's Waste Inspections

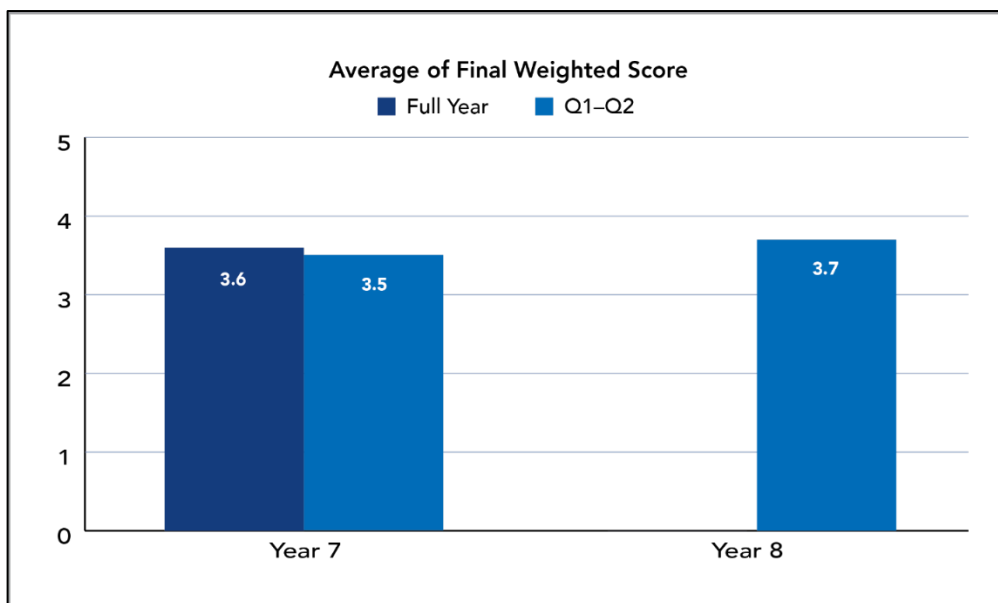
NYCHA continues to measure compliance with the Waste Management Requirement through its Clean Compounds initiative, which requires **consolidations** to submit daily photographs of certain areas on development grounds and for grounds supervisors to submit attestations to NYCHA's WMD. To validate the consolidations' self-reported compliance, WMD launched Scorecard 1.5, a reporting system for Waste Management inspectors to perform inspections of consolidations' common areas and grounds. In connection with Scorecard 1.5, WMD launched a reporting initiative to share the results of the inspections with development caretakers. WMD now immediately shares a list of observed deficiencies that require corrective action with the respective development and instructs the consolidation to resolve the issues. WMD then provides the consolidation a score, together with information regarding the basis

Consolidation: A group of developments managed by the same property management office.

for the score, based on the inspectors' assessment of interior and exterior locations. WMD shares the results of its Scorecard 1.5 inspections and Clean Compounds daily photo verifications with the Monitors, and the Monitors report on developments' scores at a high level to illustrate NYCHA's progress in meeting the Waste Management Requirement.

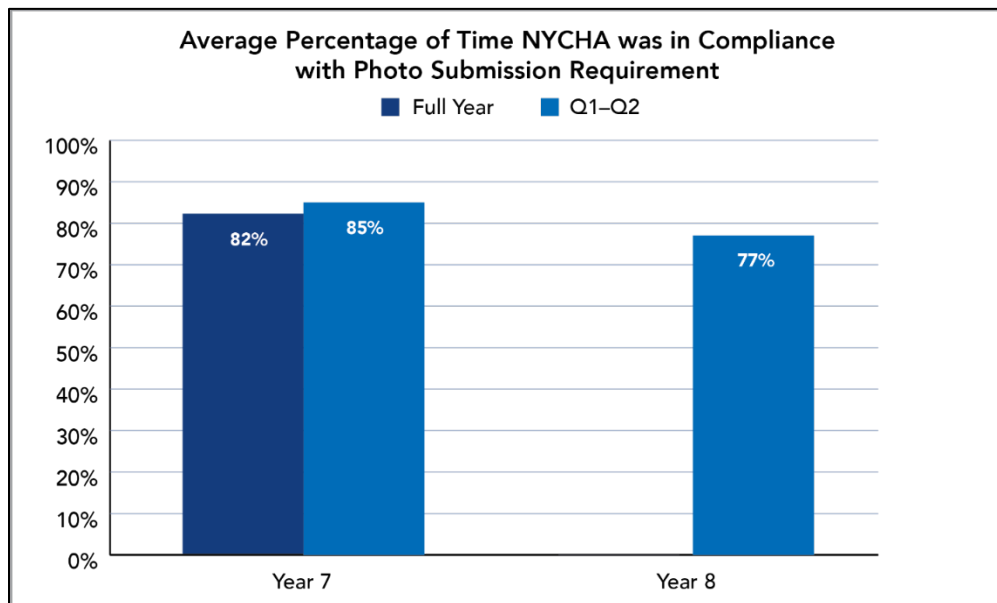
For Scorecard 1.5, developments receive an overall grade from 1.0 to 5.0, with a 5.0 being the highest score a development can receive. Inspectors evaluate whether there is garbage in the common areas and grounds, including on the sidewalks, green spaces, parking lots, elevators, or interior hallways and stairwells. Inspectors also check whether the recycling and compactor areas are well-maintained, including whether they are clean or have damaged doors, walls, or ceilings. The developments' Scorecard 1.5 evaluations relate to the second half of the Waste Management Requirement, ensuring that development grounds and common areas are cleaned every day.

In the first half of Year 8, as illustrated in the chart below, the average Scorecard 1.5 score for the developments was approximately 3.7, up from last year.

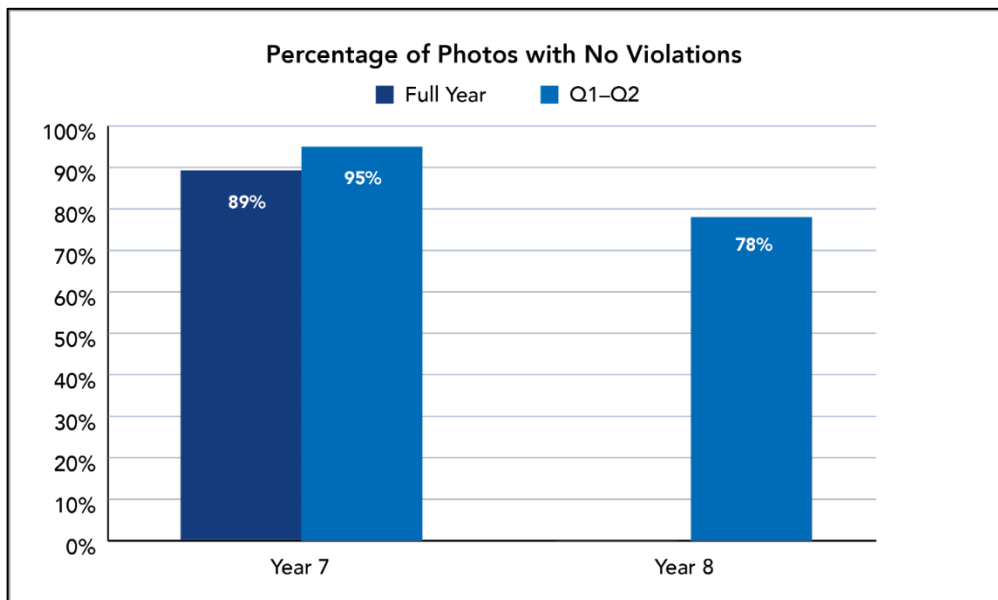


WMD also tracks whether developments submit the required daily photos of certain waste areas. This also relates to the second half of the Waste Management Requirement. The chart below depicts

how often NYCHA developments were in compliance with that requirement. As illustrated below, after averaging all of NYCHA's developments' performance, NYCHA complied with the photo requirement 77% of the time in the first half of Year 8, down eight percentage points from the same period last year.



WMD also evaluates whether any violations of the Clean Compounds policy appear in the photos submitted by developments. For example, some photos show trash that is not properly stored in a container. As illustrated in the chart below, during the first half of Year 8, 78% of developments submitted photos without any violations, down 17 percentage points from the same period last year.



In the second quarter of Year 8, WMD has made several improvements to NYCHA's systems for ensuring waste is collected and containerized once every 24 hours, the first half of the Waste Management Requirement. First, WMD has identified the developments that receive the lowest scores during Scorecard inspections. WMD has visited each of those developments to identify the specific reasons behind the low scores, and WMD has also started inspecting those developments twice a month instead of once a month. At one development, WMD is also setting up 2-yard containers to help better containerize trash.

Next, WMD has made changes to work order formats to help developments correctly identify which interior compactors require repair. Previously, the work orders submitted by developments did not permit them to easily identify which of several interior compactors needed repairs or maintenance, which led to difficulties in tracking how well developments' compactors were working.

2. Inspect and Correct Negative Waste Conditions

To further assess compliance with the Waste Management Requirement and to supplement NYCHA's inspections, the Monitors' independent inspection team conducts evaluations of NYCHA properties, covering grounds, including curbside collection points, short-term storage areas, waste yards, walkways, and common areas, including lobbies, elevators, and stairwells. In certain circumstances,

these developments are selected based on information from NYCHA residents submitted to the Monitors. During the second quarter of Year 8, the Monitors' team conducted 49 grounds inspections across 45 developments, and 93 building inspections across 64 developments. The team has shared the results of the inspections with NYCHA property management to help improve compliance at the development level. The Monitors also share the results of the inspections with WMD's leadership to help improve compliance agency-wide.

Based on these inspections, the Monitors conclude that NYCHA is in partial compliance with the second half of the Waste Management Requirement. The Monitors' inspectors found that over half of the inspected developments complied with the requirement to keep their grounds and buildings clean, demonstrating good waste management practices, with well-maintained outside areas that were clean and free of obstructions. Average inspection scores held largely steady from the first to the second quarter of Year 8, with only slight declines in building inspection janitorial and maintenance conditions, but a more pronounced decline for outside grounds janitorial conditions. These included uncontained trash, tree debris, and animal waste on the grounds. Outside grounds maintenance conditions, which include assets such as exterior compactors, were nearly deficiency-free.

The Monitors' inspectors also noted a reduction in severe waste-related issues across NYCHA. At some developments, the Monitors' inspectors noted that waste was properly contained, the collection areas were well-maintained, and the grounds were free of debris. At Van Dyke Houses, for example, resident disposal was properly containerized in a two-yard container, and at Mill Brook Houses, waste was disposed of in clear bags and staged for collection. On the other hand, the Monitors' inspectors also observed some developments with issues such as uncontained trash, uncollected litter and bulky items left in curbside pickup areas, and liquid waste spills or leaks from containers, compactors, and waste bins. At Pink Houses in Brooklyn, the Monitors' inspectors noted the need for additional trash bins throughout the development. The Monitors' inspectors noted that NYCHA developments' biggest challenges are consistently following good waste management practices at key locations, such as waste storage areas, where waste yard exterior storage and short-term storage areas received the

lowest average janitorial ratings of any inspected area. These observations were all shared with NYCHA through the Monitors' inspection reports, and the Monitors are working with NYCHA to improve their standards.

3. Implement Waste Management Capital Projects

The government has approved an amendment to the **City Capital Action Plan ("CCAP")** that reallocates \$50 million from waste management capital projects to heating and plumbing initiatives. The amendment reduces NYCHA's CCAP commitments for new waste yards (from 177 to 120) and interior compactors (from 1,596 to 1,211),¹²⁶ but accelerates the timeline for delivery of these projects by two years.

The number of CCAP-funded waste yards has been further reduced from 120 to 103 waste yards as certain developments initially slated to receive new waste yards through CCAP will enter the RAD/PACT program or will receive updated waste assets through separately tracked Comprehensive Modernization projects. Of the 103 CCAP-funded waste yards, NYCHA has completed construction on eight. Thirty-five waste yards are currently under construction, and 60 more are in pre-construction phases. Several of those projects are running behind schedule—waste yard projects at Mitchel Houses, Monroe Houses, Riis Houses, South Jamaica Houses, Kingsborough Houses, Borinquen Plaza I, Farragut Houses, Glenmore Plaza, Douglass I, and Brevoort Houses are 35 weeks delayed. NYCHA attributes the delay to the deteriorated condition of existing switchgear equipment at multiple developments, which required coordination with Con Edison to perform an electrical shutdown at the street level. The waste yard project at Breukelen Houses has incurred a cumulative 20-week delay, including delays due to extended permit processing times and an error in the project schedule. The CCAP-funded pneumatic waste collection system at Polo Grounds Towers, which uses vacuum pressure to move trash through underground pipes to a central collection station, has also incurred a significant delay of 168 weeks. NYCHA attributes the delay to the disposal of materials that the system is not designed to accept and to an unresolved disagreement with the design-build vendor over the scope of controls testing. Together, these delays have pushed back the expected completion date for the CCAP-funded waste yard projects from 2028 to 2029.

City Capital Action Plan ("CCAP"): Under the HUD Agreement, New York City must provide \$2.2 billion in capital funding to NYCHA over a ten-year period starting in 2019 (\$250 million per year for the first four years, and \$200 million per year for the final six years). These funds are committed to capital projects and can only be spent pursuant to an Action Plan. The City Capital Action Plan was approved by the First Monitor on May 8, 2021, and was amended in September 2023 and again in February 2026.

NYCHA has also reduced the number of CCAP-funded interior compactors, with 14 of the original 1,211 CCAP-funded interior compactors now being completed through separately tracked Comprehensive Modification projects, leaving 1,197 interior compactors in the CCAP pipeline. Of those, NYCHA has installed 704 interior compactors. 185 interior compactors are currently under construction and NYCHA anticipates they will be completed in April 2027. NYCHA has not yet begun work to install the remaining 308 interior compactors and, as of this report, has not determined an anticipated completion date for those assets.

F. Completed, In Compliance, and Superseded Obligations

The HUD Agreement obligations that NYCHA met before the period covered by this report, or that were superseded by other obligations (**Requirement Nos. P1, P3-P6, P12-P13, P17**), are listed in the **Appendix**.

Overview of Outstanding Pests and Waste Obligations

The following table summarizes the status of NYCHA's compliance with the outstanding requirements of the HUD Agreement as of July 31, 2026, unless otherwise noted, and categorizes each requirement as an; occurrence obligation (yellow); response obligation (orange); policy and practice obligation (green), or capital obligation (white). The "Estimated Timeline" column describes when NYCHA is projected to reach compliance with each outstanding requirement, based on information currently available to the Monitors. Obligations completed in the period covered by this report will be moved to the Appendix in future reports. The requirements listed in the Appendix have either been satisfied by NYCHA or have been superseded, as set forth in more detail therein.

Req. No.	Description	Status	Compliance Status	Estimated Timeline
Occurrence Obligations				
P8 (Ex. B ¶ 35)	Pest Population Publication: NYCHA shall publish reliable estimates of the pest populations at each NYCHA development on its website quarterly starting October 31, 2019.	In compliance	Now that reasonable protocols have been established, NYCHA is in the process of developing the infrastructure needed to report and publish reliable pest population estimates for each NYCHA development quarterly. As of July 31, 2026, NYCHA continues to publish pest population estimate, and as of October 1, 2026, they will be calculated by NYCHA instead of the Monitors.	NYCHA is currently in compliance with this requirement.
P10 (Ex. B ¶ 37)	Pest Population Reduction Requirements II:	In partial compliance as of	As of the end of the second quarter of Year 8, NYCHA is in	For the mouse, cockroach, and bed bug

Req. No.	Description	Status	Compliance Status	Estimated Timeline
	Beginning in Year 5, NYCHA shall achieve a further 50% reduction of all pest populations, meaning a 75% reduction in its rat population since the start of the monitorship, and a 70% reduction in its mouse, cockroach, and bed bug populations since the start of the monitorship.	the second quarter of Year 8: Rat, 58% Mouse, 80% Cockroach, 84% Bed Bug, 93%	compliance with this obligation for each pest other than rats: (i) reduced its rat population by only 58%, (ii) reduced its mouse population by 80% and its cockroach population by 84%, and (iii) reduced its bed bug population by 93%.	population reduction requirements, NYCHA is currently in compliance. For the rat population reduction requirement, based on the trajectory of improvement over the monitorship, NYCHA is not projected to reach compliance before the end of the current monitorship term (February 27, 2029), and a specific compliance date cannot currently be projected. Compliance is likely to require sustained investment in rat control resources, including additional staffing, preventive maintenance, and capital investment to address deteriorating building conditions.
P11 (Ex. B ¶ 45)	Waste Management: By October 31, 2019, NYCHA shall inspect the grounds and common areas of each building for cleaning and	Requirement to containerize and remove trash once every 24 hours: In compliance Requirement to inspect grounds for	NYCHA is in compliance with the requirement to collect, containerize, and remove trash once every 24 hours.	For the requirement to containerize and remove trash once every 24 hours, NYCHA is currently in compliance.

Req. No.	Description	Status	Compliance Status	Estimated Timeline
	maintenance needs at least once every 24 hours. In particular, NYCHA shall ensure that trash on the grounds or common areas of each NYCHA development is collected and either removed from the premises or stored in a manner that prevents access by pests.	cleaning and maintenance once every 24 hours: Partial compliance	Based on the Monitors' independent inspections, NYCHA is in partial compliance with the requirement to inspect and clean grounds once every 24 hours due to overall improvement across developments. NYCHA's performance continues to be inconsistent, and some developments still show deficiencies.	For the requirement to inspect grounds for cleaning and maintenance once every 24 hours, based on the trajectory of improvement over the monitorship, NYCHA is projected to reach compliance before the end of the monitorship term (February 27, 2029).
Response Obligations				
P14 (Ex. B ¶ 39(a))	Rat Response II: Beginning in Year 5, NYCHA shall respond to (i) 90% of all rat complaints within two business days and (ii) all rat complaints within five calendar days.	Substantial compliance: (i): 97% (ii): 98%	Although NYCHA did not meet these requirements by January 31, 2024, as of July 31, 2026, NYCHA complies with the first requirement and nearly complies with the second.	For the requirement to respond to 90% of rat complaints within two business days, NYCHA is currently in compliance. For the requirement to respond to all rat complaints within five calendar days, based on the trajectory of improvement over the monitorship, NYCHA is projected to reach compliance by the end of 2029.

Req. No.	Description	Status	Compliance Status	Estimated Timeline
P15 (Ex. B ¶ 39(b))	Other Pest Response II: Beginning in Year 5, NYCHA shall respond to (i) 90% of all other pest complaints within seven calendar days and (ii) to all other pest complaints within ten calendar days.	Substantial compliance: (i): 95% (ii): 96%	Although NYCHA did not meet these requirements by January 31, 2024, as of July 31, 2026, NYCHA complies with the first requirement and nearly complies with the second.	For the requirement to respond to 90% of other pest complaints within seven calendar days, NYCHA is currently in compliance. For the requirement to respond to all other pest complaints within ten calendar days, based on the trajectory of improvement over the monitorship, NYCHA is projected to reach compliance by the end of 2029.
P16 (Ex. B ¶ 38(c))	Effective Pest Control Application: By January 31, 2021, NYCHA shall apply effective pest control methods to address complaints within seven calendar days.	Partial compliance: 99% within seven calendar days, but effective pest control methods not yet consistently applied	Although NYCHA consistently timely applies pest control methods within seven calendar days, NYCHA does not yet consistently apply effective pest control methods NYCHA-wide.	Based on the trajectory of improvement over the monitorship, NYCHA is projected to reach compliance with this requirement before the end of the current monitorship term (February 27, 2029).
Policy and Practice Obligations				
P18 (Ex. B ¶ 43)	IPM Practices: By January 31, 2020, NYCHA shall incorporate industry standard IPM practices into building operations	In progress: Respond to 90% of rat complaints in internal common areas within two business days: 88%	NYCHA has improved its pest management practices and upgraded and expanded its trainings.	Based on the trajectory of improvement over the monitorship, NYCHA is projected to reach compliance with this requirement

Req. No.	Description	Status	Compliance Status	Estimated Timeline
	in all developments. Although not outlined in the HUD Agreement, NYCHA and the Monitors have agreed to additional response time requirements to pest complaints in common areas in order to evaluate one aspect of NYCHA's use of IPM practices.	Respond to 100% of rat complaints in internal common areas within five calendar days: 93% Respond to 100% of rat complaints in external common areas within ten calendar days: 98% Respond to 100% of other pest complaints in internal or external common areas within ten business days: 99% Respond to 90% of rat complaints in exterior high-traffic areas within two business days: n/a Respond to 100% of rat complaints in exterior high-traffic areas within five calendar days: n/a	However, NYCHA does not yet consistently and/or effectively use IPM practices in building operations across all developments. NYCHA has also not yet met the additional response time requirements for common area pest complaints.	before the end of the current monitorship term (February 27, 2029).
P19 (Ex. B ¶ 44)	IPM Training: By January 31, 2020, NYCHA shall send staff appropriately trained on IPM to	In compliance	NYCHA has developed a training program that incorporates IPM techniques and continues to	NYCHA is currently in compliance with this requirement.

Req. No.	Description	Status	Compliance Status	Estimated Timeline
	respond to any pest complaint.		improve training for exterminators and their supervisors, including the creation of higher-quality training materials.	
Capital Obligations				
CCAP-Funded Projects	Waste Yards: Under the 2026 CCAP Amendment, NYCHA must install 120 Waste Yards at 83 developments.	Not met, trending toward compliance	Due to PACT conversions and the transfer of certain waste assets to separately tracked Comp Mod projects, the number of CCAP-funded waste yard projects decreased from 120 assets to 103 assets. Of the 103 CCAP-funded waste yards, NYCHA completed construction on eight waste yards. 35 are currently under construction, and 60 more are in pre-constructions phases. These waste yards are slated for completion between September 2026 and May 2029. NYCHA is currently negotiating a bulk purchase agreement that may reduce costs for waste yards, although that will not impact the	Projected to be completed shortly after the end of the current monitorship term (March 1, 2029).

Req. No.	Description	Status	Compliance Status	Estimated Timeline
			project delivery timeline. For waste projects currently underway, support with utility coordination would be helpful to ensure delivery on projected timeline. No additional monetary support is needed.	
CCAP-Funded Projects	Interior Compactors: Under the 2026 CCAP Amendment, NYCHA will install 1,211 interior compactor rooms at 92 sites.	Not met, trending toward compliance	14 of the 1,211 interior compactors originally contemplated by the 2026 CCAP Amendment will now be completed through separately tracked Comp Mod projects, resulting in a decrease from 1,211 CCAP-funded interior compactors to 1,197 interior compactors. Of the 1,197 CCAP-funded interior compactors, NYCHA has installed 704. Of the 493 outstanding interior compactors, 185 are under active construction and are slated for completion in April 2027. NYCHA has not yet begun work to install the remaining 308 interior compactors	The remaining 308 compactors are projected to be completed by the end of 2028.

Req. No.	Description	Status	Compliance Status	Estimated Timeline
			and does not have an anticipated completion date for those projects.	

Baez v. NYCHA, No. 13 Civ. 8915 ("Baez"):

Baez is a federal class action lawsuit brought by NYCHA residents suffering from asthma and living in apartments with mold and excessive moisture. NYCHA settled Baez in 2014. The resulting consent decrees impose various requirements on NYCHA that are similar but not identical to the HUD Agreement obligations and aim to help NYCHA effectively remediate mold and moisture in a timely manner.

Mold Inspector: A mold inspector is a Property Maintenance Supervisor, Assistant Property Maintenance Supervisor, Property Manager, or Maintenance Worker who is trained and authorized to perform initial mold inspections. A mold inspector must complete the Mold Inspector and Building Sciences Trainings before performing such inspections.

I.4 Mold & Leaks

The HUD Agreement requires NYCHA to timely remediate mold and leaks, prevent mold growth and repeated incidences of mold in an apartment, and stop NYCHA employees from improperly closing mold-related work orders.¹²⁷ The Agreement also requires NYCHA to comply with a separate set of obligations established by court orders in a federal class action lawsuit, **Baez v. NYCHA, No. 13 Civ. 8915 ("Baez")**, brought by NYCHA residents to address mold and leaks in NYCHA developments.¹²⁸

The subsections below provide an update on NYCHA's compliance with the outstanding mold and leak requirements under the HUD Agreement in the second quarter of Year 8,¹²⁹ as well as information about mold-related capital projects.

A. Mold Work Orders

NYCHA's Mold Standard Procedure ("Mold SP") prescribes the following steps for responding to mold conditions.

- Mold Inspection.** A mold inspection occurs in response to a resident's complaint regarding mold in their apartment or when NYCHA staff identify mold during an unrelated visit to the apartment, such as during the mandated annual inspection. When NYCHA is alerted to a mold condition via resident complaint or by a staff member who is not qualified to perform a mold inspection, NYCHA sends a **mold inspector**¹³⁰ to the resident's apartment to verify that mold is present and to determine what work needs to be done to address the mold (the "mold inspection").¹³¹ If the mold is identified by a NYCHA staff member who is qualified to perform a mold inspection, that staff member will perform the inspection. After the mold inspection, NYCHA sends the resident a **work plan**¹³²—a document explaining how the agency will address verified mold complaints and their root cause(s).¹³³ The work plan has a "parent" work order, which contains multiple "child" work orders for each step of the remediation process—such as cleaning mold, fixing the root cause of the mold growth, and completing cosmetic repairs to restore the apartment to habitable condition.¹³⁴ The parent work

order is only closed after all related child work orders have been addressed.¹³⁵

- **Mold Removal.** The first step to addressing a mold complaint is to remove the mold in the resident's apartment.¹³⁶ Mold removal can be accomplished through **mold cleaning** or by **removing fixtures** with mold growth.¹³⁷ To clean mold, NYCHA staff or vendors apply a mold-specific cleaning detergent and disinfectant and manually clear the mold with a brush.¹³⁸ If the mold cannot be removed via cleaning, NYCHA staff will remove sheetrock, grouting, or fixtures like cabinets that contain mold.¹³⁹
- **Mold Remediation.** Once mold is removed, either through cleaning or fixture removal, NYCHA must remediate the mold condition.¹⁴⁰ Remediation includes repairs that address the root cause of mold and restore the apartment to habitable condition.¹⁴¹ Each parent work order is categorized as needing either a simple or complex repair.¹⁴² Simple repairs can be completed by NYCHA property management staff, such as cleaning bathroom vents to improve air circulation and reduce the incidence of mold growth.¹⁴³ Complex repairs require skilled trades staff, such as plasterers and painters, and include repairing leaky pipes or replacing cabinets or sheetrock that were removed due to mold growth.¹⁴⁴

The subsections below provide an update on NYCHA's compliance with the HUD Agreement requirements governing mold work orders through the second quarter of Year 8.

1. Work Plan Distribution (Requirement No. M5)

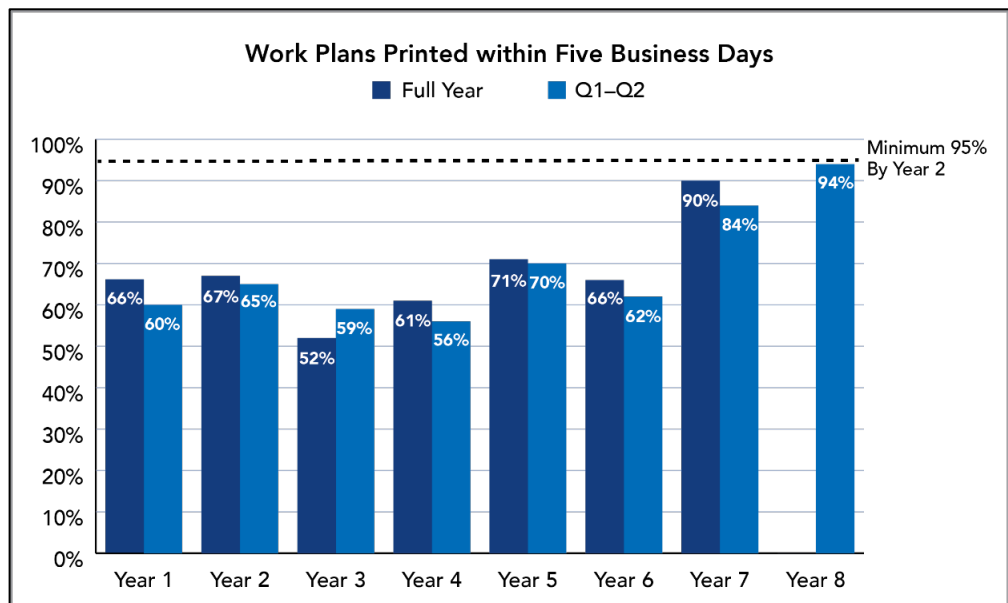
Under the HUD Agreement, NYCHA must provide a resident with a work plan within five business days of a resident's mold complaint at least 95% of the time (the "Work Plan Distribution Requirement").¹⁴⁵ To prepare a work plan, a NYCHA mold inspector verifies that mold is present in the resident's apartment and determines the various child work orders needed to address the mold condition.¹⁴⁶

Work Plan: A work plan is a document that a mold inspector generates after their inspection, containing a description of the inspection and root cause findings, a list of next steps to address the mold and its root cause, and instructions on how to prevent mold and its root cause in the future. Under the Mold Standard Procedure, a work plan is automatically generated following a verified mold inspection.

Mold Cleaning: To clean mold, NYCHA staff or a vendor apply a mold-specific cleaning detergent and disinfectant with as-needed manual mold removal with a brush.

Fixture Removal: Fixtures, including cabinetry, sheet rock, or floor tiles, that have been damaged by mold must be removed.

To assess compliance with this requirement, NYCHA uses a proxy measurement: NYCHA measures the time it takes to *print* the work plan, rather than the time it takes to deliver the work plan to the resident.¹⁴⁷ The graph below illustrates that, for work orders created in the second quarter of Year 8, NYCHA printed work plans within five business days of a resident's complaint 94% of the time, compared to 84% of the time during the same period in Year 7, a noteworthy improvement.



NYCHA's improved performance with the Work Plan Distribution Requirement is largely attributable to NYCHA staff inspecting apartments more quickly after mold is first identified.¹⁴⁸ Because staff generate work plans after inspecting and verifying mold complaints, a decrease in the number of days to inspect corresponds to a decrease in the number of days it takes to print work plans.¹⁴⁹

2. Timely Removal and Remediation of Mold (Requirement No. M6)

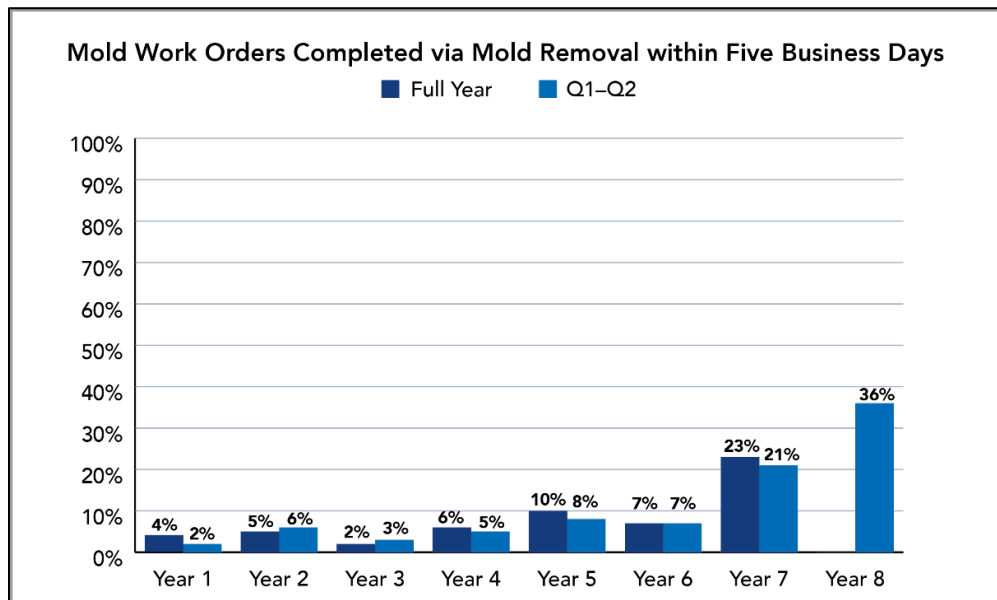
The HUD Agreement requires NYCHA to remove or remediate mold and its root cause(s) within specified timeframes at least 95% of the time.¹⁵⁰ NYCHA has two options to comply with this requirement. First, NYCHA can remove mold via cleaning or fixture removal within five business days of a resident's complaint or identification by a NYCHA staff member.¹⁵¹ Second, if NYCHA does not complete mold removal within five business days, the agency can comply by

completing simple repairs within seven days of a resident's complaint or completing complex repairs within 15 days of a resident's complaint.¹⁵² NYCHA's overall compliance with response times prescribed in the HUD Agreement is set forth in the "blended rate," which measures how often NYCHA removed mold within five days, or failing that, how often the agency completed simple and complex repairs within seven and 15 days, respectively.

a. Mold Removal

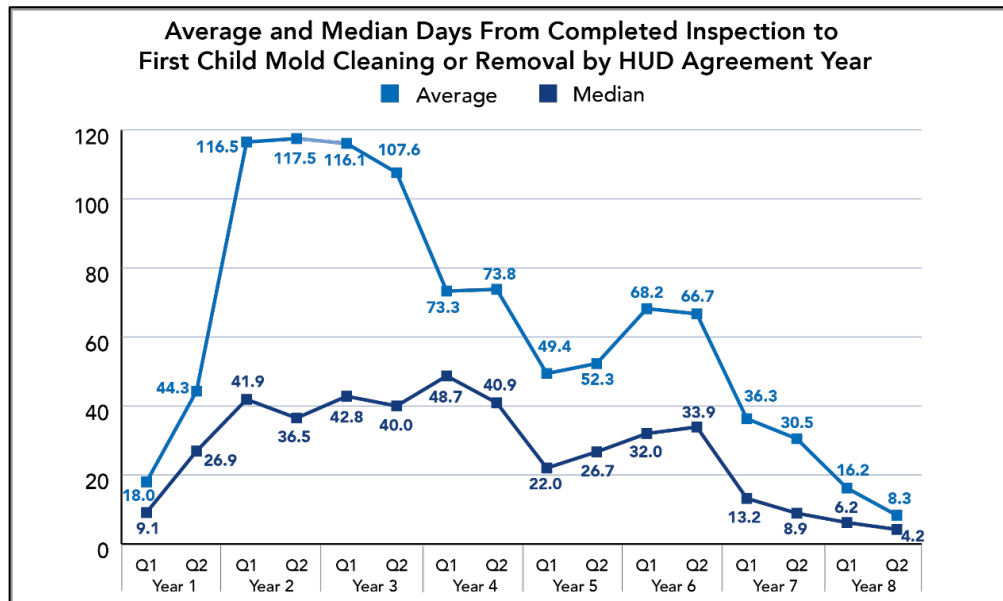
To comply with the HUD Agreement via mold removal, NYCHA must remove mold within five business days of a resident's mold complaint.¹⁵³ As explained above, removal can consist of mold cleaning or fixture removal, depending on the mold condition.¹⁵⁴

As illustrated in the graph below, for mold work orders created in the first half of Year 8, NYCHA removed mold within five business days of a resident's complaint 36% of the time. This is a substantial improvement compared to the same period in Year 7, when NYCHA removed mold within five days of a resident's complaint 21% of the time, and Year 6, when NYCHA met this requirement only 7% of the time, a more than 400% improvement.



The Monitors also analyzed the number of days between the completion of a mold inspection and the start of the first child work order, which measures how quickly NYCHA begins the repairs

identified in a resident's work plan. As illustrated in the graph below, NYCHA's performance on this measure during the first half of Year 8 was the strongest of any period during the monitorship.

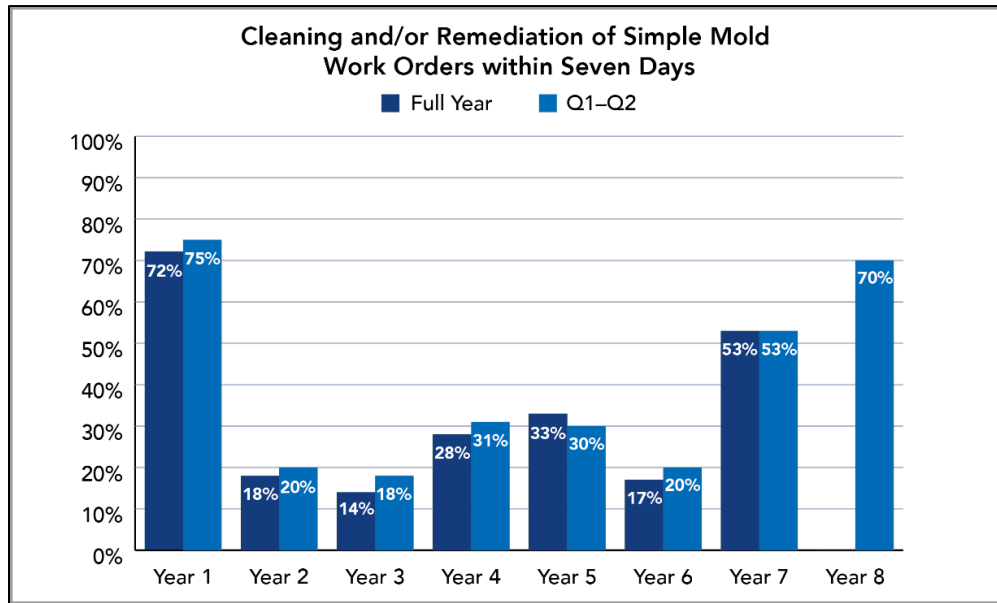


Recognizing that NYCHA meets the five-day cleaning or removal obligation for over one third of work orders, there are also work orders that NYCHA takes significantly longer to address. This results in the difference between the median and average days to complete illustrated in the graph above.¹⁵⁵ The Monitors commend NYCHA for drastically reducing the time needed to start addressing the mold complaint for apartments but recognize that further work is needed to comply with this HUD Agreement obligation.

b. Simple Repairs

For mold conditions requiring simple repairs—those that can be resolved by NYCHA property management staff and can often be completed in a single visit¹⁵⁶—if NYCHA does not remove the mold within five days of a resident's complaint, the agency can comply with the HUD Agreement by completing all repairs necessary to close the parent work order within seven days of a resident's complaint.¹⁵⁷ For example, if NYCHA removes mold six days after a resident's complaint, that removal would not satisfy the Agreement's five-day deadline. However, in cases requiring simple repairs, NYCHA can still comply with the overall response-time requirement by completing those repairs within seven days of a resident's complaint.¹⁵⁸

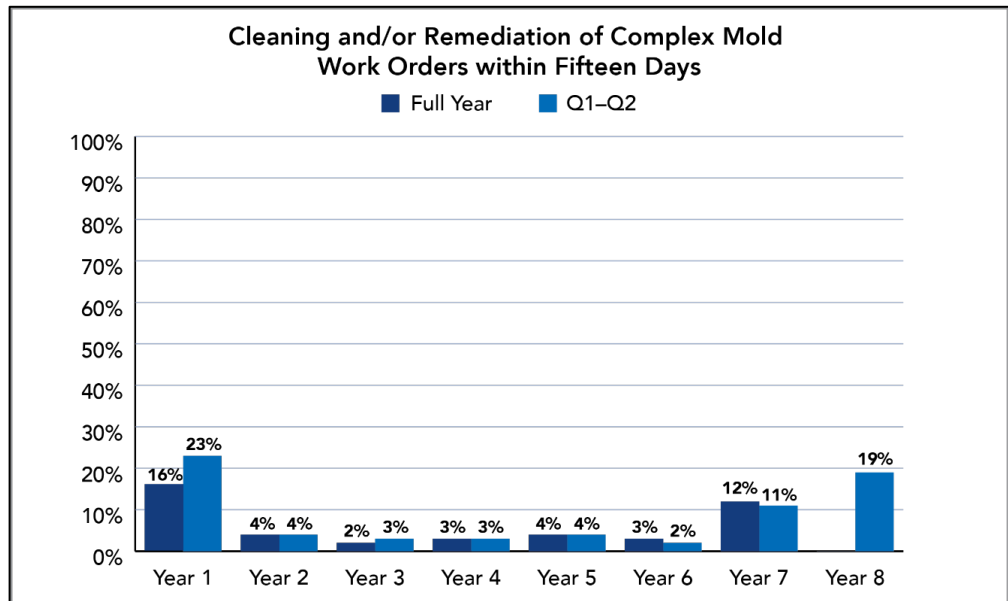
In the first half of Year 8, NYCHA timely cleaned or remediated simple mold work orders 70% of the time, compared to 53% of the time in the first half of Year 7 and 20% in Year 6, a more than 250% increase.



c. Complex Repairs

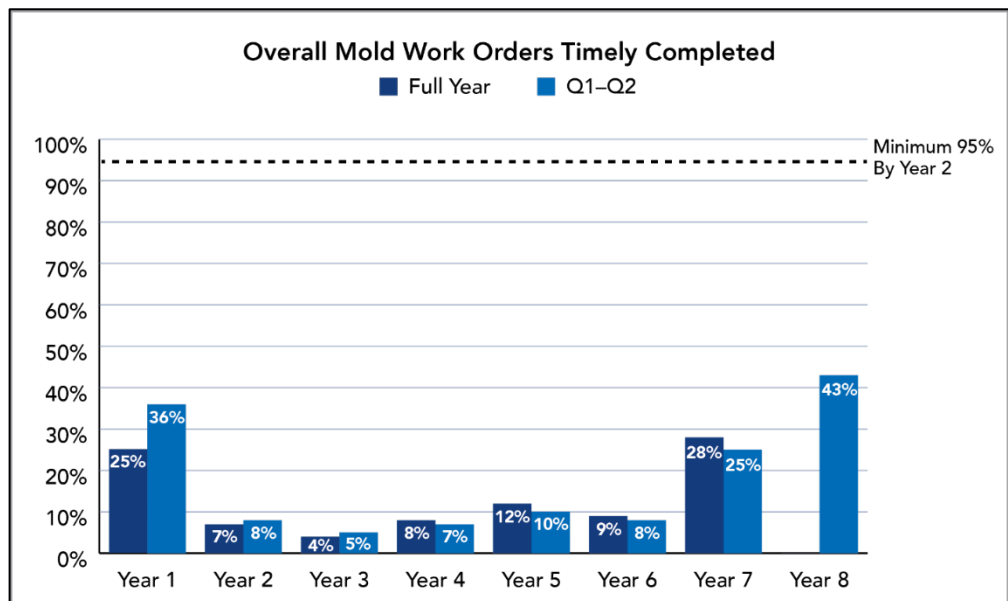
For mold conditions requiring complex repairs, if NYCHA does not remove the mold within five days of a resident's complaint, the agency can comply with the HUD Agreement by completing complex repairs within 15 days.¹⁵⁹ The graph below illustrates how often NYCHA timely cleaned mold or completed repairs for mold work orders requiring complex repairs.

