



# OPERATING PLAN

Calendar Years 2024-2028

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# Table of Contents

**OVERVIEW** ..... 4

**OUR COMMITMENT TO FINANCIAL TRANSPARENCY** ..... 5

**GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA) AWARD**..... 5

**PROPERTY BASED BUDGETING TRAINING** ..... 6

**FINANCIAL MEASURES**..... 6

**HUD AGREEMENT AND PILLAR AREAS** ..... 7

**ELEVATOR SERVICES AND REPAIRS DEPARTMENT (ESRD)**..... 7

**HEATING MANAGEMENT SERVICES DEPARTMENT (HMSD)** ..... 8

**LEAD HAZARD CONTROL DEPARTMENT (LHCD)**..... 8

**OFFICE OF MOLD ASSESSMENT AND REMEDIATION (OMAR)**..... 9

**OFFICE OF PEST & WASTE MANAGEMENT**.....11

**A PATH TO FINANCIAL SUSTAINABILITY - THE BLUEPRINT FOR CHANGE** .....12

**CLOSING THE YEAR**.....20

**HISTORY OF NYCHA’S FUNDING**.....21

**Historical Federal Funding**.....21

**Federal Operating Subsidy** .....22

**Housing Choice Voucher Program (Section 8)**.....23

**Federal Capital Funding**.....25

**2024 OUTLOOK** .....27

**2024 FINANCIAL RISK** .....29

**2024 INITIATIVES AND SPECIAL PROGRAMS** .....30

**Transformation Plan - NYC Public Housing Preservation Trust**.....32

**BUDGET LINE-ITEM DISCUSSION** .....34

**BASIS OF PRESENTATION** .....34

**Budgetary Funds** .....34

**OPEB Disclosure** .....34

**SOURCES (REVENUE CATEGORIES)**.....35

**Tenant Rental Revenue (Dwelling Rent)** .....36

**Federal Operating Subsidies**.....36

**Section 8 Conversion at LLC properties** .....36

**Section 8 Subsidy and Administrative Fees**.....37

**Categorical Grants** .....37

**Capital Fund Reimbursements**.....37

**Interest on Investments**.....37

**Other Revenue from Operations** .....38

**City Funds**.....38

**Other Non-Operating Revenues**.....38

**USES (EXPENDITURE CATEGORIES)**.....39

**Workforce** .....40

**Salaries** .....42

**Fringe** .....42

**Overtime**.....42

**Seasonal**.....43

**Leases** .....44

**Insurance**.....44

**Utilities** .....45

**Section 8 Payments**.....45

**Contracts**.....46

**Supplies, Equipment, and OTPS Other**.....46

**2024-2028 OPERATING PLAN BY FUNDS** .....47

## 2024-2028 Operating Plan

The New York City Housing Authority (NYCHA or the Authority) Board adopted the Fiscal Years (FY) 2024-2028 Operating Plan on December 19, 2023. This Five-Year Plan outlines the Authority’s priorities and strategies to address the challenges it faces with its available resources.

### Overview

The 2024 Plan projects an operating deficit of \$35 million. The Authority’s nearly \$5 billion budget supports two major federal programs. The \$2.9 billion Public Housing Program provides funding for operations and maintenance of over 160 thousand units of housing while the \$2.1 billion supports the Housing Choice Voucher (HCV) Program which provides 102 thousand low-income households with affordable housing in the private sector. Part of the Public Housing Program is funded with \$205 million provided by the City of New York.

Chart 1: FY24 – FY28 Operating Plan Summary

(\$ Millions)	FY24	FY25	FY26	FY27	FY28
<b><i>Revenues</i></b>					
Federal Operating Subsidies	\$1,310	\$1,350	\$1,321	\$1,369	\$1,400
Section 8 Subsidy	2,080	2,365	2,485	2,606	2,731
Tenant Rent	959	896	895	896	915
City Funds	205	207	210	211	211
Others	406	411	384	382	382
<b>Total Revenue</b>	<b>\$4,961</b>	<b>\$5,229</b>	<b>\$5,295</b>	<b>\$5,465</b>	<b>\$5,639</b>
<b><i>Expenditures</i></b>					
Personnel Services	\$1,659	\$1,673	\$1,725	\$1,738	\$1,755
Section 8 HAP	1,901	2,197	2,314	2,436	2,558
Utilities	643	641	579	579	579
Contracts	414	407	403	401	401
Other	379	365	337	333	334
<b>Total Expenditures</b>	<b>\$4,996</b>	<b>\$5,283</b>	<b>\$5,359</b>	<b>\$5,487</b>	<b>\$5,627</b>
<b>Surplus/ (Deficit)</b>	<b>(\$35)</b>	<b>(\$54)</b>	<b>(\$64)</b>	<b>(\$22)</b>	<b>\$12</b>

## *Our Commitment to Financial Transparency*

NYCHA remains committed to financial transparency and effective budgeting. Toward that end, the Authority submitted its Five-Year Budget Book to a panel of independent reviewers, the Government Finance Officers Association (GFOA). Furthermore, NYCHA expanded its training program to include all Property Managers to help improve the planning process, while creating an engaging and comprehensive budgeting environment to help achieve its core mission of serving its residents.

### **Government Finance Officers Association (GFOA) Award**

Created by GFOA in 1984, the Distinguished Budget Presentation Award program recognizes state and local governments that prepare budget documents of the highest quality as established by the National Advisory Council on State and Local Budgeting. Any type of government agency across the country can apply. This honorable award is for the transparency and accountability of the budget.

As part of its commitment in providing financial transparency, NYCHA submitted its 2023 Budget Book to a panel of independent reviewers, the Government Finance Officers Association (GFOA). In August 2023, for the eighth consecutive year, NYCHA was awarded the Distinguished Budget Presentation Award, the highest form of recognition in government budgeting.



## Property Based Budgeting Training

The Department of Financial Planning and Analysis (DFPA) has implemented training enhancements to ensure property managers and central office departments are involved in the budget process. DFPA has provided a series of ongoing training sessions each year from 2020 to 2023, focused on basic training on general budget principles, budget submission processes, budget revisions, the General Ledger account structure, personnel action requests, navigation of the budget web portal and accessing financial and headcount reports.

In 2024, in addition to the basic training sessions, DFPA will provide advanced training courses to development management staff which will help them understand the income and expense report for their individual properties. The budget web portal will be updated to revise existing reports, eliminate underutilized reports, and create new reports to improve customer service. The aforementioned training courses will also be accessible on the web portal.

## Financial Measures

With financial challenges driven by large tenant rent arrears, increasing utility costs, and increasing HUD/SDNY Agreement expenses, NYCHA is taking the following proactive measures in the 2024 Proposed Budget.



### CONSISTENT PILLAR & PROPERTY FUNDING

Prioritized stable funding for property management contracts and staffing, and increase for pillar areas



### CUTTING CENTRAL OFFICE POSITIONS

Removed all nonessential contract spending in the central office departments



### REDUCING CENTRAL OFFICE POSITIONS

Eliminated ~50% of the vacant budgeted positions in the central office, excluding the pillar areas and compliance departments



### APPEALING THE OPERATING SUBSIDY

Submitting an operating subsidy appeal to HUD to fund mandated HUD/SDNY Agreement environmental expenses

## ***HUD Agreement and Pillar Areas***

On January 31, 2019, the U.S. Department of Housing and Urban Development (“HUD”), the New York City Housing Authority (“NYCHA”), and New York City (“the City”) signed an agreement (the “HUD Agreement”) to remedy the deficient physical conditions in NYCHA developments, ensure that NYCHA complies with its obligations under federal law, reform the management structure of NYCHA, and facilitate cooperation and coordination among HUD, NYCHA, and the City during the term of this Agreement. The agreement establishes a framework by which NYCHA will continue to evaluate and progress towards compliance with federal requirements. During the term of the HUD Agreement, an independent monitor will be in place with access to NYCHA’s resources and personnel and will issue quarterly reports on NYCHA’s compliance with the agreement.

Below provides major updated accomplishments in the year 2023 for each of pillar areas.

### **Elevator Services and Repairs Department (ESRD)**

#### Updates

As a result of concerted effort made by the Elevator Services and Repairs Department, there were significant reduction in number of outages across the Authority. The improvements were attributed largely to enhanced focus on preventive maintenance citywide.

- There were fewer outages from 1/1/23 – 9/30/23; there were 22,489 outages across the portfolio, ~18% lower than the 26,964 outages in the same timeframe in 2022.
- The average duration from 1/1/22 – 9/30/22 was 7.76 hours, an improvement from 11.30 hours for the same period the previous year. Between January and September 2023, of the 10,139 unplanned outages that resulted in a no-service condition, 70% were resolved within four or fewer hours, an improvement from the 65% resolution rate for the same time period the previous year (there had been 11,778 outages that resulted in a no-service condition).

ESRD has reduced the total open number of deficiencies over the year; there has been an 83% decrease at the end of 2023 when compared to the same time period in 2022.



## Heating Management Services Department (HMSD)

### Updates

- The 2022-2023 heating season reported a lower number of unplanned heating outages (384) than the previous season (564); the average duration of outages was also lower at 8.22 hours when compared to 8.99 hours of the previous heating season.
- The Monitor attributes this improvement to HMSD increasing staff capacity, direct-to-training model, an effective summer heating preventive maintenance program in collaboration with the Environmental Health & Safety Department, and the improved quality of work order data. Continued improvements are expected with the launch of the Heat Training Lab in 2024.

### In Progress

- Update the Heat Dashboard report that captures all PM and IN values to allow creation of follow-up work orders from IN work orders only.
- Update the Boiler room daily inspection work order to include fuel details for each boiler.
- Reduce the number of Heating owner groups.
- Add the development name to boiler room daily and twice weekly inspection notification emails.
- Review current outage causes and repairs, add new repair and causes, and remove causes that do not capture this data accurately.
- Allow HMSD Management staff the ability to complete future QR Codes.
- Unlock the feature that allows front line staff to scan QR Codes using their handheld devices (NYCHA assigned phone).

## Lead Hazard Control Department (LHCD)

### Updates

- As of 2023, NYCHA's Lead Hazard Control Department (LHCD) has abated 6,225 units.
- As of 2023, LHCD conducted and completed 66,797 XRF inspections at the 0.5 standard.
- The visual assessment team completed 18,045 inspections during the first-round of 2023 visual assessments and 15,782 inspections during the second-round of 2023 visual assessments.
- The 2022 biennial risk assessment team performed and completed assessments in 6,249 units, 3,458 common area locations and 2,177 exterior locations.



- In 2023, the EBLL team conducted 578 CU6 Risk Assessments and 308 CU6 remediations. The team also conducted risk assessments in 62 public spaces and remediations in 64 public spaces. In addition, 39 abatements and 13 Dust Order to Abate (DUST COTA) cleanings were completed; 6 orders of the Commissioner complaints were also received and completed.
- Between PACT and TEMPO, NYCHA transitioned from XRF testing to abatement in 2022.
- As of December 2023, 1,872 units across PACT Round 8 sites have been abated and cleared.

### In Progress

LHCD will continue its efforts with regards to XRF inspections, annual visual assessments, and any cases of EBLLs referred by NYC DOHMH and lead abatements. As risk assessments are performed biennially, 2024 will be the next reevaluation period.

## **Office of Mold Assessment and Remediation (OMAR)**

### Updates

- From January 2023 through December 2023, verified mold complaints dropped as various projects progressed.
- Enhanced Oversight Program (“EOP”) launched in July 2022 at six sites, mold inspectors and staff addressed fan cleanings, engaged skilled trades admins to prioritize work; OMAR led weekly check-ins with each consolidation; the Independent Mold Analyst (“IMA”) identified root causes. In September 2023, OMAR launched Round V of EOP. All 16 prior EOP sites have better weighted average scores than when they initially entered EOP.
- In partnership with the Ombudsperson Call Center (“OCC”), OMAR continues to conduct onsite outreach events at each consolidation to spread awareness about mold and leak resources.
- Pilot for maintenance workers to conduct mold inspections was conducted from September 2021 through May 2022; OMAR observed a decrease in open initial mold inspections, and the average days to inspect declined. Maintenance workers have completed approximately 5,094 mold inspection work orders from October 1, 2022, through October 31, 2023.
- Mold Inspection Initiative (MII), which launched in January 2022, deploys in-house inspectors to assist lower performing consolidations on the Mold and Leak Scorecard in addressing their mold inspection backlog. Since its launch, the MII team has completed 2,345 mold inspections across 31 consolidations.
- Operation Mold Cleanup launched in May 2022 to target work orders for either mold cleaning or mold resistant painting to prioritize and reduce the backlog of open Caretaker X and Painter mold cleaning work orders and outstanding mold resistant paint work orders. NYCHA has closed approximately 24,201 work orders as part of this effort. Phase V which aims to target 4,556 work orders, launched in January 2024.