In the first half of Year 8, NYCHA cleaned mold within five days or completed complex repairs within 15 days of a resident's complaint 19% of the time. This is an improvement compared to the same period in Year 7, when NYCHA timely cleaned or completed complex repairs 11% of the time, and Year 6 when it timely cleaned or completed complex repairs only 2% of the time, an 850% improvement.



d. Blended Rate

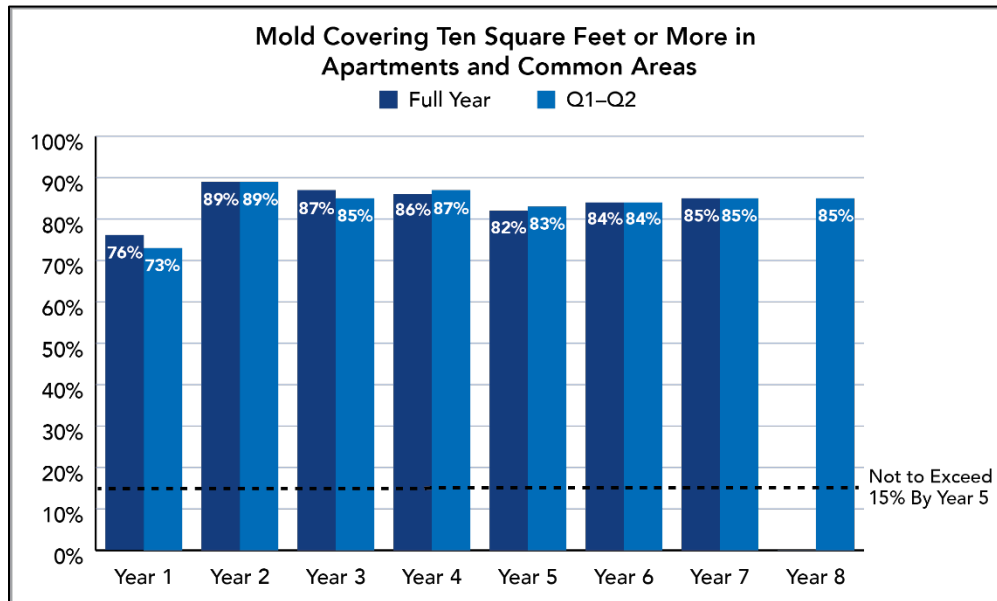
The rate at which NYCHA removes or remediates mold and its root cause(s) within the HUD Agreement timeframes is known as the “blended rate.” For work orders created in the first half of Year 8, NYCHA complied with the blended requirement 43% of the time, compared to 25% of the time in the first half of Year 7, and 8% during the same period in Year 6, a more than 400% improvement.



3. Existence of Large Mold Growths (Requirement No. M3)

During a mold inspection, NYCHA staff measure the size of mold growths.¹⁶⁰ Under the HUD Agreement, no more than 15% of verified mold complaints may be for mold covering ten or more square feet ("Large Mold Growths").¹⁶¹

As illustrated in the graph below, NYCHA remained substantially out of compliance with this requirement through the second quarter of Year 8, reporting that 85% of verified mold complaints were for Large Mold Growths. This is consistent with the first half of Year 7, when 85% of verified mold complaints were for Large Mold Growths.



As discussed in prior reports, multiple factors contribute to the prevalence of Large Mold Growths in NYCHA developments, including aging infrastructure—like plumbing lines and hot water systems—that cause recurrent leaks, NYCHA workers overestimating the sizes of mold growths during inspections, and delayed resident reporting.¹⁶² NYCHA has taken steps to address the prevalence of Large Mold Growths, including by educating residents about the importance of timely reporting mold, improving in-apartment ventilation through cleaning and fan replacement,¹⁶³ completing infrastructural repairs through capital programs like Comprehensive Modernization ("Comp Mod")¹⁶⁴ and the Building Line Initiative

("BLI"),¹⁶⁵ and using the Mold and Leaks Restore and Renew Program ("MLRR") to direct resources to developments with a high volume of open, aged mold work orders.¹⁶⁶ The Monitors will continue to work with NYCHA to assess other potential initiatives that will seek to improve NYCHA's performance with regard to Large Mold Growths.

4. Repeated Occurrences of Mold

An apartment may experience several occurrences of mold over time. Various factors contribute to multiple mold incidences within the same apartment, including infrastructural issues that require capital investments to properly address or NYCHA staff improperly completing the initial repair. The HUD Agreement requires that NYCHA limit the number of mold incidents experienced in apartments, common areas, or hallways within one year.

Independent Data Analyst ("IDA"): The IDA is an entity appointed under Baez Consent Decree to help the parties and Special Master develop a reporting system to track NYCHA's compliance with its obligations under Baez. The IDA is also tasked with reviewing and confirming the accuracy of the reporting and recommending improvements.

As discussed in prior reports, the Monitors cannot report on NYCHA's compliance with this obligation due to issues with NYCHA's system for resident reporting and the previous data rules regarding multiple mold occurrences.¹⁶⁷ NYCHA, in collaboration with the Monitors and the Baez-appointed **Independent Data Analyst ("IDA")**, developed new data rules for counting multiple mold incidents. As a result, the Monitors can now more accurately evaluate NYCHA's progress towards reducing the number of *reported* mold occurrences in a given year, although gaps in data, which are discussed below, prevent the Monitors from assessing and reporting on NYCHA's overall compliance with this requirement.

The previous rules for calculating multiple mold occurrences within a 12-month period only counted closed mold work orders. Because some mold work orders remain open for long periods of time, however, those work orders were excluded from compliance calculations. NYCHA and the Monitors, with input from the IDA, have since worked together to implement a new method of tracking this obligation (the "Updated Calculation") that resolves this limitation and more accurately reflects NYCHA's performance with regard to this requirement. The Updated Calculation was applied to all historical data to preserve accurate reporting and year-over-year comparability. The Updated Calculation looks solely to the start date of a parent work order once a mold complaint has been verified, and to whether a new verified mold parent work order is created within the following twelve months. The previous calculation counted a new verified mold parent work order only after the first verified mold

parent work order closed. Because the Updated Calculation turns on the start date of the parent work order, it more accurately tracks the number of verified mold complaints that a resident experiences in multiple rooms, even in cases where some of those work orders remain open for long periods of time. However, as described below, due to a separate issue with how NYCHA tracks mold work orders, the Monitors cannot reliably report on NYCHA's compliance with its obligations to reduce recurrence of mold.

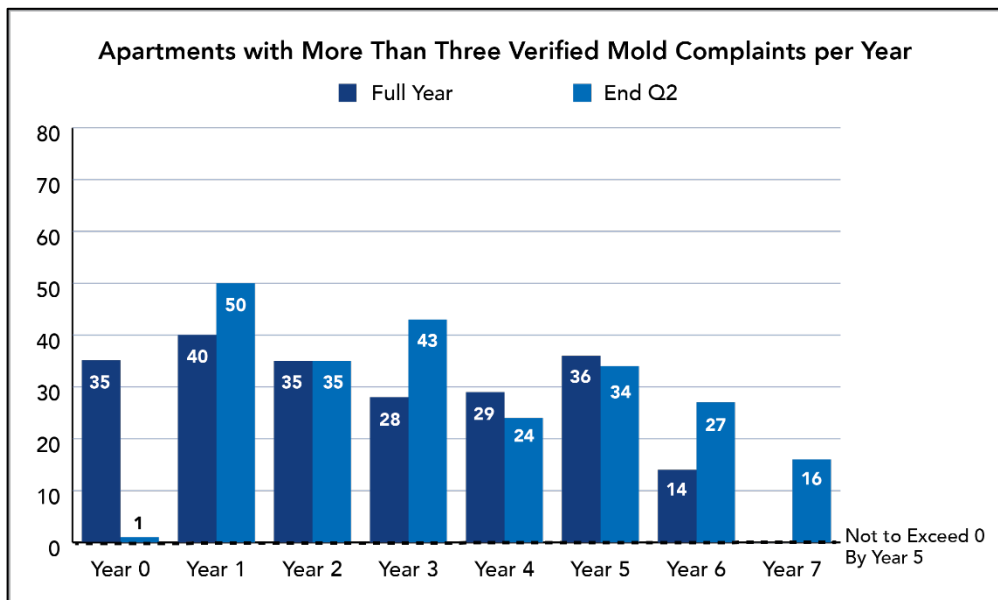
a. Second Occurrence of Verified Mold Complaints (Requirement No. M2)

Under the HUD Agreement, for 85% of verified mold complaints there must not be a second verified mold complaint for the same apartment, common area room, or hallway within a 12-month period.¹⁶⁸ Due to limitations in currently available data, specifically the system limitations that prevent residents from reporting mold while there is an open mold work order in the same room, the Monitors cannot report on NYCHA's compliance with this requirement.

b. Occurrence of Mold (Requirement No. M4)

Under the HUD Agreement, mold must not occur more than three times in a single apartment over a 12-month period.¹⁶⁹

As illustrated in the graph below, NYCHA is not in compliance with this requirement through the second quarter of Year 8, with 16 apartments experiencing more than three verified mold complaints within the last 12 months. This is an improvement of 39% compared to the same period in Year 7, when 28 apartments experienced more than three verified mold complaints within the last 12 months. Because NYCHA's system does not permit residents to report mold conditions while there is an open mold work order in the same room, however, the available data may be undercounting the number of apartments with more than three verified mold complaints in a 12-month period.



B. Leak Work Orders

Leak Standard Procedure ("Leak SP"):

A standardized process for identifying, tracing, and addressing the root causes of leaks across all NYCHA developments.

NYCHA's response to leak conditions is governed by the **Leak Standard Procedure ("Leak SP")**, which NYCHA published and began rolling out in Year 7. As with mold work orders, the HUD Agreement requires that NYCHA timely address leak conditions.

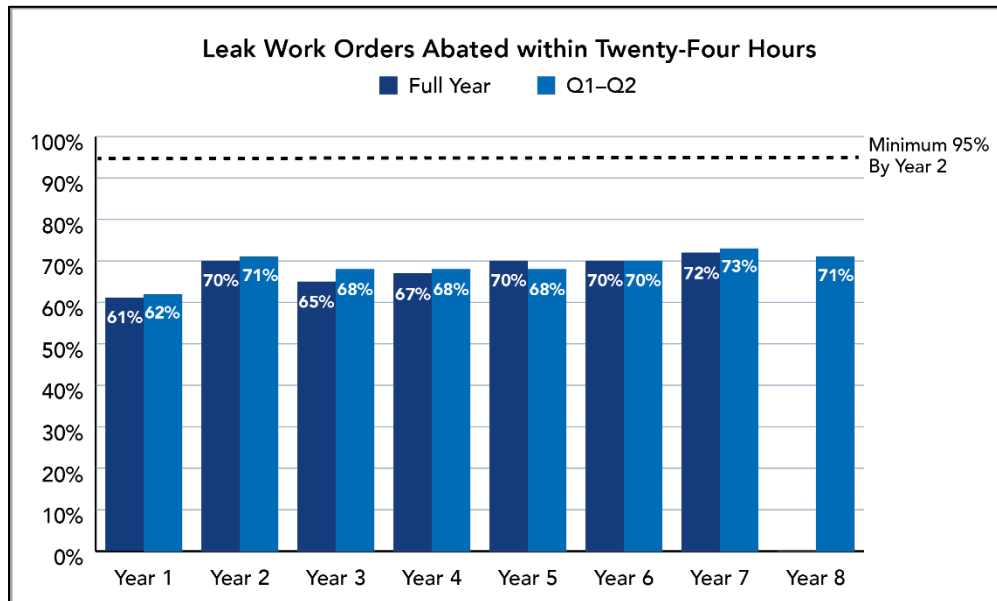
1. Abating Floods, Leaks from Above, and Other Moisture Conditions (Requirement No. M7)

Leaks from Above:

Floods, leaks, or water penetration into a resident's apartment from another apartment(s) above or adjacent to it, or the roof.

Under the HUD Agreement, NYCHA is required to abate floods, **Leaks from Above**, and other conditions that cause sustained or recurrent moisture in resident apartments or apartment walls ("Other Moisture Conditions") within 24 hours of a resident's complaint.¹⁷⁰ NYCHA must also remove any resulting standing water within 48 hours of a resident's complaint at least 95% of the time.¹⁷¹

As illustrated in the graph below, NYCHA abated floods, leaks from above, and Other Moisture Conditions within 24 hours 71% of the time in the first half of Year 8, compared to 73% of the time during the same period in Year 7.



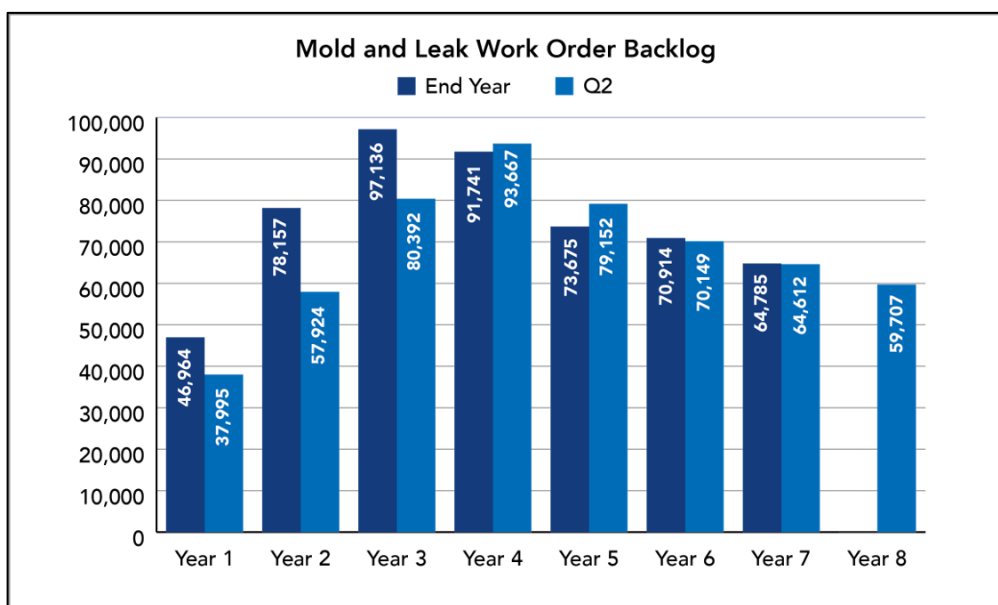
As discussed in previous reports, the Leak SP allows NYCHA and the Monitors to track NYCHA’s removal of standing water.¹⁷² The Leak SP also provides staff with standardized, best-practice processes for identifying, tracing, and fixing leaks and their root cause(s).¹⁷³ These standardizations are designed to help NYCHA to perform more consistent, higher-quality repair work, and reduce sustained moisture conditions, thereby decreasing the incidence of mold growth.¹⁷⁴ NYCHA has completed the rollout in Brooklyn and all sites are live. NYCHA has continued rolling out the Leak SP in Manhattan.

The Monitors cannot provide an update on NYCHA’s compliance with the second part of the requirement—that NYCHA remove standing water within 48 hours of a resident’s complaint—because NYCHA is still in the process of implementing the Leak SP.¹⁷⁵ As part of the Leak SP, NYCHA created an IT update that allows staff to track responses to standing water through their handheld devices, which NYCHA is currently releasing on a development-by-development basis when 80% or more of a development’s staff have completed Leak SP training. NYCHA, along with the Monitors and the IDA, are currently in the process of establishing business rules to calculate NYCHA’s compliance with this requirement.

C. Mold and Leak Work Order Backlog

NYCHA has approximately 60,000 open mold and leak work orders, which NYCHA refers to as the mold and leak backlog.¹⁷⁶ The

backlog includes different types of work orders related to mold and leaks. As illustrated in the graph below, the backlog had 59,707 work orders as of the end of the second quarter of Year 8. This represents a decrease of 4,905 work orders since the end of the second quarter of Year 7.



NYCHA reports the mold and leak backlog undermines its ability to comply with mold removal and remediation requirements because the large volume of aging work orders awaiting repair diverts resources from newer work orders, making it difficult to respond within required timeframes—and driving up response times.

D. Mold and Leaks Restore and Renew

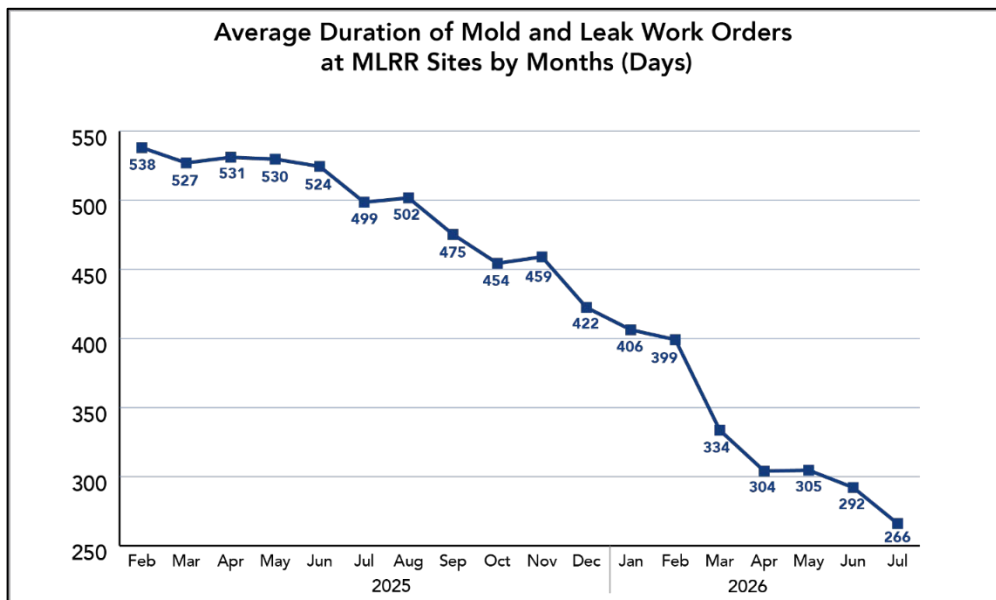
NYCHA has taken steps to reduce the mold and leak work order backlog, including through MLRR, which made substantial progress in Year 8. As discussed in previous reports, NYCHA, in partnership with the IDA, HUD, SDNY, and the Monitors, launched MLRR in August 2025.¹⁷⁷ MLRR is a two-year program that provides skilled trades and administrative resources to 12 consolidations with a high volume of aged, open mold and leak work orders.

MLRR's goal is to close eligible mold and leak work orders for plumbers, plasterers, bricklayers, carpenters, and painters. Since the program launched, NYCHA has completed MLRR at four consolidations across three phases: Sotomayor Houses (Phase 1),

Whitman Houses (Phase 2), and Ingersoll and Red Hook East Houses (Phase 3). On June 1, 2026, NYCHA launched the current Phase 4 at Baruch, Jefferson, and Wagner Houses, the first time NYCHA has run MLRR at three consolidations simultaneously.

NYCHA resolves MLRR work orders in three ways: (1) the work order is closed with work done, (2) the work order is closed because work was no longer needed, or (3) the work order was cancelled. Work orders closed because work was no longer needed and work orders cancelled are subject to independent verification by the IDA before skilled trades were deployed onsite, as well as by NYCHA during the MLRR program. As of July 31, 2026, as part of the MLRR program, NYCHA completed work on 1,903 mold and leak work orders targeted for the program, and 4,876 additional non-MLRR work orders were completed by NYCHA staff assigned to MLRR to make efficient use of the program staff and access to resident apartments. Moreover, 1,712 MLRR-targeted mold and leak work orders were closed with no work done after the IDA or NYCHA verified that no further work was required.

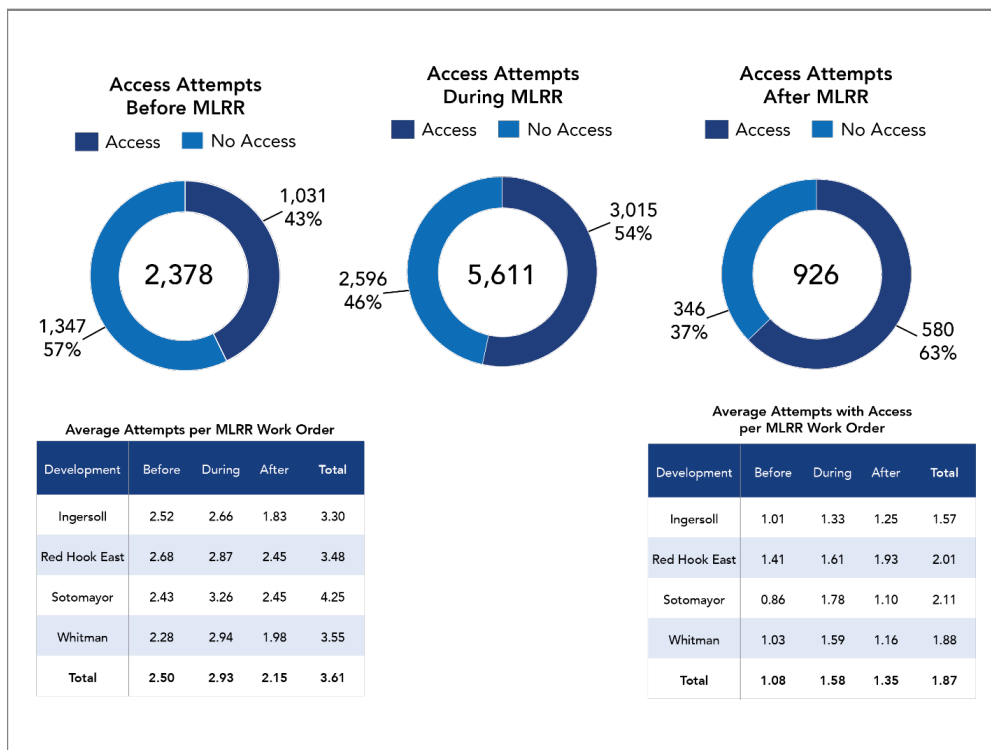
MLRR has a positive impact on work order aging. At the four completed consolidations, the average age of open mold and leak work orders decreased from 538 days at the beginning of Year 7 to 266 days at the end of the second quarter of Year 8, an improvement of approximately 51%. Considering MLRR's impact on decreasing the average age of mold and leak work orders over the last year, the Monitors expect that the average age of work orders will continue to decrease substantially in the second half of the program.

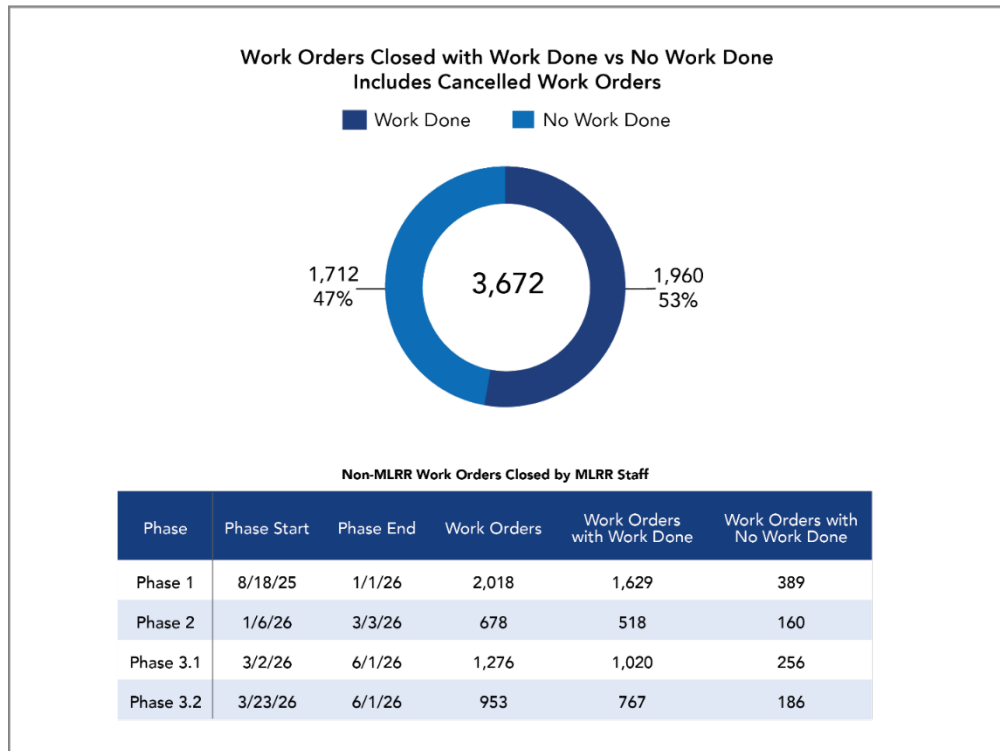


Early Scorecard data as of July 31, 2026, from ongoing work as part of Phase 4 shows progress. In the first two months of work at Baruch, Jefferson, and Wagner Houses, the share of skilled trades work orders open over 100 days has decreased from 83% to 74% at Baruch Houses, 79% to 72% at Jefferson Houses, and 79% to 71% at Wagner Houses. The median days to complete non-paint repairs at Baruch Houses have fallen from 587 days before MLRR to 166 days as of the second quarter of Year 8. The improvements at MLRR consolidations are consistent with shorter repair times for verified mold complaints across the agency. The average and median days to complete mold removal, complex repairs, and simple repairs have all declined markedly from their highest point in Years 2 and 3, with improvement accelerating in Years 7 and 8.

The Monitors also assessed NYCHA's rates of accessing residents' apartments through the MLRR program. Access attempts describe NYCHA's attempts to enter an apartment to complete a work order. Successful access attempts occur when residents let NYCHA into the apartment. Unsuccessful access attempts describe circumstances when residents denied access to their apartment or were otherwise not home to let repair workers into the apartment. As discussed in previous reports, there are multiple reasons why a resident may not let NYCHA in, including attempting to complete a work order on an unscheduled date, inaccurate resident contact information, or residents not being home to let NYCHA staff in.¹⁷⁸ Multiple attempts made on the same day count as a single attempt.

For all mold and leak work orders, access rates worsen as the work order ages, which means that access rates for MLRR—a program designed to address the oldest mold and leak work orders—are understandably lower than the agency average. Against that backdrop, and while more progress needs to be made, there has been a meaningful improvement in access over the course of the program: before MLRR, 43% of access attempts were successful (1,031 of 2,378 attempts), compared with 54% during MLRR (3,015 of 5,611), and 63% after MLRR (580 of 926). NYCHA also attempted access more often during the program (averaging 2.93 attempts per MLRR work order during the program, up from 2.50 attempts before MLRR), and the average number of successful access attempts per work order rose from 1.08 before MLRR to 1.58 during MLRR. These gains suggest that NYCHA’s efforts to improve access rates during MLRR—including proactive calls to residents ahead of scheduled work and the hiring of a dedicated planner to schedule repairs around residents’ availability—have been effective.





Taken together, the data reflects NYCHA's continued, measurable progress on the mold and leak backlog. The backlog has declined for a third consecutive year and now stands at its lowest level since Year 1, with MLRR serving as a key driver of reductions at the highest-need consolidations. The Monitors will continue to assess MLRR's impact as the program continues to scale to three concurrent consolidations in Phase 4.

E. Mold-Related Capital Projects

NYCHA addresses the infrastructural causes of mold growth and recurrence through several capital programs, each reaching a different scale of the problem.¹⁷⁹ The largest of these is the Comp Mod program, through which select NYCHA developments undergo large-scale renovations, including roof and façade repairs, plumbing replacements, ventilation upgrades, and kitchen and bathroom renovations, to resolve recurrent leaks and moisture conditions.¹⁸⁰ NYCHA is delivering Comp Mod renovations at four developments, drawing on two funding sources. The City Capital Action Plan ("CCAP") funds the projects at Saint Nicholas Houses and Todt Hill Houses,¹⁸¹ and the City directly funds the projects at Gowanous Houses and Wyckoff Gardens separately from the CCAP, as part of its

commitments under the Gowanus Neighborhood Rezoning project.¹⁸²

NYCHA delivers comparable renovations at developments that convert from Section 9 public housing to the Section 8 program.¹⁸³ Whether the HUD Agreement continues to apply to a converted development depends on the conversion route. Under **PACT**, a private development partner takes over management of the property and its capital work.¹⁸⁴ The Agreement's ongoing requirements no longer apply to a development once it has converted to PACT, though the Agreement assigns NYCHA specific responsibilities at converted developments, including lead-based paint abatement and a set number of boiler and elevator replacements delivered through PACT partners.¹⁸⁵ Under the New York City Public Housing Preservation Trust (the "Trust"), NYCHA transfers a leasehold interest in a development to the Trust through a long-term ground lease, which enables the development to receive federal Section 8 subsidies and benefit from other funding sources that are not available to Section 9 developments to fund capital repairs and enhance the development's property management capabilities, among other things.¹⁸⁶ NYCHA remains the owner of the land and buildings, and NYCHA staff continue to manage the apartments during and after the capital work.¹⁸⁷ Trust developments remain subject to the Agreement.¹⁸⁸ NYCHA will deliver capital renovations on behalf of the Trust at the first three Trust developments, while the Trust will manage renovations through a progressive design-build model at the fourth Trust development.¹⁸⁹

Where a development does not require renovation on that scale, or where larger-scale renovations not available, NYCHA replaces individual high-leak plumbing lines that frequently impact apartments and common areas through the BLI program.¹⁹⁰ Building on the success of this program, NYCHA created a Waste Plumbing Initiative ("WPI"), which will identify NYCHA developments with a high concentration of severely corroded plumbing waste lines that cause frequent and repeated leaks and complete a large number of plumbing line replacements as part of a single project.

Together, these programs are crucial to updating aging infrastructure that contributes to mold growth and recurrence, which cannot effectively be addressed through targeted repairs in individual apartments.

Permanent Affordability Commitment Together ("PACT"): When a NYCHA building enters the PACT program, NYCHA continues to own the building and handle certain administrative tasks, but a third-party developer assumes management responsibilities for the building, including conducting repairs.

1. Comprehensive Modernization

In the second quarter of Year 8, NYCHA continued to advance Comp Mod projects at Todt Hill and Saint Nicholas Houses. Both projects are substantially delayed.

The Comp Mod project at Saint Nicholas Houses now carries a cumulative 140-week delay, and NYCHA has moved the forecasted construction completion date to July 2032. As discussed in the Monitors' July 2026 Report, a substantial portion of the delay at Saint Nicholas Houses stems from the permitting process for Asbestos Containing Materials ("ACM") in Phase 1, which includes two buildings and 213 apartments.¹⁹¹ The ACM permitting process is complicated and time-intensive. To obtain ACM permits, the Design Build vendor must provide an abatement plan for each square foot of asbestos and an accompanying safety plan. Because it can take several months for the Department of Environmental Protection ("DEP") and the Department of Buildings ("DOB") to approve an ACM permit and safety plan, the vendor must submit the permit application before beginning work on the buildings. As a result, when the vendor gets to the work site, they may discover that the building needs more asbestos abatement than anticipated and, depending on the amount of additional abatement, may have to edit the application accordingly.

At Saint Nicholas Houses, the project's Design Build vendor—who is responsible for submitting the ACM permit—did not follow NYCHA and DEP's recommendation to submit the A-TRU (Asbestos Technical Review Unit) filing building-by-building rather than apartment-by-apartment. This approach failed to account for some asbestos in common areas identified during demolition. Following numerous objections from DEP and DOB, the Design Build vendor shifted its approach to submit a single application for each Phase 1 building and basement area. Although the permit has since been approved, the ACM filing process resulted in an approximately 50-week delay. To avoid future ACM-permitting related delays, NYCHA worked with the vendor to update its filing process and submit filings building-by-building. NYCHA also began submitting its ACM permit applications earlier in the project timeline for subsequent Comp Mod projects at Todt Hill, Gowanus, and Wyckoff Gardens, and is frequently communicating with DEP and DOB to reduce delays resulting from the agencies' review process.

The permitting-related delays were compounded by a significant schedule revision submitted by the Design Build vendor in the second quarter of Year 8 that could delay the project by an additional 76 weeks. The Design Build vendor's initial schedule allocated approximately six and a half months to complete each of the seven phases of the Saint Nicholas Comp Mod project, including resident relocations and returns. The revised schedule allocates nine months per phase, with an additional 12 weeks per phase to account for resident returns to completed apartments and relocations from the next phase of buildings. NYCHA is in the process of validating the updated schedule.

In addition to these two substantial delays, the project has also been impacted by several smaller delays, including a seven-week delay resulting from the Design Build vendor being understaffed, a 14-week delay attributable to quality control issues with improper bathroom door installations, deficient wall finishes, and missing pest management barrier caulking that required the vendor to re-do previously completed work. In addressing these issues, the vendor took additional time to source the requisite labor and additional hours to recover delays. There was also a time impact from longer turnover times than anticipated due to punch list walkthroughs that required the vendor to re-do previously completed work, and a stop-work order in February due to safety concerns on site that lasted 20 days. NYCHA has also taken steps to prevent these smaller delays in future project phases. For example, NYCHA is in the process of instituting electronic timesheets for the Design Build vendor's construction staff in conjunction with the Design Build vendor, a move that will decrease processing times for vendor payment and reduce associated delays.

NYCHA is also working with the Design Build vendor to explore options to mitigate the projected delay. One option submitted by the Design Builder is to increase the number of buildings per phase—up from two buildings to three. If successful, this mitigation strategy would recover approximately 70 weeks and bring the forecasted completion date up to December 2029. One of the primary obstacles to implementing this mitigation strategy is ensuring that there are enough available apartments to accommodate relocating residents from three buildings at the same time and ensuring that the vendor can provide adequate labor and hours to complete three buildings simultaneously. To that end, the

Design Builder is currently abating hazardous materials in vacant units that may be used to relocate Phase 3 residents.

The Comp Mod project at Todt Hill Houses is also experiencing delays. Since the Monitors' July 2026 report, the project has incurred an additional ten-week delay caused by delayed DOB and DEP ACM permitting approvals for Phase 2 apartments, issues with elevator door fabrications, and understaffing by the project's electrical subcontractor, resulting in a cumulative 31-week delay and pushing the forecasted completion date from August 2028 to October 2028. The Todt Hill Comp Mod project is being managed by a different Design Build vendor than Saint Nicholas. The Todt Hill vendor followed NYCHA's suggested ACM filing process and, incorporating lessons learned from Saint Nicholas's Phase 1 ACM permit process, submitted the Todt Hill Phase 2 ACM permit application ahead of schedule. Even so, DEP and DOB approvals took longer than anticipated and caused a six-week delay to the overall project schedule.

In addition to modifying the ACM filing process for Comp Mod projects, NYCHA has taken steps to avoid potential delays in other areas, including allowing the elevator installation vendor to expand its hiring pool. NYCHA Asset and Capital Management ("A&CM") also coordinated with NYCHA Operations to standardize punch list items and began sharing punch list items with NYCHA Operations on a weekly basis to minimize delays associated with transitioning Comp Mod projects from A&CM's control to NYCHA Operations' control after construction is complete.

Despite these delays, NYCHA reached key milestones for the Todt Hill Comp Mod project in the second quarter of Year 8. NYCHA Operations completed walkthroughs in Phase 1 apartments to review punch list items and is working with the Design Build vendor to finalize issues identified during the walkthroughs, including changes to flooring type for Phase 2 apartments, obtaining additional caulking for windows in Phase 1 apartments, and confirming final finishes and acceptance requirements for NYCHA Operations to take over Phase 1 apartments. For Phase 2, which includes two buildings and 144 apartments, NYCHA completed asbestos abatement and began elevator demolition. NYCHA also completed windowsill abatement for Phase 1 and Phase 2 and began modernizing the electrical system in Phase 2 buildings through a switchgear update.

NYCHA has two additional Comp Mod projects in progress at Gowanus Houses and Wyckoff Gardens Houses in Brooklyn. Unlike the Saint Nicholas and Todt Hill projects, the Gowanus and Wyckoff Comp Mod projects do not utilize CCAP funding. Instead, they are funded by the City of New York as part of the Gowanus Neighborhood Rezoning project.¹⁹² Both projects will deliver kitchen and bathroom renovations, abatement of hazardous materials, ventilation upgrades, pestsealing, plumbing repairs, and Section 504 apartment conversions to achieve ADA (Americans with Disabilities Act) compliance for a portion of apartments.¹⁹³

The Gowanus Houses Comp Mod project, which includes 15 buildings and 1,139 apartments and impacts more than 2,600 residents, is split into eight phases.¹⁹⁴ In addition to the above-noted improvements, the Gowanus Comp Mod project will also deliver replacement of radiator valves and heat traps to improve in-apartment heating and elevator modernizations.¹⁹⁵

As of the second quarter of Year 8, NYCHA completed construction on two Phase 1 buildings: Building 3 was completed on April 6, 2026 and residents have begun returning to their apartments.¹⁹⁶ Building 1 was completed on July 31, 2026.¹⁹⁷ Although the original project schedule contemplated that all three Phase 1 buildings would undergo simultaneous construction, Building 4W incurred an approximately 16-week delay caused by DEP's review of ACM permit applications that pushed the construction timeline back for all subsequent phases. NYCHA has since received the necessary permits and began construction on Building 4W on July 14, 2026.¹⁹⁸ As part of the relocation effort, NYCHA's Resident Engagement Team and Relocation Coordinators are providing ongoing communication and support to residents.¹⁹⁹ NYCHA anticipates that construction will be completed for all eight phases in April 2029.

The Comp Mod project at Wyckoff Gardens Houses includes three buildings and 529 apartments, impacting more than 1,100 residents.²⁰⁰ In addition to the above-noted improvements, the Wyckoff Comp Mod project will provide electrical upgrades and improvements to building entryways.²⁰¹ The project is split into three phases: Phase 1 (impacting Building 3), Phase 2 (impacting Building 2), and Phase 3 (impacting Building 1).²⁰² Phase 1 is currently underway and NYCHA began returning Building 3 residents to their apartments on a rolling basis as construction was completed.²⁰³

NYCHA also began relocating residents on the B,C, and D lines in Building 3 so that construction can begin.²⁰⁴ The Resident Engagement Team and Relocation Coordinators are working with residents to facilitate the relocation process.²⁰⁵ Like Gowanus Houses Comp Mod, the Wyckoff Gardens project has incurred an approximately 20-week delay related to DOB and DEP approval of ACM permits for Building 2. This delay has pushed back the construction timeline for all subsequent phases and NYCHA is currently forecasting a construction completion date in December 2027.

2. The Trust

The New York City Public Housing Preservation Trust (the “Trust”) is a state-created public entity formed in June 2022 in response to advocacy by NYCHA residents and employees to improve their homes and communities.²⁰⁶ The Trust is one of NYCHA’s strategies to address the substantial need for capital investments at approximately 25,000 NYCHA apartments.²⁰⁷ Residents can vote to convert their development from traditional Section 9 public housing to the Project-Based Section 8 program, which includes the Trust and NYCHA’s RAD/PACT programs.²⁰⁸ If a development’s residents vote to enter the Trust, NYCHA leases the development to the Trust. The Trust then receives Project-Based Section 8 subsidies from the Federal government that the Trust can borrow against to fund infrastructural repairs.²⁰⁹ Unlike the RAD/PACT program, through which NYCHA properties and capital projects are managed by a third party, NYCHA continues to provide day-to-day property management at Trust developments and serves as the Trust’s delivery partner for capital work at the first three Trust developments, Nostrand Houses, Bronx River Addition, and Unity Towers. The Trust is directly managing the modernization of the fourth development, Hylan Houses, through a progressive design-build model.²¹⁰

In the second quarter of Year 8, the Trust continued advancing procurement and capital planning activities at participating developments. The Trust and NYCHA have emphasized a resident-partnership approach intended to incorporate resident input throughout design and construction planning.²¹¹ Both Nostrand Houses and Bronx River Addition are currently in the design phase; construction at Nostrand Houses is anticipated to begin in Fall 2026 and construction at Bronx River Addition is anticipated to begin in

Winter/Spring 2027.²¹² The Trust also selected Design Build vendors for Unity Towers and Hylan Houses this summer, and both developments are preparing to begin the project's design phase.

3. Building Line Initiative

In the second quarter of Year 8, NYCHA made progress on both active BLI projects. The Red Hook East BLI project at 124 Bush Street will replace two lines and impact 12 apartments: the A line replacement will provide bathroom renovations, and the B line replacement will provide kitchen and bathroom renovations. The Carleton Manor BLI project will replace one line and impact ten apartments. NYCHA also selected four additional plumbing lines at Red Hook East Houses for the next round of BLI projects. Those sites include 16 Mill Street, D line; 829 Hicks Street, A and B lines; and 22 Mill Street, A line. NYCHA is in the process of selecting its fifth line at Red Hook East Houses.

At Red Hook East Houses, NYCHA received necessary approvals for subcontractor plumbing work and will move forward with resident relocations. NYCHA estimates that bathroom renovations will take approximately one month to complete after the subcontractor is approved. NYCHA has made progress on renovations for B-line apartments, completing resident relocation and beginning plumbing, electrical, and renovation work in May 2026. NYCHA anticipates that B-line construction will last through December 2026.

At Carleton Manor, the vendor completed mold remediation and asbestos abatement in May 2026. NYCHA is reviewing the proposed plumbing subcontractor, and plumbing work will begin once the subcontractor is approved. NYCHA also received a plumbing permit from DOB on July 20, 2026. NYCHA anticipates that it will complete the Carleton Manor BLI project in the Spring of 2027.

4. Waste Plumbing Initiative

As discussed in the Monitors' April 2026 Report, the 2026 Amendment to the CCAP reallocated \$50 million from waste management capital projects to heating and plumbing initiatives. Of that amount, \$10 million supports an already existing heating system renovation at Pomonok Houses, which in turn frees up \$10 million in federal funds²¹³ for additional BLI projects. The remaining \$40 million

funds WPI, which draws on the BLI and Comp Mod programs to replace severely deteriorated waste plumbing lines and related branch plumbing, and to renovate kitchens and bathrooms, at one to two developments covering approximately 300 apartments.²¹⁴

NYCHA has selected Douglass I & II as the first WPI development. NYCHA reports a current project budget of \$45 million, comprising \$40 million in city funds and \$5 million in federal funds. The project remains at the pre-procurement stage. NYCHA has not yet awarded a contract, so it has not expended any of the project budget and has not yet set a baseline schedule for the project. Once NYCHA awards the contract and issues a notice to proceed, the Monitors will be able to measure the project's progress against a baseline schedule.

In the second quarter of Year 8, NYCHA advanced the project toward procurement. NYCHA completed its scope scenarios and cost estimates, finalized vacant unit holds with NYCHA Operations, and completed the request for qualifications package from potential vendors for review by its Procurement Department. NYCHA then published the request for qualifications in the City Record. NYCHA also began informal engagement with tenant association leadership and property management staff at the development. In the next quarter, NYCHA plans to brief interested contractors, respond to requests for information on a rolling basis, and continue engaging the tenant association and property management staff.

* * *

The Monitors will continue to track NYCHA's progress on the Comp Mod, BLI, and WPI projects, including NYCHA's validation of the revised Saint Nicholas schedule, the effect of the changes NYCHA has made to its ACM filing process, NYCHA's efforts to recover the delays at Saint Nicholas Houses and Todt Hill Houses, and NYCHA's procurement of a contractor for the first WPI project, and will provide updates on NYCHA's progress in future reports.

F. Compliance with *Baez* (Requirement No. M8)

Under the HUD Agreement, NYCHA must comply with the terms of court orders entered in *Baez*, a federal class action lawsuit brought by NYCHA residents suffering from asthma and living in apartments with mold and excessive moisture.²¹⁵

As of June 30, 2026, the IDA's reporting shows that NYCHA is compliant with one of the requirements imposed by the *Baez* Consent Decree, that it repairs simple leaks within seven days. NYCHA is not compliant with the other *Baez* requirements. NYCHA's obligations to respond to leaks under the HUD Agreement are materially different from the obligations imposed by *Baez* and, as noted above, NYCHA does not yet have the data to assess its compliance with removal of standing water under the Agreement.

The Monitors will continue to collaborate with the *Baez*-appointed **Independent Mold Analyst ("IMA")**, IDA, and *Baez* Plaintiffs to address NYCHA's mold and leak issues in a coordinated manner.

Independent Mold Analyst ("IMA"): The IMA is an entity appointed under the *Baez* Consent Decree to perform quality assurance by inspecting a certain number of randomly selected apartments on a quarterly basis. The IMA also reports on its findings and makes recommendations for improved compliance.

Overview of Outstanding Mold and Leaks Obligations

The following table summarizes the statuses of NYCHA's compliance with the outstanding requirements of the HUD Agreement through the end of July 31, 2026, unless otherwise noted. The table categorizes each requirement as an occurrence obligation (yellow); response obligation (orange); policy and practice obligation (green); or capital obligation (white). The "Estimated Timeline" column describes when NYCHA is projected to reach compliance with each outstanding requirement, based on information currently available to the Monitors. Obligations completed in the period covered by this report will be moved to the Appendix in future reports. The requirements listed in the Appendix have either been satisfied by NYCHA or have been superseded, as set forth in more detail therein.

Req. No.	Description	Status	Compliance Status	Estimated Timeline
Occurrence Obligations				
M2 (Ex. B ¶ 15(a))	Second Occurrence of Verified Mold Complaints: By January 31, 2024, for 85% of mold complaints verified by a NYCHA employee, there must not be a second verified mold complaint for the same apartment, common area room, or hallway within a 12-month period.	TBD	Because NYCHA's system prevents residents from submitting a mold complaint while there is an open mold work order in the same room, the Monitors cannot confirm that NYCHA is in compliance with this requirement. That being said, NYCHA's performance has remained consistent throughout the Monitorship, and for 85% of recorded and verified mold work orders, there was not a second occurrence of mold within a 12-month period.	Compliance with this requirement cannot currently be measured because NYCHA's system prevents residents from reporting a second mold occurrence while there is an open mold work order in the same room.

Req. No.	Description	Status	Compliance Status	Estimated Timeline
M3 (Ex. B ¶ 15(b))	Existence of Large Mold Growths: By January 31, 2024, fewer than 15% of mold complaints verified by a NYCHA employee may be for visible mold covering ten or more square feet.	Not in compliance: 85% (as of the end of the second quarter of Year 8)	NYCHA is not compliant with this requirement. As of the end of the second quarter of Year 8, 85% of verified mold complaints cover ten or more square feet.	Based on the trajectory of performance over the monitorship, NYCHA is not projected to reach compliance with this requirement before the end of the current monitorship term (February 27, 2029), and a specific compliance date cannot currently be projected. Compliance is likely to require significant capital investment to address the infrastructural causes of large mold growths, such as roof and pipe leaks and poor ventilation.
M4 (Ex. B. ¶ 15(c))	Repeated Occurrence of Mold: By January 31, 2024, mold must never occur more than three times in a single apartment over a 12-month period.	Not in compliance: 16 units reported, although this is likely an undercount	NYCHA is not compliant with this requirement. As of the end of the second quarter of Year 8, 16 units experienced more than three incidents of mold within a 12-month period. Due to limitations in NYCHA's system that prevent residents from reporting mold when there is an open mold work order in the same room, there may be additional	Based on the trajectory of performance over the monitorship, NYCHA is not projected to reach compliance with this requirement before the end of the current monitorship term (February 27, 2029), and a specific compliance date cannot currently be projected. Compliance is likely to require both resolving the

Req. No.	Description	Status	Compliance Status	Estimated Timeline
			apartments with more than three mold complaints that have not been captured in currently available data.	measurement issue described in the Compliance Details column and significant capital investment to address the infrastructural causes of repeated mold occurrences.
Response Obligations				
M5 (Ex. B. ¶ 17(a))	Work Plan Distribution: By January 31, 2021, for 95% of resident-made or NYCHA-identified verified mold complaints, NYCHA shall prepare and provide a work plan addressing the root cause(s) of the mold to the resident within five business days.	Not in compliance: 94% (as of the end of the second quarter of Year 8).	NYCHA is currently substantially compliant with this requirement. As of the end of the second quarter of Year 8, NYCHA provided residents with a work plan within five business days 94% of the time.	Based on the trajectory of improvement over the monitorship, NYCHA is projected to reach compliance with this requirement by the end of 2026.
M6 (Ex. B. ¶ 17(b))	Mold Removal and Remediation: By January 31, 2021, for 95% of resident-made or NYCHA-identified verified mold complaints, NYCHA shall (1) remove visible mold within five business days or (2) remediate the mold and its underlying root cause(s) within seven days for simple repairs or (3) remediate the mold and its underlying root	Not in compliance: 43% (as of the end of the second quarter of Year 8)	NYCHA is not compliant with this requirement. By the end of the second quarter of Year 8, NYCHA addressed verified mold complaints within the timeframes specified by the HUD Agreement 43% of the time.	Based on the trajectory of improvement over the monitorship, NYCHA is not projected to reach compliance with this requirement before the end of the current monitorship term (February 27, 2029), and a specific compliance date cannot currently be projected. Compliance is likely to require significant changes

Req. No.	Description	Status	Compliance Status	Estimated Timeline
	cause(s) within 15 days for complex repairs.			in the way NYCHA prioritizes and manages mold remediation, including increased apartment access, additional maintenance and skilled trade staff, and capital investment to address root causes of mold growth.
M7 (Ex. B. ¶ 17(c))	Leak Abatement: By January 31, 2021, NYCHA shall (1) abate all reports of floods, leaks from above, and other conditions that cause sustained or recurrent moisture to flow into a resident's apartment or apartment walls, within 24 hours of a resident's complaint and (2) remove any standing water within 48 hours of a resident's complaint 95% of the time.	(1) Not in compliance: 71% (as of the end of the second quarter of Year 8) (2) TBD	(1) NYCHA is not compliant with this requirement. By the end of the second quarter of Year 8, NYCHA abated all reported floods, leaks from above, and other conditions that cause sustained or recurrent moisture to flow into a resident's apartment or apartment walls within 24 hours 71% of the time. (2) Because the Leak SP is in the early stages of implementation, NYCHA does not currently have the data to measure whether the agency removes standing water within 48 hours.	For the requirement to abate leaks within 24 hours (part (1)), based on the trajectory of improvement over the monitorship and continued implementation of NYCHA's Leak Standard Procedure, NYCHA is projected to reach compliance by the end of the current monitorship term (February 27, 2029). For the requirement to remove standing water within 48 hours (part (2)), compliance cannot currently be measured because NYCHA's Leak Standard Procedure is in the process of implementation.

Req. No.	Description	Status	Compliance Status	Estimated Timeline
Policy and Practice Obligation				
M8 (Ex. B. ¶ 20)	Compliance with Baez: NYCHA must comply with terms of the orders in <i>Baez</i> as they may be entered or revised by the Court.	In compliance with the obligation to respond to leaks within seven days; not in compliance with other obligations under the <i>Baez</i> Consent Decree	The IDA has determined that, as of July 31, 2026, NYCHA is compliant with the requirement that it respond to leaks within seven days but does not meet the other terms of the court order in <i>Baez</i> .	NYCHA is currently in compliance with the requirement to respond to leaks within seven days. Compliance with other requirements under the <i>Baez</i> consent decree is determined by the IDA under that decree, and a specific compliance date cannot currently be projected.
Capital Obligations				
CCAP, Comprehensive Modernization Projects	Pursuant to the City Capital Action Plan, dated May 7, 2021, NYCHA selected two developments for the "Lead Abatement & Comprehensive Approach to Mold" projects: Saint Nicholas and Todt Hill.	Not in compliance	Per the July CCAP Report, both projects are experiencing delays and have significant budget increases. Saint Nicholas has incurred a 140-week delay since the beginning of the project and is currently forecasted to complete construction in July of 2032. The original budget was \$339.1 million and is now nearly doubled at \$633.6 million. Todt Hill has incurred a 31-week delay since the	Saint Nicholas is projected to be completed by 2032, after the end of the current Monitorship term (February 1, 2029). Todt Hill is projected to be completed by 2028, before the end of the current Monitorship term (February 1, 2029).

Req. No.	Description	Status	Compliance Status	Estimated Timeline
			beginning of the project and is currently forecasted to complete construction in October of 2028. The original budget was \$111.8 million and is now \$194.5 million	
CCAP Waste Plumbing Initiative ("WPI") project	The 2026 CCAP Amendment reallocated \$40 million in funds to provide kitchen and bathroom renovations and abate health hazards like lead.	Not met, trending towards compliance	NYCHA selected Douglass I & II as the first WPI development and is currently in the procurement phase of the project, with a budget of \$45 million and a forecasted construction completion date in December of 2031.	NYCHA anticipates the Douglass I & II WPI project will be complete in December of 2031, after the end of the current Monitorship term (February 1, 2029). There are currently \$2.3 to \$5 million dollars in funding available for in-project planning but the schedule may be delayed if those funds are not available when needed.

I.5 Lead

The HUD Agreement requires NYCHA to comply with federal lead regulations, including compliance with lead safe work practices and timely completion of interim controls to limit the risks posed by existing lead-based paint.²¹⁶ The Agreement ultimately requires NYCHA to abate all interior lead-based paint in its developments by 2039.²¹⁷ This subsection provides an update on NYCHA's progress on its outstanding lead-related obligations under the Agreement for the period from May 1, 2026, to July 31, 2026.²¹⁸ Agreement obligations that NYCHA has completed may be found in the **Appendix**.

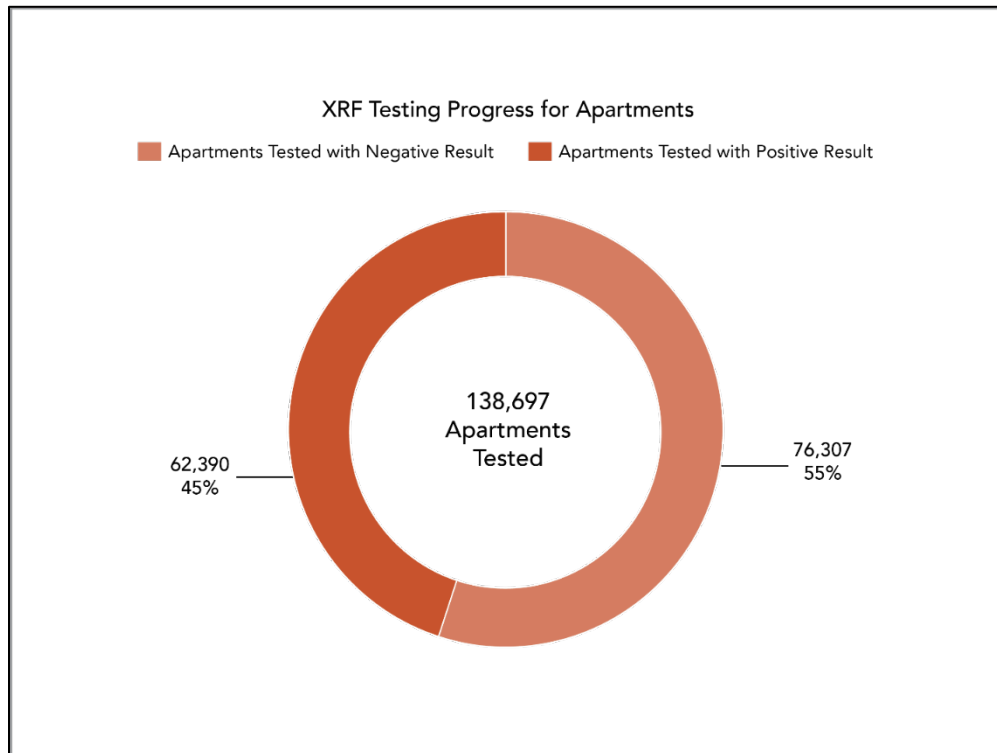
A. Testing and Abatement Progress in Apartments (Requirement Nos. L6, L20-L22)

X-Ray Fluorescence ("XRF") Testing: XRF testing is a non-destructive analytical technique that uses X-rays to determine the elemental composition of a material, including to determine whether lead is present.

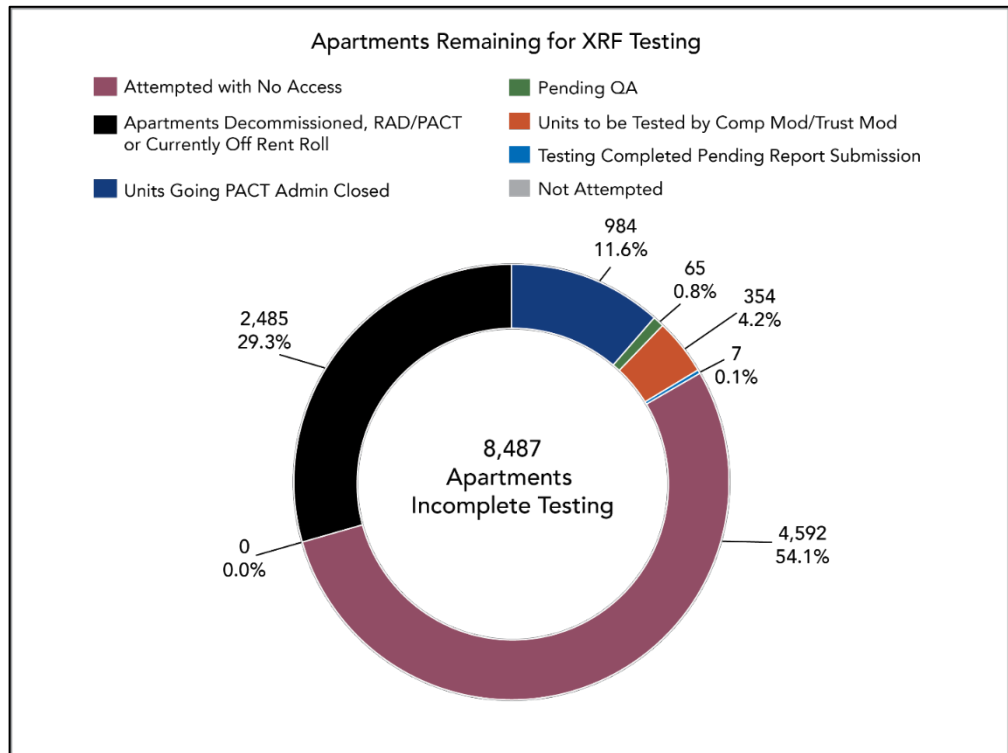
The HUD Agreement requires NYCHA to abate 50% of apartments by 2029, 75% of apartments by 2034, and 100% of apartments by 2039.²¹⁹ To identify the complete universe of apartments containing lead-based paint and requiring abatement, NYCHA has undertaken a campaign to conduct **X-Ray Fluorescence ("XRF") Testing** in all apartments not previously tested at the current New York City definition of lead paint (0.5 mg/cm²).²²⁰ As described further below, NYCHA is nearing completion of its testing initiative and is working to access the remaining apartments.²²¹

1. XRF Testing in Apartments

As of July 31, 2026, NYCHA reports that it has completed XRF testing for approximately 94.2% of NYCHA apartments presumed to have lead-based paint. As shown in the graph below, NYCHA also reports that, as of July 31, 2026, it identified lead-based paint in 62,390, or 45%, of tested apartments and found no lead-based paint in 76,307, or 55%, of tested apartments.

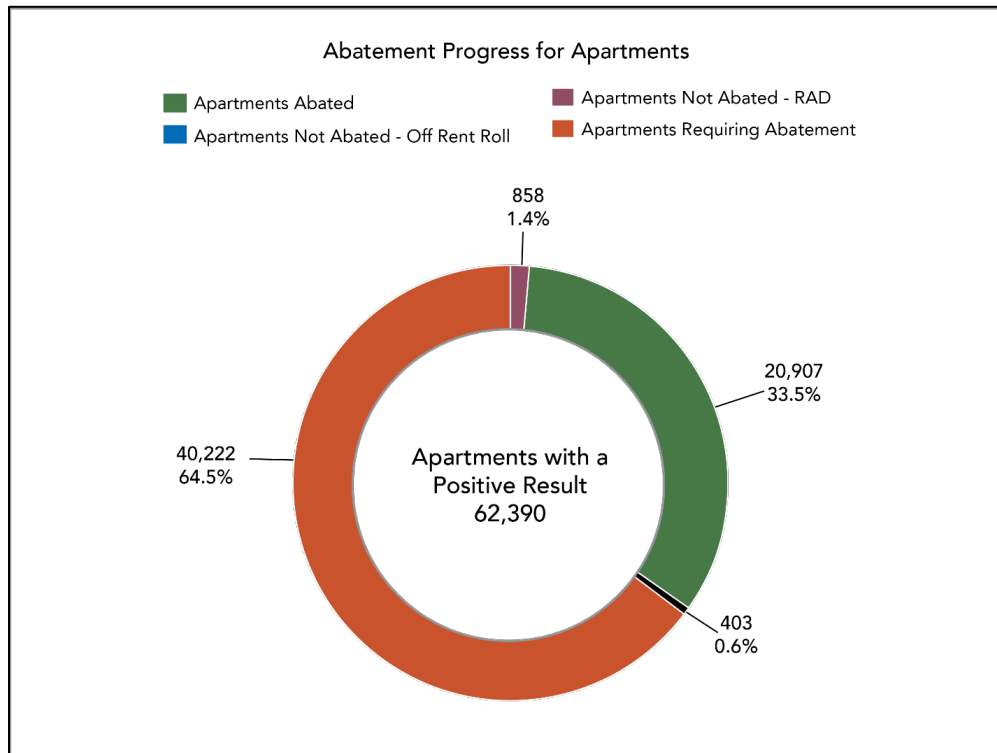


As illustrated in the graph below, 8,487 apartments in the testing universe have not been tested. 4,592 of those apartments have not been tested because NYCHA has not been able to access these apartments. For these apartments, NYCHA plans to continue attempting access, and if necessary, pursue tenancy action to ensure apartments are tested. The remaining 3,895 apartments have not been tested for a variety of reasons, including: they are transitioning to RAD/PACT, they will be tested in connection with NYCHA's Comprehensive Modernization program, they have been tested but results are pending QA review as of the end of NYCHA's second quarter reporting period, they represent a small number of apartments pending report submission, or they are categorized as off rent roll/administratively closed.

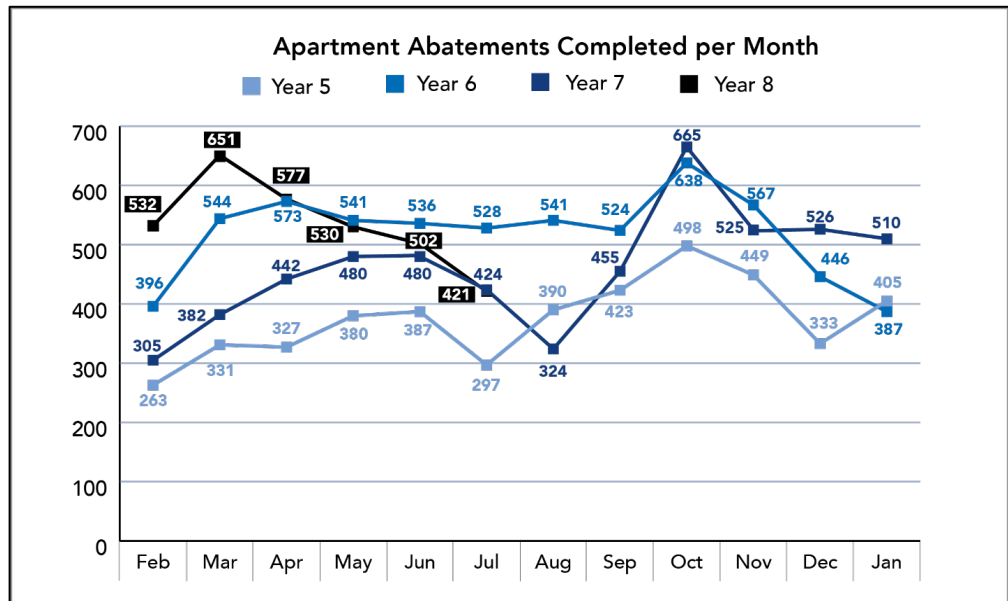


2. Apartment Abatements

NYCHA continues to make meaningful progress towards abating apartments that have tested positive for lead-based paint. As of July 31, 2026, NYCHA abated a total of 1,491 apartments in Year 8, an increase from 1,171 apartments through the same period of time in Year 7.



As of July 31, 2026, NYCHA reports it has abated 20,907 apartments, approximately 33.51% of the total apartments known to have lead-based paint. As shown below, NYCHA's rate of abatement from May to July this year is lower than the same period last year. NYCHA attributes the fluctuation in month-to-month abatement volumes to operational and external factors such as weather, seasonal conditions, and major city events, however, NYCHA reports that these short-term variations are planned for and do not affect NYCHA's overall progress toward its abatement obligations.

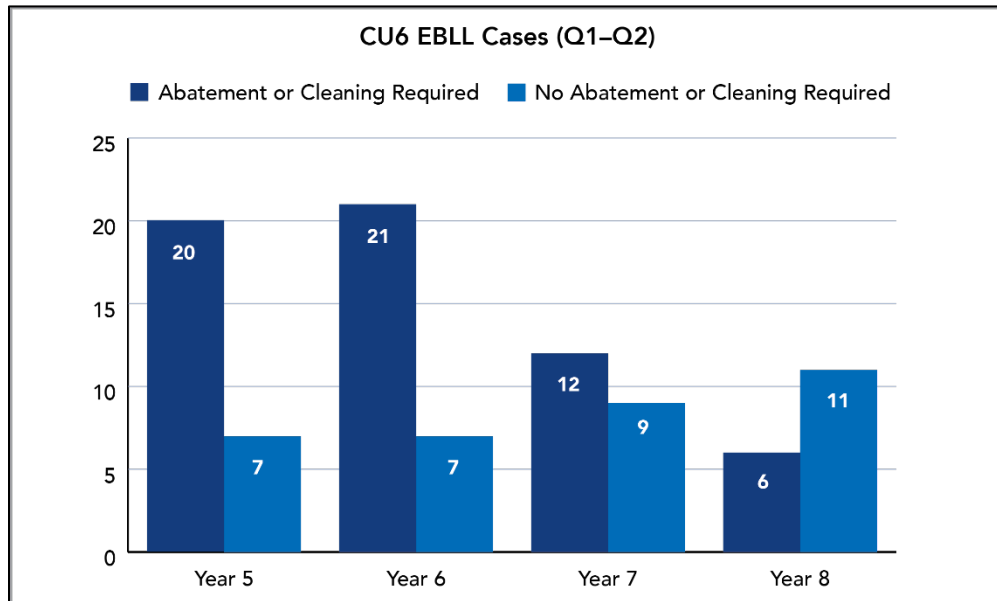


Based on abatement totals to date and assuming NYCHA remains at or above its current rate of abatement, NYCHA is on track to meet its HUD Agreement abatement obligations for individual apartments, including its obligation to abate 50% of apartments in need of abatement by the end of 2029. With respect to its obligation to abate interior common areas, NYCHA is in the process of developing a pilot program proposal for common area abatement that will focus on comprehensive abatement of a single development that will inform its development of a portfolio-wide common area abatement program. NYCHA plans to submit its pilot program proposal to the Monitors by December 2026.

B. Complying with Elevated Blood Lead Level Obligations (Requirement Nos. L23-L25)

Under the HUD Agreement, NYCHA is required to comply with various federal and local regulations when it becomes aware of a child under age six ("CU6") with an elevated blood lead level ("EBLL") in its developments.²²² Between February 1, 2026, and July 31, 2026, 17 EBLLs were reported by the health department to NYCHA for children under age six living in NYCHA developments, as compared to 21 and 12 for approximately the same period in Years 6 and 7, respectively. After NYCHA conducted paint chip sampling, samples for 11 of the 17 apartments related to the EBLLs tested negative. The New York City Department of Health and Mental Hygiene ("DOHMH") accepted NYCHA's contestation letter and issued a "Fully Rescinded"

letter indicating that abatement was no longer required for those 11 apartments as a result of the EBLLs.



Through the second quarter of Year 8, NYCHA was in compliance with its HUD Agreement requirements to notify the Monitors and the U.S. Government of any Commissioner order to abate (“COTA”) in connection with an EBLL, and its obligation to complete any associated abatement within 30 days.²²³ During the first two quarters of Year 8, NYCHA reports that it completed all abatements associated with EBLLs within an average of 10.5 days, with none exceeding the 30 day maximum.

C. Testing and Abatement of Childcare Centers

As previously reported, in response to four EBLLs connected to childcare centers located on NYCHA developments in 2024, NYCHA committed to complete XRF testing for all childcare centers operating in NYCHA developments built prior to 1978.²²⁴ NYCHA identified 75 childcare centers operating in these developments, 69 of which had components that tested positive for lead-based paint.²²⁵ In addition to the four centers abated in response to the 2024 EBLLs noted above, NYCHA abated one additional center in February 2025 and another in March 2026, each as a result of an EBLL COTA. Last winter, NYCHA proactively submitted a request to the New York City Office of Management and Budget (“OMB”) to add daycare center lead abatements as an eligible funding activity under its funding

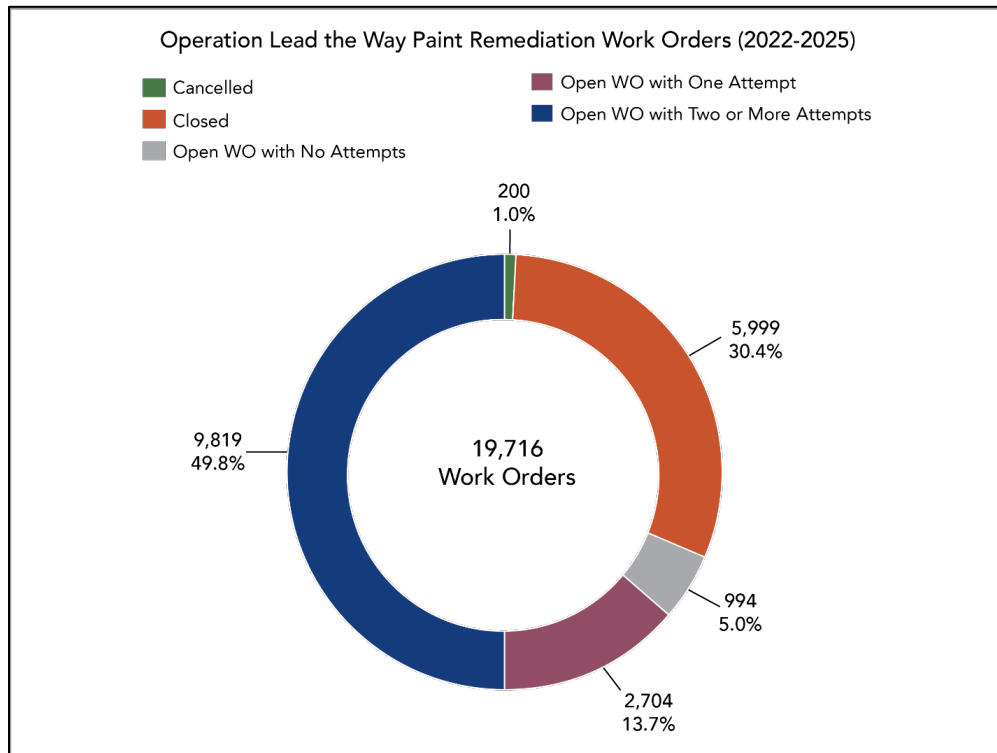
agreement with the City. NYCHA also requested more than \$10 million in funding to initiate this work, and the request was subsequently approved. On July 24, 2026, the Office of the Mayor announced that the City, through funding procured by the Mayor's Office, would invest more than \$10 million to ensure that all NYCHA childcare centers that tested positive for lead will be abated this fall. Now equipped with the necessary funding needed to abate the remaining 60 centers, NYCHA is executing a plan to complete abatement at all centers this fall. NYCHA reports that it has already abated 39 centers, with 5 others in progress as of September 11, 2026. The Monitors commend the Office of the Mayor and NYCHA for their efforts to abate lead at NYCHA childcare centers.

D. Conducting Visual Assessments and Remediating Identified Paint Deficiencies (Requirement Nos. L28-L29)

Under the HUD Agreement and relevant federal and local lead regulations, NYCHA is required to conduct visual assessments of apartments known or presumed to contain lead-based paint.²²⁶ NYCHA began the 2026 visual assessment project in July and anticipates completing it by the end of the calendar year.

NYCHA conducts paint remediation stemming from deficiencies identified through visual assessments and XRF testing. As previously reported, NYCHA has a backlog of paint remediation work orders in apartments and common areas that has accumulated since 2018.²²⁷ In December 2025, NYCHA identified 19,716 work orders from this backlog that it is endeavoring to complete by the end of Year 8.²²⁸ As of July 31, 2026, NYCHA has closed 5,999 (30.4%) of these work orders.²²⁹ NYCHA has additionally cancelled 200 (1.0%) of the work orders in the relevant universe because the development was converted into RAD/PACT, the relevant apartment has already been abated, or the relevant apartment has since tested negative for lead.

Of the remaining 14,402 open work orders, NYCHA has attempted to address 13,517. Of these, it has attempted to address 2,704 work orders once and 9,819 two or more times. 994 have not yet been attempted at all.²³⁰



Within the full backlog, 4,360 work orders were for apartments with a child under six. Of those apartments, NYCHA has closed 1,647 work orders and continues to attempt to address work orders where access was denied or residents were not home. The Monitors will continue to support NYCHA as it endeavors to clear its backlog of remediation work orders and increase the pace at which it completes paint remediation work orders.

E. Ensuring PACT Partner Compliance with Abatement Requirements (Requirement Nos. L6, L20-L22, L36) (abatement deadlines); (Requirement No. L26) (regulatory requirements for conducting abatement).

The HUD Agreement required NYCHA to ensure two PACT developments known to have particularly high levels of lead—Harlem River Houses and Williamsburg Houses—were completely abated by January 31, 2024.²³¹ NYCHA and its PACT partners report that Williamsburg has been completely abated, and all but one apartment at Harlem River have been completely abated.

However, in May 2025, NYCHA learned that the lead abatement plan for Williamsburg Houses did not require abatement

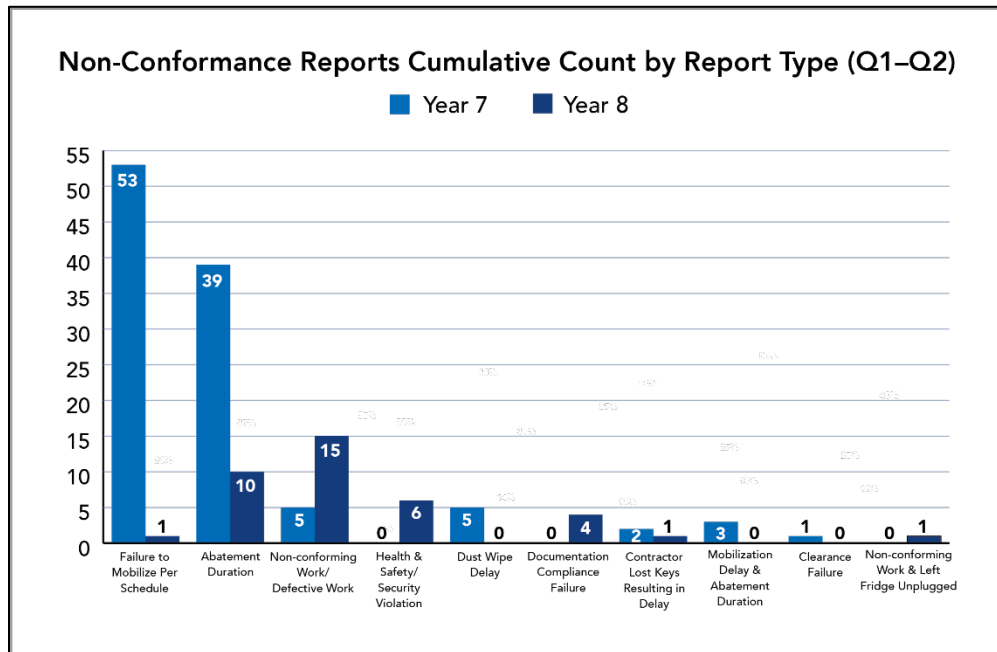
for exterior common areas.²³² Because NYCHA requires PACT partners to abate all lead-based paint, including in exterior common areas, NYCHA reports that the PACT partner at Williamsburg Houses has retested and abated the exterior common areas at the 0.5 mg/cm² NYC level. The PACT partner team is currently completing an additional confirmatory XRF inspection of exterior common areas and will re-start abatements by the end of October 2026.