- Mold Cleaning Initiative launched in May 2022, which deploys a specialized team to address NYCHA’s mold cleaning backlog and has since closed 3,442 mold cleaning work orders.
- In April 2023, OMAR launched Operation Dry Out, an initiative to address aging plumbing and tub enclosure work orders. In 2023, OMAR addressed 2,283 tub enclosure work orders and 4,425 plumbing work orders. Remaining work orders will be targeted in 2024.
- Building Line Initiative (“BLI”) aims to address root causes, i.e. aging infrastructure to reduce the rate of recurrence. The first project conducted at Red Hook East was completed by January 2023. OMAR also selected Tompkins Houses as the second site, and in 2023 continued to develop the scope of work, which includes mold remediation, kitchen, and bathroom renovations, plumbing and electrical upgrades. Construction work commenced in January 2024.
- As part of the Ventilation Project, OMAR has installed a total of 6,188 new roof fans; and has cleaned lateral ducts in a total of ~73,0000 units. OMAR has also replaced 8,400 fire dampers and has committed to installing an additional 16,600 in 2024.

In Progress

Complex repairs which are repairs addressing significant or severe mold and/or water-related damages must be performed within 15 days. Over the course of 2023, NYCHA was meeting this obligation in 4.25% of the cases where a mold complaint is verified.

## Office of Pest & Waste Management

### Update – Pest Management

- NYCHA has made progress in improving response times. NYCHA and the Monitor continue to discuss methodology for establishing reliable pest population estimates for each pest type, as well as reduction methodology in accordance with the Agreement. In 2023, NYCHA and the Monitor agreed to conduct 912 inspections within a 12-month period, the results of which will be used to establish the NYCHA Pest Population Index (NPII). The Environmental Health & Safety Department began the inspections in June 2023; 716 inspections have been completed as of early February 2024, on track to be completed by June 2024.
- In October 2023, PMD launched a specialized team to respond to rat complaints. Between October and December 2023, 89% of the 550 rat complaints were responded to within two business days; in 2022, for the same time period, 40% of the 795 rat complaints were responded to within two business days. PMD continues to make improvements in responding to all other pest types: between October and December 2023, 20% of all other pest type complaints (8,808) were responded to within 7 days; for the same time period in 2022, 12.5% of the 8,573 complaints were responded to within 7 days.
- PMD was restructured in January 2023, which modified the reporting structure such that all exterminators report directly to PMD. The restructuring has resulted in more efficient pest treatment planning; in 2023, there were 35,085 total pest complaints, a drop from 39,002 in 2022.

### Update – Waste Management

- Waste Management Measurement App (WAMMA). An effective tool that the Waste Management Department (“WMD”) has been using to increase accountability among staff and drive improvements. Onsite inspections reveal significant improvements in trash collection and maintenance.
- In March 2023, the Monitor determined that NYCHA is in compliance with Paragraph 45 of the Agreement which requires that NYCHA collect and either remove waste from grounds and common areas or store in a pest-proof manner at least once every 24 hours.
- Other WMD efforts and initiatives that have improved waste conditions include the increased use of bulk vendor services; all new bulk container service contracts include Saturday service. WMD has also been purchasing 6-yarder rear-loading compactor trucks to supplement curbside pickups in Brooklyn. WMD has also expanded the program by purchasing 2-yarder compactor trucks for use at other developments.

## *A Path to Financial Sustainability - The Blueprint for Change*

In the face of continued financial challenges, NYCHA will seek to diversify its portfolio while



continuing to focus on providing safe and affordable public housing to address the needs of its residents. With support from the City of New York and with an emphasis on safety and service levels, the Financial Plan will focus on the following:

In 2020, NYCHA embarked on ambitious and innovative plan with introduction of A Blueprint for Change. This set of ideas outlines potential pathways for the Authority’s reorganization and

investment of capital to stabilize and improve its properties, with additional impacts that could drive jobs and recovery strategies.

Together, the Public Trust and the existing Permanent Affordability Commitment Together (PACT) initiative can bring the billions of dollars in investment that NYCHA’s buildings desperately need.



### **Permanent Affordability Commitment Together (PACT)**

PACT leverages the federally funded Project- Based Section 8 program and public-private partnerships to unlock funding to complete comprehensive repairs at public housing developments. Residents in PACT developments benefit from much needed renovations, enhanced property management and social services, while maintaining the same basic rights they possess in the public housing. Residents will only pay 30 percent of their household income towards rent, their household will not be re-screened as the property converts to Section 8, and authorized family members will continue to have succession rights.

Through PACT, NYCHA plans to provide comprehensive renovations to 62,000 apartments – a third of the Authority’s stock and home to approximately 140,000 New Yorkers. All 62,000 apartments converted to Section 8 funding will remain permanently affordable. The Project-Based Section 8 program provides a more stable flow of federal subsidy and allows NYCHA and its partners to raise external financing to address a development’s capital repair needs. Once developments are converted, new professional property managers are responsible for maintaining and operating the buildings. Enhanced on-site services and program are provided to residents often by partnering with non-profit community organizations or through on-site case management.



Since 2016, the PACT program has generated more than \$5.2 billion in capital funding for comprehensive apartment renovations and building infrastructure improvements for over 20,000 households. Approximately \$2 billion in renovations have already been completed, and \$3.9 billion in major upgrades are in progress. An additional 17,000 households are part of active development projects in the process of resident engagement or pre-development. In sum, NYCHA has more than 37,000 apartments completed, in construction, or in a stage of resident engagement or pre-development.

Below are the latest updates on NYCHA's commitment to this initiative:

***Ocean Bay (Bayside), Queens***

In December 2016, NYCHA closed its first RAD transaction at Ocean Bay (Bayside) in the Rockaways neighborhood of Queens, converting 1,395 apartments in 24 elevator buildings from public housing to Section 8. NYCHA entered into a public-private partnership with MDG Construction + Design (developer), The Wavecrest Management Team (property manager), Catholic Charities of Brooklyn and Queens (social services provider), and Ocean Bay Community Development Corporation (resident outreach and engagement). The project was financed with Superstorm Sandy recovery funds from FEMA, along with New York State Housing Finance Agency tax-exempt bonds and equity generated from federal 4% Low Income Housing Tax Credits. The project provided \$317 million in comprehensive repairs that were completed in 2019.

***Twin Parks West, Bronx***

This conversion is providing \$46 million for comprehensive repairs to 312 apartments in the Fordham Heights neighborhood of the Bronx. NYCHA entered into a public-private partnership with Gilbane Development Company (developer), Dantes Partners (developer), Apex Building Group (general contractor), and Kraus Management, Inc. (property manager). Social services are being provided by BronxWorks. The project is being financed with conventional debt. Phase I repairs are now complete and phase II repairs will be completed in 2024.

***Highbridge-Franklin, Bronx***

This conversion is providing \$38 million for comprehensive repairs to 336 apartments across 14 buildings in the Highbridge and Claremont neighborhoods of the Bronx. NYCHA entered into a public-private partnership with Gilbane Development Company (developer), Dantes Partners (developer), Apex Building Group (general contractor), and The Kraus Organization (property manager). Social services are being provided by BronxWorks. The project is being financed with conventional debt and a subsidy loan from the New York City Department of Housing Preservation and Development. Repairs were completed in 2023.

***Betances, Bronx***

This conversion provided \$145 million for comprehensive repairs to 1,088 apartments across 40 buildings in the Mott Haven neighborhood of the Bronx. NYCHA entered into a public-private partnership with MDG Design + Construction (developer), The Wavecrest Management Team (property manager), and Catholic Charities Community Services, Archdiocese of New York (social services provider). The project was financed with conventional debt and developer equity. Repairs were completed in 2022.

***Baychester/Murphy, Bronx***

In December 2018, NYCHA closed on 722 units across 14 developments at Baychester and Murphy Houses in the Bronx, thus completing the PACT conversion of these two developments. The partner for this conversion is MBD Community Housing Corporation (developer and social services provider), Camber Property Group (developer), and L+M Partners (developer, general contractor, and property manager). The project is being financed with conventional debt. Total repair work for the project totaled \$116 million. Repairs were completed in 2022.

***Hope Gardens, Brooklyn***

This conversion will provide \$280 million for comprehensive repairs to 1,321 apartments across 60 buildings in the Bushwick neighborhood of Brooklyn. NYCHA entered a public-private partnership with Pennrose Properties (developer), Procida Construction (general contractor), Pinnacle City Living (property manager), and Acacia Network (social services provider). Repairs were completed in 2023.

***Brooklyn Mega Bundle II***

This conversion will provide \$434 million for comprehensive repairs to 2,625 apartments across 38 buildings at these developments: 72 Warren Street, Armstrong I, Armstrong II, Berry Street-South 9th Street, Independence, Marcy Avenue-Greene Avenue Site A, Marcy Avenue-Greene Avenue Site B, Weeksville Gardens, Williams Plaza. NYCHA entered a public-private partnership with the Arker Companies, Omni NY LLC, Dabar Partners, and Bedford Stuyvesant Restoration Corporation (developer joint venture), Chateau GC and Renewal Construction Services LLC (general contractor), Progressive Management (property manager), and Bedford Stuyvesant Restoration (social services provider). Repairs began in 2020 and were completed in 2022.

### ***PACT Manhattan Bundle***

This conversion will provide \$383 million for comprehensive repairs to 1,718 units across 16 developments in Manhattan: 335 East 111th Street, Park Avenue-East 122nd, 123rd Streets, Manhattanville Rehab (Group 2), Manhattanville Rehab (Group 3), Public School 139 (Conversion), Samuel (MHOP) I, Samuel (MHOP) II, Samuel (MHOP) III, Fort Washington Avenue Rehab, Grampion, Washington Heights Rehab (Groups 1&2), Washington Heights Rehab Phase III, Washington Heights Rehab Phase IV (C), Washington Heights Rehab Phase IV (D), Wise Towers, 344 East 28th Street. The development team is a joint venture between Monadnock Development LLC, Community Preservation Corporation, Community Development Trust, Kalel Holdings, Lemor Development Group, and Community League of the Heights (social service provider). Repairs began in 2020, work is completed at most developments, all repairs will be completed in early 2024.

### ***Boulevard, Belmont-Sutter Area, and Fiorentino Plaza, Brooklyn***

Boulevard, Belmont-Sutter Area, and Fiorentino Plaza Houses will receive more than \$483 million in comprehensive renovations for the 1,673 apartments and 29 residential buildings across the three properties. The PACT partners are led by Hudson Companies, Property Resources Corporation, and Duvernay + Brooks. Rehabilitation work will be performed by Broadway Builders LLC and Melcara Corporation. Property management is now being provided by Property Resources Corporation and Lisa Management, Inc. On-site social services are being provided by CAMBA. Repairs began in 2022 and anticipated for completion by 2025.

### ***Linden and Penn-Wortman, Brooklyn***

Linden Houses and Penn-Wortman will receive more than \$430 million in comprehensive renovations for the 1,922 apartments and 22 residential buildings across the two properties. The PACT partners for Linden and Penn-Wortman Houses are led by Douglaston Development, L+M Partners, Dantes Partners, and SMJ Development. Rehabilitation work will be performed by Levine Builders and L&M Builders Group. Property management and upkeep of the buildings and grounds are being provided by C&C Apartment Management. On-site social services are being led by University Settlement, in addition to existing services from CAMBA and Millennium Club, which are both located at the Penn-Wortman Community Center. Repairs began in 2022 and anticipated for completion by 2024.

### ***Williamsburg, Brooklyn***

Williamsburg Houses will receive \$490 million in comprehensive renovations to the 1,621 apartments and 20 residential buildings at the property. The PACT partners at Williamsburg are led by MDG Design and Construction and Wavecrest Management. MDG Design and Construction will perform the rehabilitation work. Wavecrest Management is now responsible for the day-to-day management and operation of the property. Social services are being provided by non-profit partners St. Nicks Alliance and Grand Street Settlement, which both have deep experience serving Williamsburg residents. Repairs began in 2022 and are anticipated for completion by 2025.