F. Lead Abatement Vendor Oversight.

NYCHA relies on vendors to conduct all of its lead abatements. The Monitors continue to review NYCHA's oversight of these vendors with the goal of improving compliance with regulatory requirements and maximizing the efficient use of its resources.

Where deficiencies are identified (whether through field observation, compliance audits, or agency review), NYCHA issues written Notices of Non-Compliant Performance or Letters of Direction, requires corrective action plans, and may mandate retraining. Escalation measures can include suspension of work orders, withholding or reduction of payments, or contract termination.

Between February 1, 2026, and July 31, 2026, NYCHA's lead abatement vendors completed 3,371 abatements. During that same period, NYCHA issued 38 nonconformance reports (15 between May 1, 2026, and July 31, 2026) documenting instances where vendor performance did not meet program requirements. These reports are generated when NYCHA identifies a specific issue through its oversight, which includes schedule monitoring, field inspections, and compliance reviews. During the reporting period, the most common issue reported was defective or nonconforming work. Other issues included long abatement duration and health and safety violations, which were reported less frequently. The chart below summarizes the types of nonconformance reports issued during this period.



Although NYCHA reports a relatively low rate of nonconformance relative to the 3,371 abatements completed during the reporting period, nonconformance reports enable NYCHA to identify vendor performance issues and adjust its vendor management and deployment accordingly. When issues arise, NYCHA takes steps to address them, such as requiring immediate correction, increasing oversight of the vendor's work, requiring the vendor to submit corrective action plans, or adjusting work assignments.

Additionally, for certain material or persistent vendor nonconformance issues, NYCHA sends vendors Letters of Direction or Notices of Non-Compliant Performance. Between February 1, 2026, and July 31, 2026, NYCHA issued five such letters (including one between May 1, 2026, and July 31, 2026). The letters address issues including failure to mobilize work crews as scheduled, inadequate supervision, and failure to provide a sufficient number of personnel.

NYCHA and the Monitors are in the process of establishing a program in which independent inspectors conduct inspections of apartment and childcare center abatements. This program will act as another oversight mechanism, in addition to NYCHA's existing quality assurance process and EH&S monitoring, to ensure vendor performance conforms with all program requirements.

Collectively, these procurement controls, field oversight practices, and independent compliance reviews form the core of NYCHA's vendor governance framework for lead abatement activities. NYCHA reports that consistent application of these oversight mechanisms has improved vendor adherence to mobilization, notification, and supervisory requirements over time.

G. Completed, In Compliance, and Superseded Obligations

The HUD Agreement obligations that NYCHA met prior to or were superseded before the period covered by this report (**Requirement Nos. L1-L5, L7-L17, L19**) are listed in the **Appendix**.

Overview of Outstanding Lead Obligations

The following table summarizes the status of NYCHA's compliance with the outstanding requirements of the HUD Agreement as of July 31, 2026, unless otherwise noted. The table categorizes each requirement as a one-time obligation (blue), occurrence obligation (yellow); response obligation (orange); or policy and practice obligation (green). The "Estimated Timeline" column describes when NYCHA is projected to reach compliance with each outstanding requirement, based on information currently available to the Monitors. Obligations completed in the period covered by this report will be moved to the Appendix in future reports. The requirements listed in the Appendix have either been satisfied by NYCHA or have been superseded, as set forth in more detail therein.

Req. No.	Description	Status	Compliance Status	Estimated Timeline
One-Time Obligations				
L6 (Ex. A ¶ 8)	Development-Specific Abatement: Abate all lead-based paint at the Harlem River Houses and Williamsburg Houses by January 31, 2024.	Substantially complete	These developments were transferred to third-party management through the PACT program. Due to closing delays as well as the change in New York City's lead threshold, NYCHA's PACT partners did not abate all lead-based paint by the target deadline. NYCHA and its PACT partner have since completed abatement of all apartments and interior common areas at Williamsburg Houses. NYCHA and its PACT partners report that while exterior XRF testing was previously completed at	As noted, full compliance depends on resolution of the ongoing litigation regarding access to the remaining apartment at Harlem River, and a specific compliance date cannot currently be projected.

Req. No.	Description	Status	Compliance Status	Estimated Timeline
			Williamsburg Houses, the PACT partner incorrectly abated required component replicants, so it is currently conducting additional confirmatory XRF inspections of building exteriors and will restart abatements in October. NYCHA and its PACT partner also report one apartment at Harlem River remains to be abated. This apartment is the subject of ongoing litigation related to access issues.	
Occurrence Obligations				
L20 (Ex. A ¶ 9)	50% Abatement: Abate all lead-based paint in 50% of apartments that contain lead-based paint and interior common areas that contain lead-based paint in the same building as those apartments by January 31, 2029.	Not due	NYCHA reports that it is abating apartments with lead-based paint at a rate of approximately 500 apartments per month through the second quarter of Year 8.	For the apartment abatement component, based on the trajectory of NYCHA's abatement over the monitorship, NYCHA is on target to meet the January 31, 2029 deadline. For the common areas component, NYCHA is in the process of developing a pilot program proposal for common area abatement that will

Req. No.	Description	Status	Compliance Status	Estimated Timeline
				focus on comprehensive abatement of a single development that will inform its development of a portfolio-wide common area abatement program. NYCHA plans to submit its pilot program proposal to the Monitors by December 2026.
L21 (Ex. A ¶ 10)	75% Abatement: Abate all lead-based paint in 75% of apartments that contain lead-based paint and interior common areas that contain lead-based paint in the same building as those apartments by January 31, 2034.	Not due	NYCHA reports that it is abating apartments with lead-based paint at a rate of approximately 500 apartments per month through the second quarter of Year 8.	For the apartment abatement component, based on the trajectory of NYCHA's abatement over the monitorship, NYCHA is projected to meet the January 31, 2034 deadline. For the common areas component, NYCHA has not developed a formal plan for common area abatement, and a specific compliance date cannot currently be projected. NYCHA committed to prepare a plan following conclusion of a pilot program testing alternative abatement methods.
L22 (Ex. A ¶ 11)	100% Abatement: Abate all lead-based paint in	Not due	NYCHA reports that it is abating apartments with	For the apartment abatement component, based

Req. No.	Description	Status	Compliance Status	Estimated Timeline
	100% of apartments that contain lead-based paint and interior common areas that contain lead-based paint in the same building as those apartments by January 31, 2039.		lead-based paint at a rate of approximately 500 apartments per month through the second quarter of Year 8.	on the trajectory of NYCHA's abatement over the monitorship, NYCHA is projected to meet the January 31, 2039 deadline. For the common areas component, NYCHA has not developed a formal plan for common area abatement, and a specific compliance date cannot currently be projected. NYCHA committed to prepare a plan following the conclusion of a pilot program testing alternative abatement methods.
L36 (Ex. A ¶ 12)	Exterior Common Areas: Develop an Action Plan that sets forth a timeline for the abatement of exterior common areas that contain lead-based paint and prioritizes common areas posing a higher risk of exposure to children.	Incomplete		NYCHA has not yet developed an action plan meeting the requirements of this obligation, and has not provided an estimated timeline for developing such a plan. Compliance will require NYCHA to develop a formal plan for exterior common areas.
Response Obligations				
L23 (Ex. A ¶ 23)	EBLL Reporting: Report to HUD each confirmed case of a child with an EBLL within five business	In compliance		NYCHA is currently in compliance with this requirement.

Req. No.	Description	Status	Compliance Status	Estimated Timeline
	days of being notified, in accordance with 24 C.F.R. § 35.1130.			
L24 (Ex. A ¶ 25)	EBLL Abatement Orders: Report to the Monitor and to the United States any NYC Department of Health and Mental Hygiene Commissioner order to abate lead-based paint within five days of receiving such order.	In compliance		NYCHA is currently in compliance with this requirement.
L25 (Ex. A ¶ 26)	Environmental Investigations: To the extent the NYC Department of Health and Mental Hygiene Commissioner has not performed an environmental investigation of any apartment in which a child with an EBLL has been reported within 15 days of identifying such apartment, NYCHA shall perform an environmental investigation of that apartment and common areas servicing that apartment and perform abatement of any lead-based paint hazards within 30 days.	In compliance	In Year 8 through July 31, 2026, NYCHA completed the abatement process within an average of 10.5 days of receiving a confirmed EBLL for a child under six. Through July 31, 2026, there were no apartments with a reported EBLL that took NYCHA over 30 days to abate.	NYCHA is currently in compliance with this requirement.

Req. No.	Description	Status	Compliance Status	Estimated Timeline
Policy and Practice Obligations				
L26 (Ex. A ¶ 14)	Compliance with 40 C.F.R. § 745.227: When performing any abatement, comply with 40 C.F.R. § 745.227.	Partial compliance	NYCHA reports compliance with this obligation, with the exception of document retention deficiencies. NYCHA maintains a manual process for maintaining tenant folders and property files and reports missing retained copies.	Compliance is likely to require improvements to NYCHA's document retention processes for tenant folders and property files. NYCHA has not developed a plan or provided an estimated timeline for those improvements.
L27 (Ex. A ¶ 15)	Lead-safe work practices: Comply with lead-safe work-practice requirements when directing or performing renovation or maintenance work in lead-paint developments. These requirements are set forth in the Lead-Safe Housing Rule, 24 C.F.R. part 35, subparts B-R, and the Renovation, Repair, and Painting Rule, 40 C.F.R. part 745, subpart E.	Partial compliance	As discussed in Subsection II.6.B of the Monitors' December 2024 Report, NYCHA does not currently comply with the relocation requirement set forth in these rules, although NYCHA is developing a path towards compliance, consistent with the guidance provided by HUD in November 2024.	As noted above, NYCHA has not provided an estimated timeline for reaching full compliance with the relocation requirements.
L28 (Ex. A ¶ 16)	Visual assessments: Perform visual assessments in developments that contain lead-based paint in compliance with federal regulations.	In compliance		

Req. No.	Description	Status	Compliance Status	Estimated Timeline
L30 (Ex. A ¶ 18)	Risk-Assessment Reevaluations: Conduct risk-assessment reevaluations of all NYCHA housing that contains lead-based paint in accordance with 24 C.F.R. § 35.1355, which governs ongoing lead-based-paint maintenance and reevaluation activities.	In compliance	NYCHA completed the biannual risk assessment reevaluations in 2024. NYCHA reports that the 2026 biannual risk assessment began in July 2026. ²³³	NYCHA is currently in compliance with this requirement.
L31 (Ex. A ¶ 27)	Lead Disclosures to New Residents: Provide residents signing new leases (or, where required by regulations, renewal leases) with information about the presence of lead-based paint and lead-based-paint hazards in their apartments and developments.	Partial compliance	NYCHA reports that, according to EH&S random sampling reviews of “Tenant Folders” containing materials documenting resident disclosures, NYCHA was in compliance with this requirement 78.79% of the time, a decrease from 83.81% last quarter, and short of the 100% requirement.	Based on the trajectory of NYCHA’s performance over the monitorship, NYCHA is not projected to reach compliance with this requirement before the end of the current monitorship term (February 27, 2029), and a specific compliance date cannot currently be projected. Compliance is likely to require improvements to NYCHA’s implementation and documentation of resident disclosures.
L32 (Ex. A ¶ 28)	Physical Copies of Disclosures: Ensure that physical copies of all disclosure materials are present, available	Incomplete	NYCHA reports that, according to EH&S random sampling reviews of development binders containing	Based on the trajectory of NYCHA’s performance over the monitorship, NYCHA is not

Req. No.	Description	Status	Compliance Status	Estimated Timeline
	for inspection, and permanently maintained at the management office for each development.		relevant risk assessment results and disclosures, NYCHA was in compliance with this requirement 68.48% of the time, an increase from 65.25%.	projected to reach compliance with this requirement before the end of the current monitorship term (February 27, 2029), and a specific compliance date cannot currently be projected. Compliance is likely to require improvements to NYCHA's practices for maintaining physical disclosure copies at each development management office.
L33 (Ex. A ¶ 29)	Electronic Copies of Disclosures: Ensure that electronic copies of all disclosure materials are available to residents through an internet-based portal.	Partial compliance	The First Monitor reported that inspectors found NYCHA was compliant with these requirements in 95% of buildings. Electronic copies of disclosure materials should be available to residents on the online resident portal. The Monitors observed some instances of non-compliance due to accessibility issues.	NYCHA has not provided an estimated timeline for resolving the accessibility issues that the Monitors have identified for certain electronic disclosure materials.
L34 (Ex. A ¶ 30(b))	Biannual Certification: Provide the United States and the Monitor a certification describing compliance with abatement and	In compliance		NYCHA is currently in compliance with this requirement.

Req. No.	Description	Status	Compliance Status	Estimated Timeline
	lead-safe work practices obligations by July 2024 and every six months thereafter.			
L35 (Ex. A ¶ 33(e))	Ongoing Training: Provide all resident building superintendents, assistant resident building superintendents, and property managers with training in RRP practices on an ongoing basis.	In compliance		NYCHA is currently in compliance with this requirement.

I.6 Inspections

The HUD Agreement requires NYCHA (1) to comply with HUD's physical condition standards, (2) annually self-inspect its apartments, (3) complete timely, industry standard repairs, and (4) prevent deceptive practices with respect to HUD's inspections. This section is an update on NYCHA's progress with respect to outstanding inspection-related obligations covering the period between May 1, 2026, and July 31, 2026, unless otherwise noted below.

A. Annual Self-Inspections (Requirement No. I3)

Under HUD regulations (as incorporated into the HUD Agreement), NYCHA is required to inspect 100% of its apartments annually.²³⁴ As of July 31, 2026, NYCHA completed inspections in 82% of occupied apartments for the calendar year. The 2026 inspection rate represents an increase in NYCHA's completed inspections from 2025, when NYCHA completed 78% within the same time period.

B. HUD's Guidance and Standards (Requirement Nos. I5, I7)

1. NSPIRE Inspections

Under the HUD Agreement, NYCHA is required to maintain housing that is "functionally adequate, operable, and free of health and safety hazards" and make all repairs in accordance with HUD's physical condition standards, NSPIRE.²³⁵ HUD regularly conducts inspections of NYCHA's developments to determine NYCHA's compliance with the NSPIRE standards.²³⁶ NSPIRE inspections include a random sampling of apartments and interior and exterior common areas.

Health and safety deficiencies identified are categorized as "life-threatening," "severe," "moderate," or "low." "Life-threatening" and "severe" can be weighted more heavily and result in higher point deductions. To receive a passing score, a development must receive an overall score of 60 or greater and have fewer than 30 points deducted for in-unit deficiencies. If 30 or more points are deducted for such in-unit deficiencies, but the development otherwise scores a passing grade of 60 or above, that score will be adjusted down to 59, and the development will receive a failing grade.

Between January 1, 2026, and September 3, 2026, NYCHA received NSPIRE results for 61 inspected developments. 54 of the 61 (88.5%) received passing scores.²³⁷ NYCHA plans to appeal the preliminary scores for six developments, Hammel, Throggs Neck, FHA Homes, Melrose, Claremont and Jackson, which received preliminarily failing results. NYCHA appealed the preliminary score of 42 for Van Dyke and received a final failing score of 55 for the development. By comparison, NYCHA received passing scores for 89 (71.9%) inspected developments in 2025. This improvement in scores appears to reflect that NYCHA has made significant progress year over year to improve conditions in residents' apartments and buildings to ensure safe and habitable dwellings.

2. 60-day Survey

NYCHA must meet certain requirements to resolve possible issues in apartments that fail their NSPIRE inspections. The HUD Agreement requires NYCHA to complete a survey of the entire development for any development that scored less than 60 during its NSPIRE inspection. This includes reinspecting all apartments, common areas, and exteriors for deficiencies. Because of resource and capacity constraints, as well as the size of certain developments, NYCHA finds it to be a challenge to comply with this requirement within the 60-day period. To address this, HUD, NYCHA, and the Monitors created a protocol for seeking an extension of the 60-day survey requirement. The use of these extensions is designed to be a temporary measure to enable NYCHA to work towards full compliance.

During 2025, NYCHA requested extensions to its 60-day survey requirement at certain developments and reported its progress of completing its survey. As required by the extension protocol, NYCHA also reported to the Monitors its progress closing out high-priority work orders that were open at the time of extension request. NYCHA has made significant progress on both requirements, closing out all of its 60-day surveys, including those under extension. Likewise, NYCHA has made progress on closing out high-priority work orders at developments granted an extension, reducing the total number of high-priority work orders at these developments from 1,028 (at the time the extension was requested), to 21 (as of August 31, 2026).

C. Repairs of Deficiencies (Requirement No. I4)

Under the HUD Agreement, NYCHA is required to complete minor repairs of deficiencies discovered during annual apartment inspections. As part of its process, NYCHA maintenance workers identify if a repair is required. If it is, it is either completed at the time of inspection or deferred. A repair may be deferred if, for example, the repair would be too time-consuming, or the maintenance worker does not have the proper equipment available. A repair that is deferred will be scheduled for repair at a later date.

NYCHA reported that maintenance workers completed minor repairs in 16% of all 111,640 apartments inspected by NYCHA between January 1, 2026, and July 31, 2026. Across all apartments, NYCHA reported that its inspections identified a total of 38,126 deficiencies which could be fixed with minor repairs between January 1, 2026, and July 31, 2026. Of those, NYCHA reported that the maintenance worker completing the inspection performed the minor repairs for 30,652 deficiencies and deferred the minor repairs for 7,474 deficiencies. In terms of apartments, NYCHA reported that maintenance workers deferred minor repairs in approximately 5% of all apartments that were inspected for the period between January 1, 2026, and July 31, 2026.

D. Industry Standards (Requirement No. I6)

The HUD Agreement requires NYCHA to ensure all maintenance repairs are performed to established industry standards and workmanship.²³⁸ To comply with this obligation, NYCHA requires supervisors of skilled trades and maintenance workers to perform routine supervisory inspections of a sample of closed work orders. Supervisors of caretakers are also required to inspect the buildings and grounds under their supervision every month.

NYCHA has increased the rate at which supervisors complete the required inspections for skilled trades. For skilled trades, NYCHA completed 77% of the assigned inspections in July 2026, and for caretakers, NYCHA completed 96% of assigned inspections in July 2026.

NYCHA's Quality Assurance Unit ("QAU") also conducts sample testing to verify repairs are performed to established industry standards and workmanship. For the first calendar quarter of 2026,

QAU reported that 2.7% of sampled repairs were unsatisfactory. In the second quarter, QAU reported this number rose to 3.5%. The most commonly failed work order type were the Leak from Above corrective maintenance work orders, which failed 12.3% of the time in the sampled work orders. The Monitors will work with NYCHA to determine why such work orders fail to this extent and determine if additional action is needed.

Overview of Outstanding Inspection Obligations

The following table summarizes the status of NYCHA's compliance with the outstanding requirements of the HUD Agreement as of July 31, 2026, unless otherwise noted. The table categorizes each requirement as a response obligation (orange); or policy and practice obligation (green). The "Estimated Timeline" column describes when NYCHA is projected to reach compliance with each outstanding requirement, based on information currently available to the Monitors. Obligations completed in the period covered by this report will be moved to the Appendix in future reports. The requirements listed in the Appendix have either been satisfied by NYCHA or have been superseded, as set forth in more detail therein.

Req. No.	Description	Status	Compliance Status	Estimated Timeline
Response Obligations				
I3 (Ex. B ¶ 47)	Annual Inspections: NYCHA will conduct annual inspections of 100% of occupied apartments.	Not yet due	As of July 31, 2026, NYCHA completed inspections in 82% of occupied apartments.	Based on the trajectory of improvement over the monitorship, NYCHA is projected to reach substantial compliance with this requirement by the end of 2026 and full compliance by the end of 2028.
I4 (Ex. B ¶ 48)	Minor Repairs: By May 1, 2019, annual inspections must include having the person conducting the inspection perform any minor repairs during the inspection.	Partial compliance	As of July 31, 2026, NYCHA reported that maintenance workers completed minor repairs in 16% of inspected apartments requiring minor repairs and deferred minor repairs in 5% of inspected apartments. In total, NYCHA reported that its inspections identified a total of 38,126 deficiencies that could be fixed with minor repairs. Of those, NYCHA	Based on the trajectory of improvement over the monitorship, NYCHA is not projected to reach compliance with this requirement before the end of the current monitorship term (February 27, 2029), and a specific compliance date cannot currently be projected. Compliance is likely to require additional maintenance staff

Req. No.	Description	Status	Compliance Status	Estimated Timeline
			reported that the maintenance worker completing the inspection performed the minor repairs for 30,652 and deferred the minor repairs for 7,474.	and materials together with improved management and supervisory practices, including appropriate prioritization and assignment of minor repairs, monitoring aging work orders, and accountability for timely completion.
Policy and Practice Obligations				
15 (¶ 60)	HUD's Guidance: NYCHA will make all improvements in accordance with HUD Inspector Notice No. 2016-03, Uniform Physical Condition Standard (UPCS) Deficiencies and Industry Standard Repairs, July 11, 2016, or any subsequent or superseding guidance. ²³⁹	Ongoing	As of September 3, 2026, NYCHA received NSPIRE results for 61 inspected developments. 54 of the 61 (88%) received passing scores, and NYCHA plans to appeal six failing scores. Additionally, the passing scores this year have been much higher, appears to reflect an improvement in the quality and quantity of repairs done.	NYCHA is on track to comply with this requirement by the end of the current monitorship term (February 27, 2029).
16 (¶ 60)	Industry Standards: NYCHA will ensure all maintenance repairs are performed to established industry standards and workmanship.	Provisional compliance	NYCHA's Quality Assurance Unit ("QAU") performs sample testing to monitor the quality of repairs. For the first calendar quarter of 2026, QAU reported that 2.7% of sampled repairs were	The Monitors report NYCHA's provisional compliance with this requirement and will work to verify its full compliance in the future.

Req. No.	Description	Status	Compliance Status	Estimated Timeline
			unsatisfactory. In the second quarter, QAU reported this number rose to 3.5%. Based on this self-reported performance, the Monitors provisionally certify that NYCHA is in compliance with this obligation. The Monitors continue to engage with NYCHA in an effort to ensure that QAU's processes yield an accurate view of repair work across NYCHA's developments.	
17 (¶ 60)	Decent, Safe, Sanitary Standards: NYCHA will ensure that properties meet HUD's decent, safe, sanitary and in good repair standards at all times.	Ongoing	NYCHA's ongoing efforts to comply with this obligation overlap with its attempts to meet Requirement No. 15. As of September 3, 2026, NYCHA has received NSPIRE results for 61 developments (year to date). Of those, 54 received final passing scores and seven received preliminary failing scores. NYCHA's appeals of six of the failing scores are pending.	NYCHA is on track to comply with this requirement by the end of the current monitorship term (February 27, 2029).
18 (¶ 60)	Deceptive Practices: NYCHA will not use deceptive practices with respect to PHAS inspections,	Provisional compliance	NYCHA has put in place mechanisms to detect and investigate deceptive practices when they are	The Monitors report NYCHA's provisional compliance with this requirement and will work to

Req. No.	Description	Status	Compliance Status	Estimated Timeline
	including: (a) covering up / hiding conditions; (b) performing substandard repairs; (c) performing work in common areas after an inspection begins, other than for emergency health and safety issues; (d) performing work in selected or alternate units after such units have been identified, other than for emergency health and safety issues.		suspected. To date, the Monitors have not identified material failures in NYCHA's control mechanisms. The Monitors thus provisionally certify NYCHA's compliance with this obligation but are continuing to work with NYCHA in an effort to refine and strengthen its mechanisms for preventing deceptive practices.	verify its full compliance in the future.
19 (¶ 61)	Internal Controls: NYCHA shall design internal controls to prevent deceptive practices.	Provisional compliance	The detailed procedures set forth in the PHAS Inspections Action Plan appear, in principle, to satisfy ¶ 61's general requirement of internal controls to prevent deceptive practices. NYCHA has implemented internal controls, and the Monitors are continuing to assess the adequacy to prevent and detect deceptive practices. ²⁴⁰	The Monitors report NYCHA's provisional compliance with this requirement and will work to verify its full compliance in the future.
110 (¶ 62 (a-f))	Chief Compliance Officer Obligations: NYCHA's Chief Compliance Officer	Provisional compliance	NYCHA has had processes in place since the inception of the monitorship to fulfill the	The Monitors report NYCHA's provisional compliance with this requirement

Req. No.	Description	Status	Compliance Status	Estimated Timeline
	will be responsible for preventing deceptive practices with respect to PHAS inspections and ensuring compliance with HUD regulations and guidelines with respect to PHAS inspections. Various concrete responsibilities are enumerated in the Agreement.		obligations as part of ¶ 62. The Monitors provisionally certify compliance with the obligations, as conversations continue with NYCHA's compliance team to understand the processes to prevent deceptive practices.	and will work to verify its full compliance in the future.

SECTION II: ORGANIZATIONAL CHANGE

Under the HUD Agreement, NYCHA is required to make broad management and organizational reforms across the agency that will improve its overall functioning and its delivery of services to residents. As discussed in the Monitors' prior reports, NYCHA's plan for doing so is contained in its "Transformation Plan,"²⁴¹ which lays out broad principles for improvement and core values for the organization—e.g., "creating a culture of service," "strengthening NYCHA's partnership with its residents," and "using data to drive decision making"—as well as 47 specific initiatives intended to improve NYCHA's processes and performance.²⁴² Consistent with those broad principles, NYCHA also works with HUD, SDNY, and the Monitors to identify additional initiatives that will build on those specific projects to continue to improve itself as an organization.

In this report, the Monitors provide updates on significant developments over the last quarter within key areas relating to NYCHA's organizational change, followed by a table summarizing the status of NYCHA's progress under each of the 47 initiatives within the Transformation Plan, and the Monitors' assessment regarding the work that remains for NYCHA to complete its transformation as contemplated by the organizational change requirements of the HUD Agreement.

A. IT System Overhaul Updates

As discussed in the Monitors' April 2026 Report, in the past few years, NYCHA has undertaken several major IT projects to improve its IT infrastructure, including upgrading the **Resident Case Management System ("RCMS")**, implementing a new **Human Capital Management System ("HCMS")**, and upgrading the **Maximo Application Suite ("MAS 9.0")**. Modernizing NYCHA's IT infrastructure is essential to its transformation and the improvement of its resident services, and the Monitors have provided updates on these projects.²⁴³ Despite NYCHA expending significant time, effort, and expense, however, these projects have been subject to repeated delays and remain incomplete. NYCHA recently replaced its IT leadership, and new leadership must be given the opportunity to address legacy issues. However, because of the lengthy delays and costs incurred to date, it is critical that NYCHA implement its IT transformation plans as soon as possible. The subsections below provide updates on each of these three projects.

Resident Case Management System ("RCMS")

An RCMS is an IT system that handles numerous resident-service and communication functions on one platform. This includes services like prospective application processing or managing move-outs as well as key communications like inspection notices.

Human Capital Management System ("HCMS")

An HCMS is a centralized IT system for all employee data supporting HR functions. These are single platform solutions that help HR recruit, onboard, and conduct general workforce planning.

Maximo Application Suite ("MAS 9.0")

MAS 9.0 is a planned upgrade of the Maximo system NYCHA uses for maintenance of work orders, tracking development and unit repair data, and general coordination and tracking of repair work across the authority.

1. Resident Case Management System

Under the Transformation Plan, NYCHA committed to implementing a new Resident Case Management System ("RCMS"). An RCMS is an IT system that handles numerous functions, including, for example, application processing for potential residents; communications with current residents about leases or repair work; and move-out and vacancy management.

As detailed in the Monitors' April 2026 Report, NYCHA's first attempt at implementing an RCMS was unsuccessful. NYCHA selected an RCMS vendor in January 2023, and the vendor began work in June 2023, with the project originally estimated for completion in April 2025. After significant schedule and vendor management challenges, the vendor suspended work, and NYCHA terminated the contract in November 2025. In the Monitors' April 2026 Report, the Monitors offered several recommendations aimed at improving NYCHA's approach to similar projects going forward, including selecting a vendor with more public housing experience, minimizing customization, and adopting improved vendor performance measures earlier in the process.

Following the failed first attempt at RCMS implementation, NYCHA's new IT leadership shifted to a more incremental approach known as a Customer Relationship Management ("CRM") strategy. Where the previous RCMS model attempted to replace several different older systems with a new integrated system all at one time, the current CRM strategy is focused, at least initially, on stabilizing NYCHA's already-existing systems, improving how they connect with one another, and defining a longer-term modernization approach. Under a CRM framework, after stabilizing existing systems, NYCHA would phase its modernization overhaul in discrete steps. This ensures that work is done in smaller, reversible steps, which lowers operational risk to residents and staff, as an error discovered in one step does not pose risk to the progress made in all previous steps. Additionally, under CRM, decisions about the overhaul would be made with the leadership of NYCHA's operational staff who are most familiar with resident-facing requirements.

As of this date, NYCHA continues to plan and has begun to implement its new CRM approach. For instance, it has created a dedicated Program Office, led by a program director who will be solely accountable for the implementation of NYCHA's revised CRM

program. However, in the meantime, NYCHA staff continue to rely on legacy systems, and NYCHA has not realized the benefits of a modernized RCMS, which include streamlined application and waitlist processing, consolidated resident case histories accessible across departments, and more consistent and trackable communications with residents. The timeline remains undetermined, and the Monitors cannot project completion by the end of Year 10 of the monitorship without a fully defined roadmap, accountable governance, measurable milestones, and sequencing of the revised workstreams.

2. Human Capital Management System

A Human Capital Management System (“HCMS”) is a centralized IT system for all employee data. Generally, an HCMS supports human resources (“HR”) functions, including recruitment, onboarding, and workforce planning. Employees with supervisory responsibilities across the organization interact with the HCMS through a manager-specific software interface to, for example, view applicant information for open positions, consult organizational charts, and handle requests for time off. Employees who do not have supervisory responsibilities interact with the HCMS through an employee-specific interface to request time off, and provide emergency contact information, among other things. A properly implemented HCMS allows staff to spend less time on administrative transactions and more time on their core responsibilities. As part of its Transformation Plan, in recognition that its current paper-based HCMS is insufficient, with multiple conflicting and inefficient systems, NYCHA committed to launching a new, modernized HCMS using a Workday software system.

NYCHA first began working on its HCMS overhaul with an outside vendor in February 2023, with an originally scheduled date for agency-wide operation by November 2024. However, that timeline has continued to slip. In April 2025, NYCHA executed a limited rollout of Workday to HR employees, followed by a June 2025 rollout of Manager Self-Service, providing system access to certain employees with supervisory responsibilities and hiring managers. To date, NYCHA has implemented Workday access for approximately 2,000 employees. NYCHA did not meet its August 2026 projected **Employee Self-Service (“ESS”)** go-live and was not able to commit to a new deadline nor guarantee against further delays as NYCHA is still validating a roadmap for successful deployment.

Employee Self Service (“ESS”): ESS is the interface through which non-managerial NYCHA employees can handle their own HR transactions directly, rather than routing them through HR staff. This will allow employees to handle basic HR functions, like requesting time off.

Workday implementation is delayed because the testing process²⁴⁴ has continued to surface errors, requiring further testing and system reconfiguration. Because NYCHA did not have its business processes properly documented at the outset of the Workday implementation in 2023, it was unable to determine prior to this testing process whether Workday could accommodate its existing practices or whether NYCHA would instead need to adjust those practices or further customize Workday's features. Currently, NYCHA performs most of its HR transactions manually, relies heavily on institutional knowledge, and has business processes that are either undocumented or highly complex in part due to civil service requirements. As a result, NYCHA was not prepared for the degree of customization—and the additional testing that customization requires—needed for Workday to accommodate its current processes. While Workday is highly customizable, building out that customization is a time-consuming process. The completion date for further testing of the software remains uncertain due to these continued delays.

One of the concerns about the continued delay in implementation is dual maintenance, or the need to maintain two systems simultaneously. Because of the continued delays in Workday implementation, users assigned to use Workday within HR (about 90 employees) have been responsible for dual maintenance of both Workday and NYCHA's legacy HR system, HRDB, for 16 months. This means that the subset of employees using Workday need to duplicate tasks: for every transaction they enter in Workday, they must perform the same action in at least one other system—and, in some cases, several—because NYCHA lacks system integrations. As a result, each entry takes at least twice as long because these staff must manage data in multiple systems. This duplication not only takes time away from other work but also increases the risk of human error and leaves NYCHA without a single system of record for its human capital data.

NYCHA formerly held "Steering Committee" meetings to report out on the progress and any issues with the HCMS implementation but suspended those meetings in May 2026 and replaced them with a broader HCM Modernization Program (encompassing both an HCM Steering Committee and an HCM Oversight Committee). NYCHA's goal for its HCM Modernization Program is to establish a centralized governance that drives decision-

making across enterprise systems, better integrate its HR processes and initiatives, and allow for better advance planning and management of initiatives like the HCMS implementation described above. The Monitors are supportive of this goal. The HCMS Governance kickoff meeting took place in June 2026 with additional meetings scheduled for September.

3. Maximo Upgrade (MAS 9.0)

NYCHA currently relies on an IT system by IBM called “Maximo” for its maintenance work orders, allowing it to track data on NYCHA development and apartment repairs across the entire agency. This is a core system for NYCHA’s day-to-day functioning, and a wide variety of NYCHA departments rely on it to track and respond to resident living conditions.

Since IBM announced in 2025 that it would no longer support the version of Maximo NYCHA uses, NYCHA IT—with support from NYCHA’s Office of Maximo and Asset Management (“OMAM”)—has been planning to upgrade Maximo to Maximo Application Suite version 9.0 (“MAS 9.0”). As discussed in the Monitors’ December 2025 Report, MAS 9.0 was originally scheduled to be operational in early 2026, but because of a system performance issue that caused the software to be slow and unresponsive, the implementation date was pushed back to June 2026. Since the Monitors last reported on this topic, NYCHA has gained a better understanding of the root cause of this performance issue and determined that addressing that root cause will require additional services and testing, pushing the implementation date to 2027.

NYCHA IT has traced the problem to network latency between MAS 9.0 and its underlying database, which has been operating in two different cloud environments. The software vendor’s deployment guidance requires that the application and database reside in the same cloud, and cross-cloud deployments cannot reliably meet the platform’s performance standards. NYCHA has accordingly adopted the vendor-recommended architecture, consolidating the full MAS 9.0 environment into a single cloud, and completed the required procurement agreements in September 2026. With procurement complete, NYCHA has begun the implementation and testing effort; implementation, originally scheduled for early 2026, is now estimated for 2027. In the interim, NYCHA continues to operate its current Maximo system, which remains functional but is no longer supported

by the software vendor. Continued reliance on an unsupported, heavily customized system carries increasing operational risk, and the Monitors will continue to monitor NYCHA's progress toward timely completion of the upgrade.

B. Performance Evaluations

In the Transformation Plan, NYCHA committed to implementing employee performance evaluations to promote staff development and improve the quality of services to residents. As discussed in the Monitors' April 2026 Report, in Year 7, NYCHA completed its first round of performance evaluations for managerial employees, with over 500 employees participating for a participation rate of 97.6%. Since then, however, participation in the second round of managerial evaluations has dropped, and NYCHA has not yet determined why. In addition, NYCHA has developed a separate pilot program for nonmanagerial performance evaluations, in collaboration with the Monitors and Teamsters Local 237 ("the Union"), which launched in late September 2026.

1. Performance Evaluations for Managerial Employees

In Year 8, NYCHA began its second round of managerial performance evaluations. Despite a nearly 98% participation rate in the first round, NYCHA HR reported only a 79% participation rate by the end of May 2026—one month after NYCHA had expected to complete the second round. NYCHA concluded the second round on June 30, 2026, and as of August 2026 reports a 90% participation rate.

So that NYCHA may better understand the drop in participation, the Monitors recommended that NYCHA conduct a post-evaluation survey of participants, and NYCHA agreed to do so. Results from this survey may also shed light on necessary changes for the planned employee evaluation pilot. NYCHA also intends to run focus group sessions, where it hosts open and candid conversations with people who had first-hand experience with the process.

In a previous report, the Monitors outlined a series of recommendations for improvements to the content and process of managerial performance evaluations. These included: (1) improving and simplifying the evaluation process to allow for clearer and more consistent feedback, including clarifying rating definitions with

examples and reducing the ratings scale from five choices to four; and adding sample comments and comment rules as guidance for raters; (2) adding a secondary layer of review to evaluations to ensure fairness and proper documentation; (3) that there be more concrete, objective metrics tied to the employees' job responsibilities worked into their review, including relevant Key Performance Indicators ("KPIs"); and (4) that additional steps be taken to connect the performance evaluations to future corrective action, including requiring action plans for low ratings and addressing gaps between self-evaluations and supervisors' evaluations. Since then, the Monitors have made a fifth recommendation that training be provided to managers on best practices for conducting employee performance evaluations.

NYCHA has adopted all four previously reported recommendations, though it has only partially incorporated the Monitors' fifth recommendation that training be provided to managers—adopting the measure for the Employee Evaluation Pilot, discussed below, but declining to do so for the managerial evaluations.

2. Performance Evaluations for Nonmanagerial Employees

NYCHA committed in the Transformation Plan to implement performance evaluations for all of its staff. As noted above, in early 2025, NYCHA first rolled out a performance evaluation process for its managerial employees, with the evaluations covering performance in the year 2024. As of this date, NYCHA does not have a formal performance evaluation process for nonmanagerial employees, which make up over 90% of NYCHA's workforce.²⁴⁵ Performance evaluations are a valuable tool for giving employees feedback on their strengths and areas for improvement, and a formal process allows housing authorities to reward high performers and identify underperforming employees so they can receive additional training or otherwise be held accountable. NYCHA's gap in performance evaluations for nonmanagerial employees meant it was missing this critical function for the vast majority of its employees. Early last year, NYCHA committed to a nonmanagerial performance evaluations pilot program in order to address this gap.

Since the Monitors' April 2026 Report, NYCHA and the Monitors have continued to advance the pilot program for

nonmanagerial performance evaluations, with a particular focus on developing job descriptions, finalizing the evaluation template, and building out a project plan for implementation. NYCHA and the Monitors intend to use the results of the pilot programs to work towards a complete agency-wide system of employee performance evaluations.

During the second quarter of 2026, the Monitors held several meetings with NYCHA concerning the development of job descriptions. Employee job descriptions are critical to the broader Employee Evaluation Initiative, as job descriptions provide clear explanations of competencies that later serve as the benchmark for evaluation.

In May, the Monitors sent NYCHA executives and HR a project summary presentation and job description templates for their review. The Monitors also met with NYCHA HR during this period to finalize the evaluation template, develop a project plan, and prepare answers to questions raised by the Union, which represents much of NYCHA's nonmanagerial workforce, including Property Management staff such as Property Managers, Superintendents, Maintenance Workers, and Caretakers. The Union has raised questions and concerns about the pilot program including, among others, that any employee evaluations for a pilot program do not remain in employees' permanent file, and that any ultimately adopted system of employee evaluations should be one component of a suite of coaching, mentoring, and training for employee performance improvement, rather than merely a once-a-year potentially punitive tool. Together, the Monitors, the Union, and NYCHA continue to work towards an appropriate system of employee evaluations that balances employee accountability and performance improvement. NYCHA has launched the Employee Evaluation Initiative as of late September 2026.

C. Storeroom Pilot

Development storerooms are the on-site locations at NYCHA developments where materials used for maintenance and repair work are received, stored, and issued to staff. Today, NYCHA manages these storerooms centrally through Supply Chain Management ("SCM"), which provides five centralized leaders to make all approvals across 113 development storerooms. This means that even routine, day-to-day activities across all the developments—such as arranging staff coverage—depend on a small, centralized team. NYCHA is

currently testing a pilot program that would empower decentralized development staff to conduct management of their own property's storerooms, while core oversight and governance functions remain centralized under SCM.