### ***Harlem River I & II, Manhattan***

Harlem River I and Harlem River II receive \$236 million in comprehensive renovations to the 693 apartments and 2 developments at the property. The PACT partners at Harlem River are led by Settlement Housing Fund and West Harlem Group Assistance. L+M Builders Group will perform the rehabilitation work. C&C Apartment Management LLC is now responsible for the day-to-day management and operation of the property. Social services are being provided by the C&C Social Service division, which has extensive experience providing residents with case management support. Repairs began in 2022 and anticipated for completion by 2025.

### ***Audubon, Bethune Gardens and Marshall Plaza, Manhattan***

Audubon, Bethune Gardens and Marshall Plaza will receive \$137.6 million in comprehensive renovations to the 557 apartments and 3 developments within the project. The PACT partners at Audubon, Bethune Gardens and Marshall Plaza are led by Dantes Partners. Apex Building Group and Pyramid ETC Companies will perform the rehabilitation work. Faria Management is now responsible for the day-to-day management and operation of the property. Social services are being provided by non-profit partners Mosholu Montefiore Community Center (MMCC), which has experience serving residents at the three developments. Repairs began in 2023 and anticipated for completion by 2026.

### ***Edenwald***

Edenwald will receive \$783.6 million in comprehensive repairs to 2,035 units across 42 buildings in the Bronx. The development team is comprised of Camber Property Group, Henge Development, and SAA | EVI (developers), L+M Builders Group (general contractor), and C&C Apartment Management (property managers) and C+C Social Services is providing case management and onsite services as the social service provider on site. Repairs are expected to be completed in 2027.

### ***Union Avenue Consolidated***

Union Avenue Consolidated will receive \$247.4 million in comprehensive repairs to 983 units across 6 developments in the Bronx. The development team is comprised of The Arker Companies, Omni New York LLC, Dabar Development Partners (developers), Renewal Chateau JV LLC (general contractor), and Progressive Management (property managers) and Progressive Management, Presbyterian Senior Services and the Acacia Network are providing case management and onsite services as the social service providers on site. Repairs are expected to be completed in 2026.

### ***Reid + Park Rock Consolidated***

Reid + Park Rock Consolidated will receive \$635.6 million in comprehensive repairs to 1,696 units across 82 buildings in Brooklyn. The development team is comprised of BRP Companies, Fairstead, Urbane Development Partners (developers), and Fairstead (general contractor and property manager.), Black Veterans for Social Justice is the non-profit group providing case management and onsite services for residents. Repairs are expected to be completed in 2027.

***Infill, redevelopment, and other real estate activities:***

By leveraging our real estate assets, NYCHA can redevelop underused land to raise funding for building rehabilitation or complete redevelopment of a NYCHA campus. Building on underutilized land can be done as a standalone transaction or in connection with other tools like PACT and the transfer of air rights. Proceeds generated by these transactions will be used to reinvest in, restore, or rebuild existing NYCHA campuses.

New residential buildings will be subject to Mandatory Inclusionary Housing (MIH) levels of affordability and increase the permanently affordable housing stock. NYCHA will ground lease—not sell—the land and will create plans with community input for comprehensive campus improvements that will help NYCHA achieve our mission.

NYCHA continues to tap into its extensive unused development rights, known as “air rights,” in order to raise revenue for the Authority. By transferring a portion of the Authority’s approximately 80 million square feet of air rights, NYCHA expects to generate \$1 billion in capital repairs for adjacent apartments. The sale of unused transferable development rights to owners of privately owned sites, has already generated \$55M in revenue to pay for capital repairs at NYCHA developments. In 2020, NYCHA completed two air rights transfers, one at Ingersoll Houses in Brooklyn for nearly \$25 million and another at Hobbs Court in Manhattan for \$2.6 million. In 2022, NYCHA completed another sale at Manhattanville for \$28 million.

***100% Affordable Housing and Seniors First***

NYCHA will contribute resources to Housing New York, the Mayor’s plan to secure 300,000 affordable apartments by 2026. All new development activities will include a transparent resident engagement process and will bring improved amenities for existing residents, as well as opportunities for new affordable housing, including for seniors. The plan to create affordable senior and family housing on underused NYCHA property was the outcome of an extensive and meaningful planning process with hundreds of residents and community advocates. NYCHA intends to retain rights to the land developed through a long-term ground lease and provide critical oversight to the project. NYCHA also stipulated that the developers are to train, hire, and engage NYCHA residents on a regular basis as the project progresses and give preference to residents for 25 percent of the units.

Following are the latest updates on NYCHA’s commitment to this initiative:

***Mill Brook Terrace, Bronx***

In 2017, NYCHA leased a parcel with approximately 126,055 square feet of development rights for the construction of a 159-unit senior housing development. Construction was completed, and the new building opened in 2019.

***Stonewall House, Brooklyn***

In 2017, NYCHA leased a parcel with approximately 124,000 square feet of development rights for the construction of a 146-unit senior housing development. The project known as Stonewall House opened in 2019 as the City's first LGBT-friendly senior development for persons aged 62 or older.

***Van Dyke III, Brooklyn***

In 2018, NYCHA leased a parcel with approximately 191,500 square feet of residential development rights for the construction of a 180-unit family housing development. Construction was completed, and the new building opened in 2021.

***East 165th Street – Bryant Ave, Bronx***

In 2019, NYCHA leased a parcel of approximately 11,000 square feet on Block 2750, Lot 32, for the construction of a 62-unit supportive housing development. Construction was completed, and the new building opened in 2021.

***Halletts Point Building 7, Queens***

In 2019, NYCHA sold a parcel for the development of a 163-unit affordable development in Astoria, Queens. Construction is complete and the building is currently leasing up.

***Betances V, Bronx***

In 2019, NYCHA leased a parcel of approximately 12,600 square feet on Block 2287, Lot 26, for construction of a 152-unit senior housing development. Construction is complete and the building opened in 2022.

***Soundview III Homeownership, Bronx***

In 2020, NYCHA leased a parcel of approximately 39,000 square feet on Block 3315, Lot 20, for the construction of 72 apartments for cooperative homeownership. Construction is complete and homeownership opportunities are currently being marketed.

***Melrose North, Bronx***

In 2020, NYCHA leased a parcel of approximately 21,200 square feet on Block 2409, Lot 98, for construction of a 171-unit family housing development. Construction is complete and the building opened in 2023.

***Twin Parks Terrace, Bronx***

In 2020, NYCHA leased a parcel of approximately 16,500 square feet on Block 3143, Lots 234, 236, and 240, for construction of a 182-unit family housing development. Construction is complete and the building opened in 2023.

***The Atrium, Brooklyn***

In 2021, NYCHA leased a parcel of approximately 24,200 square feet on Block 1580, Lot 1, for the construction of a 190-unit senior housing development. Construction is underway.



***Casa Celina, Bronx***

In 2021, NYCHA leased a parcel of approximately 9,400 square feet on Block 3730, Lot 1, for the construction of a 205-unit senior housing development. Construction is underway.

***Betances VI, Bronx***

In 2021, NYCHA leased a parcel of approximately 9,800 square feet on Block 2291, Lot 1, for the construction of a 101-unit family housing development. Construction is underway.

***Bushwick II CDA (Group E), Brooklyn***

In 2019, NYCHA leased a parcel of approximately 15,500 square feet on Block 3325, Lot 1, for the construction of a senior housing development. NYCHA, in collaboration with HPD, issued an RFP in 2017 and construction is underway.

***Morris Senior, Bronx***

In 2022, NYCHA leased a parcel of approximately 13,000 square feet on Block 2902, Lot 36, for construction of senior affordable housing development with approximately 150-200 units. NYCHA issued an RFP in collaboration with HPD in 2019 and pre-development is on-going.

***Kingsborough Senior, Brooklyn***

NYCHA intends to lease a parcel of approximately 18,000 square feet on Block 1344, Lots 1 and 175 for construction of senior affordable housing development with approximately 150-200 units. NYCHA issued an RFP in collaboration with HPD in 2019 and pre-development is on-going.

## Closing the Year

2023 has been another challenging year for the nation as the world recovers from an historical pandemic and it has been another difficult year for NYCHA’s low-income families. Despite a significant reduction in revenue from tenant rent and an increase in contract expense to meet HUD/SDNY guidelines, NYCHA managed to balance the budget for the year with a favorable increase in federal subsidy.

### Operating Plan Narrative Table 1: Closing the Year

(\$ in Millions)

Sources	Adopted Budget	Year-end Reforecast	Variance
Tenant Rental Revenue	\$850	\$984	\$134
Operating Subsidy	\$1,209	\$1,310	\$101
Section 8 Subsidy	\$1,629	\$1,733	\$104
Capital Transfer/Mgmt. Fee	\$249	\$263	\$15
City Funds	\$232	\$236	\$3
All Other	\$144	\$172	\$28
Withdraw from Reserves	\$65		(\$65)
<b>Total Sources</b>	<b>\$4,378</b>	<b>\$4,697</b>	<b>\$320</b>
<b>Uses</b>			
<b>Personal Services (PS)</b>			
Salaries	\$796	\$800	\$4
Overtime	\$100	\$216	\$116
Fringe	\$628	\$634	\$6
<b>Total PS</b>	<b>\$1,524</b>	<b>\$1,650</b>	<b>\$126</b>
<b>Other than Personal Services (OTPS)</b>			
Supplies	\$110	\$132	\$22
Utilities	\$604	\$628	\$24
Contracts	\$463	\$502	\$39
Section 8 HAP	\$1,455	\$1,541	\$86
Other OTPS	\$256	\$244	(\$13)
<b>Total OTPS</b>	<b>\$2,889</b>	<b>\$3,048</b>	<b>\$159</b>
<b>Total Uses (PS &amp; OTPS)</b>	<b>\$4,413</b>	<b>\$4,697</b>	<b>\$285</b>
<b>Surplus/(Deficit)</b>	<b>(\$35)</b>	<b>\$0</b>	<b>\$35</b>

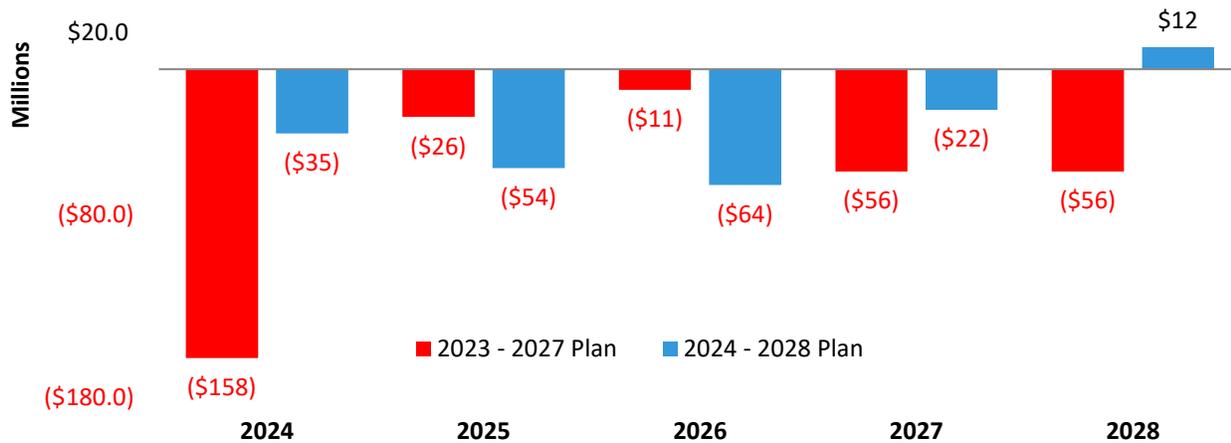
NYCHA has been making significant efforts to control its expenses, however, given its aging housing stock, reduction in rental revenue due to the pandemic, as well as regulatory obligations (HUD Agreement), the Authority will continue to be financially challenged without ongoing efforts to streamline its operations, and without continued financial support from HUD, the City, and the State.



## History of NYCHA’s Funding

Deficits are mainly caused by growing employee benefit expenditures, contract, and supply expenses in HUD/SDNY Agreement compliance areas. The Authority aims to reduce the gap in public housing maintenance costs over the next five years with additional support from the City of New York and increases in federal funding. However, even with additional support, the Authority is still anticipated to have a deficit of \$35.2 million, \$54.2 million, \$63.5 million, and \$22.3 million from 2024 to 2027, respectively, and a projected surplus for 2028 of \$12.1 million.

### Public Housing Surplus/(Deficit)



Above chart compares prior Adopted Plan to Current Adopted Plan

### Historical Federal Funding

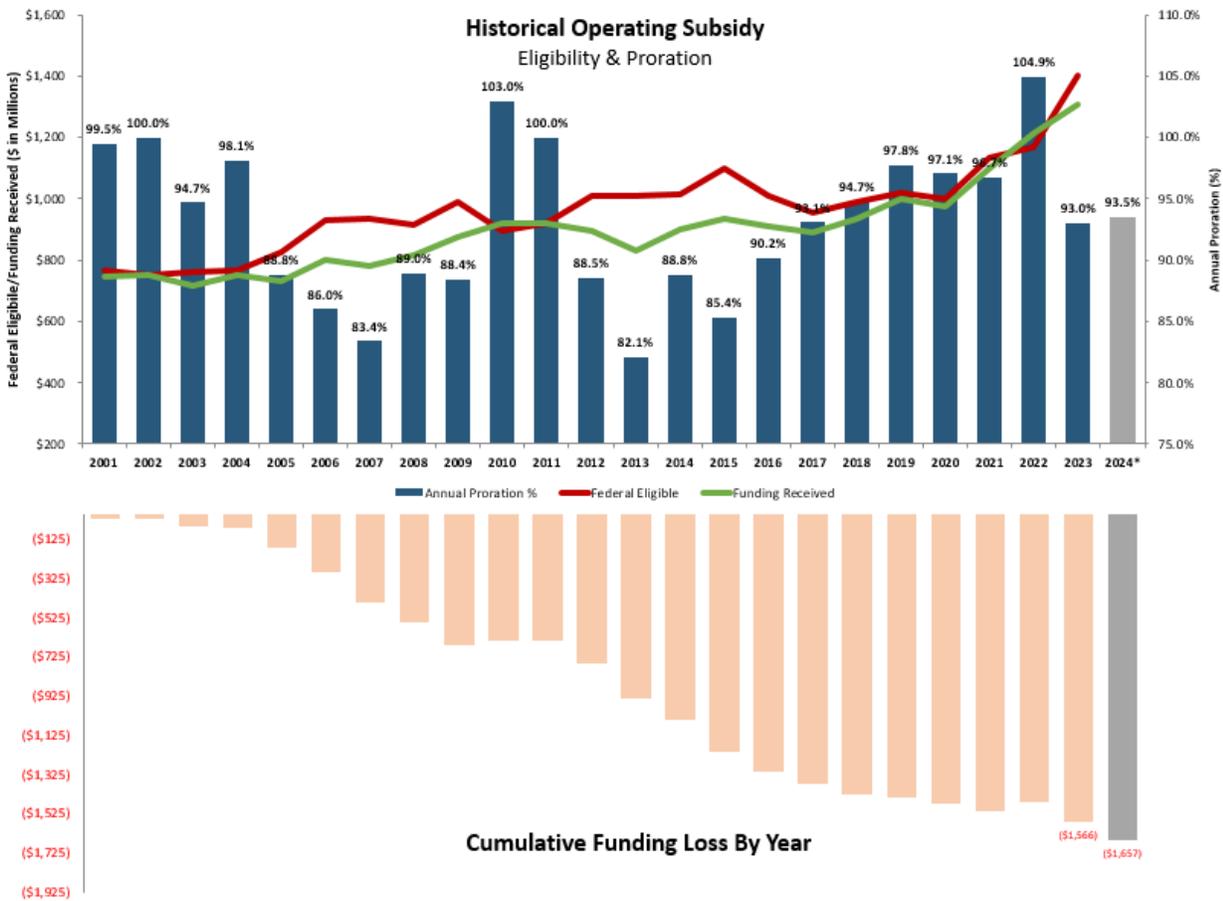
NYCHA relies heavily on federal subsidies, which account for approximately 60% of NYCHA’s operating budget revenues. The 2024 adopted budget is planned to account for HUD’s historic funding of each of NYCHA’s programs.

Funding Source	2023 Year-end	2024 Adopted	Historical 8-Yr Average (FY'17 - FY'24)
Operating Subsidy*	93.02%	93.94%	97.81%
Section 8 HAP	100.00%	100.00%	99.40%
Section 8 Admin	83.74%	89.55%	86.66%
Capital Fund (\$ in Millions)	\$585	\$586.01	\$486

### Federal Operating Subsidy

If NYCHA was awarded 100% of total eligibility, there would be little or no operating deficit in the Authority’s Five-Year Plan. In fact, NYCHA would have additional resources to meet the needs of residents by supporting critically needed frontline staff, such as maintenance workers, caretakers, and skilled trade persons.

However, appropriations have generally fallen short of the funding levels required to fully fund public housing operations in accordance with HUD’s eligibility formula. Additionally, while HUD’s formula takes location into account, NYCHA has long advocated that the system is inequitable when one considers the city’s uniquely high construction costs as well as higher employment costs in comparison to housing authorities across the US.



Note: 2024 represent Adopted budget based on anticipated funding level.

Historical data (2001 to 2023), as shown in the previous page, illustrates a cumulative operating funding loss of over \$1.5 billion from proration or average annual underfunding of approximately \$70 million for past 23 years; lost opportunity which could have been used to support the program.

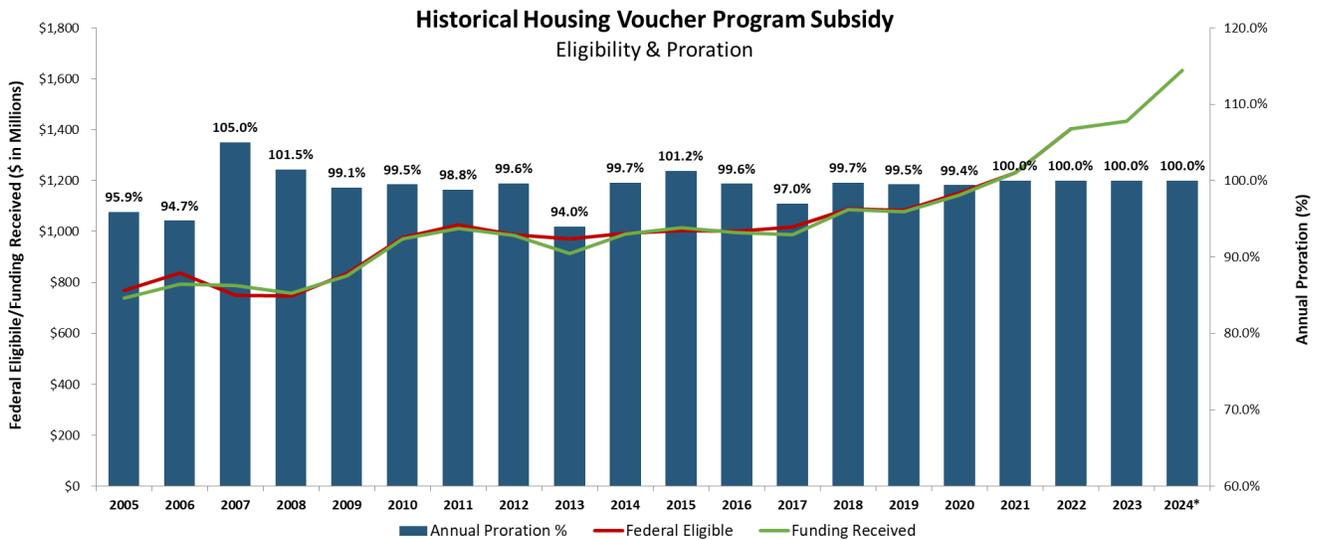


### Housing Choice Voucher Program (Section 8)

The Housing Choice Voucher (HCV) Program, commonly known as Section 8, is designed to support low-income families in securing safe, decent, and affordable housing within the private market. This assistance is provided through rental subsidies. The New York City Housing Authority (NYCHA) oversees the largest Section 8 Program in the nation. As of December 2023, the program encompasses 102,022 Section 8 households, with a total of 214,117 authorized residents. This figure includes 2,251 households that reside in former State- and City-funded developments. The program engages 26,310 private landlords who participate in providing housing options for eligible individuals and families.

NYCHA administers the program by providing rental subsidies to participating landlords on behalf of eligible tenants. Program participants pay rent directly to the landlord, which is equal to about 30% of family income. NYCHA pays the landlord the difference between the tenant’s rent and the approved contract rent on the apartment. These payments are referred to as Housing Assistance Payments or HAP. NYCHA earns a fee from HUD for administering the program.

HUD establishes the total number of authorized vouchers for a Public Housing Authority (PHA). The annual renewal funding to the PHA is based on the total of the Housing Assistance Payments made the previous year, adjusted for HUD’s published inflation for the local market and congressional appropriations. Rental subsidy payments are primarily influenced by changes in local housing market costs and family income. Additionally, while HUD permits programs to maintain positive reserves balances, it may recapture these balances.



Therefore, the number of vouchers that NYCHA can prospectively administer depends on the current year’s allocation and funding availability, per-unit costs, availability of affordable housing stock and changes in family incomes. Program administration costs are primarily determined by labor costs and mandated program compliance activities including annual eligibility recertification of participants and housing quality standard inspections of landlord apartments.

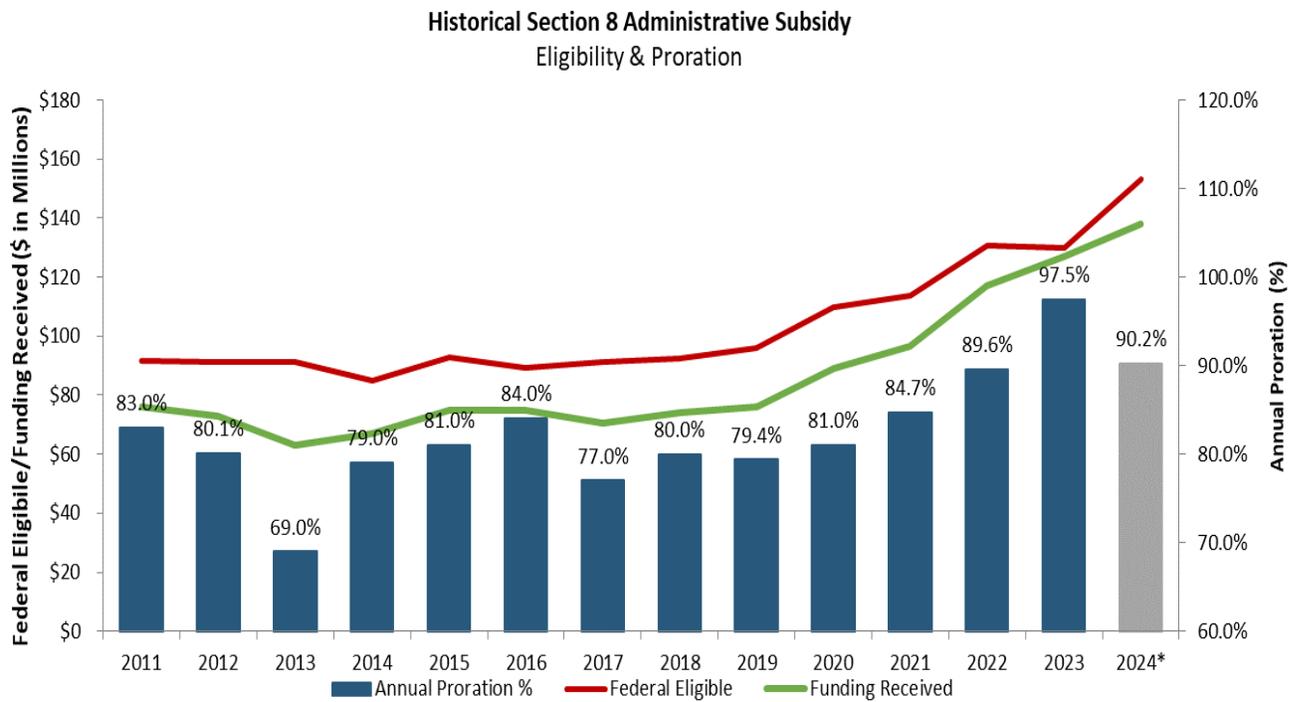


### Housing Assistance Payments (HAP)

NYCHA provides rental subsidies to participating landlords on behalf of eligible participants through Housing Assistance Payments (HAP). Unused rental subsidies must be maintained in program reserves by HUD and may only be used for the issuance of additional vouchers or to offset any shortfall in annual renewal funding. Therefore, the number of families NYCHA can serve is primarily determined by national funding appropriations by Congress, and prorated HUD allocations. Based on estimated 2023’s actual HAP expenditures of \$1.5 billion, NYCHA estimates the HAP renewal funding to be \$1.5 billion in 2024 funded at 100% proration and adjusted for inflation. Final funding amount will be adjusted following end of year reconciliations and subject to confirmation based on final congressional appropriations.