Under its current model, 137 NYCHA caretakers cover NYCHA's 113 development storerooms, and rely on five centralized SCM leaders for day-to-day decisions and transactions—including, for example, approving vacation requests, arranging coverage for absences under three days, and conducting periodic inventory counts. As NYCHA has reported to the Monitors, concentrating this work among five employees often bottleneck seven routine decisions and slows execution at the development level. It can also diffuse accountability because no individual at the storeroom level can reasonably own the storeroom's performance when routine decisions must await centralized involvement. This design is inconsistent with NYCHA's Neighborhood Model, which seeks to locate ownership of and accountability for operational decisions closer to the staff with the strongest understanding of residents' day-to-day needs.

Under the Storeroom Pilot (the "Pilot"), NYCHA will test a decentralized execution model in which the day-to-day management of each storeroom is conducted by the development where the storeroom is located. The Storeroom Pilot began in September 2026 with a four-week focus on a single development storeroom, tentatively identified as the storeroom at the Woodside Houses in Queens. After the Pilot has concluded, NYCHA will do a final review of the outcomes and lessons learned and determine whether to expand the model to the remaining storerooms across boroughs—17 storerooms in Queens/Staten Island, 34 in Manhattan, 25 in the Bronx, and 36 in Brooklyn.

Under the Pilot, development-level supervisors will oversee caretakers within their developments. This allows the five regional leaders, together with an additional 24 floaters, to focus on oversight, auditing, and coverage for absences longer than three days. Development-level supervisors are also responsible for executing day-to-day operations, supervising the staff who handle and distribute materials, initiating replenishment requests, and maintaining system-of-record requirements. Regional leaders and floaters will assist with training staff and reinforcing standard procedures, overseeing operational consistency across storerooms, and identifying operational needs that require escalation to SCM.

SCM, in turn, establishes and maintains inventory policies and system requirements, provides centralized governance, conducts audits, maintains inventory visibility within Oracle (NYCHA's inventory system of record) and Maximo, and deploys the regional leaders and floaters.

Part of the anticipated benefit of this model is its improved ability to detect and remedy fraud, waste, and abuse. First, by adopting the Neighborhood Model, where the first level of supervision will be conducted by people with more intimate knowledge of the developments they supervise, anomalies will be easier to detect. Second, by freeing up SCM from the flood of day-to-day decisions it currently manages, SCM will be better positioned to conduct audits, focus on building out new storerooms under a uniform approach and governance, and respond to reports of fraud or waste that are escalated to it. NYCHA will evaluate the Pilot against baseline metrics captured before implementation, tracking three KPIs: (1) Inventory Accuracy, the extent to which the physical inventory at a storeroom matches that storeroom's system records (a key metric in detecting the kinds of fraud and waste discussed above); (2) Inventory Availability, the extent to which materials needed for repairs are available when required; and (3) Inventory Usage, the visibility and consistency of material consumption across developments. SCM and Operations leadership will review reports on results—including trend analysis, variance identification, and issue escalation.

The Monitors will carefully assess the results of the Storeroom Pilot, with particular attention to the quality of oversight in protecting against the possibility of abuses such as corruption and waste, and whether property supervisors have sufficient bandwidth to take on the additional responsibilities required.

D. Whole Life Cost Project

NYCHA cannot repair or replace everything at once. Each year it decides which aging systems to address, at which developments, and by what method. The options include replacing existing equipment with the same kind of equipment, switching to newer technology, or upgrading select components rather than the whole system. These decisions determine how NYCHA's limited capital funding is spent and how long residents live with elevators, boilers, and plumbing that keep breaking down.

Historically, NYCHA has made these decisions based on factors including the age, condition, and performance of the assets at each location; safety and compliance requirements; whether a site is suitable for the work; restrictions requiring that certain funds be used for particular locations or asset types; and the upfront capital cost of the work. Those factors do not capture asset-level maintenance costs—including repairs, labor, repeat failures, emergency work, outages, and component replacements—that would enhance how NYCHA prioritizes which aging assets to replace. They also do not include the cost to run each option after it is installed and the relative cost of each option over time. Between two options at the same development, one option may be cheaper to install but more expensive to run and maintain over the course of its useful life. Moreover, if NYCHA does not replace an asset, the agency must pay to update and repair system components that may be operating past their useful life. Improving the quality of NYCHA's data regarding the cost to maintain existing assets as well as the installation and maintenance costs for replacement options will help NYCHA to more efficiently allocate capital funds across the agency's portfolio.

As discussed in the Monitors' April 2026 Report, the Monitors launched a pilot program focused on heat distribution systems and plumbing systems to help NYCHA incorporate **whole life cost** into its decision-making process regarding capital replacements and repairs.²⁴⁶ Through the pilot program, the Monitors are working with NYCHA to develop a cost model that will help NYCHA answer three questions. First, what each type of intervention costs to install and operate, including whether a lower upfront capital cost results in higher operating costs in the long-term. Second, which developments should be prioritized for capital projects based on the cost of running existing assets at each development. And third, among the prioritized locations, which combination of projects NYCHA can afford given available capital and operating funding. The model is intended to inform decision-making by the **Strategic Asset Management Committee ("SAM Committee")**, adding current and long-term operating costs to the factors NYCHA already weighs in those discussions. The Monitors anticipate that the model will be complete by the end of 2026.

Whole Life Cost: A whole life cost analysis considers that a building system costs over its full lifetime, including the upfront price as well as the ongoing maintenance, operating, and eventual replacement costs, so that options can be compared on total cost of ownership.

Strategic Asset Management ("SAM") Committee: The monthly agency-wide executive committee where NYCHA assesses the organizational impact of capital investments and makes decisions on major capital investment planning and asset management.

E. Oversight and Compliance Functions

NYCHA conducts oversight and compliance functions principally through its Environmental Health & Safety ("EH&S")

department, its Compliance department, and its Quality Assurance Unit ("QAU"). Each is responsible, within its own domain, for confirming that NYCHA's operations conform to applicable law, to HUD regulations and guidance, and to NYCHA's own Standard Procedures and policies. In addition to assessing its existing oversight and compliance efforts, the Monitors take careful review of the progress NYCHA makes in these areas because of their overlap with oversight functions the Monitors' team currently supports. The current monitorship is currently scheduled to end in 2029. Afterwards, these three departments will be critical for the function of NYCHA as a whole.

In the following sections, the Monitors report on progress made over the last quarter by each of these departments individually.

1. Environmental Health & Safety ("EH&S")

At NYCHA's and SDNY's request, the Monitors last year assessed NYCHA's Environmental Health & Safety ("EH&S") Department and a proposed change to EH&S's reporting line. Under the change, EH&S would report to the Chief Compliance Officer ("CCO") in the Compliance Department rather than to the Chief Executive Officer ("CEO"), and EH&S had provisionally reported to the CCO since January 2025. The Monitors' review considered whether the proposed reporting line would advance EH&S's goals, whether EH&S was effectively fulfilling its mission to advocate for resident health and safety, and whether its work overlapped inefficiently with Compliance or NYCHA's Quality Assurance Unit ("QAU").

The Monitors concluded that EH&S was largely meeting its core obligations under the HUD Agreement but identified opportunities to strengthen its work. On the reporting line, EH&S and Compliance share a focus on regulatory compliance and risk identification, and a shared reporting line allows them to coordinate more effectively on those overlapping mandates. The Monitors accordingly recommended that EH&S continue reporting to the CCO and that the combined department formalize a mechanism for reporting on EH&S issues to the CEO to preserve executive-level visibility under the new structure. The Monitors also identified opportunities for EH&S to sharpen its focus on emerging hazards—a role EH&S itself recognized as central to its mission. EH&S's day-to-day work concentrated on reviewing completed repair and

remediation efforts in defined subject areas, and its process for tracking follow-through on its own recommendations would benefit from greater structure. Although EH&S, Compliance, and QAU showed substantial subject-matter overlap, the Monitors found only limited actual redundancy, because each department performs a distinct function within those overlapping areas. The Monitors recommended structural and procedural changes to address these points. NYCHA accepted each recommendation.²⁴⁷

Since then, the Monitors have met periodically with Compliance and EH&S leadership to track NYCHA's implementation of these recommendations, particularly the work to strengthen EH&S's focus on emerging hazards. EH&S is compiling detailed information about the environmental conditions and regulatory history at each development—including soil conditions, heating and boiler systems, past capital projects, and applicable permits. As part of this work, NYCHA is preparing a pilot proposal in which EH&S specialists covering a single neighborhood will apply iterative checklists—drawn from federal, state, and city environmental requirements—to conduct successive rounds of site assessments. Each round narrows in scope based on what earlier rounds reveal, allowing safety associates to surface emerging hazards that a one-time inspection would miss.

EH&S plans to use development-level knowledge in two connected ways, both aimed at identifying emerging risks earlier. First, Compliance and EH&S will compile the information into a centralized, searchable database that lets staff across departments look up a given development and see its relevant environmental attributes—heating systems, air quality considerations, known soil or contamination issues—alongside applicable permits and regulatory obligations. The database will draw on the high volume of issues that EH&S specialists already identify across NYCHA's 335 buildings each month, helping staff spot patterns across sites and distinguish systemic or recurring problems from isolated incidents. Second, NYCHA intends to use this baseline knowledge to reshape how EH&S and Compliance engage with other departments and with capital projects, allowing them to raise concerns before problems mature. For example, EH&S staff could flag a known site condition—such as soil contamination potentially attributable to a utility or third party—before or during capital work, allowing NYCHA to notify the appropriate parties and, where applicable, hold them financially

responsible rather than discovering the problem only after a violation occurs.

Compliance and EH&S leadership described this as a shift away from NYCHA's historical practice of addressing individual problems in isolation—for example, treating ventilation or roofing work on a single capital project as a discrete issue—toward a holistic view of each site. In practice, this approach will help NYCHA anticipate hazards before they mature into violations, connect problems that appear isolated but in fact reflect systemic risk, and identify third-party contributions to site conditions early enough to hold responsible parties accountable.

2. Compliance

The Monitors have also discussed with Compliance leadership the department's role within NYCHA and how to strengthen its effectiveness. Compliance leadership reported that it is working to educate the organization about Compliance's scope. The Monitors will work with Compliance on organizational improvements, and potentially enhanced training, with the goal of an improved Compliance function that more proactively identifies risk factors across the agency and implements appropriate internal controls. The Monitors support this initiative and will continue engaging with Compliance as it develops a long-range plan and works to establish the department as an integral part of NYCHA's operations.

3. Quality Assurance Unit ("QAU")

The HUD Agreement requires NYCHA to "create a Quality Assurance Unit" that, in relevant part, identifies maintenance performance problems; reviews work performed by NYCHA to determine whether it meets industry-standard quality; verifies compliance with the Agreement related to maintenance work; communicates with the public and stakeholders; and provides relevant findings to NYCHA managers, the Monitors, SDNY, and HUD.

In 2019, NYCHA created its Quality Assurance Unit ("QAU"), a now 20-person unit located within Operations that carries out most of the functions the HUD Agreement requires QAU to conduct. This includes reviewing maintenance work performed by NYCHA Operations to determine if it meets industry-standard quality. QAU conducts between 6,000 and 9,000 corrective maintenance

inspections each year, which amount to roughly one-half to one percent of the total work orders NYCHA completes annually. QAU applies a risk-based sampling approach that weights its review toward work orders carrying a higher degree of risk under the HUD Agreement's obligations, so that higher-risk work is more likely to be reviewed.

NYCHA has strengthened QAU's ability to target these inspections over the past year. The Monitors' team worked with QAU to develop and enhance a quality-assurance dashboard that QAU now uses to track its inspections, identify irregularities in inspection data, and flag underperforming staff. NYCHA also hired a dedicated data analyst to support QAU, which has allowed NYCHA to sustain its risk-based sampling work and generate detailed work-order reporting internally, without ongoing technical assistance from the Monitors.

QAU uses the results of its inspections to prepare quarterly reporting on its findings, which are provided to NYCHA Operations, the Monitors, SDNY, and HUD. These reports include assessments of, among other things, whether workers follow established protocols and accurately record their labor hours, including any overtime work performed. In the second quarter of 2026, QAU reported on 18 of its on-site observations, which included observations of 17 skilled trades workers and one "special repairs" worker. In only nine of those observations, workers followed established protocols and accurately recorded their labor hours during both regular and overtime work. In the remaining nine, the observations identified instances of improperly recorded labor hours on 11 occasions, labor hours not recorded during the repair on six occasions, late overtime swipes on six occasions, travel swipes not used on four occasions, late start times on three occasions, workers swiping out at a different development on two occasions, unauthorized breaks on two occasions, and low productivity on five occasions. On two occasions, the observers noted skilled trades workers charging labor to a work order at one development while physically present at another; similar conduct has been reported in past quarters. In both instances, QAU did further investigation, substantiated the original findings, and referred the individuals for disciplinary action.

QAU's quarterly reports also cover QAU's investigative activities. For example, during the second quarter of 2026, QAU received a complaint alleging that a Supervisor of Grounds ("SOG")

clocked in for a scheduled weekend overtime shift but left the development for an extended period although he remained clocked in. QAU investigated the complaint by reviewing video records and conducting interviews, which confirmed the allegations, and referred the SOG for disciplinary action. QAU received a similar complaint in the same quarter alleging that a caretaker had completed Alternate Time Sheets (“ATS”) claiming weekend overtime despite not working on those weekends. QAU conducted a similar video review and interview-based investigation and determined that the caretaker had made two overtime claims on days they were not authorized to work. Following QAU’s submission of its investigative report, the caretaker is ineligible for overtime pending a General Trial, after which further disciplinary action may be taken.

NYCHA has met most, but not all, of the Agreement’s requirements to maintain a quality-assurance function. One requirement NYCHA has not yet completed is the obligation to “communicat[e] with the public and stakeholders regarding quality assurance issues, including maintaining a forum for employee and resident complaints (including anonymous complaints), regarding quality assurance issues.” While NYCHA has successfully launched the Complaint Forum, a forum to receive employee and resident complaints that is managed by Compliance, NYCHA has not yet made significant progress on the remainder of this requirement. NYCHA and the Monitors will work together to identify viable solutions for completing this requirement and increasing resident and public visibility into NYCHA’s quality-assurance work.

NYCHA also needs to improve documentation of the status of Operations’ responses to recommendations made by QAU. Currently, NYCHA reports that Operations lacks the capacity to respond to the various oversight reports it receives (from QAU and other oversight departments). Accordingly, NYCHA Operations does not have a formal process for reviewing and responding to QAU’s reporting. Operations is made aware of the reports in advance and informally discusses the contents with QAU, but it largely does not issue formal responses and has told the Monitors that it lacks the capacity to do so. Operations’ capacity to respond is particularly limited given the volume of reporting it receives from NYCHA’s several oversight branches. QAU has recently elected to track Operations’ informal responses to previous findings, but this is still short of a formalized feedback loop, where QAU issues a set of

observations and Operations responds to each observation with the steps it has or will take to remedy the issue. As a result, QAU does not yet have a robust way to track whether Operations adopt corrective actions, how those actions are implemented, or what outcomes follow. To help address this issue, NYCHA and the Monitors are examining how to consolidate and simplify the reporting to Operations from multiple oversight functions.

F. Transformation Plan

In addition to the initiatives described above, NYCHA also committed to other efforts to reform itself in its Transformation Plan. The table below describes NYCHA's progress toward completing the 47 initiatives that NYCHA proposed in the Transformation Plan. Consistent with how NYCHA groups the initiatives, the table categorizes each initiative into five groups: Strategy and Innovation Initiatives; Administrative Initiatives; Asset and Capital Management; Information Technology; and Procurement. The table includes language derived from the milestones as defined in the Transformation Plan, followed by the Monitors' assessment of the status of each initiative to date, and the overall timeline to completion, for those where work remains to be done. The Monitors are continuing to assess both NYCHA's progress in completing these projects and the impact of these projects on NYCHA's organizational transformation.

At the conclusion of Year 6, the Monitors reported that of the 337 "milestone activities" that NYCHA identified as necessary for completing these 47 projects, 80% were completed according to NYCHA. By the end of Year 7, NYCHA reported that it completed 81.5% of its milestone activities. While NYCHA's attempt to quantify its progress gives some sense of what has been accomplished, there are three reasons why this progress might not give an accurate picture of how much NYCHA has done and how much remains to be done to realize the Transformation Plan's goals. First, NYCHA's reports measure progress by the total number of completed milestones. While each incremental milestone does indicate progress, not all milestones involve similar amounts of work or similar challenges. Second, the Monitors are in the process of verifying the completion status of various milestones. In some cases, NYCHA and the Monitors may disagree as to the meanings of key terms and operative phrases in the milestone as described in the Transformation Plan. Third, the table below should not be taken as an

exhaustive list of work remaining to complete NYCHA's transformation. The framework provided by the Transformation Plan could not have foreseen every organizational reform that would be needed to achieve the Plan's goals, and the Plan must therefore be supplemented and refined as it is implemented. Thus, completed milestones will not always reflect the end of work in an area. As an organization that delivers services to NYCHA residents on a daily basis, NYCHA cannot implement reforms and consider them completed for the future. Rather, work is required to sustain those reforms through time.

The following chart notes each of NYCHA's Transformation Plan initiatives, the status of each initiative, and the overall timeline remaining, where applicable. In the second column, the Monitors assess NYCHA's progress into one of the following:

Complete: NYCHA has completed all milestones associated with this initiative, though continuous improvement opportunities may remain. The Monitors will continue to monitor whether the underlying goals and intended benefits of the initiative have been accomplished.

Additional Monitoring Required: NYCHA reports that it has completed all milestones associated with the initiative, but the Monitors continue to assess the extent of completion and whether the underlying goals have been substantially met.

More Work Required: NYCHA acknowledges that additional milestones or other work is necessary for this initiative, or NYCHA reports that it has completed its milestones, but the Monitors view those efforts as incomplete.

Cancelled/Deferred: NYCHA has not completed the initiative because it cancelled or deferred the initiative, such as because the initiative no longer served NYCHA's underlying goals or due to limited resources.

Initiative	Assessment of Progress to Date	Timeline to Successful Transformation
C-Suite / Governance Changes: Changes to the NYCHA Board and executive leadership structure, including separating the roles of Chair of the Board and Chief Executive Officer (CEO) into two positions and creating a new committee structure to enhance the role of the Board of Directors.	More Work Required NYCHA made significant efforts in Governance Changes to meet this initiative's requirements, including amending its By-Laws, creating four new committees to set policy and oversight at NYCHA, and redesigning and onboarding a new C-Suite. However, NYCHA reports that it has no intentions to complete the final training requirements associated with this initiative, and the initiative is thus deferred.	N/A This work is currently deferred and NYCHA does not have a plan or timeline to complete the final training.
Neighborhood Model: Strategic decentralization of NYCHA departments to bring services closer to Neighborhoods and Developments.	More Work Required NYCHA designed the Neighborhood Model to improve the quality and responsiveness of services delivered. The goal of the Neighborhood Model was to move essential services closer to the point of delivery, i.e., the properties themselves, and to empower developments to address residents' needs more effectively. In 2021, when the Transformation Plan was issued, NYCHA immediately made structural changes pursuant to the Neighborhood Model, including the creation of 29 "neighborhoods" of 4,000 to 8,000 apartments each, all located in the same geographic area, and created	Based on the trajectory of improvement over the monitorship, and assuming continued attention to improvement and dedication of resources, NYCHA is expected to complete this initiative by the end of the current monitorship term.

	the role of the Neighborhood Administrator to oversee and steward the portfolio of developments within each neighborhood. Although the original plan for the Neighborhood Model called for more central-office staff and support-service staff to be moved closer to the properties, NYCHA moved away from this plan, primarily for budgetary reasons. Instead, NYCHA has worked with the Monitors to develop and implement initiatives that carry out the underlying goals of the Neighborhood Model by strengthening Property Management support, improving staff capabilities, and enhancing coordination across departments. NYCHA has completed several such initiatives that have furthered these goals, including developing enhanced tools for communication between the properties and NYCHA central office functions, significantly expanding its training capacity for property staff, and improving its oversight of outside vendors working on the properties. NYCHA has committed to working towards several other initiatives that will further the Neighborhood Model, including additional expanded trainings for neighborhood and development staff, establishing an ongoing	
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	review process to assess neighborhood configurations, improving coordination between key neighborhood roles, building clearer financial visibility to support more accurate accounting, better resource planning, and stronger decision-making aligned with development needs. While NYCHA has implemented many process and structural changes to support the Neighborhood Model, many key functions remain centrally managed. The Monitors and NYCHA continue to discuss which functions are best managed centrally and which would benefit from greater neighborhood or development-level ownership.	
Work Order Reform: Move skilled trades workers closer to the property level and implement other process improvements to improve the delivery of maintenance services.	More Work Required Launched in 2021, Work Order Reform moved skilled trades from the borough to the neighborhood level to cut travel time between work sites, added a dedicated neighborhood planner role to schedule work and improve coordination, and revised the work order scheduling process for greater speed and uniformity across the authority. NYCHA has also significantly expanded its use of data analysis to assess work order completion, including a	Based on the trajectory of improvement over the monitorship, and assuming continued attention to improvement and dedication of resources, NYCHA is projected to complete this initiative by the end of the current monitorship term.

	Missed Appointments Dashboard, a real-time productivity chart, and resident satisfaction surveys. As a result of these improvements, NYCHA demonstrated its ability to complete work orders at the same pace as they are created, thus preventing additional growth of an already substantial backlog of work orders. More recently, through its Mold and Leak Restore and Renew ("MLRR") program, NYCHA has demonstrated that with additional resources devoted to work order completion, it can make progress in actually reducing that large backlog, leading to quality-of-life gains for residents. However, work remains for NYCHA to improve the quality of work done, ensuring that with the increased quantity of closed work orders, it is completing repair work to resident satisfaction. NYCHA also is still developing certain written procedures for the completion of work orders.	
Property-Based Caretaker Scheduling: Roll back of the Alternative Work Schedules ("AWS") program	Complete NYCHA abolished Alternative Work Schedules for Caretakers and Supervisors authority-wide, beginning April 4, 2022, in Manhattan and Queens/Staten Island and finishing May 16, 2022, in Brooklyn. Property-Based Scheduling replaced it, giving	

	Property Managers discretion to assign Caretakers and Supervisors across a range of schedules suited to each site. Most Caretakers, including all assigned to routine janitorial work in buildings and on grounds, now work a Traditional schedule of 8:00 AM to 4:30 PM on weekdays plus roughly every third weekend. For Caretakers on other tasks, such as garbage collection vehicles, Property Managers select from shift options spanning 7:00 AM to 7:00 PM, with Supervisors scheduled to cover as needed. The Traditional schedule was piloted at three developments in 2021 before authority-wide expansion. Paired with flexible scheduling for specific needs, the model was designed to eliminate inefficient work patterns under AWS, reduce chronic lateness and absence tied to schedule dissatisfaction, stabilize weekly staffing to support work planning and routine building assignments, improve day-to-day Supervisory coverage and information-sharing, and allow specialized tasks outside the 8:00 AM to 4:30 PM window. Results have been positive. Cleanliness-related public space work orders dropped at least 11% per day, and Caretaker lateness fell roughly 33% measured in total minutes late per day. Total overtime outlays rose approximately 14% with the	
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	resumption of weekend work, but that increase masks a sharp decline in unscheduled overtime, which the Property-Based Caretaker Scheduling team views as outweighed by the efficiency gains.	
Asset Information and Strategy: Develop an Asset Information Strategy ("AIS") and a design for an Asset Information Management System ("AIMS")	More Work Required NYCHA conducted an assessment of its Asset Information Management System ("AIMS") and set out a plan for implementing improvements across the authority. While that plan to improve AIMS is in motion, the vision of this initiative has not yet been realized. NYCHA has continued to make progress across several asset workstreams, including Heating, Fire Safety, Elevators, and Waste Management. Recent efforts have focused on reviewing and validating collected asset data, coordinating with business units, refining data requirements, and advancing discussions with IT regarding system loading processes. While Heating and Fire Safety activities have progressed into validation and testing phases, other workstreams remain focused on data collection, contractor coordination, and finalizing implementation approaches. Progress continues to be incremental as asset data collection, validation, and import require	Based on the trajectory of improvement over the monitorship, NYCHA is not projected to complete this initiative before the end of the current monitorship term (February 27, 2029), and a specific completion date cannot currently be projected, though NYCHA continues to make incremental progress towards refining its asset inventory and improving AIMS. Completion is likely to require additional resources to establish a complete, high-quality asset inventory, as well as sustained resourcing and training to manage asset information effectively. By end of 2026, S&I and A&CM will have completed pilots of asset data standards and have a rough estimate of the cost of the program overall, after which NYCHA will be able to determine improvements going forward. This will likely include updated turnover procedures, a set of data standards documents, and potentially technical improvements within e-builder and/or Maximo. NYCHA estimates that collecting data on a single asset costs around \$30-\$35, which may be cost prohibitive

	coordination across multiple departments. Several workstreams remain dependent on A&CM for data and technical decisions regarding data import and asset hierarchy configuration.	at scale unless efficiencies in data collection reduce these costs.
Performance Management: Create a streamlined set of Key Performance Indicators ("KPIs").	Complete NYCHA has created the NYCHA STAT Data Portal, which has become established as a valuable home for performance management data. The portal compiles various data and dashboards in one place that is accessible to all NYCHA staff, providing interactive BI dashboards showing KPI trends. Within this portal, NYCHA launched a draft version of a Consolidation Report Card, which scores consolidations on 39 metrics, covering a wide range of topics and factors, such as: revenue, annual reviews, work orders, indicators of the physical condition of properties, and HUD Agreement targets. The Report Card also provides an overall score and rank for each consolidation, summarizing the consolidation's performance across the individual metrics and providing property staff with a point of comparison to other consolidations. NYCHA's Consolidation Report Card and the NYCHA	

	STAT Data Portal maintain several performance indicators that are actively leveraged by NYCHA staff and the Monitors continue to assess how performance information will be used to drive accountability and decision-making.	
NYCHA-STAT/Borough STAT: Monthly meetings to explain trends on key performance metrics such as rent collection, rent delinquency, annual recertifications, maintenance and skilled trades work orders, vendor work orders, apartment prep time and turnaround time for reoccupancy, etc.	Complete NYCHA Statistics, Trends, and Tracking ("NYCHA STAT") meetings were launched to hold managers accountable and give executives a tool for promoting more effective and efficient service delivery. NYCHA now holds these meetings monthly on a consistent basis and has added regular Borough STAT meetings, where Property Management Borough Vice-Presidents review and explain trends on key performance metrics, including rent collection, annual recertifications, and turnaround time for re-occupancy.	
Automated Communication/Closed Work Tickets: Develop improved resident communications processes and methods.	Additional Monitoring Required NYCHA notes the Closed Work Ticket program targeted gaps in how NYCHA communicated repair status to residents. Residents previously received no record of a CCC call unless they also used MyNYCHA; operators dictated work order numbers for residents to write down, and in some cases transmitted only a Service Request	Based on the trajectory of improvement over the monitorship, and assuming continued attention to improvement and dedication of resources, NYCHA is projected to complete this initiative before the end of the current monitorship term.

	number that did not match the work order later created in Maximo. Without a usable reference number, residents could not follow up on unfulfilled requests and were left unaware when tickets were rescheduled or closed, leading many long-time residents to prefer on-site intake through the Property Management Office over the centralized call center. NYCHA revised the process in response. Residents with an email on file now receive a confirmation email with their ticket number for any repair request made through the CCC or MyNYCHA, and because follow-up tickets are linked to the original ticket number, residents can now track a request from creation to completion. MyNYCHA users can check the status of all their tickets at each login. NYCHA has since expanded communications for skilled trades and maintenance appointments, sending emails and physical mailings when appointments are scheduled, rescheduled, and upcoming, with further projects underway to improve delivery and clarity. NYCHA has recently committed under its annual priorities to selecting a scalable agency-wide text messaging platform. NYCHA continues to invest substantial effort in resident communications across complex processes and IT	
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	integrations. But NYCHA acknowledges that it has not addressed notifications for closed work tickets, the issue that drove the original investigation, and is weighing that work against other communication priorities. The Monitors will continue working with NYCHA to identify and track improvements for in-unit repairs and other communications.	
Property Based Budgeting/Finance: Give Property Managers more control and transparency of their budgets.	Complete NYCHA conducts annual budget trainings and has assigned a dedicated role to help property managers create their budgets, bringing it in compliance with the specific requirements of this initiative. However, the Monitors have not seen the Finance Department's efforts sufficiently trickle to a site-level culture of effective budget management. Property staff do not consistently take accountability for understanding the budget and the budget monitoring process. Property staff also frequently feel disconnected from NYCHA's broader budgeting process because they feel a lack of visibility into how funding decisions are made. As a result, there is a prevailing cultural expectation that funding shortfalls are something to be addressed	

	centrally, rather than collaboratively with the PMs and Finance Department. Looking forward, NYCHA is committed to continuing to improve the quality and breadth of their trainings and is seeking to launch a full course curriculum on NYCHA University, which is NYCHA's current e-learning platform, by 2027. NYCHA and the Monitors are in the process of expanding these trainings and the Monitors have provided a prioritized list of suggested trainings.	
Resident Round Table: Create a body of representatives from each neighborhood to conduct research, propose solutions, and serve as a focus group for new initiatives.	Complete The Transformation Plan called for a Resident Roundtable as an additional mechanism for incorporating resident feedback on new initiatives and organizational changes. NYCHA established it in 2021 with 32 members: one representing each NYCHA neighborhood plus two from PACT sites. Members meet as a full group monthly and in topical subcommittees monthly.	
Learning and Development: Centralize tracking and oversight of training throughout the agency	Additional Monitoring Required NYCHA's Learning and Development department ("L&D") has greatly grown the trainings it offers and tracks and now provides these trainings to more NYCHA business units. To accomplish this transformation, L&D has built in-house teams that	Based on the trajectory of improvement over the monitorship, NYCHA is projected to complete this initiative before the end of the current monitorship term. Apart from accelerating timelines, L&D would benefit substantially from a Senior Advisor and Policy and Data Analysts with autonomy to

	design NYCHA's online courses, uploaded these courses onto NYCHA's eLearning platform, assigned the trainings to employees, and tracked participation rates in NYCHA's central training system. L&D's work is best exemplified by its success story in transforming NYCHA's Heating Management Services ("HMS") trainings. There, results of trainings, courses, and tests are shared with supervisors so that they can address common deficiencies with their staff while in the field. Additionally, low performing staff are systematically referred for trainings to address their particular performance needs. This kind of robust training and performance tracking system is a model for L&D as it continues to expand its transformation of NYCHA's other business units. NYCHA still has two major gaps in complying fully with this initiative. First, NYCHA has not solved the problem of employees not showing up for training, which is frequently not the employee's fault, such as when employees are needed at their developments or do not receive notice through administrative error. As a result, NYCHA's already strained training capacity is often inefficiently spent	engage with mid to senior level leaders to develop and enforce adherence to the training standard procedure.
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	providing trainings to half-empty classrooms. Second, and separately from the issue of attendance, courses are not yet organized into a curriculum for each role and tied directly to promotion requirements—which would ensure employees are not promoted into roles they lack the knowledge to do successfully. Such an approach would also allow NYCHA to better estimate its training needs and more accurately allocate staff to training.	
Create Project Management Office (“PMO”): Create a PMO to coordinate the execution of larger-scale operational initiatives across all four boroughs.	Complete NYCHA created the Project Management Office (“PMO”) to coordinate the execution of operational initiatives across all five boroughs, and the PMO continues to perform this function today. NYCHA has therefore established the office called for under this initiative. As areas for continuous improvement, the Monitors are encouraging NYCHA to strengthen outcome-based performance measurement, and develop centralized KPI reporting to better assess the PMO’s impact.	
Streamline Annual Recertification Process: Redesign the process for residents’ annual recertification of their income and eligibility for rental assistance.	Additional Monitoring Required. NYCHA undertook an evaluation process with an outside vendor to determine	Based on the trajectory of improvement over the monitorship, NYCHA is not projected to complete this initiative before the end of the current monitorship term (February 27, 2029). While

	the needed changes and, as a result, NYCHA redesigned the portal for online recertification. Despite the redesigned process, NYCHA's recertification process continues to produce poor outcomes. NYCHA's Public Housing Recertifications are out of compliance with HUD's standards to complete 95% of annual recertifications on time and some households have not completed recertifications in several years. As a result, NYCHA has completed the explicit original goal of this initiative, but the Monitors have not yet verified that NYCHA has achieved desirable outcomes.	NYCHA is continuing to work on improvements to its recertification process, it may take NYCHA years to become compliant with annual recertification requirements given its significant recertification backlog and the current lack of progress on coming into compliance.
Lease Enforcement Process: Establish new prioritization criteria and decision tree for cases, discontinue cases, and establish a set of priority non-pay actions for immediately after the eviction moratorium is lifted.	More Work Required NYCHA analyzed all accounts and arrears and successfully created a business process and plan to provide residents with stability and a clean transition once the eviction moratorium was lifted, including leveraging available State and Federal emergency rental assistance programs. NYCHA also enacted a short-term reset for delinquent accounts after the moratorium was lifted and re-designed the business processes for handling non-payment and tenant holdovers.	Based on the trajectory of improvement over the monitorship, NYCHA is not projected to complete this initiative before the end of the current monitorship term (February 27, 2029). NYCHA has not established concrete plans or steps it intends to take to remedy rent delinquency and lease violation issues, so as of now, there is no clear timeline for completion of this initiative.

	Finally, NYCHA reports that it has revised its process for addressing Chronic Rent Delinquency, including expanded outreach and engagement with residents prior to pursuing termination or eviction proceedings, and providing additional opportunities to cure outstanding arrears, including through flexible repayment agreements. As to its backlog of eviction cases, NYCHA has worked towards system changes that allow it to increase the number of nonpayment cases it may bring on a monthly basis. Despite these efforts, NYCHA's rent collection rate remains well below expected rates for public housing agencies. NYCHA's own analysis indicates a 60.5% rent collection rate from the period of June 2025 to June 2026. Over the past several years NYCHA has consistently had over 60,000 households with rent arrears each month and a monthly rent delinquency rate near 50%. Despite this, only a fraction of cases result in legal action taken against the tenants. NYCHA has not currently indicated how it will address these gaps.	
Community Partnerships: Enter into a long-term net license or other agreement with the City agencies and their Community Based Organization ("CBO") users	More Work Required The Office of Public and Private Partnerships ("OPPP") oversees dedicated teams for	NYCHA had previously deferred additional work on this initiative and has recently re-started its work towards contracting with additional

that use space in NYCHA developments.	community center partnerships, strategic partnerships, and community facilities. In September 2023, NYCHA finalized the first License Agreement with NYC Department of Youth & Community Development ("DYCD") for authorized use and shared repair responsibilities of community centers operated by DYCD contracted providers. This agreement was renewed in 2025. In 2026, NYCHA will restart conversations with NYC Aging on a similar license agreement to cover the adult centers operated by Aging providers. Additionally, OPPP has recently issued new term sheets and lease drafts to childcare operators, the majority of which are contracted for such services by NYC Public Schools. Lastly, NYCHA has made progress in moving towards new leases with NYC Health + Hospitals for health clinics operated on NYCHA grounds.	community organizations. Due to the agreement and lease process, NYCHA is unlikely to complete this within the current term of the monitorship. Resident Services, Partnerships, and Initiatives ("RSPI") continues to develop term sheets and leases for community partner sites. Progress moves slowly due to staffing constraints and the typical negotiation timeline between NYCHA and an Agency partner or Operator. Additional staffing to move term sheet and lease negotiation forward would accelerate the current timeline. Improved data system reporting would also be an added benefit.
Strengthen Engagement with Community Partners: New investment to deepen partnership opportunities and provide more dedicated resources to residents.	More Work Required RSPI has expanded NYCHA's resident support network through workforce development, social services, health initiatives, and community-based programming. A recent reorganization in late 2025 embedded Neighborhood Service Coordinators at development sites under Property Management to improve resident access to	While RSPI has established effective foundations for resident services and partnership, additional work is needed to fully integrate these efforts into the Neighborhood Model and improve coordination between Neighborhood Service Coordinators and Property Management. Because NYCHA does not have a clear view of the outcomes achieved by RSPI,

	NYCHA, community, and city resources. RSPI continues to support residents by coordinating services with community-based organizations and city agencies, securing external funding through grants, and connecting residents to employment, education, health, and other support programs. Additional work is needed to assess the reach, utilization, and impact of these efforts on residents' quality of life.	NYCHA does not currently have a clear timeline by which it could achieve the benefits anticipated by this initiative.
Alternative Work Schedules ("AWS") for Maintenance Workers	Cancelled NYCHA has cancelled this initiative due to the negative impacts of caretaker AWS.	
Data Governance: Establish a set of processes, policies, standards, and technologies required to manage and ensure the availability, accessibility, quality, consistency, integrity, auditability, and security of data within the organization.	More Work Required The Enterprise Architecture team has advanced its understanding of the NYCHA data landscape by drafting high-level documentation of key under-documented systems: AS/400 (RCS, TDS, and Global Bay) and Data Warehouse (Apartments, Tenants, Rent and Rent Collection, Siebel Incidents, Work Orders, Capital Projects, Human Resources, and Kronos). In many cases this is the first documentation of core structures previously navigated through institutional memory. The team has also built an	Based on the trajectory of improvement over the monitorship, NYCHA is not projected to complete this initiative before the end of the current monitorship term (February 27, 2029), and a specific completion date cannot currently be projected. Renewing the Enterprise Architect contract is essential to maintaining momentum and will enable progress on documenting high-priority AS/400 data, expanding coverage to additional systems, and incorporating ODI data flow information on data lineage. Documenting what data means in business terms is necessarily manual

	Enterprise Data Glossary in Oracle and APEX to serve as the authoritative reference for what data exists at NYCHA and what it means, loading all AS/400 structures and terms and now defining terms and identifying data elements relevant to rent collection. Documenting the ecosystem has surfaced data-quality problems, several of which are in active remediation through IT incidents and enhancements. This progress establishes the technical foundation for data governance. The comprehensive, agency-wide governance model the initiative requires remains outstanding. NYCHA's May 2026 draft gap analysis identifies continuing needs for clear data ownership and accountability, business data stewardship, documentation and data-quality standards, and defined coordination between IT and the business units. Demonstrating sustainable transformation will require NYCHA to formalize and implement an agency-wide framework defining data ownership and stewardship, governance roles and decision-making authority, data standards and quality expectations, processes for maintaining documentation and resolving data-quality issues, and mechanisms for monitoring adoption and accountability.	work, so added Enterprise Architecture capacity would cover more systems and terms faster, though only a limited number of IT subject matter experts can supply the required information. NYCHA will work with the Monitors to identify what strategic investment would accelerate this work. Current resourcing appears limited relative to the scale and complexity of NYCHA's data environment and the work remaining. Beyond resourcing, expanding data governance across systems and business units and establishing a sustainable agency-wide program will require sustained leadership prioritization and agency-wide participation to establish data ownership and document business definitions.
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Employee Engagement Initiatives: Expand suite of employee engagement programs.	Complete NYCHA has greatly expanded the suite of employee engagement activities. Some of these expansions include initiatives designed to better empower and mentor employees: for example, NYCHA developed an Employee Association, which has a brochure advertising its services and is introduced to new hires during orientation. Other initiatives focus on celebrating and recognizing high achieving employees, such as anniversary service pins or new awards. Many initiatives target other areas, such as new health and wellness programs.	
Performance Review: Launch a managerial performance review process and plan a nonmanagerial performance review process.	More Work Required NYCHA has undertaken its second performance evaluation cycle for managerial staff. Reaching substantial participation rates took well beyond the industry standard eight-week cycle. This is reflective of NYCHA's more generalized difficulties with meeting deadlines on this project. An initial pilot program for the non-managerial evaluations was launched in late September 2026.	Based on the trajectory of improvement over the monitorship, and assuming continued attention to improvement and dedication of resources, NYCHA is projected to complete this initiative before the end of the current monitorship term.
Learning Management System: Launch a centralized system to deliver and track employee training.	Complete NYCHA successfully launched a Learning Management	

	System ("LMS"), or a centralized system where NYCHA can store, assign, deliver, and track employee trainings. L&D continues to use the LMS and use rates are growing among NYCHA's other business units. In Q2 2026, L&D issued a request for proposal from a new LMS vendor as its current contract expires in December 2026. Despite the progress made by L&D, not all trainings are registered and tracked in the LMS. NYCHA can derive more value from this system than it currently does by further adoption, use, and clearly identifying required trainings for employees.	
Enhanced Employee Engagement Efforts: develop and launch an Employee Suggestion Program ("ESP").	Complete As explained above, NYCHA has greatly expanded the suite of employee engagement activities including initiatives aimed at empowering and mentoring employees, celebrating and recognizing high achieving employees, or other areas like health and wellness programs. In the process, NYCHA has completed all original work required for this initiative. NYCHA also continues to launch employee engagement initiatives aimed at improving the employee experience. However, NYCHA is struggling with capacity	

	within the Employee Engagement department to properly engage with its initiatives. Considering the capacity concerns within this department, NYCHA should continue to assess its prioritization in light of the need for continued employee engagement initiatives.	
Holistic IT Strategic Direction: Conduct a large-scale organizational redesign and publish a 3-year Strategic Plan.	Additional Monitoring Required NYCHA IT began this initiative without a defined operating model, governance structure, or published strategic direction. The core deliverables closed that gap. A large-scale redesign realigned all IT work units into six divisions accountable across the service delivery lifecycle (IT Strategy and Performance, Enterprise Solutions Management, Infrastructure & Operations, Cybersecurity & Risk Management, IT Service Management, and IT Administration); a Technology Steering Committee governance model was established; and NYCHA published its first multi-year IT Strategic Direction (2022-2024) in June 2022, with objectives aligned to the Transformation Plan's foundational IT strategies and socialized department-wide. All five milestones were completed between January 2021 and May 2022.	Based on the trajectory of improvement over the monitorship, NYCHA is projected to complete this initiative by the end of the current monitorship term.