### Administrative Fees

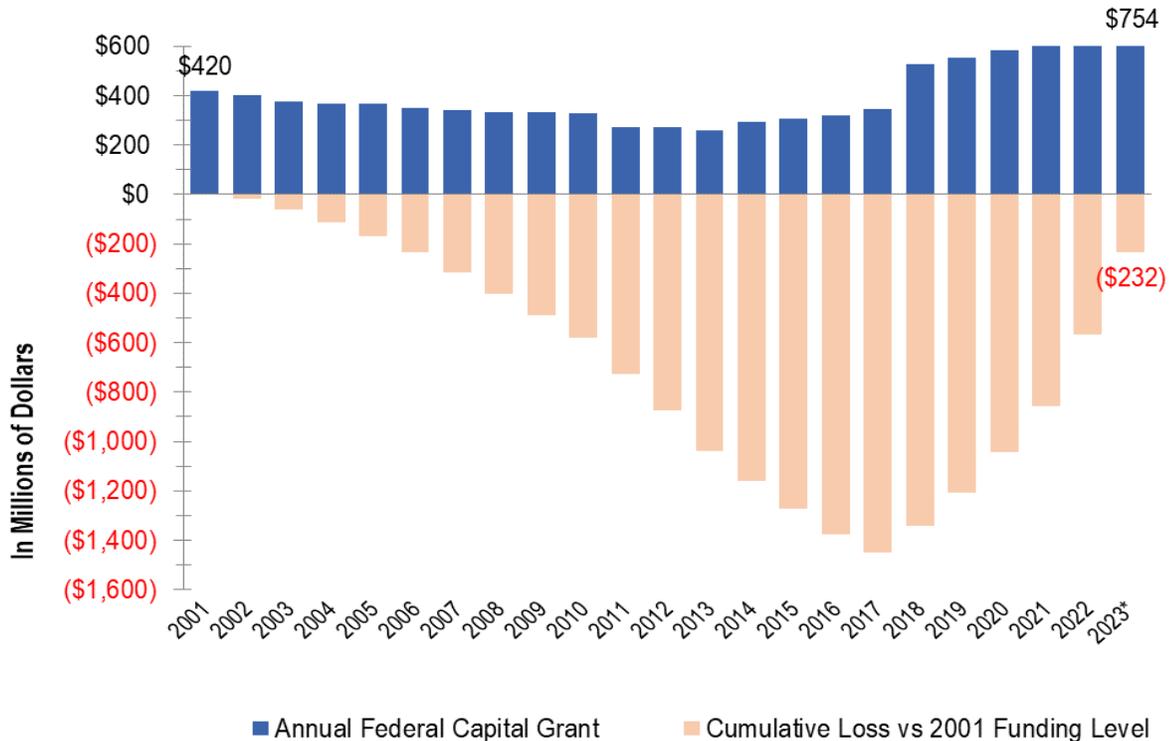
The administrative fees allocated to NYCHA for program administration are subject to proration by HUD. In 2024, NYCHA anticipates an uptick from 2023 in administrative fees, attributed to the revised rental plan and expected increases in the fee rates used for fee calculation.



## Federal Capital Funding

NYCHA’s aging housing stock requires far more capital investment than has been available from Federal, State, and City grants. NYCHA’s 2023 PNA estimates 20-year physical needs of \$78.3 billion across 264 public housing properties that NYCHA currently directly manages, comprising 161,400 apartments. This is a 73 percent increase since 2017, when the Authority assessed a \$45.3 billion need, and represents the amount of funding required to bring developments to a state of good repair and ensure their long-term viability. Fifty-four percent (or \$42.1 billion) of the total need identified relates to assets requiring replacement immediately or within the next year, and 77 percent (or \$60.3 billion) of the total need identified relates to assets requiring replacement within the next five years.

**Federal Capital Funding Since 2001**  
*(\$ in Millions)*



### Securing funding for Unsubsidized/Unfunded Units

NYCHA owns and operates 21 developments originally built by the City and the State of New York with 20,139 housing units that have been historically unfunded.

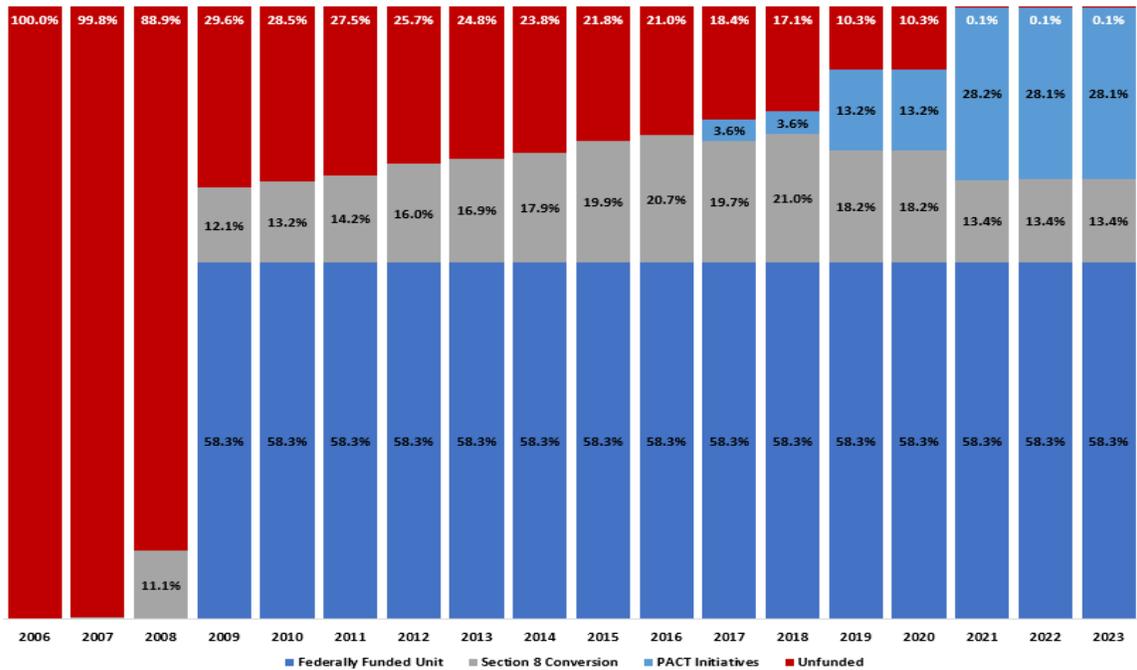
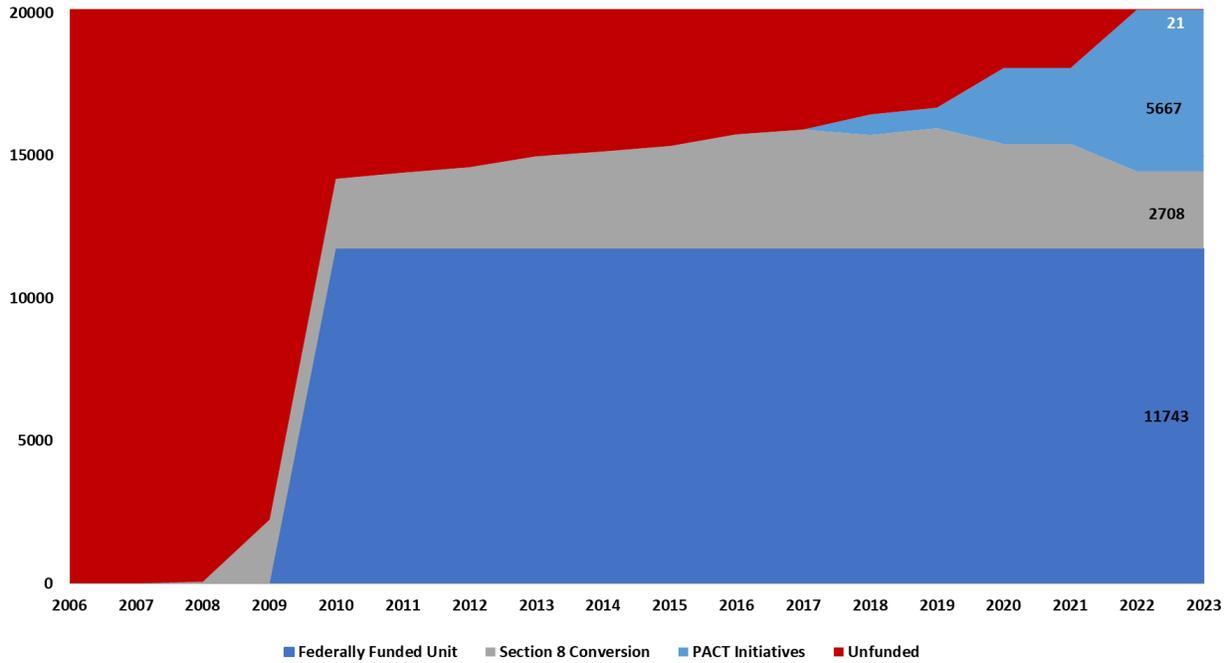
In 2008, NYCHA was able to secure funding for 11,743 out of 20,139 units through Federalization. Additionally, HUD, as part of the agreement, authorized the conversion of 8,396 units, (approximately 3,923 City & 4,473 State) into Project-Based Section 8 funded units through the 2008 Voluntary Conversion Plan (VCP).

Since 2008, NYCHA has been making progress to transition over 6,000 units via VCP and



Rental Assistance Demonstration/Permanent Affordability Commitment Together (RAD/PACT) initiative. The current plan reflects NYCHA’s ongoing effort to transition the remaining 21 units upon vacancy (21 state units) to the Section 8 funding model.

### History of Transition: Unsubsidized/Unfunded Unit



Unfunded units are being transitioned to Section 8 program via RAD/PACT and/or Project-Based Section 8.

## ***2024 Outlook***

The Authority's \$5.0 billion budget supports two major federal programs \$2.9 billion Public Housing Program provides funding for operations and maintenance of over 157 thousand units of housing while the \$2.1 billion supports the Housing Choice Voucher (HCV) Program which provides approximately 324 thousand low-income New Yorkers with affordable housing in the private sector. Part of the Public Housing Program is funded with \$205 million provided by the City of New York.

In 2024, The Authority adopted \$35 million deficit and it is committed to closing the deficit through cost-saving measures and additional support from our City, State and Federal partners. One of key source of Revenue Federal Operating Subsidy (Section 9 program), the Authority projects \$1.3 billion which is an increase of \$101 million over 2023 and with such critical support, it is anticipated that the Authority will be able to balance the budget at the end of the year.

Below are other key measures and plans to help address financial concerns:

### ***Rent Collection***

As of December 31, 2023, tenant arrears totaled \$492 million across over 73,000 low-and moderate-income households. The Authority has supported our tenants with submissions for assistance through the New York State Emergency Rental Assistance Program (ERAP). Our efforts have yielded significant ERAP funding and by December 31, 2023, the Authority received over \$100 million in ERAP funding to pay down tenant rent arrears.

NYCHA continues to explore all avenues to receive additional support from our city, state, and federal partners. We are also engaging in targeted outreach to households in arrears, working with City partners to connect tenants to assistance, and have focused legal enforcement actions on tenants with the highest pre-pandemic balances.

- Currently 65.77% cumulative collection rate and \$98.7 million collected as of Jan 2024.
- In 2023, NYCHA collected \$962 million in rent at a cumulative collection rate of 65%.

### ***Transformation Plan***

NYCHA continues to invest in critical Transformation Plan priorities, including the Neighborhood Model, Work Order Reform, and each of the Agreement’s pillar areas. Investments include 504 additional Maintenance Workers, Skilled Trades, and Neighborhood Planners, new contract management roles, and additional resources moved from the central office to the borough, neighborhood, and development levels. Amongst the six pillars—heating, elevators, pests/waste, lead, mold, and inspections, NYCHA has spent hundreds of millions of dollars since the signing of the Agreement to support compliance with its terms.

### ***Implementation of the Preservation Trust***

There has been significant progress so far, including:

- Appointment of Trust board
- Hiring of senior staff
- First voting site completed (Nostrand) and second voting site launched.
- Next, NYCHA and the Trust will work together to complete conversion at Nostrand over the next 1.5-2 years, at which point construction can begin.

### ***Financial feasibility of RAD/PACT conversions given inflation and interest rates***

The recent rise of interest rates has constrained PACT development expenses but has not affected overall feasibility. While there has been significant cost increases due to inflation, NYCHA is addressing through a combination of maximizing project revenue, pressure testing of costs, and filling any gaps with city capital subsidy.

### ***Plans to revive infill or do more phased re-development***

Any future infill projects must first address the housing needs of existing NYCHA residents.

The proposed rebuilding of Fulton and Elliott Chelsea has acted as a catalyst for residents at other developments to begin considering similar schemes, ranging from complete rebuilds to a mix of preservation and rebuilding.

## 2024 Financial Risk

While NYCHA is making significant effort to streamline its operational processes & procedures while finding efficient measures to utilize its limited financial resources, however, NYCHA faces considerable hurdles and challenges as it struggles to meet obligatory requirement (i.e.

HUD/SDNY Agreement). Below are some of key challenges:

- Delayed Rental Support from State in Tenant Rental income.  
\$120 million in Emergency Rental Assistance (ERAP) funding is unlikely while households with pending ERAP applications amass \$250+ million in arrears.
- Depleting Reserve to meet obligatory requirement and other payment needs.
  - Heavy reliance on one-time unrestricted developer fees to cover ongoing increased operating expenses from the HUD/SDNY Agreement.
  - All capital projects are funded on a reimbursement basis so NYCHA must have enough cash on hand to fund the work.
  - Months with three payrolls require at least \$188.6 million of cash on hand, in addition to all other vendor payments.

Use of reserve to fund these needs, reduces our cash position making it difficult to respond to unanticipated issues, prefund capital projects, and mitigate unexpected delays or reductions in grant funding.

## 2024 Initiatives and Special Programs

### *Blueprint for Change's Transformation Plan*

The Blueprint for Change outlines the New York City Housing Authority's (NYCHA) commitment to enhancing its organizational *strength and enhancing residents' quality of life through comprehensive building renovations and the safeguarding of their full rights and protections.*

Central to this blueprint is the Transformation Plan, which proposes strategies for restructuring NYCHA's business model and operations to enhance service delivery to residents. Additionally, the blueprint includes a Stabilization Plan, which presents ideas for securing much-needed funding through a Public Housing Preservation Trust. This trust aims to completely rehabilitate over 300 NYCHA developments while ensuring they remain fully public and affordable. Moreover, these investments will create job and job training opportunities for residents, fostering economic empowerment within NYCHA communities.

### *Neighborhood Model*

The Authority's vast size poses a significant challenge for the organization. The goal of the Neighborhood Model is to improve oversight and provide increased attention to NYCHA developments by creating smaller management portfolios. The implementation of the Neighborhood Model is a return of decision-making and control to the development level. This model empowers local managers to make decisions in the best interest of their sites, with minimal central office interference.

These changes will provide a deeper understanding of developments' needs and challenges and allows for tailored solutions and appropriate allocation of resources. Furthermore, this approach will streamline the decision-making process closer to the front lines which will provide a mechanism to tackle challenges quicker. Over time, this model will increase connectivity among developments, residents, and existing neighborhoods and community networks.



***HUD/SDNY Agreement Investments***

Since the agreement, NYCHA has continue to increase annual investments to the HUD Agreement pillar areas by nearly \$136 million (2019 to 2023) operating expense and \$1,091 million in capital investment.

Agreement created opportunity to create and expand following managing department which are as follows: Office of Vice-President (VP) Elevator Services and Repairs, VP Heating Management Services Lead Hazard Control, Mold Hazard Control, VP Pest Management, VP Waste Management, VP Environmental Health & Safety, Chief Compliance Officer, VP Compliance, VP Quality & Cost Control and Asbestos.

Below is the summary of NYCHA’s continuing its commitment to meet agreement made with its stakeholder (HUD/SDNY) but more importantly to keep our promise to our residents.

*Investment Detail*

*Investments from 2019 to 2023\* (\$ in 000s)*

HC	Operating	Capital	Total
480	\$ 135,929	\$ 1,090,771	\$ 1,226,700

*Future Investments from 2024 to 2028*

5 Years Investments FY 2024 - FY 2028						
Funding	HC	FY24	FY25	FY26	FY27	FY28
Operating	1,913	\$ 375,313	\$ 396,039	\$ 407,765	\$ 412,474	\$ 415,660
Capital		\$ 1,076,541	\$ 385,395	\$ 352,414	\$ 218,387	\$ 301,065
<b>Total</b>	1,913	<b>\$ 1,451,855</b>	<b>\$ 781,434</b>	<b>\$ 760,179</b>	<b>\$ 630,861</b>	<b>\$ 716,725</b>

\* Capital Investment reflects cumulative contribution since the agreement; Operating investment compares latest expense level vs. Pre-Agreement level.

Funding for capital needs related to the pillar areas is also provided in the proposed capital budget.

## *Transformation Plan - NYC Public Housing Preservation Trust*

In a historic moment for New York City's public housing, residents of Nostrand Houses have voted to join the New York City Public Housing Preservation Trust. This decision is one achievement from a transformative year for NYCHA, characterized by increased resident involvement, record-breaking investments, and a focus on sustainability under the leadership of NYCHA CEO Lisa Bova-Hiatt with support and advocacy from Mayor Eric Adams and Deputy Mayor for Housing, Economic Development and Workforce Maria Torres-Springer. Providing residents with a say in the future of their homes not only demonstrates a shift toward resident-driven decision making, but as a result of the vote, will also unlock new federal funding for comprehensive repairs at the development. The Trust, alongside Permanent Affordability Commitment Together (PACT) and Comprehensive Modernization, underscores NYCHA's dedication to improving conditions for residents and preserving housing for generations of New Yorkers to come.

### **Highlights of this achievement:**

- **Major milestone**

Converted over 5,200 units to Section 8 housing through the Permanent Affordability Commitment Together (PACT) program, totaling more than 20,000 converted units.

- **Funding Secured**

Closed on \$1.8 billion for capital repairs at PACT developments, marking the largest capital financing in the program's history.

- **Capital Funding:**

Continued to use a record-breaking \$1 billion for capital projects in 2023.

- **Community Fundraising Effort**

Set a new Public Housing Community Fund record with an impressive \$8 million raised.

- **Historic progress:**

Bolstered sustainability through clean energy initiatives and flood resilience infrastructure improvements, among other efforts.

Following illustrates key facts of the bill:

To dramatically improve residents' quality of life through comprehensive building renovations while preserving all their rights and protections (including permanently affordable rent) and providing economic opportunities, NYCHA will transfer an initial 25,000 apartments to the Trust.

NYCHA will continue to own and manage the properties, entering a long-term ground lease with the Trust to secure Tenant Protection Vouchers, a subsidy worth double NYCHA's current federal subsidy. Similar to how other government entities raise revenue for capital improvements, the Trust will issue bonds that fund comprehensive building renovations (with input and partnership from residents at the development), including the latest sustainable technologies. And the Trust can hire better vendors who can complete high-quality work, faster.

Additionally, NYCHA must now meet certain obligations, such as publishing the draft resident opt-in voting procedures for public comment and incorporating appropriate feedback from residents into the final version of the voting procedures. The board members must also be appointed to conduct the Trust's business (which will include NYCHA residents).

In fact, transfers to the Trust will not happen without extensive resident engagement, including a vote by residents at properties proposed for transfer on whether they want the transfer to occur. Future Annual Plans and Significant Amendments will include more detailed information on the Trust and on proposed leasehold transfers to the Trust.

#### ***Emergency Housing Voucher (EHV) Subsidies and Administrative Fee***

The EHV program was established in 2021 as part of the American Rescue Plan Act (ARPA) to help address homelessness and other social issues as well as to help assist families with a high risk of housing instability. In July 2021, of the 70,000 housing choice vouchers allocated to local Public Housing Authorities (PHAs), NYCHA was awarded 5,738. NYCHA entered a memorandum with our Continuum of Care (CoC) including the Housing Preservation Development (HPD) to establish a partnership for the administration of EHV's. As of yearend 2023, NYCHA with the help of its continuum of care (CoC) has leased over 90% of its allocated vouchers. In 2024 NYCA expects the program to be at 100% utilization and serving all 5,738 households.

## ***Budget Line-Item Discussion***

This section provides an explanation and analysis of the Plan, by budget line item, as presented in the budget tables appended to this narrative.

### **Basis of Presentation**

#### ***Budgetary Funds***

The Plan consists of three component funds:

- *General Fund* reflects activities of frontline operations, central office, and field support functions for NYCHA-owned and/or privately managed housing, (as well as all public housing activities).
- *Housing Choice Voucher (HCV) Program Fund* reflects activities and administration of the Section 8 Programs, including Housing Choice Voucher (HCV), Veterans Affairs Supportive Housing (VASH), and Five-Year Mainstream.
- *Categorical Grants Fund* reflects all other grant programs by which NYCHA receives funding from federal, state, city, or private sources for operating and/or administering a variety of community development and benefits programs.

The *All-Funds* presentation of the Plan reflects the consolidation of these three component funding sources with the appropriate elimination of inter-fund transactions and activities.

The Plan is developed on a modified accrual basis and thereby combines elements of accrual-basis with cash-basis budgeting. The Plan does not include provisions for non-cash expenditures such as depreciation, amortization, and the non-cash costs of Other Post-Employment Benefits (OPEB).

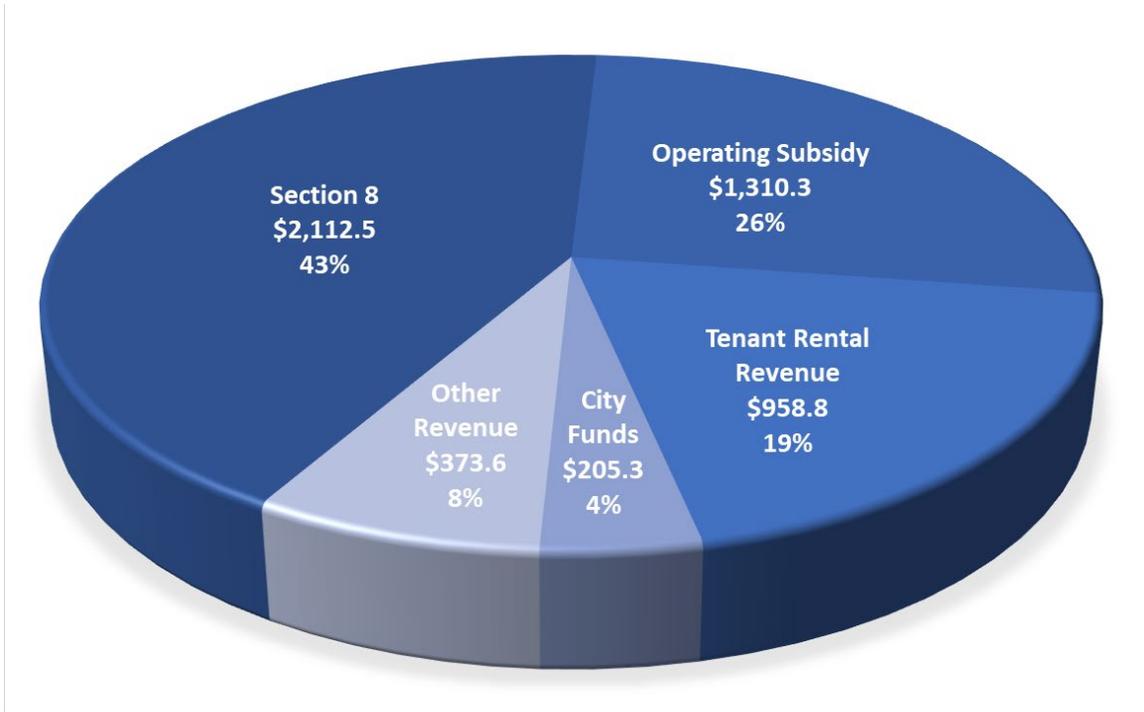
#### ***OPEB Disclosure***

This Plan only includes projections for the “pay as you go” component of OPEB. The OPEB expense and liability are recognized in NYCHA’s audited financial statements, which are prepared in accordance with Generally Accepted Accounting Principles.

The OPEB liability as of December 31, 2023, is still being evaluated by NYCHA and its auditors, and amounts will be disclosed once evaluation has been completed.