	NYCHA IT has treated the strategy as a living document since. A successor IT Strategic Direction (2025-2027) was published in April 2025, with a commitment to annual review and to incorporating the priorities of the Chief Administrative Officer and Chief Information Officer as those roles were filled. Progress against critical initiatives was tracked through a monthly CAO-led Critical Indicators meeting reported to the CEO, supplemented by monthly IT STAT meetings and an annual report tying accomplishments back to the plan. The deliverables and governance structures are in place, but strategic management has not been demonstrated as a sustained, measurable process. Continuity in tracking commitments across strategies and leadership changes has been limited, and the linkage between strategic objectives, initiatives, KPIs, and outcomes remains unclear. NYCHA IT acknowledges this, noting that its performance management and reporting functions are being restructured under the CAO and that re-establishing a consistent tracking cadence is a near-term priority. Under new leadership, NYCHA IT reports that it has begun its strategic planning for the	
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	2027-2029 cycle. The commitment to annual review and a refreshed strategy should demonstrate continuity, accountability, measurable targets, and consistent progress reporting. The Monitors will continue assessing how strategic priorities are revised, governed, measured, and reported.	
Application Portfolio Optimization: Validate existing application inventory, assess current technology for business and technical fit, and develop an Application Strategy and Roadmap.	Complete NYCHA began this initiative without a comprehensive inventory of applications and systems in use across the Authority and no structured basis for deciding which to retain, modernize, or retire. Working with KPMG, NYCHA IT completed the Application Modernization and Rationalization project in December 2022, delivering a technology survey across all IT customers and departments, a comprehensive application and systems inventory, a mapping of applications to NYCHA's business capabilities, a business application strategy, and a Technology Roadmap identifying which applications to invest in, retain, or sunset. All six milestones were completed between March and December 2022. The initiative produced durable tools rather than a one-time snapshot. The application disposition matrix offers a repeatable	

	mechanism for assessing and managing the portfolio and is currently in use to prioritize applications for Disaster Recovery planning. Through 2025 and into 2026, the Enterprise Architecture team has been refreshing and validating the matrix with application owners and documenting application functions, data domains, and integrations to support the evolving data governance framework. This work distinguishes applications from underlying platforms so that platforms are retired only once all dependent applications are decommissioned. The value of the inventory and roadmap depends on keeping them current and acting on their findings. Both require ongoing refresh as the environment changes, and the data governance work now underway is a prerequisite to sustained portfolio rationalization. Continued executive sponsorship, in partnership with the CIO, will be needed to complete these dependencies and make application rationalization a standing discipline rather than a periodic exercise. The Monitors will continue tracking NYCHA's efforts to convert the current manual process into a system that keeps the portfolio continually optimized.	
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Launch a New Resident Case Management System ("RCMS")	More Work Required This initiative remains significantly delayed and incomplete. NYCHA's Salesforce-based Resident Case Management System encountered escalating schedule, scope, and vendor-management problems through 2025. NYCHA took a series of escalating actions in response and ultimately issued a Declaration of Default and Termination to the vendor on January 23, 2026. NYCHA separately engaged Salesforce to independently assess the completed work; that assessment, finished in March 2026, identified serious flaws. NYCHA has since defined a revised strategy and begun executing its initial phase. Rather than a single-system replacement, it is developing a roadmap that starts by stabilizing existing systems and then proceeds through stepwise, reversible upgrades. This reduces operational risk, since any failure identified along the way can be reversed without disturbing completed upgrades. NYCHA has completed near-term milestones: Phase 0 discovery is underway in 2026, and the integration and foundation layer were committed Q1 2027 with AS400 connectivity to that layer. A dedicated Program Office will be led by an accountable program director.	Based on the Monitors' current knowledge and trajectory of improvement over the monitorship, a specific date for completion of this initiative cannot currently be projected.
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	Substantial work remains to define and execute this path, and NYCHA acknowledges the initiative as one of its largest areas of outstanding transformation work. Success will require addressing not only the technical and vendor issues noted above but the institutional and implementation weaknesses that contributed to hindering the prior effort. Moving forward, the Monitors recommend that NYCHA (1) establish automated data quality checks, (2) strengthen requirements gathering by clearly defining workflows before feature development begins, and (3) expand resident outreach so that resident experience informs any resident-facing system. NYCHA reports that it agrees with these three recommendations.	
Implement New IT Operating and Engagement Model	<i>Additional Monitoring Required</i> NYCHA IT began this initiative with no structured way to intake work from the business, no defined customer-facing roles, and no consistent field or resident-facing support model. Over the following two and a half years it built that infrastructure. A consolidated IT Intake process launched in November 2020, introducing the Business IT Liaison role as the customer point of contact for new requests, followed in December 2020 by the	Based on the trajectory of improvement over the monitorship, NYCHA is likely to complete this initiative before the end of the current monitorship term (February 27, 2029) but has opportunities for improvement in this area. Such improvements would require that NYCHA IT (1) operate and mature the second phase of the operating model implemented in the July 2026 realignment; (2) institutionalize business engagement through a new Business Relationship

	Business Client Services function serving as the liaison layer between IT and NYCHA departments. To support the Neighborhood Model, IT gathered feedback at development sites tied to 2022 Onsite Monitoring and hired a seven-person field support team in early 2023 (a Field Operations Client Services Manager (“CSM”), a Field Tech Supervisor, and five field technicians), adding a further CSM in late 2023 for resident-facing technology and digital equity. Demand Management was consolidated into Business Client Services (“BCS”) in early 2024 to centralize customer contact. Two supporting programs also launched: the Cyber Defenders Program, which uses customer volunteers to pilot patches before broad deployment, and the NYCHA Tech Community, a cross-departmental group focused on technology adoption and staff training. All eight milestones were completed between November 2020 and April 2023. The model has continued to evolve. IT has stood up seven Product Oriented Delivery (“POD”) teams for roadmap-driven product enhancement with business stakeholder input, established an Enterprise Architecture function to embed an enterprise perspective in	Management role accountable for department relationships, escalation stewardship, resident engagement advocacy, and coordination with external and oversight parties; (3) operate the revised intake and governance structure, under which new-solution intake flows through the enterprise PMO with formal handoff protocols to delivery teams; (4) continue field and neighborhood-based support aligned to the Neighborhood Model through the Neighborhood Model Steering Committee; and (5) establish a leadership governance cadence by Q4 2026 and a longitudinal service measurement framework by Q1 2027. Additional field support staffing would let IT expand neighborhood-based coverage as the Neighborhood Model matures, and dedicated service management analytics capacity would accelerate the baseline measurement framework and enable continuous rather than periodic effectiveness reporting.
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	solution delivery, and invested in knowledge management under a formally trained knowledge manager. When implemented and actively tracked, the model produced measurable results: a reduced customer request backlog, improved first-call resolution and mean-time-to-resolution, and IT service levels met for the first time. NYCHA IT acknowledges those gains were never consolidated into a consistent, longitudinal measurement framework, and that the supporting reporting mechanisms are being restructured under the Chief Administrative Officer. Because the measures were not maintained consistently, the Monitors cannot determine whether improvements have been sustained. The next phase should focus on demonstrating effectiveness and sustainability through consistent measures, baselines, and targets, particularly for evolving functions such as BCS, field support, POD teams, and Enterprise Architecture. Measures of utilization, responsiveness, resolution, coverage, customer feedback, and recurring issues, tracked reliably in ServiceNow, would show whether the model is	
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	appropriately resourced and achieving intended outcomes.	
Cybersecurity and QA: Implement new procedures to improve cybersecurity visibility and response capabilities and institute testing in each stage of the solution development life cycle.	Additional Monitoring Required NYCHA IT began this initiative without a formal cybersecurity program, standardized incident response, or consistent quality controls across the solution delivery lifecycle. On cybersecurity, NYCHA established a formal Cybersecurity Program and implemented a broad set of foundational capabilities: multi-factor authentication, an internal cyber incident response plan, continuous phishing awareness, citywide-standard vulnerability assessment and endpoint protection, continuous monitoring of public-facing applications, cloud security reviews (Azure AD and Office 365), cloud-based web filtering, Privileged Access Management, and a partnership with OTI Cyber for vulnerability remediation and incident response. On quality, the department developed and implemented an IT Service Validation and Testing ("SVT") Framework and trained delivery teams on it. Cybersecurity milestones were completed between June 2021 and June 2023, and the SVT framework in February 2023. Both functions have developed further since. The	Based on the trajectory of improvement over the monitorship, NYCHA is not projected to complete this initiative before the end of the current monitorship term (February 27, 2029), and a specific completion date cannot currently be projected. With current resources, NYCHA IT will (1) advance the independent cybersecurity maturity assessment against the NIST Cybersecurity Framework 2.0 and execute management action plans; (2) advance the Zero Trust roadmap; (3) incrementally expand automated patch coverage, prioritizing operating systems and the highest-risk third-party applications; (4) update cyber incident response procedures to meet HUD's new reporting requirements under Notice PIH 2026-17; and (5) continue the established cadence of policy reviews, tabletop exercises, and lessons-learned reviews. Completing the maturity assessment and executing the resulting action plans would benefit from additional investment in dedicated security operations leadership, expanded vulnerability management engineering capacity, broader privileged access management coverage, and third-party risk monitoring.

	Cybersecurity team is pursuing four strategic areas: risk reduction (fewer vulnerabilities, expanded security telemetry, broader assessment coverage), a Zero Trust framework that continuously authenticates users and devices, security culture, and process improvement through regular policy reviews, tabletop exercises, and lessons learned. IT continues to apply the SVT Framework on the QA side. Cybersecurity and quality assurance are by nature continuous rather than completed work, as the threat landscape evolves and quality controls require ongoing reinforcement. With the foundational program and framework in place, sustaining and maturing them depends on continued investment and executive sponsorship, particularly maintaining assessment coverage, advancing Zero Trust, and embedding QA discipline consistently across delivery teams. The Monitors note that NYCHA has established a cybersecurity program and expanded awareness efforts but has not completed the training requirements set out in the Transformation Plan.	On quality assurance, NYCHA IT will assess SVT framework adoption across delivery teams and extend standardized testing into the agile, product-oriented delivery model. Dedicated test automation capacity would accelerate consistent testing coverage across the application portfolio.
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IT Service Management (“ITSM”) Process Standardization: Adopt the internationally recognized Information Technology Infrastructure Library (ITIL®) framework for IT Service Management (ITSM).	Additional Monitoring Required NYCHA IT previously operated without standardized service management practices: multiple disconnected help desks, no formal change or incident management, and no consistent service catalog or SLAs. Adopting the ITIL framework closed these gaps. Foundational milestones were completed across 2021–2024, including consolidation of the help desks into a single IT service desk, a dedicated Service Management function and leadership, ITIL training for IT staff, formal Change Management and Incident Management policies, a new IT Service Catalog (Employee Service Connect) replacing the legacy Movaris system, Service Level Agreements for key systems including Siebel, Maximo, and Oracle EBS developed with business unit input, and metrics for measuring ITSM adoption and adherence across IT departments. A small number of service-catalog items, such as the Electronic Time Sheet and Board Resolution forms, were deferred by agreement with the relevant business partners. The practice has matured since. The IT Service Desk runs on documented, repeatable procedures, with Analysts working from written	Based on the trajectory of improvement over the monitorship, NYCHA is not projected to complete this initiative before the end of the current monitorship term (February 27, 2029), and a specific completion date cannot currently be projected. All of these efforts depend on foundation data updates. User and organization data synchronization will be complete within six months; hardware asset management begins in 2027 and will take roughly 12 months. Knowledge Management refinement will continue over the next 16 to 18 months, focused on published article quality standards and gap analysis of articles against top incident drivers and self-service deflection KPIs (i.e., measures of a resident’s ability to resolve their own issues by only using existing resources). Incident and Problem Management will reach the target maturity level in 18 to 22 months, focused on categorization standards and closure quality controls. Change Management can progress toward ITIL Maturity Level 3 within 24 months through improved Change data quality (updated categories, stronger Business Service alignment, Service Offering relationships), expanded Standard Change adoption, and optimized approval workflows,
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	instructions and knowledge articles integrated into Employee Service Connect, so handling is consistent regardless of who takes the contact. Change Management governance has been strengthened through a formal Change Advisory Board, standardized review and approval processes, improved scheduling and communications, and consistent risk assessment. Incident and Problem Management operate as formally defined practices with dedicated ownership, documented processes, and recurring measurement; a 2026 maturity assessment validated against more than 120,000 incident records and 774 problem records placed both above the public-sector median, and Problem Management has established Root Cause Analysis and Post-Incident Review practices. Knowledge Management was established as a dedicated practice with named ownership, integrated into Employee Service Connect alongside request and incident submission. Demand Management, within Business Client Services, has standardized intake of departmental enhancement requests. ServiceNow ownership sits with the VP of IT Service Management. NYCHA IT recognizes that maturity depends on	reinforced by user training, quality assurance, compliance monitoring, and escalation processes. Over 24 to 30 months, the Service Desk will implement automation candidate analysis, routing and categorization automation, self-service fulfillment automation, and automated measurement and assessment. These initiatives require coordination across all IT organizations and, in some cases, other NYCHA departments. Additional resources in strategic positions may reduce the overall schedule by roughly 20%—bringing the 24-to-30-month range to roughly 19 to 24 months—but resources alone will not produce significant impact without that coordination.
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	consistent measurement and sustained tooling. Metrics and quality-assurance practices are in place, but further work is needed to make ITSM data reliable, consolidate reporting, and apply KPIs consistently across IT teams. Sustaining these practices, including decisions on the supporting toolset and reporting environment, will require continued leadership direction and investment. NYCHA has built substantial foundational service management capabilities and provided a roadmap for continued maturation. The Monitors' observations indicate these capabilities are not yet consistently demonstrated across IT operations. Moving beyond implementation will require NYCHA to show that the practices are consistently applied, measured, and used to improve service delivery and management decision-making. ServiceNow requires continued cleanup, improved data quality, and consistent use to reliably support performance management. The Year 8 priority to implement a performance management KPI suite was intended to give a measurable indication of improvement, including NYCHA's ability to use ServiceNow data to track	
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	service delivery, resolution times, SLA compliance, escalations, root cause analysis, and resource needs. ServiceNow capabilities could also extend beyond service management to application portfolio, configuration, and IT asset management; integrating them within an already procured system would give NYCHA a fuller view of its services, applications, assets, performance, and dependencies.	
Launch a New Human Capital Management ("HCM") System	More Work Required NYCHA has not completed implementation of a new Human Capital Management System. It granted access to the HR department in April 2025 and to employees with managerial responsibilities in June 2025, but has not launched to all employees, which would occur when it opens the Employee Self-Service function of Workday. NYCHA HR has therefore been running dual maintenance, keeping records in both the legacy system and Workday, which doubles the work required to execute and record HR transactions such as approving time off. The 16 months of dual maintenance stem from continuous errors identified during testing.	Based on the trajectory of improvement over the monitorship, NYCHA is projected to complete this initiative before the end of the current monitorship term.
Transform Procurement Structure: Restructuring within the Procurement department.	Complete NYCHA has undergone a significant transformation in its	

	Procurement department structure and with the procurement function NYCHA-wide. In addition to the creation of the Chief Procurement Officer role, the Purchasing, Logistics, and Inventory (PLI) team, and the Supply Chain Management (SCM) Department, Property Management Operations has also expanded roles related to the procurement lifecycle with the creation of the Neighborhood Contract Manager ("NCM") role in 2024 and new Special Advisor Position under the Executive Vice President of Property Management Operations in 2025. It has also updated existing Procurement and PLI Standard Procedures to strengthen this restructuring. NYCHA Procurement has continued to assess the procurement function at NYCHA and set short and long-term goals towards improving procurement across the authority. Procurement works across departments to advise on best practices and seeks to cooperatively strengthen the parts of the procurement cycle that are outside of the procurement department's control. Much of the remaining work to be done to improve the procurement lifecycle is in vendor and contract management, which is the	
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	responsibility of the departments administering contracts. The Contract Management Initiative seeks to improve those processes.	
Improve Processes: Enhance efficiency and accountability in procurement processes.	Additional Monitoring Required NYCHA has enhanced efficiency and accountability in its procurement processes. It has strengthened procurement processes by cleaning and cross-referencing HA numbers, which are NYCHA internal catalogue codes that allow departments to order various items that are pre-registered without doing a full procurement contracting process. By updating these codes to meet industry standards and establishing ongoing HA number governance, NYCHA can ensure more predictable routing and clearer workflow. To ensure transparency and efficient data-sharing, Procurement has recently published two new dashboards to allow departments to see the progress of their solicitations and needed outstanding actions. To optimize process performance, the Procurement Department has established clear guidance on allowable bid corrections. It also is mapping out all major procurement methods to	Based on the trajectory of improvement over the monitorship, NYCHA is projected to complete this initiative before the end of the current monitorship term.

	standardize intake, increase submission quality, and reduce inconsistent process adherence and variable documentation quality. NYCHA launched procurement ticketing in ServiceNow and plans to use this data to gain insight into further improving its procurement process.	
Expand Staff Capabilities: Roll out ethics, Section 3, and M/WBE training for staff.	Complete The Procurement Department has complied with the initiative related to expanding staff capabilities, completing several initiatives such as ethics training; Section 3 training, which is the requirement that NYCHA hire residents or low-income workers where possible; and the development of tools and resources to support staff in managing encumbrances, which are the committed funds recorded against the budget when NYCHA creates a purchase order (similar to credit). NYCHA Procurement is now focused on improving beyond the initial scope of the initiative. The procurement department is a part of the Contract Management Initiative that seeks to expand staff capabilities related to procurement in other departments.	
Broaden and Improve NYCHA's Vendor Pool: Increase vendor	Additional Monitoring Required	Based on the trajectory of improvement over the monitorship, NYCHA is

resources and create a portfolio of Pre-Qualified Lists ("PQLs").	NYCHA Procurement has completed the discrete projects under this initiative and completed other continuous improvement or related work, such as performing Quarterly Business Reviews within the Purchasing, Logistics, and Inventory team to improve vendor coordination, launching its Small Business Mentorship program, publishing a Procurement Policy Manual to provide vendors with clarity on NYCHA's procurement processes, and establishing quarterly training for contractors on Section 3 compliance reporting. The Department also recently expanded its lists of pre-qualified skilled trades for both micro and larger service procurements in June 2026. However, based on the data currently available, it is not yet clear whether NYCHA has significantly increased the pool of vendors working with NYCHA. NYCHA continues to largely be dependent on a relatively small group of vendors for many of its blanket contracts servicing developments. The Monitors encourage NYCHA to continue strengthening its position as a customer of choice, which would broaden its vendor pool and allow it to disqualify lower-performing and non-	projected to complete this initiative by the end of the current monitorship term.
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	compliant vendors. The Monitors note with approval NYCHA Procurement's evaluation of its vendor responsibility strategy, including the proposed prequalification model and a pilot program that gives vendors the opportunity to cure deficiencies in their bids rather than having their bids immediately rejected.	
Implement Enabling Technology: Identify and implement appropriate technology.	Complete NYCHA's Procurement Department has implemented technological improvements to the extent possible with NYCHA's current resources. NYCHA's Procurement Department has advanced its technology by launching eComply, which allows effective tracking and outreach to ensure vendor compliance. The Department has continued to create a centralized hub through which NYCHA staff can access all available dashboards to improve transparency and access to procurement data through easy-to-digest visualizations. It will continue to evaluate the Performance Evaluation System along with key stakeholders to implement changes. This will help establish a centralized, reliable source of performance data that supports strategic sourcing, vendor accountability, and	NYCHA has completed this initiative. Additional funds could afford a more thorough approach to leveraging technology in NYCHA's procurement function. In particular, a modernized, eProcurement platform would greatly improve NYCHA's authority-wide procurement function and could act as a cost savings tool by improving the quality of NYCHA's procurement function through improving quality control, reducing administrative burdens, and streamlining procurement processes. In October 2025, NYCHA commissioned independent technology advisors who determined that data inconsistencies, difficulty in integration with newer applications, and poor user experience could all be ameliorated with a newer and modernized eProcurement system. They also determined that the cost to implement such a system ranges from \$2M-\$10M with annual costs ranging from \$2M-\$4M.

	long-term sustainability for NYCHA.	Although upfront investment costs are higher, process improvements are estimated to save NYCHA \$1M+ annually with the intangible benefits impacting all NYCHA business units.
Source Procurements Strategically: Implement improved sourcing methods.	Complete NYCHA's Procurement and Supply Chain Management Departments have employed several creative solutions to source procurements strategically. NYCHA Procurement has completed forecasting and demand planning initiatives to better align procurement activities with operational needs. It has also completed the transition of identified critical materials, including faucets, smoke detectors, gas detectors, and sinks, from drop ship models to LIC inventory to support strategic purchasing and material availability. NYCHA Procurement has also completed an initiative to identify opportunities to source kit materials as complete units rather than individual components. In addition, NYCHA Procurement has established cross functional Procurement Teams to support procurement engagements and developed a framework for prequalifying micro vendors. The Department is also advancing the Small	

	Business Mentorship Program which could result in contracts with approximately 40 new vendors to source from based on current projections. While there will always be a need for innovative solutions and creative thinking in sourcing goods and services for the Authority, Procurement and Supply Chain Management have sufficiently completed implementing improved sourcing methods.	
A&CM - Building Information Modelling ("BIM") Standards: Implement BIM/CAD standards	Complete A&CM implemented BIM/CAD standards in 2023, completing four main initiatives: 1. Standard Documentation: NYCHA created a comprehensive set of BIM and CAD standards documentation, including guidelines for modelling, drawing production, data exchange, and naming conventions. As part of this effort, NYCHA interviewed stakeholders to establish a baseline for design and asset management. 2. Templates and Protocols: NYCHA's BIM/CAD documentation includes templates for common drawing types, model templates, and protocols for managing BIM & CAD data. 3. Training: The A&CM Design Team has been	Based on the trajectory of improvement over the monitorship, NYCHA is projected to complete this initiative with its continuous improvement objectives by the end of the monitorship term.

	trained and supplied with training materials. This includes user manuals, which were prepared to assist NYCHA staff and partners to adopt the BIM/CAD standards effectively. 4.Compliance Procedures: Procedures for monitoring and ensuring compliance with the standards have been outlined to maintain consistency and quality. NYCHA expects to fully roll out BIM with all architect and engineering service providers by the third quarter of 2027. NYCHA completed BIM training for internal staff and made BIM training a requirement for all new Design Build projects. As of the second quarter of Year 8, NYCHA has 26 new architect and engineering service contracts in place. Those firms are being onboarded to NYCHA requirements through the third quarter of Year 8. New projects will implement BIM standards and NYCHA expects some challenges associated with ensuring consistency across the portfolio. Additional training resources and licenses would allow NYCHA to scale BIM with contractors and Construction Managers and Field teams. Given the software cost and extensive training, NYCHA does not have the resources to implement BIM across all construction activities. An	
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	additional \$1-1.5 million would allow NYCHA to secure the additional licenses and training to scale BIM across the capital portfolio.	
A&CM - Physical Needs Assessment ("PNA"): Conduct and analyze a Physical Needs Assessment.	Complete NYCHA is required to conduct a PNA every five years. NYCHA conducted a PNA in 2017 based on physical inspections across its entire portfolio. In 2023, NYCHA physically inspected a subset of developments and used a projected deterioration model to estimate needs at the remaining developments. In 2025, NYCHA began updating the PNA on an annual basis to reflect completed capital projects, newly identified capital needs, and costs associated with inflation. Planning for the next PNA, to be conducted in 2027 and 2028, has begun. For the next PNA, NYCHA has proposed two options: NYCHA could either (1) conduct a complete PNA, similar to the 2017 PNA, which includes a full site assessment and would cost \$26-29 million; or (2) follow the partial 2023 PNA, evaluate a sample of NYCHA assets and apartments, which would cost \$8-10 million. NYCHA has also suggested that the PNA team could shift away from extensive field analysis to asset life cycle and repair and replacement cost forecasting. NYCHA proposed to build on A&CM team skills	Based on the trajectory of improvement over the monitorship, NYCHA is projected to complete this initiative with its continuous improvement objectives by the end of the monitorship term.

	to focus more on asset management and provide additional support to REDD/Trust projects. Approach and timeline for this is under discussion as part of NYCHA's 2027 budgeting process.	
A&CM - Expand Use of KPIs for Capital Projects: Create and use new KPIs and Dashboards and apply added insight to improve project delivery	Complete At the end of 2022, NYCHA finalized 26 KPIs to help track project schedule adherence and budget, cost of change orders, safety incidence rates, and other factors. In addition, NYCHA rolled out a Capital Projects dashboard to support more effective project management in 2023, which it has continued to refine. NYCHA monitors and analyzes its KPIs on a quarterly basis to make adjustments to its work as needed. NYCHA also revisits the KPIs and targets each year to ensure they are aligned with the agency's strategic goals, including reporting to the CEO on several of these KPIs. A&CM's Business Intelligence Team regularly develops new dashboards to support the aggregation, visualization, and analysis of data in different areas. Other dashboards that have been created include a change order dashboard, safety and quality dashboard, and financial dashboard. As dashboards become more available, staff are receiving training on their utilization in their day-to-day work and	As part of its continuous improvement initiatives, NYCHA agreed to rolling annual requirements, with the Monitors and NYCHA jointly setting KPI performance improvement targets each year based on prior-year performance. Because there is no fixed completion threshold, no end-date projection applies; NYCHA must aim to continue improving KPIs on an ongoing basis.

	regular team meetings, as well as for more periodic analysis and improvements. Additionally, NYCHA project management training now includes the use of KPIs for capital tracking. In 2026, NYCHA committed to complete strategic plan dashboards and increase performance in three KPIs by 10%. NYCHA has also continued to refine and track both divisional and team-level KPIs on an ongoing basis as part of its team and portfolio management practices.	
A&CM - System Enhancements: Improve operational efficiency through the implementation and use of an array of technological tools	Complete A&CM has made significant strides in enhancing transparency and efficiency in its operations. Below is a brief overview of the priority improvements implemented to address the most critical pain points: 1. Project initiation: Project data is now entered through eBuilder, ensuring projects commence only upon completion of the initiation process. This change has brought about greater clarity in project status and ownership. 2. NYC OMB submissions: The tracking of OMB approval for City funds allocated for NYCHA capital work has been digitized via eBuilder, streamlining the allocation process.	

	3. Subcontractor approvals: The subcontractor approval process is now managed electronically through eBuilder, enhancing the speed and accuracy of approvals. 4. E-Comply: The deployment of new software has automated the review and compliance of certified payroll, reducing manual effort and increasing accuracy. 5. Scheduling Controls: Schedule setting / baselining and rebaselining processes and permissioning have been revamped and rolled out, with strengthened controls to improve schedule management and tracking. 6. Bi-weekly Update: Biweekly Update process was redesigned, piloted, further refined and then rolled out to provide more structured, consistent, and detailed project reporting both internally and via the public capital projects tracker. These technology enhancements have better equipped the department to manage projects, track funding allocations, expedite approvals, and ensure payroll compliance. A&CM continues its system enhancements improving existing workflows and defining new workflows. A&CM has rolled out an	
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	enhanced vendor dashboard to track vendor evaluations and other eBuilder tools to improve vendor and stakeholder management for all project staff. The initiative is ongoing and near completion pending the completion of NYCHA's sourcing and contracting strategy implementation plan and finalization of NYCHA's policy document with procurement. A&CM has also been exploring a variety of AI tools and is currently procuring one to support with further process optimization. The initial focus will be on invoice process optimization with Claude in 2026 and into early 2027. In addition, A&CM is reviewing results from a pilot for a tool to support procurement streamlining and is working with a Construction Manager to explore field-related automation, including sign-in and hourly worker tracking. Some of the software implementation will require additional resourcing and support, specifically the automated check-in which will require roughly \$70K for customization and integration with existing IT infrastructure. Broader AI use will require additional funding for licensing and implementation support, to be determined based on the tools identified to be useful. The enterprise solution for Claude is charged on a token basis which could add additional costs if it is	
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	deployed at scale, which A&CM will have a better view of in early 2027.	
A&CM - Request Utility Waiver from HUD to Capture Savings: Maximize utilities savings by submitting a waiver to HUD.	Cancelled On November 10, 2021, NYCHA submitted a waiver request to HUD Secretary's office titled "NYCHA's Intent to Maximize Utility Savings and Financing." The waiver specified seven requested changes to how HUD previously conducted utility and water business in a variety of areas. These changes would have given NYCHA the potential to unlock additional funding and financing opportunities for operations or capital projects equating to approximately \$860 million over the course of the next decade. HUD denied NYCHA's request on March 22, 2022, stating "the existing statutory authority does not provide HUD with the flexibility to waive any requirements that may affect the makeup of the formula; or the formula allocation amongst the PHAs. Granting a waiver of part 990 pursuant to NYCHA's request as drafted would violate 42 U.S.C. § 1437g(e)." NYCHA responded to the HUD letter on April 28, 2022, to formally appeal the decision. HUD subsequently granted a change to one waiver request "three-year water baselines" which NYCHA is employing in current and future EPC	Although the appeal is still pending, given the passage of time, NYCHA and the Monitors agreed to treat this initiative as "Cancelled."

	projects. HUD did not provide a formal response to NYCHA's appeal letter or subsequent verbal follow-up by NYCHA. NYCHA's strategy for EPCs and other forms of debt against energy and water savings is also shifting with increasing Section 8 conversions through PACT and the Public Housing Preservation Trust.	
A&CM - Align Portfolio and Capital Projects Planning: Improve portfolio and capital projects planning approach by improving coordination, internal and external communication, and the use of data	Complete This project engaged A&CM and Operations stakeholders to map the existing capital planning process and identify opportunities for improvements, including around data use, coordination, and internal and external communication. Although NYCHA initially developed an analytical tool, the agency, using stakeholder engagement, determined that the greatest opportunities for improving the process were (1) internal and external communication around existing funding and the capital planning process; and (2) coordinated decision-making around emergency needs and new funding opportunities. On the basis of that analysis, NYCHA established the Strategic Asset Management ("SAM") Committee in 2023, which provides a monthly forum for agency-wide decision-making on key investment strategies and decisions. In 2025, NYCHA refined the Committee's Terms of Reference ("ToR") to	Based on the trajectory of improvement over the monitorship, NYCHA is projected to complete this initiative with its continuous improvement objectives by the end of the monitorship term.

	ensure appropriate coverage of short- and long-term capital investment planning, including capital projects and Section 8 conversion projects. In 2025, NYCHA also developed a model to forecast capital needs through the next PNA (2028), including which assets NYCHA expects to address through ongoing and planned capital projects, and PACT and Trust Section 8 conversions. Additionally, to improve external stakeholder communications beyond residents, A&CM is revamping its bi-annual letters to elected officials to better capture work that is ongoing, planned, and adding a new category for work that is requested by a development's tenant leaders. This effort is also meant to help tenant leaders advocate for additional funding.	
A&CM - Strengthen Stakeholder Engagement in Capital Project Scoping, Design and Handover: Ensure that capital investments in NYCHA's properties are scoped, designed, and delivered around the needs of the residents and the property staff.	Complete NYCHA's A&CM department mapped current state stakeholder engagement pain points. This included insights from over 300 quarterly visits with property staff and resident leaders. This group then identified and assessed options to address those pain points. Coming out of that analysis, a stakeholder engagement procedure was drafted that included clear protocols on how and when to engage with various stakeholders, customized by project type. Guidance was	Based on the trajectory of improvement over the monitorship, NYCHA is projected to complete this initiative with its continuous improvement objectives by the end of 2026.

	also provided as to which stakeholders should sign-off on capital projects at different stages throughout the project. Sign-off forms were also refined. The approach was further validated through discussions with DCOPs. Training was provided to all relevant A&CM staff, and the stakeholder touchpoints were integrated into project schedules. A&CM has also standardized checklists for heating and elevator design review and handover process to improve coordination and engagement with Operations. Rollout of BIM with improved visualizations of designs and clash detection, as well as 3D scanning, will improve design coordination. New commissioning contracts will also bring in commissioning agents to aid on turnover support and verification particularly for complex heating projects. Additionally, NYCHA has several continuous improvement initiatives in progress, including Strengthening Scoping & Early Design Site Investigations, Program Level Risk Management Scale-up, Interagency Coordination & Escalation Enhancements, and Asset Handover & Tracking Improvements. NYCHA has also rolled out a Stakeholder Survey for post design and post construction	
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	for additional feedback during capital projects. To date, 50+ project surveys have been sent and the survey is continuing to be rolled out as projects hit those milestones. When scaled across the portfolio, this provides stakeholder data in addition to the meaningful engagement provided by A&CM's Strategic Partnerships quarterly updates and meetings. While A&CM is advancing these continuous improvement objectives, A&CM notes that it would be helpful to fund staff with design review capabilities on the heating and elevators' operations teams, which would cost between \$420,000-500,000.	
A&CM - Improve Project Delivery: Strengthen capital projects delivery and schedule management.	Complete In 2025, A&CM developed and rolled out a Program-Level Risk Management process to three key program areas. As part of its continuous improvement efforts, NYCHA has scaled up its Program-level Risk Management framework, including updating its Program-level Risk Management tool, guidance document, and risk toolbox to identify ongoing issues across the program. In 2026, NYCHA rolled out the risk management framework to an additional three program areas and plans to complete two more by the end of 2026.	Based on the trajectory of improvement over the monitorship, NYCHA is projected to complete this initiative with its continuous improvement objectives by the end of 2026.

	Additional funding in the amount of \$350-400,000 would help improve NYCHA's scheduling improvement efforts and would fund additional personnel to conduct schedule reviews on the Project & Operational Excellence team.	
A&CM - Enhance Transparency & Accountability: Launch a publicly available Capital Projects Tracker.	Complete NYCHA continues to update the Capital Project Tracker on a regular basis. The Tracker is also subject to continual improvement and upgrades. Tracker project data is refreshed biweekly and capital needs and planned projects data is updated annually. Tracker QR code added to many A&CM communications, and feedback on tracker use continues to be very positive. In addition, a Stakeholder Engagement Survey for each capital project was piloted in 2024 and insights from this will be used to refine the procedure and its implementation on an ongoing basis, where needed. Outputs from concurrent initiatives to improve handover of specific asset types from Asset & Capital Management to Operations will be incorporated as well. These outputs will include a guide on turnover protocols, terms, and best practices; guidance on the use of Maximo as a central access database, especially for servicing, commissioning, and	

	decommissioning assets; and the use of BIM within asset management.	
A&CM - Strengthen Vendor Compliance: Implement an e-compliance solution for capital projects contracts	Complete NYCHA has implemented eComply to strengthen compliance with prevailing wage laws, Minority- and Women Owned Business Enterprises participation goals, and Section 3 requirements for hiring and contracting opportunities for low-income residents. NYCHA reported in July 2025 that it had a positive trend of increasing Section 3 staff labor hours. Additionally, A&CM has incorporated workflows and checkpoints within eBuilder that initiate vendor compliance checks once the project has reached 50% complete. eComply tracking and data reporting is ongoing, and A&CM has worked with IT and Procurement to refine data reporting over time. An additional enhancement for automated vendor check-in, currently proposed for use at St. Nicholas Houses Comprehensive Modernization project, would allow automated sign-in and certified payroll tracking. A&CM would like to utilize eComply more broadly to automate certified payroll functions for other vendors. The cost is \$70K to implement the eComply upgrade.	Based on the trajectory of improvement over the monitorship, NYCHA is projected to complete this initiative with its continuous improvement objectives by the end of the monitorship term.

A&CM - KPMG Organizational Assessment: Address recommendations for improvement.	Additional Monitoring Required The Monitors continue to work with NYCHA on improvement to the day to-day operations of NYCHA's A&CM department.	The Monitors and NYCHA agree to rolling annual requirements. Because there is no fixed completion threshold, no end-date projection applies; A&CM must aim to continue improving its day-to-day operations on an ongoing basis.
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ENDNOTE FOR EXECUTIVE SUMMARY

¹ The total of the expended and contracted amounts exceeds funds received under CCAP to date because NYCHA contracts for the full multi-year project lifecycle, with the expectation of receiving additional funding in future fiscal years.

ENDNOTES FOR SECTION I: PROPERTY MANAGEMENT

² Agreement between the U.S. Department of Housing and Urban Development (“HUD”), the New York City Housing Authority (“NYCHA”), and New York City (“the City”), Ex. B ¶¶ 2-7, 9(a), 10, 13, 14(c), Jan. 31, 2019 (hereinafter the “HUD Agreement” or “Agreement”).

³ The Monitors will share findings from the investigations into the October 1, 2025 chimney collapse at Mitchel Houses, a NYCHA development in the Mott Haven neighborhood of the Bronx, in future reporting, once those findings are available. On October 1, 2025, in the early morning hours, the chimney connected to the boiler room providing heat and hot water at Mitchel Houses collapsed. There were no reported injuries or fatalities from the collapse. As discussed in the Monitors’ December 2025 Report, multiple city agencies, including the Fire Department of the City of New York, the Department of Buildings, and the Department of Investigation, are investigating the cause of the chimney collapse. NYCHA stated that it is cooperating fully with these investigations. Monitors’ Report, Dec. 19, 2025, at 14.

⁴ Agreement, Ex. B ¶ 14(c).

⁵ As of December 31, 2025, NYCHA replaced 198 boilers at NYCHA-managed developments and transferred 698 boilers to PACT partners, who replaced at least 462 according to NYCHA. Monitors’ Report, Apr. 7, 2026, at 15-16. Under the parties’ interpretation of this provision, so long as at least 200 boilers are transferred to and addressed by PACT partners, the remaining boiler replacements could occur either at NYCHA developments or at properties transferred to PACT partners. *Id.* at 15. Because a total of 660 boilers had been replaced, including the minimum of 200 boilers that had first been transferred to PACT partners, the Monitors deemed this obligation to be complete, subject to the Monitors’ verification of PACT partners’ boiler replacements. *Id.* at 16. The Monitors have completed verification of the boiler-replacements required by the HUD Agreement, including 198 boilers that NYCHA replaced, and 303 boilers that PACT partners replaced. With these 303 replacements, in addition to the 221 boilers replaced by NYCHA as of July 31, 2026, NYCHA has exceeded the 500 boilers NYCHA was required to replace or address.

⁶ These newer boilers also lower energy costs for NYCHA as they are more energy efficient. Conversely, these modern systems incorporate more sophisticated technology, thus requiring additional training and tools for NYCHA to perform maintenance, which raises maintenance costs. Thus, while replacing or modernizing boilers improve reliability, efficiency, and safety, it does not necessarily reduce NYCHA’s costs for maintaining the heating system.

⁷ Agreement, Ex. B ¶ 14(c).

⁸ As discussed in the Monitors’ April 2026 Report, NYCHA explained that it addresses distribution system needs through three approaches: (1) building distribution upgrades—such as condensate tank replacements, steam leak repairs, zone valve installations, and Building Management Systems improvements—alongside boiler replacement projects when funding allows; (2) investing in full underground steam pipe replacement at targeted developments through capital projects managed by NYCHA’s Asset & Capital Management Division (A&CM); and (3) conducting operational repairs to building distribution systems across developments through NYCHA’s Heating Management Services Department (HMSD), including vacuum tanks, underground steam lines, and zone valves, with priority given to developments with the highest heat complaint volumes. Monitors’ Report, Apr. 7, 2026, at 16-17. Previously, HMSD also deployed experienced employees (the “Steam Optimization Squad”) to provide targeted maintenance on distribution systems at certain developments, and this work reduced the

number of in-apartment heating complaints at those developments. However, budget cuts have significantly limited the scope of this team. *Id.* at 240 n.9.

⁹ In the 2025–2026 heating season, Tilden Houses experienced two unplanned heating outages. In contrast to the overall trend, the residents of Tilden Houses experienced fewer unplanned central heating outages this season as compared to the 2024–2025 heating season, during which there were eight unplanned heating outages at Tilden.

¹⁰ Agreement, Ex. B ¶ 14(c).

¹¹ Monitors' Report, Apr. 7, 2026, at 17.

¹² Agreement, Ex. B ¶¶ 1, 2(a); N.Y.C. Admin. Code § 27-2029(a).

¹³ Agreement, Ex. B ¶ 2.

¹⁴ *Id.* ¶ 2(a).

¹⁵ NYCHA notes that it has taken temperature readings in response to residents' heating complaints for many years. During the 2025–2026 heating season, NYCHA enhanced its temperature-taking procedure to include photo documentation from before and after NYCHA employees perform repairs in an apartment.

¹⁶ NYCHA's temperature-taking procedure requires NYCHA employees to include photo documentation to verify temperatures recorded on the heat complaint work orders. In June 2026, the Monitors randomly sampled 216 heat complaint work orders from the 2025–2026 heating season and found that, while only 7% of work orders had no pictures at all, around 59% used duplicate or illegible photos, and 36% have photos that do not match the temperatures entered in the work order. In this sample, the Monitors included more complaints from later in the heating season because the Monitors expect that HMSD would have more opportunity to communicate the procedure to its employees and the procedure should be more closely followed than earlier in the season—specifically, the sample included 13 from October, 10 from November, 16 from December, 54 from January, 53 from February, 50 from March, 10 from April, and 10 from May. These results raise concerns about NYCHA's implementation of the procedure and its reliability for measuring compliance with the mandatory minimum temperature obligations. The Monitors also shared the results of their analysis with NYCHA's inspectors general, the HUD Office of the Inspector General, and New York City's Department of Investigation.

¹⁷ This methodology determines in-apartment heating failures using residents' heating complaints and the work orders NYCHA generates and then combines these heating service interruptions with planned and unplanned heating outages to assess the extent to which heating system components have failed or are not operating as intended and require servicing. See Monitors' Report, Sept. 30, 2025, at 19-20, 148 n.16. In prior reporting, the Monitors' interim methodology focused on residents' heating complaints where NYCHA employees recorded performing associated repair work. For this report, and going forward, the Monitors' interim methodology includes all residents' heating complaints that are not associated with a heating outage.

¹⁸ NYCHA explained that issues with the heating equipment do not always result in significant losses in temperature because NYCHA buildings keep warm for many hours without adding more heat. Specifically, NYCHA explained that building insulation and the design of the heating distribution system, such as vertical risers and shared infrastructure, help buffer apartments from the immediate effects of equipment failures. As a result, according to NYCHA, even when a component of the end-to-end heating system requires servicing or is temporarily out of service, apartment temperatures may not fall below legal minimums for several hours. See Monitors' Report, Sept. 30, 2025, at 20, 148 n.17.

¹⁹ Agreement, Ex. B ¶ 2(a).

²⁰ As of May 31, 2026, according to NYCHA, there were 134,651 occupied apartments across its developments. NYCHA updates the number of occupied apartments monthly. As of May 31, 2025, there were 135,759 occupied apartments across NYCHA developments.

²¹ Unplanned heating outages often span multiple apartments or even entire buildings and have been the primary driver of heating service interruptions for residents.

²² Because NYCHA does not usually conduct planned outages when outside temperatures are below 45°F, it is less likely that apartments impacted by planned outages fall below the legal minimum than apartments impacted by unplanned outages. See Monitors' Report, Sept. 30, 2025, at 16, 148 n.19.

²³ These complaints reflect individual apartment-level issues and do not include complaints connected to heating outages that affect an entire development, building, or line.

²⁴ Each occupied apartment is categorized based on the longest single heating service interruption it experienced during the season. For example, if an apartment had multiple outages, including one exceeding 24 hours, it is counted in the "> 24 hours" category.

²⁵ Agreement, Ex. B ¶ 2(b).

²⁶ NYCHA developments have also experienced 180 planned outages thus far in the 2025–2026 heating season, an increase from 33 planned outages during the 2024–2025 heating season. NYCHA represented that it has performed more planned outages so far this 2025–2026 heating season because of sustained colder temperatures, which has increased the need for maintaining equipment, such as installing mobile boilers, repairing steam lines, and other significant repairs, and required performing repairs and maintenance when temperatures are below 45°F. Notably, planned outages are only recorded when heat must be legally supplied. Monitors' Report, Sept. 30, 2025, at 18.

²⁷ To provide context for the comparison to the 2021–2022 heating season, when there was a roughly equal number of unplanned outages as this season, there were 4,154 HDDs in the 2021–2022 heating season, as compared to 4,767 HDDs in the 2025–2026 heating season.

²⁸ The Monitors also looked at whether cold spikes, when temperatures dropped quickly early in the season, correlated with increases in unplanned outages across all heating seasons since the beginning of the monitorship and found this data to be inconclusive. In exploring alternative definitions for a "cold spike," the Monitors were unable to see a clear pattern between any two heating seasons during the monitorship.

²⁹ Based on the data acquired during field visits by the Monitors and provided by NYCHA, some of NYCHA's oldest boilers are nearly 50 years old, hundreds are more than 30 years old, and even more than that are over 20 years old. Most of NYCHA's conventional boilers have a typical lifespan from 25 to 30 years based on who manufactured them and if they have been subject to regular maintenance, with NYCHA noting that properly maintained steel boilers can last for over 50 years with proper welding. NYCHA will need to increase the pace of boiler replacements beyond what is required by the HUD Agreement to keep up with the rate at which its boilers are operating beyond their useful lives.

³⁰ Of the 472 unplanned outages in the 2025–2026 heating season, the 168 developments without ABMS experienced 328 outages (1.95 outages per development), while the 48 developments with ABMS experienced 144 outages (3.00 outages per development). Thus, developments with ABMS had 50% more outages during the 2025–2026 heating season on average than developments without ABMS.

³¹ Of the 353 unplanned outages in the 2024–2025 heating season, the 168 developments without ABMS experienced 276 outages (1.64 outages per development), while the 48

developments with ABMS experienced 77 outages (1.60 outages per development). Thus, in contrast to the 2025–2026 heating season, developments with ABMS had slightly fewer outages during the 2024–2025 heating season on average than developments without ABMS.

³² NYCHA reported that it took over management to address a budgeting shortfall after approval of the Fiscal Year 2024 Budget. Monitors' Report, Aug. 21, 2024, at 55.

³³ Monitors' Report, Dec. 19, 2024, at 17.

³⁴ Flame failures can come from several sources, including not enough gas going through valves to the boiler or the electrical system not generating a spark.

³⁵ Annual overhaul consists of preventive maintenance, inspections, and corrective maintenance on NYCHA's central heating equipment. NYCHA aims to perform preventive maintenance and inspections each summer on all its central generation and distribution equipment, such as its boilers and tank rooms. Through inspections, NYCHA also identifies equipment needing corrective maintenance, which it divides into three priority categories based on what is required to safely operate the heating system. Priority 1 comprises the highest priority issues that prevent equipment from being turned on for the upcoming season. NYCHA aims to complete 90% of its Priority 1 corrective maintenance work orders by October 1, and all of them by October 31. While NYCHA may not complete all maintenance by the start of the heating season, it tries to ensure that all developments are heat ready before October 1. Monitors' Report, Dec. 19, 2025, at 16-17.

³⁶ NYCHA completed a higher percentage of the highest priority corrective maintenance work orders before the 2025–2026 heating season than it completed before the 2024–2025 heating season. Through inspections, NYCHA identified 65 Priority 1 corrective maintenance work orders during the 2025 annual overhaul. Of these, NYCHA completed 43, or 66%, by October 1, 2025. As of October 31, 2025, NYCHA completed 63, or 97%, of Priority 1 corrective maintenance work orders. During the 2024 annual overhaul, NYCHA identified 114 Priority 1 corrective maintenance work orders, completed 91, or 80%, by October 1, 2024, and 100, or 88%, by October 31, 2024. *Id.* at 17. NYCHA also completed preventive maintenance and inspections at a quicker pace and earlier in the summer during the 2025 annual overhaul than during the 2024 annual overhaul, which reduced the strain on NYCHA's employees and allowed them to focus more on corrective maintenance work orders as the heating season approached. *Id.*

³⁷ On October 31, 2025, 56 Priority 2 corrective maintenance work orders and 42 Priority 3 corrective maintenance work orders remained open. A year before, on October 31, 2024, 53 Priority 2 corrective maintenance work orders and 78 Priority 3 corrective maintenance work orders remained open. On October 1, 2025, the beginning of the 2025–2026 heating season, 58 boilers across NYCHA's developments were offline. A year before, on October 1, 2024, the beginning of the 2024–2025 heating season, 62 boilers across NYCHA's developments were offline, two of which are now managed through the RAD-PACT program. However, because of redundancies in its heating systems, NYCHA declared all developments were heat ready for both heating seasons.

³⁸ For the 2025 annual overhaul, the Monitors had data on the number of boilers online at the start of the 2025–2026 heating season for 143 developments. Of these developments, 107 had no boilers offline by October 1, 2025, 29 had one boiler offline, and seven had two boilers offline. The average number of outages over the heating season for developments with no boilers offline was 1.9 outages per development, with one boiler offline was 1.8 outages per development, and with two boilers offline was 3.3 outages per development. For the 2025 annual overhaul, the Monitors had data on the number of outstanding corrective maintenance

work orders at the start of the 2025–2026 heating season for 179 developments. Of these developments, 136 had no outstanding corrective maintenance work orders by October 1, 2025, 16 had one, eight had two, seven had three, and 12 had four or more. The average number of outages over the heating season for developments with no outstanding corrective maintenance work orders was 1.5 outages per development, with one outstanding was 2.1 outages per development, with two was 4.0 outages per development, with three was 3.0 outages per development, and with four or more was 3.9 outages per development. Both of these analyses show that a greater number of offline boilers and outstanding corrective maintenance work orders to begin the heating season correlate with a greater number of outages.

³⁹ Agreement, Ex. B ¶ 9(a).

⁴⁰ *Id.* ¶ 10(a).

⁴¹ Although the heat restoration obligations apply to both heating outages, which affect multiple apartments, and in-apartment heating failures, the monitorship did not report on in-apartment heating failures until the Monitors' September 2025 Report because no agreed-upon methodology was in place. Once the current Monitors assumed their role and developed a methodology with NYCHA, the Monitors presented NYCHA's compliance with the HUD Agreement obligations for restoration times following in-apartment heating failures for the first time. See Monitors' Report, Sept. 30, 2025, at 27–29, 148 n.25. This methodology is similar to the interim methodology used to measure the number of occupied apartments affected by in-apartment heating failures. The complaint methodology used for the heat restoration obligations determines the time it took NYCHA to restore heat to affected apartments based on the work orders generated in response to residents' heating complaints. See *id.* As described in n.16, the Monitors include all residents' heating complaints in its methodology.

⁴² Agreement, Ex. B ¶ 9(a).

⁴³ NYCHA provided potential explanations for the longer average duration in the Bronx and Manhattan, and the Monitors are verifying these explanations and will share findings in future reporting.

⁴⁴ Agreement, Ex. B ¶ 10(a). Beginning with the 2019–2020 heating season, the HUD Agreement required NYCHA to restore heat to affected apartments within 24 hours for 85% of heating service interruptions. *Id.* ¶ 9(b). Beginning with the 2024–2025 heating season, this requirement was superseded by the requirement that NYCHA restore heat to affected apartments within 12 hours for 85% of heating service interruptions. *Id.* ¶ 10(a).

⁴⁵ *Id.* Beginning with the 2019–2020 heating season, the HUD Agreement required NYCHA to restore heat to affected apartments within 48 hours for 100% of heating service interruptions. *Id.* ¶ 9(b). Beginning with the 2024–2025 heating season, this requirement was superseded by the requirement that NYCHA restore heat to affected apartments within 24 hours for 100% of heating service interruptions. *Id.* ¶ 10(a).

⁴⁶ *Id.* ¶¶ 9(c), 10(b).

⁴⁷ EH&S conducts investigations of some residents' heating complaints received through NYCHA's Complaint Portal. The Monitors collaborated with EH&S to develop a methodology to identify which in-apartment heating failures EH&S will investigate.

⁴⁸ EH&S conducts one investigation when multiple outages result from a single event.

⁴⁹ Of the 11 recommendations remaining from heating seasons prior to the 2025–2026 heating season, as of July 31, 2026, seven are addressed to HMSD, three to Asset and Capital Management, and one to the Fire Safety Department. As of July 31, 2026, NYCHA was working

on several of these recommendations. NYCHA is also working on those issued during the 2025–2026 heating season and has already closed some out.

⁵⁰ Monitors' Report, Apr. 3, 2025, at 19.

⁵¹ NYCHA, Heating Action Plan, Dec. 4, 2019, at 33; Agreement, Ex. B ¶ 7.

⁵² Agreement, Ex. B ¶¶ 4-5.

⁵³ *Id.* ¶¶ 23(a), 24(a), 27, 29(a).

⁵⁴ *Id.* ¶¶ 24(b), 28, 29(b).

⁵⁵ *Id.* ¶¶ 32, 33.

⁵⁶ *Id.* ¶ 34(b).

⁵⁷ *Id.* ¶ 31.

⁵⁸ *Id.* ¶ 34(a). As discussed in prior reporting and noted in the Appendix, NYCHA is in compliance with this obligation.

⁵⁹ Agreement, Ex. B ¶ 34(b). The HUD Agreement also provided that the PACT developer would replace transferred elevators "as needed." *Id.* According to NYCHA, it met the requirement to transfer 150 elevators to PACT developers by August 31, 2024.

⁶⁰ Monitors' Report, Apr. 7, 2026, at 43. The Monitors verified that NYCHA's PACT partners modernized or replaced at least 150 elevators. *Id.* Modernizing elevators refers to replacing key equipment and electronics and refurbishing the elevator cabs.

⁶¹ As of July 31, 2026, NYCHA manages 2,858 total elevators. It will continue to transfer some elevators to third-party management as more developments transition to PACT partners.

⁶² Monitors' Report, Sept. 30, 2025, at 43.

⁶³ While each AVR unit installed only reduces low voltage outages for one elevator, NYCHA plans to prioritize installing one per elevator bank to maintain at least limited service to more buildings, thereby reducing no-service conditions during low voltage conditions.

⁶⁴ In spring of 2026, NYCHA estimated that it would cost approximately \$45 million to install one AVR unit in each of the nearly 600 buildings affected by low voltage outages in Year 7 and well over \$100 million to install units in all NYCHA buildings. Monitors' Report, Apr. 7, 2026, at 44-45.

⁶⁵ There are fewer elevator banks with multiple elevators referenced in this report as compared to previous reports. See, e.g., Monitors' Report, Dec. 19, 2025, at 37. When developments are transferred to a third party through the PACT program, the elevators in those developments are no longer included in measuring performance for the HUD Agreement obligations. The same applies to other elevators, not just elevator banks with multiple elevators. Changes are applied retroactively, so the same elevators currently serviced by NYCHA are assessed across years. Accordingly, measures of performance indicated in previous reports may vary slightly based on the retroactive exclusion of these transferred elevators.

⁶⁶ Agreement, Ex. B ¶ 24(a); see also Monitors' Report, Apr. 3, 2025, at 186 n.38. Beginning in Year 3, the HUD Agreement required NYCHA to ensure that at least 70% of elevator banks with more than one elevator have no more than one instance per year where all elevators are out of service. Agreement, Ex. B ¶ 23(a). Beginning in Year 5, this requirement was superseded by the requirement that NYCHA ensure at least 85% of elevator banks with more than one elevator have no more than one instance per year where all elevators are out of service. *Id.* ¶ 24(a).

⁶⁷ Although the HUD Agreement does not exclude outages due to low voltage conditions, *i.e.* low voltage outages, from NYCHA's elevator-related obligations, the Monitors are providing data to illustrate their impact on NYCHA's elevator performance.

⁶⁸ Agreement, Ex. B ¶¶ 23(a), 24(a); see also Monitors' Report, Apr. 3, 2025, at 186 n.40. Unlike related obligations, this requirement was not superseded.

⁶⁹ By the end of Year 1, the Agreement required NYCHA to resolve 75% of no-service conditions within eighteen hours of learning of them. Agreement, Ex. B ¶ 28. Beginning in Year 5, this requirement was superseded by the requirements that NYCHA resolve at least 85% of no-service conditions within four hours of learning of them and 100% of no-service conditions within twelve hours. *Id.* ¶ 29(a).

⁷⁰ Agreement, Ex. B ¶ 29(a)(i). NYCHA and the Monitors agreed that this obligation should only apply to no-service conditions resulting from unplanned outages. Monitors' Report, Apr. 3, 2025, at 186-87 n.43.

⁷¹ Agreement, Ex. B ¶ 29(a)(ii); see also Monitors' Report, Apr. 3, 2025, at 187 n.46. NYCHA tracks outages due to elevator rehabilitation or replacement, and the Monitors have excluded those outages from their assessment of NYCHA's performance under this obligation as permitted by the Agreement. There are two other exceptions that NYCHA does not avail itself of: NYCHA does not track whether a no-service condition falls under an exception because it had an industry-accepted repair time of longer than twelve hours or because a part was unavailable. Accordingly, the Monitors' assessment of NYCHA's performance under this obligation may include such outages.

⁷² Agreement, Ex. B ¶ 27; Monitors' Report, Aug. 21, 2024, at 253 n.246 (citing HUD and United States Attorneys' Office for the Southern District of New York, Letter to NYCHA and the First Monitor, July 29, 2022, at 2). There are only two exceptions to this rule—elevator replacement or rehabilitation, which can require an elevator to be out of service for weeks at a time, and a governmental agency or regulatory entity mandated outage, such as when the Department of Buildings conducts an elevator inspection. Agreement, Ex. B ¶ 27.

⁷³ Agreement, Ex. B ¶ 32.

⁷⁴ NYCHA's Standard Procedure Manual for elevator mechanics requires that, for preventive maintenance, "The elevator response team must: (a) Post one of the following elevator out of service notices, as applicable, 24 to 36 hours before the planned outage on elevator hatch doors on all floors, and indicates on the form the scheduled date the elevator will be out of service" and "Take a photo of the notice posted in the lobby using the handheld device and the upload the photo into the Maximo work order." NYCHA, Standard Procedure Manual 060:62:1 Elevator Service, Maintenance, and Repair, Nov. 22, 2019, at 22-23. This procedure was preserved in the Manual's 2022 update. Standard Procedure Manual 060:62:1 Elevator Service, Maintenance, and Repair, Oct. 19, 2022, at 24.

⁷⁵ During the pilot program at South Jamaica Houses, NYCHA has notified affected residents at least 24 hours in advance of taking elevators offline to conduct preventive maintenance, and NYCHA did not schedule or perform any planned outages, including those due to preventive maintenance, during the HUD Agreement-restricted hours. In addition, NYCHA spent more time working during each preventive maintenance outage, which is less disruptive to residents, and residents reported that elevator service has improved. Monitors' Report, Sept. 30, 2025, at 49-50.

⁷⁶ In the few instances where NYCHA has needed to reschedule preventive maintenance, the schedule was adjusted so that more than 24 hours advance notice could be provided with the robocall. In other words, NYCHA would move the rescheduled preventive maintenance a few days out to allow for enough time to set up the robocall.

⁷⁷ See Monitors' Report, Sept. 30, 2025, at 50.

⁷⁸ For the pilot, NYCHA manually generates work orders three days in advance of scheduled preventive maintenance, which allows NYCHA to send out robocalls alerting residents that the elevators will be out of service. To expand the pilot across all NYCHA developments, instead of

assigning preventive maintenance work orders through its existing automated, monthly process, NYCHA advises it would instead need to manually schedule and generate nearly 3,000 preventive maintenance work orders each month, which would put additional strain on NYCHA's staff.

⁷⁹ Agreement, Ex. B ¶ 24(b). Beginning in Year 3, the HUD Agreement required NYCHA to ensure that at least 70% of elevator cars have no more than eight unplanned outages per year. *Id.* ¶ 23(b). Beginning in Year 5, this requirement was superseded by the requirement that NYCHA ensure at least 85% of elevator cars have no more than eight unplanned outages per year. *Id.* ¶ 24(b).

⁸⁰ Agreement, Ex. B ¶ 24(b). Beginning in Year 3, the HUD Agreement required NYCHA to ensure that no elevator car has more than fifteen unplanned outages per year. *Id.* ¶ 23(b). Beginning in Year 5, this requirement was superseded by the requirement that NYCHA ensure that no elevator car has more than twelve unplanned outages per year. *Id.* ¶ 24(b).

⁸¹ Agreement, Ex. B ¶ 28. NYCHA met this requirement in Year 1, and after regression in Years 2 and 3 during the COVID-19 pandemic, it reduced its response time by 10% or more in Years 4 to 6, before regressing again in Year 7. Monitors' Report, Aug. 21, 2024, at 87-88; Monitors' Report, Apr. 7, 2026, at 53. NYCHA and the Monitors agreed that this obligation should only apply to unplanned outages. Monitors' Report, Apr. 3, 2025, at 188 n.59.

⁸² See Monitors' Report, Apr. 7, 2026, at 54-55.

⁸³ See *id.* at 55. For example, through a workshop with NYCHA, the Monitors have flagged instances where elevator mechanics are delayed in being assigned work orders in the morning, where mechanics are not assigned work orders in the afternoon, and rare situations where elevator mechanics are not assigned work orders at all despite the need for work to be done in a general area.

⁸⁴ Agreement, Ex. B ¶ 29(b)(iii). NYCHA and the Monitors agreed that this obligation should only apply to unplanned outages. Monitors' Report, Apr. 3, 2025, at 188 n.62.

⁸⁵ Agreement, Ex. B ¶ 29(b)(iv); see also Monitors' Report, Apr. 3, 2025, at 188-89 n.65. NYCHA tracks outages due to elevator rehabilitation or replacement, and the Monitors have excluded those outages from their assessment of NYCHA's performance under this obligation as permitted by the Agreement. There is one other exception that NYCHA does not avail itself of: NYCHA does not track whether an elevator car outage falls under an exception because it has an industry-accepted repair time of longer than eighteen hours. Accordingly, the Monitors' assessment of NYCHA's performance under this obligation may include such outages.

⁸⁶ Agreement, Ex. B ¶ 31.

⁸⁷ Monitors' Report, Dec. 19, 2024, at 46.

⁸⁸ As of July 31, 2026, NYCHA reported installing 2,299 REMS devices on its 2,858 elevators. Of these 2,299 devices, approximately 650 are newer, cloud-based devices, and approximately 1,650 are older, server-based devices. NYCHA plans to continue upgrading more of the server-based devices to cloud-based devices. Importantly, as part of the Monitors' ongoing verification of NYCHA's REMS installations, the Monitors flagged a discrepancy between the number of NYCHA's REMS installations tracked by ESRD, NYCHA's operations unit, and the number of REMS devices reflected by Maximo. NYCHA and the Monitors identified approximately 100 devices that were not in Maximo, and NYCHA updated Maximo accordingly. Thus, there are around 100 additional REMS devices since the Monitors' April 2026 Report, not necessarily because the devices were installed by NYCHA during that time.

⁸⁹ See Monitors' Report, July 6, 2026, at 45.

⁹⁰ *Id.* ¶¶ 35-37.

⁹¹ *Id.* ¶¶ 38-39.

⁹² *Id.* ¶¶ 41, 43-44.

⁹³ *Id.* ¶¶ 45-46.

⁹⁴ *Id.* ¶ 46.

⁹⁵ *Id.* ¶ 35.

⁹⁶ *Id.*

⁹⁷ *Id.* ¶¶ 36-37.

⁹⁸ Monitors' Report, Apr. 3, 2025, at 49-51.

⁹⁹ Agreement, Ex. B ¶ 35.

¹⁰⁰ The process used to determine pest population estimates at NYCHA results in unrounded figures, as seen in the following charts. However, the figures are intended to give a sense of the estimated pest populations and whether they are increasing or decreasing over time. Therefore, rounded figures appear in text.

¹⁰¹ Year 0 represents the year before the outset of the monitorship in 2019 (i.e., February 1, 2018 to January 31, 2019). The Year 0 pest population estimates are used as a baseline to compare the effects of the monitorship on NYCHA's pest populations in Years 1-8.

¹⁰² Year 3 of the monitorship ended January 31, 2022.

¹⁰³ Year 5 of the monitorship ended January 31, 2024.

¹⁰⁴ Monitors' Report, Apr. 3, 2025, at 53-54. The decline in mouse, cockroach, and bed bug populations in the early years of the monitorship (particularly from Year 0 to Year 1) occurred due to a combination of factors, including NYCHA's initial efforts to treat high-infestation apartments and early and material improvements in pest management practices.

¹⁰⁵ Agreement, Ex. B ¶¶ 36-37.

¹⁰⁶ The Monitors' consulting urban entomologists caution against the conclusion that the increase in rat population (represented in the below chart as a negative percentage) was due solely to poor rat control. The scientific literature and the consulting urban entomologists' experience indicate that changes in rat activity due to the COVID-19 pandemic contributed to the increased presence of rats in residential buildings. Monitors' Report, Apr. 3, 2025, at 55.

¹⁰⁷ Agreement, Ex. B ¶¶ 38-39. As discussed in the Monitors' August 2024 Report, the Monitors and the parties agreed that, under the best reading of the HUD Agreement, the response time requirements apply only to resident pest complaints in apartments (rather than in both apartment and common areas). Monitors' Report, Aug. 21, 2024, at 104.

¹⁰⁸ Agreement, Ex. B ¶ 39(a).

¹⁰⁹ *Id.* ¶ 39(b).

¹¹⁰ *Id.* ¶ 38(d).

¹¹¹ *Id.* ¶¶ 43-44.

¹¹² *Id.*

¹¹³ Monitors' Report, Aug. 21, 2024, at 111-12; Monitors' Report, Dec. 19, 2024, at 63-65; Monitors' Report, July 3, 2025, at 52; Monitors' Report, Sept. 30, 2025, at 75-76; Monitors' Report, Dec. 19, 2025, at 67; Monitors' Report, July 6, 2026, at 64-65.

¹¹⁴ Agreement, Ex. B ¶ 38(c).

¹¹⁵ *Id.* ¶¶ 43-44.

¹¹⁶ Monitors' Report, July 6, 2026, at 64.

¹¹⁷ Monitors' Report, Aug. 21, 2024, at 103.

¹¹⁸ *Id.* at 110; Monitors' Report, Dec. 19, 2024, at 66.

¹¹⁹ Monitors' Report, Aug. 21, 2024, at 110; Monitors' Report, Dec. 19, 2024, at 66.

¹²⁰ Monitors' Report, Aug. 21, 2024, at 110; Monitors' Report, Dec. 19, 2024, at 66.

¹²¹ Monitors' Report, Sept. 30, 2025, at 77.

¹²² Agreement, Ex. B ¶ 45.

¹²³ *Id.*

¹²⁴ NYCHA, City Capital Action Plan, May 8, 2021, at 18; NYCHA, City Capital Action Plan Amendment, Sept. 5, 2023, at 3-4; NYCHA, City Capital Action Plan Amendment, Feb. 11, 2026, at 2-4.

¹²⁵ NYCHA, City Capital Action Plan, May 8, 2021, at 18; NYCHA, City Capital Action Plan Amendment, Sept. 5, 2023, at 3-4; NYCHA, City Capital Action Plan Amendment, Feb. 11, 2026, at 2-4.

¹²⁶ Due to PACT conversions and site conditions at some developments, the number of waste yards was further reduced from 120 to 103 at only 78 developments and the number of interior compactors was reduced from 1,211 to 1,197.

¹²⁷ Agreement Ex. B ¶¶ 15, 17, 19.

¹²⁸ *Id.* ¶ 20.

¹²⁹ A "Year" covers the period from February 1 of one year to January 31 of the next year. For example, Year 8 is the period from February 1, 2026, to January 31, 2027.

¹³⁰ See NYCHA Standard Procedure Manual, SP 040:14:1, *Mold/Mildew Control in NYCHA Residential Buildings*, at 4 (defining an Initial Mold Inspection as "the process by which NYCHA diagnoses and documents a mold or excessive moisture condition and identifies the root cause(s)"); *id.*, at 23-24 (providing that NYCHA must schedule an inspection after a resident files a mold complaint); NYCHA, *NYCHA's Mold Remediation Procedure* (<https://www.nyc.gov/site/nycha/residents/mold-busters/mold-remediation.page>).

¹³¹ NYCHA Standard Procedure Manual, SP 040:14:1, *Mold/Mildew Control in NYCHA Residential Buildings*, at 23-24 (describing the process for creating parent mold work orders).

¹³² NYCHA Standard Procedure Manual, SP 040:14:1, *Mold/Mildew Control in NYCHA Residential Buildings*, at 35 (describing the creation of work plans following the completion of an initial mold inspection); see also *id.*, at 37 (providing that NYCHA will mail a form 060.846 *mold inspection review* to residents following an inspection, which includes next steps to remediate the mold, excessive moisture, or related condition and correct the root cause); NYCHA, *NYCHA's Mold Remediation Procedure* (<https://www.nyc.gov/site/nycha/residents/mold-busters/mold-remediation.page>).

¹³³ NYCHA Standard Procedure Manual, SP 040:14:1, *Mold/Mildew Control in NYCHA Residential Buildings*, at 6 (defining a Parent Work Order as "an original mold work request initiated by a resident, created by NYCHA staff, or automatically created in Maximo."); *id.*, at 3 (defining a Child Work Order as "a work request created by an authorizing supervisor or worker, or automatically created in Maximo, whenever additional work is needed for a parent work order. Multiple child work orders can be created from a single parent work order.").

¹³⁴ *Id.*

¹³⁵ See *id.* at 43 (stating that quality assurance mold inspection work orders are automatically generated after the last child work order is closed); *id.*, at 6 (defining Quality Assurance Mold Inspection as an inspection that occurs after all remediation and repair work is complete).

¹³⁶ *Id.*, *Mold/Mildew Control in NYCHA Residential Buildings*, at Section XVI(A), Appendix A – Remediation Methods.

¹³⁷ NYCHA, Standard Procedure Manual SP 040:14:1, *Mold/Mildew Control in NYCHA Residential Buildings*, rev. June 11, 2024, at 18, 70; *id.*, at 60-64.

¹³⁸ *Id.* at 18, 70.

¹³⁹ *Id.* at 60-64.

¹⁴⁰ *Id.* at Section XVI(A), Appendix A – Remediation Methods.

¹⁴¹ *Id.*

¹⁴² See *id.* at 50 (stating that inspectors will discuss the next steps that NYCHA will take to address mold and root causes with residents, including through simple or complex repairs).

¹⁴³ *Id.* at 6 (defining Simple Repairs as “repairs that can be completed by property management staff.”).

¹⁴⁴ *Id.* at 3 (defining Complex Repairs as “repairs that need skilled trades or other specialized staff to address and may require multiple visits.”).

¹⁴⁵ Agreement, Ex. B ¶ 17(a).

¹⁴⁶ NYCHA Standard Procedure Manual, SP 040:14:1, *Mold/Mildew Control in NYCHA Residential Buildings*, at 35 (describing the creation of mold work plans following the completion of an initial mold inspection); *id.*, at 37 (providing that NYCHA will mail a form 060.846 *mold inspection review* to residents following an inspection, which includes next steps to remediate the mold, excessive moisture, or related condition and correct the root cause); NYCHA, *NYCHA’s Mold Remediation Procedure* (<https://www.nyc.gov/site/nycha/residents/mold-busters/mold-remediation.page>).

¹⁴⁷ See Guidepost, *Mold & Lead Report – August 2023*, Aug. 8, 2023, at 18 (measuring compliance with Paragraph 17(b) of the HUD Agreement using the percent of work plans *printed* within 5 days).

¹⁴⁸ The Monitors’ team undertook an analysis of work plans created since the beginning of Jenner & Block’s monitorship term. That analysis revealed that, in most cases, work orders were printed timely when the initial mold inspection was timely completed.

¹⁴⁹ See NYCHA Standard Procedure Manual, SP 040:14:1, *Mold/Mildew Control in NYCHA Residential Buildings*, at 35 (describing the creation of mold work plans following the completion of an initial mold inspection), *id.*, at 37 (providing that NYCHA will mail a form 060.846 *mold inspection review* to residents following an inspection, which includes next steps to remediate the mold, excessive moisture, or related condition and correct the root cause); NYCHA, *NYCHA’s Mold Remediation Procedure* (<https://www.nyc.gov/site/nycha/residents/mold-busters/mold-remediation.page>).

¹⁵⁰ Agreement, Ex. B ¶ 17(b).

¹⁵¹ This report describes the beginning of the compliance period by referencing the resident’s mold complaint, and such descriptions include cases where the mold was first identified by NYCHA. *Id.*

¹⁵² *Id.*

¹⁵³ *Id.*

¹⁵⁴ NYCHA, Standard Procedure Manual SP 040:14:1, *Mold/Mildew Control in NYCHA Residential Buildings*, rev. June 11, 2024, at 18, 70; *id.*, at 60-64.

¹⁵⁵ As with mold removal times, the increase between Years 1 and 2 coincides with the rollout of NYCHA’s Mold Standard Procedure and associated trainings and the corresponding increase in mold work order volume during that period.

¹⁵⁶ NYCHA Standard Procedure Manual, SP 040:14:1, *Mold/Mildew Control in NYCHA Residential Buildings*, at 6 (defining Simple Repairs as “repairs that can be completed by property management staff.”).

¹⁵⁷ Agreement, Ex. B ¶ 17(b).

¹⁵⁸ *Id.*

¹⁵⁹ *Id.*

¹⁶⁰ NYCHA Standard Procedure Manual, SP 040:14:1, *Mold/Mildew Control in NYCHA Residential Buildings*, at 27 (noting that inspectors must “visually inspect[] the room or area

identified in the mold work order for mold growth and record[] the total estimated square footage of mold on room walls . . . floor, ceiling, and any components such as kitchen cabinetry.”).

¹⁶¹ Agreement, Ex. B ¶ 15(b).

¹⁶² Monitors’ Report, Jul. 6, 2026, at 85; Monitors’ Report, Apr. 7, 2026, at 110-14; Monitors’ Report, Dec. 19, 2025, at 90; Monitors’ Report, Sept. 25, 2025, at 94-95; Monitors’ Report, Jul. 3, 2025, at 71; Monitors’ Report, Apr. 3, 2025, at 83; Monitors’ Report, Dec. 19, 2024, at 92.

¹⁶³ NYCHA, *NYCHA Clean Vents Initiative* (<https://www.nyc.gov/site/nycha/residents/clean-vents.page>).

¹⁶⁴ NYCHA, *St. Nicholas Houses and Todt Hill* (<https://www.nyc.gov/site/nycha/about/comp-mod/st-nicholas-houses-and-todt-hill.page>).

¹⁶⁵ Monitors’ Report, Sept. 30, 2025, at 99.

¹⁶⁶ Monitors’ Report, Dec. 19, 2025, at 133.

¹⁶⁷ Monitors’ Report, Apr. 7, 2026, at 115.

¹⁶⁸ Agreement, Ex. B ¶ 15(a).

¹⁶⁹ *Id.* ¶ 15(c).

¹⁷⁰ *Id.* ¶ 17(c).

¹⁷¹ *Id.* ¶ 17(c).

¹⁷² Monitors’ Report, Jul. 6, 2026, at 87; Monitors’ Report, Apr. 7, 2026, at 118; Monitors’ Report, Dec. 19, 2025, at 89; Monitors’ Report, Sept. 25, 2025, at 93.

¹⁷³ Monitors’ Report, Jul. 6, 2026, at 88; Monitors’ Report, Apr. 7, 2026, at 118; Monitors’ Report, Dec. 19, 2025, at 89; Monitors’ Report, Sept. 25, 2025, at 93.

¹⁷⁴ Monitors’ Report, Jul. 6, 2026, at 88; Monitors’ Report, Apr. 7, 2026, at 118; Monitors’ Report, Dec. 19, 2025, at 89; Monitors’ Report, Sept. 25, 2025, at 93.

¹⁷⁵ Monitors’ Report, Jul. 6, 2026, at 87; Monitors’ Report, Apr. 7, 2026, at 118; Monitors’ Report, Dec. 19, 2025, at 89; Monitors’ Report, Sept. 25, 2025, at 93.

¹⁷⁶ NYCHA breaks down backlog data by date. Although all open work orders are technically included in the backlog, 40,624 work orders have been in the backlog for 15 days or more. As discussed above, the HUD Agreement requires NYCHA to remediate mold and its root causes by complex repairs within 15 days.

¹⁷⁷ Monitors’ Report, Jul. 6, 2026, at 130; Monitors’ Report, Apr. 7, 2026, at 119; Monitors’ Report, Dec. 19, 2025, at 133; Monitors’ Report, Sept. 30, 2025, at 91.

¹⁷⁸ Monitors’ Report, July 6, 2026, at 132; Monitors’ Report, April 7, 2026, at 120.

¹⁷⁹ Monitors’ Report, Jul. 6, 2026, at 89-91; Monitors’ Report, Apr. 7, 2026, at 121-122; Monitors’ Report, Dec. 19, 2025, at 93-94.

¹⁸⁰ NYCHA, *Comprehensive Modernization* (<https://www.nyc.gov/site/nycha/about/comprehensive-modernization.page>); Monitors’ Report, Jul. 6, 2026, at 89-91; Monitors’ Report, Apr. 7, 2026, at 121-122; Monitors’ Report, Dec. 19, 2025, at 93-94.

¹⁸¹ NYCHA *Capital Action Plan*, May 8, 2021, at 8-10.

¹⁸² NYCHA, *Gowanus Neighborhood Rezoning* (<https://www.nyc.gov/site/nycha/about/comp-mod/gowanus-neighborhood-rezoning.page>).

¹⁸³ NYCHA, *PACT* (<https://www.nyc.gov/site/nycha/about/pact.page>); NYCHA, *Preservation Trust One Pager* (<https://www.nyc.gov/site/nycha/about/preservation-trust-one-pager.page>).

¹⁸⁴ NYCHA, *PACT* (<https://www.nyc.gov/site/nycha/about/pact.page>).

¹⁸⁵ Agreement, Ex. A ¶¶ 14, 34.