## Sources (Revenue Categories)

The following chart shows the \$4.96 billion in revenue in NYCHA’s 2024 operating budget, by category (\$ in Millions):



Other Revenue	
Capital Fund Reimbursements	\$263.2
Excess Utility & Washing Machine	\$19.7
Development Revenue	\$1.3
Categorical Grants &	\$1.3
Parking Revenue	\$3.5
Other	\$84.7
<b>Total Other Revenue</b>	<b>\$373.6</b>

Tenant Rental Revenue and Federal Operating Subsidies account for nearly 46 percent of total revenues while Section 8 Subsidy for HAP and the Administrative Fees accounts for 43 percent of total revenues, as shown in the chart. The remaining 11 percent consists of many different components, which includes Capital Fund Reimbursements and City Funds.

### *Tenant Rental Revenue (Dwelling Rent)*

Projected rent paid to NYCHA by residents, or Tenant Rental Revenue, represents 19% of total revenues in 2024. Rent projections are formulated at the property level based on the number of occupied units, tenants' rent, and collection losses. It is important to note that Tenant Rental Revenue contributes less than half of the total revenues used to cover the Authority's public housing expenditures reflected in the General Fund.

This Plan projects Tenant Rental Revenue to decrease from \$958 million in 2024 to \$896 million in 2025. This is mainly attributed to ongoing efforts to transition portions of public housing units to Section 8 to help attract financial resources and a fall in ERAP funding (Emergency Rental Assistance Program).

### *Federal Operating Subsidies*

This Plan projects the Federal Operating Subsidy to be \$1.310 billion in 2024. The assessment used to determine anticipated Operating Subsidy revenue is based on many factors, including the number of eligible units, projected expense levels, utility expense levels, and formula income, which, in turn, is based on Tenant Rental Revenue. While this assessment determines the eligibility level, additional assumptions must be made to determine future appropriations and proration levels, as past prorations have averaged nearly 94.17% for the past decade (FY'14 to '23). Projected Subsidy review includes utility factor of 13.95% and a rental inflation factor of 4.43% with resulting projected CY2024 proration of 93.5% in line with prior year (CY2023) Public Housing Operating Subsidy Obligations guidance.

### *Section 8 Conversion at LLC properties*

NYCHA receives no dedicated federal funding for 8,396 units under the LLC I (2,722) & LLC II (5,674) Developments. These developments are properties once owned by the City and the State of New York. Each unfunded unit continues to burden the Authority as tenants' rent from these properties is inadequate to support the ever-increasing operating costs. Over the years, to secure funding, NYCHA has converted the unfunded units to Section 8.

NYCHA has since been working diligently to convert these unfunded units to the Section 8 program. In fact, after years of effort, NYCHA, through RAD/PACT conversion, was able to successfully transition LLC II to RAD/PACT at the end of 2021. The FY2024 – FY2028 Financial Plan estimates \$32 million in HAP subsidies for FY2024 with the continuation of RAD/PACT conversions of 644 units in FY2024 and 1,272 units in FY2026. HAP subsidies are expected to decrease to \$29 million in FY2028 following the RAP/PACT conversions.

## *Section 8 Subsidy and Administrative Fees*

Section 8 Subsidy represents the total of the Housing Assistance Payments (HAP) and the Administrative Fees subsidy in the Housing Choice Voucher (HCV) Program Fund.

The projected subsidy reflects the expected number of vouchers in service in the HCV Program five-year rental plan. This considers the interplay of the following: program attrition, restorations, per-unit costs, inflation factors applied by HUD, increases permitted to building owners under New York rent regulations, changes to the fair market rent and payment standards, and funding proration.

The Plan assumes Section 8 Subsidy to increase from \$1.9 billion to \$2.7 billion over the next five years of 2024-2028. The Administrative Fees is expected to increase from what was received in 2023 attributed to the projected increase in units. This assumes a total Unit Months Leased (UML) of 1,293,286 for a monthly average of 107,774 vouchers in 2024.

## *Categorical Grants*

NYCHA receives grant awards from federal, state, city, and private sources to fund specific community development and benefits programs. The Plan reflects funding awarded and does not reflect anticipated funding. The budget reflects categorical grants in the amount of \$1.2 million (down from \$2.4 million adopted in 2023), later decreasing to \$675 thousand in 2028.

## *Capital Fund Reimbursements*

Capital Fund Reimbursements (CFRs) are reimbursements from the federal capital program to the operating program for capital-related costs incurred in the operating budget. The CFRs are for replacement reserves of NYCHA's mixed-finance portfolios. These reimbursements are projected to be \$263 million in 2024 reflective of an increase in capital funding allocation.

## *Interest on Investments*

Interest on Investments illustrates estimated earnings on cash and investments while excluding anticipated earnings on self-insurance funds, which are offset by insurance expenses. This revenue is forecast to decrease from \$11.5 million in 2024 to \$8.9 million in 2028, reflecting expected reduction in interest yields over the plan period.



### *Other Revenue from Operations*

Other Revenue from Operations consists of ancillary fees collected mainly from residents, and include sales and service charges, parking fees, and appliance surcharges designed to defer a portion of the cost of excess utility consumption. Also include a commercial tenant portfolio with storefront leases, rooftop leases, and sublease income from underutilized office space. Other revenue from operations is projected to decrease from \$38.5 million in 2024 to \$34.3 million in 2028, primarily attributed to PACT developments transferring out of the public housing portfolio.

### *City Funds*

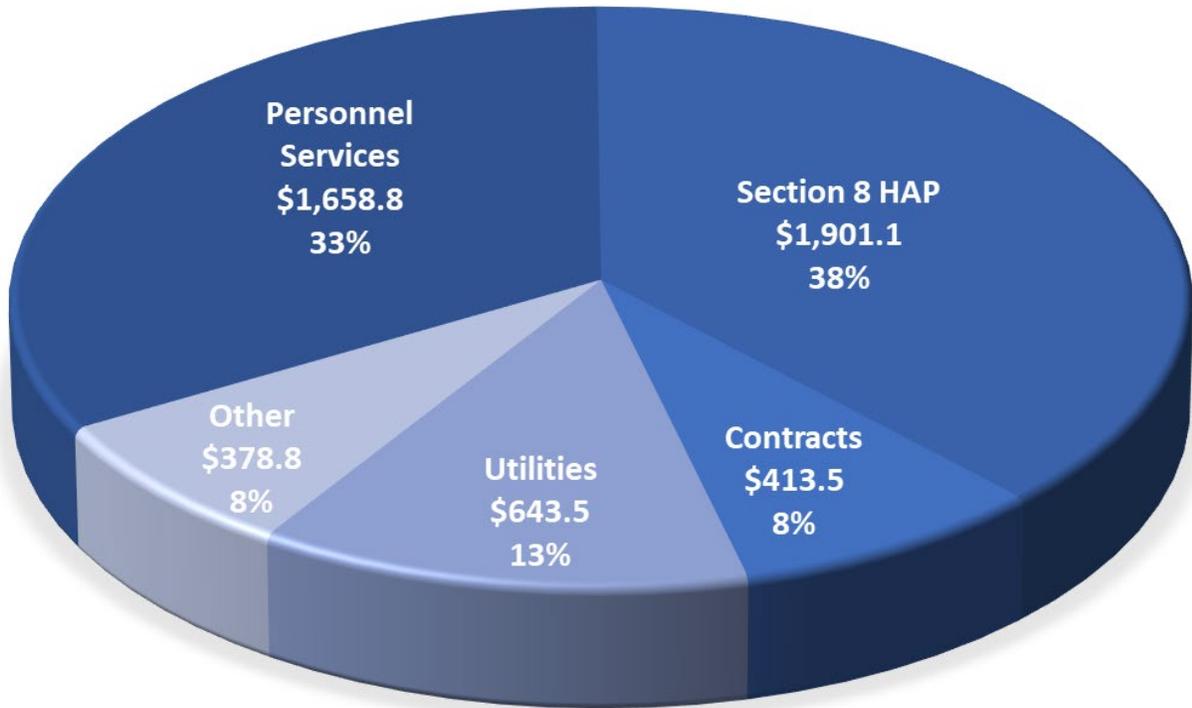
The City of New York and its administration is committed in supporting NYCHA's goals and mission. Funds from the City of New York assists the Authority in absorbing the impact of the Federal underfunding. The budgeted amount for 2024 is \$205.3 million which is primarily composed of \$158.5 million for the reimbursement of general wage increases, \$21.4 million for the Vacant Unit Readiness Program, \$18 million via CDBG programs, and \$7.5 million for other city funded initiatives.

### *Other Non-Operating Revenues*

Other Non-Operating Revenues are ancillary revenues that NYCHA generates from third parties through property assets. This category includes revenue from fee associated with Section 8 program, debt service as well as other preservation initiative, and other miscellaneous revenue income.

## Uses (Expenditure Categories)

The following chart shows, by category, the \$4.99 billion expenditures in NYCHA’s 2024 Operating Budget (\$ in Millions):



Other Expenses	
Supplies	\$109.4
Insurances	\$117.3
Leases	\$60.2
Equipment	\$35.8
Debt Services	\$13.9
Other	\$42.3
<b>Total Other Expenses</b>	<b>\$378.8</b>

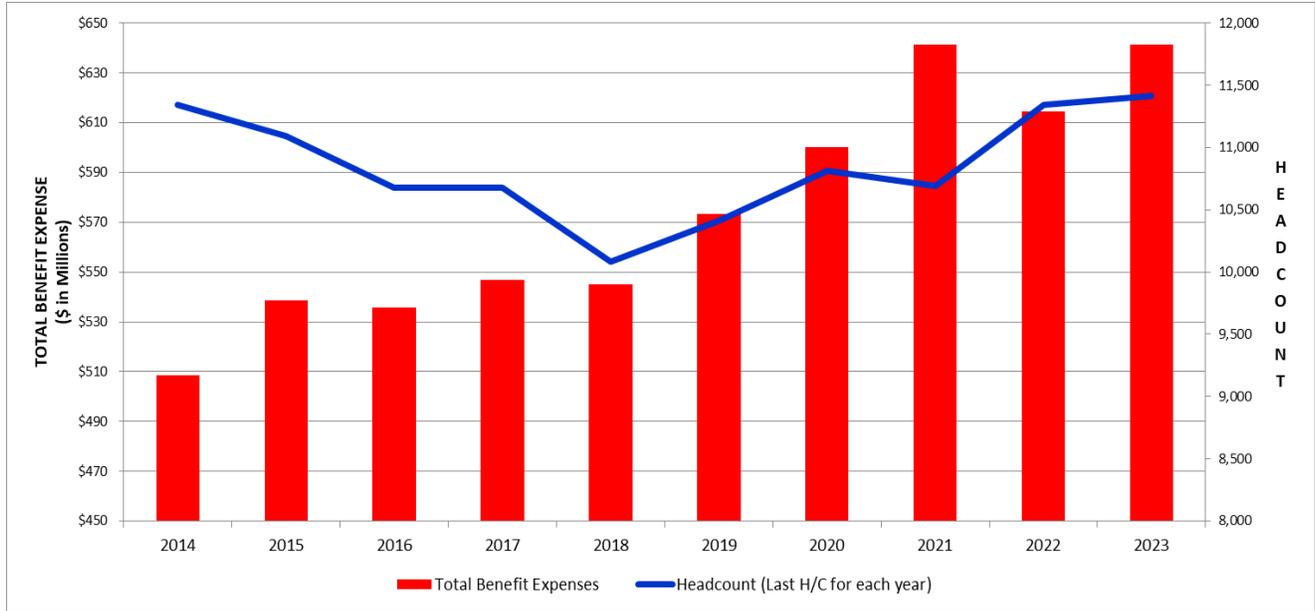
Personnel Services (Salaries and Other Benefits) accounts for 33 percent of the total operating budget expenditures. Section 8 Housing Assistance Payments account for 38 percent, Utilities and Contracts account for 13 percent and 8 percent, respectively, and all other expenses account for the remaining 8 percent of expenditures.

## Workforce

### Workforce and Salary

In recent years, NYCHA has been steadily increasing staffing level to address HUD/ SDNY agreement. While the workforce level has been modestly improving, fringe expenses have been steadily increasing due to rising cost of health benefit expenses and other benefit related expenses. In fact, in the past 10 years (2014 – 2023), while increase in workforce levels was around 1 percent, overall fringe expenses have increased by over 26 percent in the same period.