¹⁸⁶ NYCHA, *Preservation Trust One Pager* (<https://www.nyc.gov/site/nycha/about/preservation-trust-one-pager.page>).

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- ¹⁸⁷ NYCHA, *Preservation Trust Basics FAQ* (<https://home.nyc.gov/site/nycha/about/preservation-trust-faqs.page>).
- ¹⁸⁸ NYCHA, Letter from the CEO to the HUD and SDNY, *Effect of Conversion of NYCHA Public Housing Units to Housing Preservation Trust* (Oct. 7, 2022) (<https://www.nyc.gov/assets/nycha/downloads/pdf/NYCHA-Letter-20221007-Effect-of-Conversion-of-NYCHA-Public-Housing-Units-to-Housing-Preservation-Trust.pdf>).
- ¹⁸⁹ NYCHA, *Public Housing Preservation Trust* (<https://www.nyc.gov/site/nycha/about/public-housing-preservation-trust.page>).
- ¹⁹⁰ Monitors' Report, Jul. 6, 2026, at 91-92; Monitors' Report, Apr. 7, 2026, at 122-123; Monitors' Report, Dec. 19, 2025, at 93-94;
- ¹⁹¹ Monitors' Report, Jul. 6, 2026, at 90-91.
- ¹⁹² NYCHA, *Gowanus Neighborhood Rezoning* (<https://www.nyc.gov/site/nycha/about/comp-mod/gowanus-neighborhood-rezoning.page>).
- ¹⁹³ Wyckoff Comp Mod, *Renovations & Upgrades* (<https://www.wyckoffmod.com/projects>); Gowanus Comp Mod *Renovations & Upgrades* (<https://www.gowanusmod.com/projects>).
- ¹⁹⁴ Gowanus Comp Mod *Renovations & Upgrades* (<https://www.gowanusmod.com/projects>).
- ¹⁹⁵ *Id.*
- ¹⁹⁶ *Id.*
- ¹⁹⁷ *Id.*
- ¹⁹⁸ *Id.*
- ¹⁹⁹ *Id.*
- ²⁰⁰ Wyckoff Comp Mod, (<https://www.wyckoffmod.com/>).
- ²⁰¹ Wyckoff Comp Mod, *Renovations & Upgrades* (<https://www.wyckoffmod.com/projects>).
- ²⁰² *Id.*
- ²⁰³ *Id.*
- ²⁰⁴ *Id.*
- ²⁰⁵ *Id.*
- ²⁰⁶ NYCHA, *Public Housing Preservation Trust* (<https://www.nyc.gov/site/nycha/about/public-housing-preservation-trust.page>).
- ²⁰⁷ *Id.*
- ²⁰⁸ NYCHA, *Residents Vote* (<https://www.nyc.gov/site/nycha/residents/voting.page>).
- ²⁰⁹ NYCHA, *Public Housing Preservation Trust* (<https://www.nyc.gov/site/nycha/about/public-housing-preservation-trust.page>).
- ²¹⁰ NYCHA, *Public Housing Preservation Trust* (<https://www.nyc.gov/site/nycha/about/public-housing-preservation-trust.page>); NYCHA, *Permanent Affordability Commitment Together (PACT)* (<https://www.nyc.gov/site/nycha/about/pact.page>).
- ²¹¹ See New York City Public Housing Preservation Trust, *Resident Hub* (www.preservationtrust.org).
- ²¹² New York City Public Housing Preservation Trust, *Bronx River Addition* (<https://www.preservationtrust.org/trustmodprogram/bronx-river-addition>); New York City Public Housing Trust, *Nostrand Houses* (<https://www.preservationtrust.org/trustmodprogram/nostrand>).
- ²¹³ Monitors' Report, Apr. 7, 2026, at 123; NYCHA, *City Capital Action Plan Amendment*, Feb. 11, 2026, at 2, 4-5.
- ²¹⁴ Monitors' Report, Apr. 7, 2026, at 123; NYCHA, *City Capital Action Plan Amendment*, Feb. 11, 2026, at 2, 4-5.
- ²¹⁵ Agreement Ex. B ¶ 20.

²¹⁶ Agreement between the U.S. Department of Housing and Urban Development (“HUD”), the New York City Housing Authority (“NYCHA”), and New York City (“the City”) Ex. A ¶ 2, Jan. 31, 2019 (hereinafter the “HUD Agreement” or “Agreement”).

²¹⁷ Agreement, Ex. A ¶¶ 8-12.

²¹⁸ Data classified as Year 6, 7, or 8 data refers to information tracked by Agreement year (February 1 through January 31). Data classified as 2024, 2025, or 2026 refers to data tracked by calendar year (January 1 through December 31).

²¹⁹ Agreement, Ex. A ¶¶ 9-11.

²²⁰ Monitors’ Report, Aug. 21, 2024, at 156-57; Monitor’s Report, Apr. 7, 2026, at 129.

²²¹ As previously reported, NYCHA divided its XRF testing initiatives into two phases, with Phase One prioritizing apartments where children under age six live or spend time. NYCHA has completed all attempts for testing in Phase One and Phase Two.

²²² Agreement, Ex. A ¶¶ 23, 25-26; Monitors’ Report, Aug. 21, 2024, at 164.

²²³ Agreement, Ex. A ¶¶ 23, 25-26.

²²⁴ Monitors’ Report, Apr. 3, 2025, at 101-04; Monitors’ Report, July 6, 2026, at 102-03.

²²⁵ In August 2026, NYCHA identified an additional center that reports serving children under six. That center is located at Chelsea Addition. Because this falls outside the reporting period, the monitors will discuss this in greater detail in their next report.

²²⁶ 24 C.F.R. § 35.1355(a)(2).

²²⁷ Monitors’ Report, Aug. 21, 2024, at 162; Monitors’ Report, Sept. 30, 2025, at 111. The backlog includes open work orders as far back as 2018. Given limited resources, NYCHA has focused its efforts on completing the work orders open since 2022. It is specifically focused on paint remediation work orders from XRF and visual assessment work orders.

²²⁸ The backlog described herein is the backlog as defined by NYCHA’s “Operation Lead The Way Initiative.” The goal is to make progress on reducing the backlog, which is hard to track given the dynamic universe of work orders. The backlog universe was updated by LHCD in December 2025 to reflect a refined definition of the universe. It comprises all open paint remediation work ordered derived from a 2022-2025 apartment visual assessment or XRF test. As a result, the baseline was updated from 19,835 to 19,716 work orders.

²²⁹ NYCHA reports multiple reasons for its inability to successfully close all work orders, including but not limited to lack of access to the building, floor, or apartment, tenant refusal, no adult present in the apartment, or additional work still needed in the apartment.

²³⁰ The graph reflects abatement data as of August 1, 2026.

²³¹ Agreement, Ex. A ¶ 8.

²³² Instead, the program required interim controls, which protect residents from the harms of lead paint on a more limited basis.

²³³ 23rd Lead Exceptions Report.

²³⁴ Agreement Ex. B ¶ 47.

²³⁵ Agreement ¶ 60. When the parties signed the HUD Agreement in 2019, Paragraph 60 of the Agreement reflected language from HUD’s then-operative physical condition standards, UPCS. The Agreement says to follow HUD’s superseding guidance on this subject. The parties agree that the superseding guidance requires NYCHA to comply with NSPIRE standards under this clause of Agreement ¶ 60.

²³⁶ Monitors’ Report, Aug. 21, 2024, at 191.

²³⁷ NYCHA received a preliminary failing score of 59 at Webster, which HUD increased to a passing score of 68 after appeal.

²³⁸ Agreement ¶ 60.

²³⁹ The parties agree that superseding guidance requires NYCHA to comply with the NSPIRE standards under this clause of Agreement ¶ 60.

²⁴⁰ While NYCHA does have policies and software-based controls in place to prevent corrective-maintenance work orders from being scheduled on days when NSPIRE inspections are underway at a given development, the Compliance department has identified a number of instances where such work was nevertheless completed during an NSPIRE inspection. The Monitors understand that these work orders were previously scheduled for reasons unconnected to the NSPIRE inspections and were, based on the Compliance department's investigation, neither scheduled nor completed during an inspection with the purpose of deceiving HUD about conditions at NYCHA developments. The Monitors plan to engage the parties in a discussion concerning the appropriate treatment under Paragraph 61 of the Agreement of work that is already scheduled when NYCHA is notified of an NSPIRE inspection.

ENDNOTES FOR SECTION II: ORGANIZATIONAL CHANGE

²⁴¹ On March 2, 2021, in collaboration with the First Monitor, and with the concurrence of HUD and SDNY, NYCHA issued a plan titled “NYCHA’s Blueprint for Change: Transformation Plan” (hereinafter, the “Transformation Plan”). Thereafter, NYCHA issued two follow up plans, in February 2022 and February 2023, that described the specific steps NYCHA planned to take to implement the Transformation Plan. For ease of reference, this report generally refers to all three documents collectively as the “Transformation Plan.”

²⁴² See, e.g., Monitors’ Report, Apr. 7, 2026, at 173-227.

²⁴³ *Id.* at 179-186; Monitors’ Report, Dec. 19, 2025, at 138-140; Monitors’ Report, Jul. 3, 2025, at 113-115; Monitors’ Report, Aug. 21, 2024, at 239-240.

²⁴⁴ NYCHA uses regression testing to evaluate Workday’s implementation readiness and identify potential software errors. Regression testing reviews the software’s ability to process NYCHA’s key HR transactions housed on the platform, such as time-off requests.

²⁴⁵ Monitors’ Report, Sept. 25, 2025, at 141.

²⁴⁶ Monitors’ Report, Apr. 7, 2026, at 193-194.

²⁴⁷ The Monitors recommended that: (1) NYCHA confirm the permanent reporting of EH&S to the CCO; (2) NYCHA affirm the responsibility of EH&S to identify emerging hazards and provide resources to allow it to focus its efforts on fulfilling this responsibility; (3) NYCHA assign the new Compliance Senior Advisor and Compliance’s Technical Oversight and Special Projects Unit to support EH&S in an integrated department to conduct proactive assessments of potential environmental issues; (4) NYCHA continue EH&S’s cross-training of specialists so that each inspection can proactively identify issues beyond the specific purpose of that inspection; (5) the integrated Compliance/EH&S department and QAU communicate regularly about their activities to ensure they are not duplicating work and are sharing information as appropriate for their purposes; (6) NYCHA establish a clearinghouse function to synthesize and aggregate feedback, recommendations, and corrective actions being provided to Operations from the oversight departments in various subject areas and to assist in tracking remediation and response; (7) NYCHA establish periodic, mandatory reporting of EH&S findings, including of emerging hazards to the CEO, and that these reports include updates on remediation measures taken in response to prior reports; and (8) NYCHA require closer tracking of routine corrective actions and related work orders and include summary updates in the reporting to the CEO.

APPENDIX

Appendix: Completed and In Compliance Requirements

The following table summarizes the requirements of the HUD Agreement that NYCHA has completed, with which NYCHA is in compliance, or which are no longer operative. Outstanding requirements of the HUD Agreement are described in **Section I** and **Section II** of this report.

Req. No.	Description	Status
Heat		
H1-H2 (Ex. B ¶ 14(c))	Boiler Replacement: NYCHA will replace or address approximately 500 boilers by December 31, 2026, with 200 to be transferred to and addressed by PACT partners, who will repair or repair boilers as needed, and the remaining boiler replacements to occur either at NYCHA developments or at properties transferred to PACT partners.	Complete (Monitors' Report, Aug. 21, 2024, at 54)
H3 (Ex. B ¶ 14(b))	BMS Modernization: NYCHA will modernize the Building Management Systems at 44 developments by December 31, 2020. Modernization will include introducing indoor temperature sensors.	Complete (Monitors' Report, Aug. 21, 2024, at 62)
H4 (Ex. B ¶ 7)	Installation of Electronic Temperature Monitoring Devices: NYCHA will install electronic temperature sensing devices sufficient to provide NYCHA a comprehensive understanding of heating conditions in 30% of apartments in 44 developments by December 31, 2020.	Complete (Monitors' Report, Apr. 3, 2025, at 19)
H10 (Ex. B ¶ 9(b))	Overall Heat Restoration (2019-2024): NYCHA will restore heat to affected apartments within (i) 24 hours for 85% of heating failures, and (ii) 48 hours for 100% of heating failures.	Superseded by H11 (Ex. B ¶ 10(a))
H12 (Ex. B ¶ 13(a), (c))	Notification to Residents of Unplanned Heating Outage: Within two hours of learning of an unplanned heating outage, NYCHA will notify affected residents by robocall and also post notifications in the	In compliance (Monitors' Report, Aug. 21, 2024, at 60)

	affected building(s) and on NYCHA's website, and also notify the Monitors.	
H13 (Ex. B ¶ 13(b), (c))	Notification to Residents of Planned Heating Outage: For planned heating outages, NYCHA will provide 48-hours' advanced notice to affected residents via robocall and also post notifications in the affected building(s) and on NYCHA's website, and also notify the Monitors.	In compliance (Monitors' Report, Aug. 21, 2024, at 61)
Elevators		
E1 (Ex. B ¶ 34(b))	Elevator Replacement - NYCHA: By December 31, 2024, NYCHA will replace at least 275 elevators.	Complete (Monitors' Report, Apr. 7, 2026, at 43)
E2 (Ex. B ¶ 34(b))	Elevator Replacements - PACT: By December 31, 2024, NYCHA will transfer at least 150 elevators to third-party management through the PACT program. The developer selected will replace elevators as needed, which includes modernization.	Complete (Monitors' Report, Apr. 3, 2025, at 28-29)
E3 (Ex. B ¶ 22)	Service Interruption Data: By May 31, 2019, NYCHA shall provide HUD and the Monitors with sufficient data to identify elevator service interruptions in the prior three years. This data shall be updated quarterly.	Complete and in ~~cc~~ Compliance (Monitors' Report, Aug. 21, 2024, at 91)
E4 (Ex. B ¶ 30)	Elevator Outage Monitoring: By July 31, 2019, NYCHA will institute and maintain a system that identifies every elevator outage and the start and end times of such outages.	Complete (Monitors' Report Aug. 21, 2024, at 91)
E5 (Ex. B ¶ 31)	Remote Elevator Monitoring: NYCHA will install continuous remote monitoring in at least 70% of its elevators.	Complete, subject to verification (Monitors' Report, Apr. 3, 2025, at 39-40). The Monitors will continue to evaluate whether and to what extent the connectivity issue affects NYCHA's use of

		REMS devices and information and thereby compliance with this obligation.
E6 (Ex. B ¶ 23(a))	Buildings with One No-Service Condition: Beginning in Year 3, 70% of elevator banks with more than one elevator will have no more than one no-service condition.	Not met; no longer operative (Monitors' Report Aug. 21, 2024, at 94)
E9 (Ex. B ¶ 23(b))	Eight Unplanned Outages: Beginning in Year 3, for at least 70% of elevators, there will be no more than 8 unplanned outages per year.	Not met; no longer operative; (Monitors' Report Aug. 21, 2024, at 95)
E11 (Ex. B ¶ 23(b))	Fifteen Unplanned Outages: Beginning in Year 3, no elevator shall have more than fifteen unplanned outages per year.	Not met; no longer operative; (Monitors' Report Aug. 21, 2024, at 96)
E13 (Ex. B ¶ 28)	Reduction of Outage Duration: In Year 1, NYCHA shall reduce the duration times of its elevator outages by 10%.	Complete (Monitors' Report, Aug. 21, 2024, at 87)
E14 (Ex. B ¶ 28)	Eighteen-Hour No-Service Conditions: Beginning in Year 1, 75% of no-service conditions shall be resolved within eighteen hours of the time NYCHA learns of them.	Complete; no longer operative; (Monitors' Report Aug. 21, 2024, at 96)
E23 (Ex. B ¶ 34(a))	Caretaker Requirements: NYCHA will adopt and maintain an extended schedule for development caretakers to allow for cleaning of elevators as part of every shift.	In compliance (Monitors' Report, Aug. 21, 2024, at 76)
Pests & Waste		
P1 (Ex. B ¶ 46(a))	Door Sweeps: By March 31, 2020, NYCHA must install 8,000 door sweeps on basement doors with gaps.	Complete

		(Monitors' Report, Aug. 21, 2024, at 103)
P2 (Ex. B ¶ 46(b))	Rat Slabs: By December 31, 2020, NYCHA must install 50 rat slabs.	Complete (Monitors' Report, Apr. 7, 2026, at 93)
P3 (Ex. B ¶ 46(c))	Full-Time Exterminators: NYCHA will dedicate 20 full-time exterminator staff to conduct ongoing comprehensive preventive maintenance treatments in public spaces for developments within designated areas of New York City with high levels of rat activity.	Complete (Monitors' Report, Aug. 21, 2024, at 104)
P4 (Ex. B ¶ 46(d))	Bulk Crushers: By December 31, 2022, NYCHA must install exterior bulk crushers or retrofit exterior compactors with auger bulk crushers at ten developments.	Complete (Monitors' Report, Aug. 21, 2024, at 104)
P5 (Ex. B ¶ 38(d))	Pest Sensitive Unit Procedure: By January 31, 2021, NYCHA must develop an action plan that, among other things, establishes a procedure for informing residents of a process through which residents may notify NYCHA if anyone residing in an apartment has an applicable health condition.	Complete (Monitors' Report, Aug. 21, 2024, at 108)
P6 (Ex. B ¶ 41)	Targeted Relief for Infestations: By October 31, 2019, for any apartment that has more than one pest infestation complaint within 12 months, NYCHA shall have a professional using IPM techniques evaluate the apartment, the immediately adjacent apartments, and the immediately adjacent common areas within 30 days to identify issues specific to the apartment that contributed to the recurrence. Within the following 30 days, NYCHA must address the issues using IPM techniques.	Complete (Monitors' Report, Aug. 21, 2024, at 103)
P7 (Ex. B ¶ 35)	Pest Population Protocols: The Monitors shall establish reasonable protocols by which IPM professionals can develop and provide reliable estimates, at least quarterly, of the pest populations at each	Complete. (Monitors' Report, April 3, 2025, at 49-51)

	NYCHA development by October 31, 2019.	
P9 (Ex. B ¶ 36)	Pest Population Reduction Requirements I: Beginning in Year 3, NYCHA shall achieve (i) a 50% reduction in its rat population; (ii) 40% reduction in its mouse and cockroach populations; and (iii) a percentage reduction in its bed bug population determined by the Monitor. ¹	Partially Met; no longer operative. Met: Bed Bug -62% Not Met: Rat +10% Mouse -41% Cockroach -56% (Monitors' Report, April 3, 2025, at 54-55)
P12 (Ex. B ¶ 38(a))	Rat Response I: By January 31, 2021, NYCHA shall respond to (i) 75% of rat complaints within two business days and (ii) to all rat complaints within five calendar days.	Not met; no longer operative (i): 65% (ii): 75% (Monitors' Report, Aug. 21, 2024, at 105-06)
P13 (Ex. B ¶ 38(b))	Other Pest Response I: By January 31, 2021, NYCHA shall respond to (i) 75% of all other pest complaints within seven calendar days and (ii) all other pest complaints within ten calendar days.	Not met; no longer operative (i): 44% (ii): 51% (Monitors' Report, Dec. 19, 2024, at 60-61)
P17 (Ex. B ¶ 38(d))	Pest Sensitive Unit Response: By January 31, 2021, NYCHA shall provide expedited response and application of pest control methods in cases where NYCHA is aware that a resident of the apartment has a condition generally recognized as being caused or	In compliance (Monitors' Report, Aug. 21, 2024, at 108)

¹ After consulting with the urban entomologists, the Monitors determined that the bed bug population should also be reduced by 40% by the end of Year 3.

	exacerbated by exposure to pest infestations.	
Mold and Leaks		
M1 (Ex. B. ¶ 19)	Resident Not Home Mold Work Orders: NYCHA will not close any mold, flood, or leak from above work orders as "Resident Not Home."	In compliance (Monitors' Report, Aug. 21, 2024, at 144)
Lead		
L1 (Ex. A ¶ 4(a))	Report Identifying Lead-Paint Developments and Apartments: NYCHA shall provide the United States with a report identifying all developments that were built prior to January 1, 1978, and are not exempt pursuant to 24 C.F.R. § 35.115, as a result of an inspection, an abatement, or otherwise, as well as any apartments in those developments that are not exempt ("lead-paint units").	Complete (Monitors' Report, Aug. 21, 2024, at 155-56)
L2 (Ex. A ¶ 4(b))	Report Identifying Lead-Paint Apartments with Children: NYCHA shall provide a report (the "Immediate Action List") identifying lead-paint units that NYCHA "had reason to believe are occupied or routinely visited by a child under the age of 6."	Complete (Monitors' Report, Aug. 21, 2024, at 155-56)
L3 (Ex. A ¶ 5(a))	Immediate Visual Assessments: Perform at least one visual assessment in accordance with 24 C.F.R. § 35.1355 of each apartment on the Immediate Action List, except insofar as the apartment received a compliant visual assessment within the preceding months.	Substantially complete ² (Monitors' Report, Aug. 21, 2024, at 155-56)

² This obligation relates to apartments on the Immediate Action List. NYCHA completed 99% of the visual assessments required for the Immediate Action List. The outstanding visual assessments have been encompassed by NYCHA's broader CU6 efforts. Thus, the Monitors consider this obligation substantially complete and will not be tracking progress against it in future reports.

L4 (Ex A ¶ 5(b))	Elimination of Lead-Based Paint Hazards: Eliminate any lead-based-paint hazards in apartments identified on the Immediate Action List using interim controls in accordance with 24 C.F.R. § 35.1330, or through abatement in accordance with 24 C.F.R. § 35.1325.	Substantially complete ³ (Monitors' Report, Aug. 21, 2024, at 155-56)
L5 (Ex. A ¶ 6)	Exemption Documentation: Provide the United States with documents sufficient to show NYCHA's basis for claiming that particular developments are exempt.	Complete (Monitors' Report, Aug. 21, 2024, at 155-56)
L7 (Ex. A ¶ 19)	EBLL Risk Assessment: Within 30 days of appointment of the Prior Monitor, provide the Prior Monitor a list (the "EIBLL/EBLL-Triggered Risk Assessment List") of "all units, common areas servicing such units, and developments in which neither an environmental investigation nor a risk assessment was performed since the date of "the reporting to NYCHA (if on or after July 13, 2017) of a case of a child under age six with an EBLL, or the reporting to NYCHA (if before July 13, 2017) of a case of a child with an EBLL living in such apartment and development.	Complete (Monitors' Report, Aug. 21, 2024, at 164-65)
L8 (Ex. A ¶ 20)	Environmental Investigations: After providing the Prior Monitor the EIBLL/EBLL-Triggered Risk Assessment List, within a timeframe acceptable to the Monitor, confirm that the New York City Department of Health and Mental Hygiene performed an environmental investigation in any apartment and common areas servicing that apartment identified in the EIBLL/EBLL-Triggered Risk Assessment List. To the extent the Department of Health and Mental Hygiene has not done so, NYCHA was required to perform such	Complete (Monitors' Report, Aug. 21, 2024, at 164-65)

³ This obligation relates to apartments on the Immediate Action List. Although NYCHA was not able to fully comply with certain interim controls required by the regulations for the Immediate Action List, its efforts to comply with those obligations have been encompassed by NYCHA's broader CU6 efforts. Thus, the Monitors consider this obligation substantially complete and will not be tracking progress against it in future reports.

	environmental investigation within a timeframe acceptable to the Monitors.	
L9 (Ex. A ¶ 21)	Abatement of EBLL Apartments: After issuing or receiving the report of the environmental investigation, within a timeframe acceptable to the Monitors, complete the abatement of identified lead-based-paint hazards in accordance with 24 C.F.R. § 35.1130(c) and 35.1325.	Complete (Monitors' Report, Aug. 21, 2024, at 164-65)
L10 (Ex. A ¶ 22)	Risk Assessment of EBLL Buildings: Perform risk assessments for all other apartments in the building in which a child under age six resides or is expected to reside on the date lead-based-paint hazard reduction is complete, and common areas servicing those apartments in the developments identified in the EIBLL/EBLL-Triggered Risk Assessment List, within a timeframe acceptable to the Monitors.	Complete (Monitors' Report, Aug. 21, 2024, at 164-65)
L11 (Ex. A ¶ 24)	Information Sharing: No later than 60 days after the execution of the Agreement, enter into a written agreement with the NYC Department of Health and Mental Hygiene resolving any barriers to the sharing of information relating to resident children's blood lead levels necessary for NYCHA to make disclosures to HUD.	Complete (Monitors' Report, Aug. 21, 2024, at 164-65)
L12 (Ex. A ¶ 30(a))	One-time Certification: Submit to the United States a statement describing compliance with priority action obligations within 120 days of the Effective Date.	Complete (Monitors' Report, Aug. 21, 2024, at 155-56)
L13 (Ex. A ¶ 33(a))	Sample Kit: Display a sample kit of the supplies needed to complete an RPP work order in all 139 storerooms by January 31, 2019.	Complete (Monitors' Report, Aug. 21, 2024, at 158-60)
L14 (Ex. A ¶ 33(b))	RRP Supplies: Issue a minimum of one kit of RRP supplies to RRP-certified staff daily by February 28, 2019.	Complete (Monitors' Report, Aug. 21, 2024, at 158-60)

L15 (Ex. A ¶ 33(c))	IT Upgrades: Enhance work order system to automatically create a “dust wipe” work order if an RRP work order is generated by February 28, 2019.	Complete (Monitors’ Report, Aug. 21, 2024, at 158-60)
L16 (Ex. A ¶ 33(d))	Dust-Control Training: Select a vendor to supplement the EPA’s RRP training with practical training on dust-control measures to simulate a range of working conditions by March 31, 2019, and train substantially all RRP-certified staff by December 31, 2019.	Complete (Monitors’ Report, Aug. 21, 2024, at 158-60)
L17 (Ex. A ¶ 33(f))	Visual Assessment Training: Train all maintenance workers to perform lead-based paint visual assessments by September 30, 2019.	Complete (Monitors’ Report, Aug. 21, 2024, at 158-60)
L19 (Ex. A ¶ 33(g))	Painting Contracts: Secure additional, dedicated painting contracts for the Healthy Homes Department to exclusively focus on remediation by December 31, 2019.	Complete (Monitors’ Report, Aug. 21, 2024, at 158-60)
L29 (Ex. A ¶ 17)	Lead-Based Paint Deficiencies Identified During Visual Assessments: Control deteriorated lead-based paint identified by visual assessments in compliance with federal regulations.	Complete (Monitors’ Report, July 6, 2026, at 111-12)
Inspections		
I1 (Ex. B ¶ 49)	Annual Inspections Action Plan: By May 31, 2019, NYCHA must submit an Action Plan for complying with the requirements to conduct annual inspections and perform minor repairs, including procedures for completing on-site repairs and scheduling subsequent repairs.	Complete (Monitors’ Report, Sept. 30, 2025, at 125)

GLOSSARY

Certain terms used in the Monitors' report are defined below. Each entry notes the section in which it appears.

Annual Overhaul: Annual overhaul refers to NYCHA's yearly preventive and corrective maintenance performed on heating service equipment starting around February and finishing by October, with most of the work taking place in the summer. The annual overhaul involves performing maintenance on all heating equipment (e.g., cleaning, lubricating, replacing worn components), conducting thorough equipment inspections to identify all needed repairs and replacements, and then completing this work. **(Heat)**

Apply: Under the definition agreed to by the First Monitor and NYCHA, this is the time from the moment a complaint is verified to the moment that NYCHA staff completes the initial work order for inspection and initial treatment. Typically, the same NYCHA staff member who responds to the initial work order applies the initial pest control treatment during the same visit. Application of pest control methods should take, on average, 45 minutes. **(Pests & Waste)**

Baez v. NYCHA, No. 13 Civ. 8915 ("Baez"): Baez is a federal class action lawsuit brought by NYCHA residents suffering from asthma and living in apartments with mold and excessive moisture. NYCHA settled Baez in 2014. The resulting consent decrees impose various requirements on NYCHA that are similar but not identical to the HUD Agreement obligations and aim to help NYCHA effectively remediate mold and moisture in a timely manner. **(Mold & Leaks)**

Building Management Systems ("BMS"): The computerized controls that provide automation, remote monitoring, and remote control for building mechanical systems such as boiler plants. **(Heat)**

City Capital Action Plan ("CCAP"): Under the HUD Agreement, New York City must provide \$2.2 billion in capital funding to NYCHA over a ten-year period starting in 2019 (\$250 million per year for the first four years, and \$200 million per year for the final six years). These funds are committed to capital projects and can only be spent pursuant to an Action Plan. The City Capital Action Plan was approved by the First Monitor on May 8, 2021, and was amended in

September 2023 and again in February 2026. **(Pests & Waste)**

Consolidation: A group of developments managed by the same property management office. **(Pests & Waste)**

Corrective Maintenance: Corrective maintenance consists of repairing or replacing damaged or malfunctioning components such as burners, pumps, valves, control systems, and piping; performing hydrostatic tests to detect leaks; and restoring full operational capacity to ensure safe and reliable boiler function. **(Heat)**

Employee Self Service ("ESS"): ESS is the interface through which non-managerial NYCHA employees can handle their own HR transactions directly, rather than routing them through HR staff. This will allow employees to handle basic HR functions, like requesting time off. **(Organizational Change)**

Fixture Removal: Fixtures, including cabinetry, sheet rock, or floor tiles, that have been damaged by mold must be removed. **(Mold & Leaks)**

Heat Ready: Heat ready refers to NYCHA's assessment that the boilers at a development are capable of providing sufficient heat to the residents of the development in the upcoming heating season. Because many developments have boiler rooms with more than the necessary number of boilers, not all boilers must be operational in a development's boiler room before NYCHA considers the development to be heat ready. **(Heat)**

Heating Degree Days: A measure of how cold it is over a period of time, calculated based on the number of degrees the daily average temperature falls below a set baseline (typically 65°F). Higher HDD values indicate greater demand for heat. **(Heat)**

Heating Outage: A failure of the central heating system that prevents the system from delivering heat to multiple apartments. It does not include instances when heat is not being provided to an individual apartment, such as when a single radiator malfunctions. **(Heat)**

Heating Season: The heating season runs from October 1 in one year to May 31 in the next year.

This is the period when resident-occupied buildings in New York City are required to be provided with heat from a central heating system. **(Heat)**

Heating Service Interruptions: This term consists of heating outages and in-apartment heating failures. **(Heat)**

Heating System: The full set of equipment and infrastructure required to deliver heat to occupied apartments. This end-to-end system includes central generation equipment (such as boiler plants), distribution components (including tank rooms, pipes, risers, and valves), and in-apartment equipment (such as convectors and radiators). A failure or condition requiring servicing within these components can affect the delivery of heat to apartments. **(Heat)**

Human Capital Management System ("HCMS"): An HCMS is a centralized IT system for all employee data supporting HR functions. These are single platform solutions that help HR recruit, onboard, and conduct general workforce planning. **(Organizational Change)**

In-Apartment Heating Failures: Conditions where the heating system inside an apartment does not function properly due to issues with in-apartment components such as convectors, distribution pipes, radiators, or related parts, like clogged traps, that require cleaning to restore proper heating. An in-apartment heating failure can impact a single room in the apartment or the entire apartment. **(Heat)**

Independent Data Analyst ("IDA"): The IDA is an entity appointed under Baez Consent Decree to help the parties and Special Master develop a reporting system to track NYCHA's compliance with its obligations under Baez. The IDA is also tasked with reviewing and confirming the accuracy of the reporting and recommending improvements. **(Mold & Leaks)**

Independent Mold Analyst ("IMA"): The IMA is an entity appointed under the Baez Consent Decree to perform quality assurance by inspecting a certain number of randomly selected apartments on a quarterly basis. The IMA also reports on its findings and makes recommendations for improved compliance. **(Mold & Leaks)**

Integrated Pest Management ("IPM"): An environmentally friendly, commonsense approach to pest control. Unlike traditional pest management,

which involves the routine application of pesticide, IPM focuses on the prevention of pests and uses pesticide only as needed. It involves multiple forms of pest controls, and has a four-tier approach: (1) identify pests and monitor progress; (2) set action thresholds; (3) prevent pests; and (4) control pests. **(Pests & Waste)**

Leak Standard Procedure ("Leak SP"): A standardized process for identifying, tracing, and addressing the root causes of leaks across all NYCHA developments. **(Mold & Leaks)**

Leaks from Above: Floods, leaks, or water penetration into a resident's apartment from another apartment(s) above or adjacent to it, or the roof. **(Mold & Leaks)**

Low Voltage Conditions: Low voltage conditions refer to when an elevator is not receiving enough voltage to continue operating. Many elevators (including NYCHA's) cannot operate at lower voltages. Elevators need a steady supply of electricity to run safely. When the electrical voltage drops too low, the elevator's motor does not have enough power to move the elevator car, and the safety systems automatically shut the elevator down to prevent damage or unsafe operation. Low voltage conditions can occur from widespread (e.g., a grid goes down) or local (e.g., a transformer blows) electrical issues. Low voltage conditions generally require an electrician to resolve the issue at the source of the problem. In responding to all outages, NYCHA mechanics will take voltage readings to confirm if the outage is due to low voltage conditions. **(Elevators)**

Mandatory Minimum Temperature: From October 1 to May 31 (the "Heating Season"), during the day (6:00 a.m. to 10:00 p.m.), apartments must be at least 68°F when the outside temperature is below 55°F, and at least 62°F at night (10:00 p.m. to 6:00 a.m.) regardless of the outside temperature. **(Heat)**

Maximo Application Suite ("MAS 9.0"): MAS 9.0 is a planned upgrade of the Maximo system NYCHA uses for maintenance of work orders, tracking development and unit repair data, and general coordination and tracking of repair work across the authority. **(Organizational Change)**

Modernization: Modernizing elevators refers to replacing key equipment and electronics and refurbishing the elevator cabs. **(Elevators)**

Mold Cleaning: To clean mold, NYCHA staff or a vendor apply a mold-specific cleaning detergent and disinfectant with as-needed manual mold removal with a brush. **(Mold & Leaks)**

Mold Inspector: A mold inspector is a Property Maintenance Supervisor, Assistant Property Maintenance Supervisor, Property Manager, or Maintenance Worker who is trained and authorized to perform initial mold inspections. A mold inspector must complete the Mold Inspector and Building Sciences Trainings before performing such inspections. **(Mold & Leaks)**

Neighborhood Model: An operating structure NYCHA adopted under the Transformation Plan, in which NYCHA's properties are organized into 29 localized "neighborhoods" of adjacent developments. The central goal is to make operational decision-making less dependent on staff at NYCHA's central office and bring it closer to the developments themselves, including by re-orienting central-office and support-service functions, such as heating and elevators, toward the neighborhoods. **(Elevators)**

No-Service Condition: The HUD Agreement defines "no-service conditions" to include only a situation where all elevators are out of service at one building. However, NYCHA, HUD, and SDNY have agreed that it is consistent with the purpose of the Agreement for "no-service conditions" to also include a situation where all elevators that serve an apartment are out of service, which generally means all elevators in one bank are out of service. For example, a single building may have one bank of elevators that serves the northern half of the building, and a second bank of elevators that serves the southern half of the building. If all of the elevators that serve the northern half of the building stop working, that would be considered a no-service condition because the apartments on the northern half of the building cannot be accessed by elevator, even though other elevators in the building continue to function. **(Elevators)**

Other Pests: Under the HUD Agreement, the term "other pests" refers to mice, cockroaches, and bed bugs. **(Pests & Waste)**

Permanent Affordability Commitment Together ("PACT"): When a NYCHA building enters the

PACT program, NYCHA continues to own the building and handle certain administrative tasks, but a third-party developer assumes management responsibilities for the building, including conducting repairs. **(Mold & Leaks)**

Pest Population Estimate Calculations: The calculations to determine the pest population estimates begin with the number of complaints submitted by NYCHA residents for each type of pest. To arrive at the estimated pest populations, these figures are then adjusted to account for cases where the complaint is not verified, and where there is a pest presence that is not the subject of a resident complaint. These adjustments are made pursuant to an overcount adjustment and an undercount multiplier. The overcount adjustment accounts for when a resident makes a pest complaint about a pest in their apartment whose presence cannot be verified. For example, if a resident complains about mice, but an exterminator identifies cockroaches or finds no evidence of the presence of any pests during the inspection, then an overcount has occurred. These overcounts are subtracted from the number of pest complaints. **(Pests & Waste)**

Pests: Under the HUD Agreement, the term "pests" refers to rats, mice, cockroaches, and bed bugs. **(Pests & Waste)**

Pest Standard Procedure ("Pest SP"): The Pest SP provides instructions to NYCHA staff on how to implement and comply with preventive and responsive measures to control pest infestations. It also creates protocols to protect the health of residents, employees, and vendors when removing and reducing pest activity using IPM techniques. **(Pests & Waste)**

Physical Needs Assessment: A comprehensive evaluation of a building's condition to identify necessary repairs, maintenance, and upgrades. It helps determine the costs and priorities for keeping the property safe, functional, and up to standard. HUD recommends that housing authorities conduct a PNA every five years. **(Heat)**

Preventive Maintenance: For heating, preventive maintenance consists of cleaning, lubricating, adjusting, repairing, and replacing worn components, and ensuring equipment and

mechanical areas are in satisfactory operating condition. **(Heat)**

Procurement: The competitive process through which NYCHA selects and contracts with the vendors that perform capital projects. NYCHA develops the project scope and specifications, solicits bids from qualified vendors, evaluates the bids received, completes a background check on the vendor with the lowest bid, and awards a contract. Typically, this phase takes six to eight months. Physical replacement work begins only after this phase is complete. **(Elevators)**

Remote Elevator Monitoring Systems: REMS provide continuous real-time monitoring by tracking elevator performance through sensors that detect faults and generate fault codes. The local elevator motor room receives the fault codes in a fault log, then transmits the codes to either physical servers at the central office of NYCHA's Elevator Service and Repair Department ("ESRD") for older REMS devices ("server-based"), or to a cloud-based monitoring system for newer REMS devices ("cloud-based"), where the data can be accessed and used to coordinate responses, generate work orders, and monitor elevator performance offsite. **(Elevators)**

Resident Case Management System ("RCMS"): An RCMS is an IT system that handles numerous resident-service and communication functions on one platform. This includes services like prospective application processing or managing move-outs as well as key communications like inspection notices. **(Organizational Change)**

Strategic Asset Management ("SAM") Committee: The monthly agency-wide executive committee where NYCHA assesses the organizational impact of capital investments and makes decisions on major capital investment planning and asset management. **(Organizational Change)**

Voltage Reductions: During heat waves, demand for electricity spikes as the use of cooling devices, such as fans and air conditioners, increases. If demand exceeds available capacity, equipment powering the electrical grid can overheat and fail, leading to blackouts. Reducing the voltage provided to the grid reduces overall electricity use, which lowers the risk of equipment failure or blackout. **(Elevators)**

Whole Life Cost: A whole life cost analysis considers that a building system costs over its full lifetime, including the upfront price as well as the ongoing maintenance, operating, and eventual replacement costs, so that options can be compared on total cost of ownership. **(Organizational Change)**

Work Plan: A work plan is a document that a mold inspector generates after their inspection, containing a description of the inspection and root cause findings, a list of next steps to address the mold and its root cause, and instructions on how to prevent mold and its root cause in the future. Under the Mold Standard Procedure, a work plan is automatically generated following a verified mold inspection. **(Mold & Leaks)**

Wrench Time: The share of a mechanic's shift spent performing repair and maintenance work, as distinct from time spent traveling between developments, obtaining parts, or completing administrative tasks. Measuring wrench time allows NYCHA to identify where mechanics' time is being lost and to adjust deployment accordingly. **(Elevators)**

X-Ray Fluorescence ("XRF") Testing: XRF testing is a non-destructive analytical technique that uses X-rays to determine the elemental composition of a material, including to determine whether lead is present. **(Lead)**