### Historical Benefit Expenses vs. Workforce

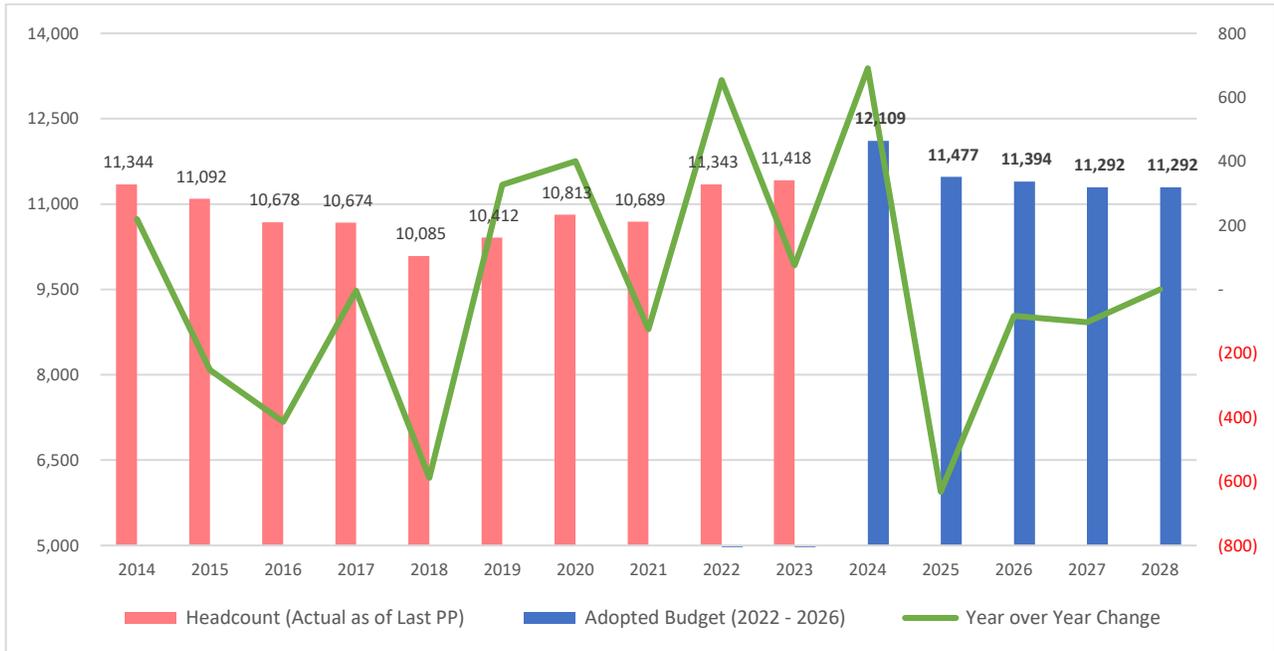


### Benefit Expense Growth Comparison

	2014	2023	Change	% Change
<b>Health</b>	\$217.9	\$306.9	\$89.1	40.9%
<b>Pension</b>	\$155.9	\$157.8	\$1.9	1.2%
<b>All Others</b>	\$134.8	\$176.5	\$41.7	30.9%
<b>Total benefit Expenses</b>	\$508.5	\$641.2	\$132.7	26.1%
<b>Year End Headcount</b>	11,344	11,418	74	0.7%

With the continued reduction in revenues and increases in labor costs (e.g., fringe expenses), NYCHA faces difficulty and challenges in ensuring the continuation of its core functions and the delivery of essential services to its residents.

**Historical staffing level (2014 – Current) vs. 2024 – 2028 Financial Plan**



NYCHA’s 2024 Budget provides total budgeted position of 12,109 or an increase of nearly 700 staff over 2023 yearend staffing levels. Much of the staffing increases are associated with improving NYCHA’s frontline performance and increasing services to residents. Although, staffing levels increased in 2024 when compares to previous years, total number of positions are expected to decline over the next 5 years as a result of RAD/PACT conversions.

*Workforce Distribution*

The 2024 plan provides workforce level to help address key health and safety concerns in-line with HUD/SDNY Agreement.

**Fund Structure Table: 2024 – 2028 Headcount By Funding**

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
General Funds	11,316	10,733	10,655	10,555	10,555
Section 8	655	655	655	655	655
Grants	138	89	84	82	82
<b>Total</b>	<b>12,109</b>	<b>11,477</b>	<b>11,394</b>	<b>11,292</b>	<b>11,292</b>

## *Salaries*

Full-time Salary is budgeted at \$846.9 million in 2024 and will increase to \$879.7 million by 2028. Part-time Salary represents expenditures associated with part-time and temporary staff positions. Seasonal Salary expenditures are associated with the Authority's seasonal hiring program as well as temporary employment programs. Other Salary is an aggregation of assignment differentials, license differentials, increment payments, meal allowances and other miscellaneous pay adjustments.

This Plan includes general wage increases (GWI) due to settled collective bargaining agreements (CBA) for the affected unions/titles. To support NYCHA's financial burden as a result of CBA, the City of New York agreed to provide funding for the cost of labor agreements.

## *Fringe*

Fringe includes legally mandated benefits which include Social Security, Unemployment Insurance, and Workers' Compensation, as well as contractually mandated benefits including Health Insurance, Pension, Welfare, and Annuity for Active and Retired employees.

NYCHA maintains a self-insurance program for workers' compensation. Expenditures include contributions to the self-insurance fund for estimated losses, premiums for the procurement of excess insurance, and assessments paid to the State of New York Workers' Compensation Board. The funding contributions to the self-insurance program also provide for professional services of actuaries, brokers, third-party administrators, and risk management consultants. This is a cost-effective approach to managing a unique workforce, which allows the Authority to take immediate action in both the processing of claims and the promotion of safety programs to reduce job-related risks.

Fringe is projected to increase from \$665.8 million in 2024 to \$732.7 million in 2028. As a percentage of total Personnel Service expenditures, Fringe is projected to increase from under 40.1 percent in 2024 to 41.8 percent of total personnel expenses by 2028. This is driven largely by the projected increases in health insurance benefit expenses.

## *Overtime*

The cost of overtime has been rising in recent years in part due to a decrease in workforce as well as various planned initiatives. For 2024, to address property needs, the Plan assumes a net increase in workforce by 110.9 million, mainly in operational frontline staff.

With improved staffing levels and efficiency in work assignments, and to reflect RAD transition, the Plan assumes overtime levels will remain similar for the 5-year plan.

## *Seasonal*

The budget for Seasonal personnel services provides funding support for temporary staffing to help accommodate the seasonal needs of Operations. Historically, this line has been used to onboard temporary staff during the summer at the properties, which is known as “The Seasonal Program”. The staff work for 40 hours a week for a 26-week period.

The seasonal budget has been expanded to address various measures to supplement full- time workforces. Below are some key funded initiatives in 2024:

- \$8M in Skilled Trades staffing – Allows for flexibility to hire skilled trades/union staff titles for a temporary period to address short-term initiatives. Funding provides for temporary staff to help reduce the work order backlog as well as special initiatives to address Lead, Mold and Centralized Litigation.
- Programs include Moveout Initiative (\$6.8M), Playground Inspection (\$650K), and Technical Services (\$505K).
- Healthy Homes \$2.3M and Red Hook East/West \$188K
- \$4.4M in the traditional Seasonal Program - This plan includes hiring staff for a 30-hour work week for 26 weeks at a rate of \$19.33/hr. The plan incorporates 3 hiring phases achieving approximately 400 staff at its peak.
- \$2.7 M in temporary staffing for Pest Management initiative - To cover the cost to collapse rat burrow, seal up holes, and assist exterminators at various sites for the next 6 months. Includes 70 seasonal workers, 8 Caretakers, and 3 maintenance workers to address these issues.
- \$548k for on-the-job training program of 14 “Heating Plant Technician (HPT) trainees” as temporary staff. These HPT trainees will split their week at heating sites in the properties and in classroom training with NYCHA and verified educational partners.
- \$2 M seasonal staffing for the Lead Hazard Control Department. The program hires Community Services Aides (CSA), Community Coordinators serve as CSA’s Supervisors play an essential part of the Visual Assessment and Dust Wipe Program. The program assists NYCHA to be in compliant with HUD Agreement and approved actions.

- \$1.M for Mold Remediation to be in compliant with Mold HUD Action Plan The program is assigned to the 14 seasonal staff of Enhanced Oversight Program (EOP) & 7 seasonal staff of Roof Fan labeling team. The EOP team plays a crucial role in improving compliance metrics related to existing aging plumbing work order numbers (WOs) at high-risk consolidations, as well as tackling paint backlog WOs, and overseeing other priority tasks aimed at mitigating delays. The EOP establishes overall performance milestones consistent with the Baez requirements and identifies site-specific roadblocks that hinder performance.
- The HUD and Baez Consent Decree requirements demand strict compliance with maintenance standards. This include addressing issues related to mold and painting backlog. there is a huge number of work orders related to mold and leaks cases for painter craft backlog. The Team will prioritize developments participating in EOP and with highest backlog volume. This investment relates to Court/HUD Agreement, as well as services at properties.
- The Roof Fan labeling team is responsible to individually place high-quality computer printed labels onto newly replaced roof fans. The roof fan labels are printed with the Maximo asset number in a large bold font so development staff can easily identify each individual roof fan when conducting monthly roof fan inspections.

### *Leases*

In addition to rental fees, NYCHA is generally responsible for operating costs which include taxes and utilities as well as rent escalation reflective of the lease agreement. The Plan forecast Leases expenditures of \$60.2 million in 2024 to \$63.5 million in 2028.

### *Insurance*

Insurance expenditures include contributions to NYCHA's general liability self-insurance fund for retained estimated losses, and premiums for the procurement of liability, boiler and machinery, and property insurance. The funding contributions to the self-insurance program also provide for professional services of actuaries, brokers, and risk management consultants. Expenditures are projected to decrease from \$117 million in 2024 to \$100.8 million by 2028. These decreases are driven by contributions to the general liability self-insurance fund and by higher property insurance premiums offset due to RAD impact. Costs associated with NYCHA's workers' compensation self-insurance fund are budgeted as part of the Fringe expenses.



*Utilities*

Utility expenditures are a significant component of NYCHA’s operating budget, representing approximately 12.6 percent of total expenditures. Included are costs associated with electricity, gas, water, steam, and fuel oil.

**Utility Expenditure by Commodity**

*(\$ In Millions)*

Commodities	FY 2024 - 2028 Financial Plan					FY'24 - '28 CAGR
	2024	2025	2026	2027	2028	
Heating & Cooking Gas	\$226.7	\$224.8	\$209.1	\$207.6	\$206.2	<b>(2.34%)</b>
Electricity	\$195.1	\$193.1	\$173.9	\$169.9	\$168.5	<b>(3.60%)</b>
Water	\$190.5	\$193.2	\$178.2	\$182.4	\$186.7	<b>(0.50%)</b>
Fuel	\$23.9	\$22.2	\$12.7	\$12.7	\$12.7	<b>(14.53%)</b>
Steam	\$7.3	\$7.2	\$5.4	\$6.5	\$5.0	<b>(8.90%)</b>
<b>Total Utilities</b>	<b>\$643.5</b>	<b>\$640.6</b>	<b>\$579.3</b>	<b>\$579.2</b>	<b>\$579.2</b>	<b>(2.60%)</b>

Although the 2024 plan has been adjusted to reflect the recent rise in energy prices, the five-year total is projected to decrease from \$643.5 million in 2024 to \$579.2 million in 2028. Given the substantial impact of Utility costs, NYCHA continues to work with HUD in developing mutually beneficial Energy Performance Contracts (EPCs) and other energy conservation measures to continue to monitor and help meet city’s conservation goal. These EPCs will provide additional funding for energy- efficient capital projects which will result in cost savings over time.

*Section 8 Payments*

Expenditures for Section 8 Housing Assistance Payments (HAP) are projected based on the rental plan administered through the leased housing program.

While most Section 8 Payments are disbursed to landlords participating in this program, it also includes disbursement for Phased Conversion Units as well as transition to RAD. Funding for these units has been transition from the Operating Subsidy (Section 9) to Section 8. These conversions of funding help to reduce deficit in General Fund. This plan projects Section 8 Payments to landlords to increase from \$1.9 billion in 2024 to \$2.6 billion by 2028.

## *Contracts*

*Contracts* includes third-party service payments for the following: painting, floor tiling, elevator maintenance, fire safety, environmental services, Marshall fees, security services, energy contracts, carting fees, automotive services, office equipment rentals and services, information technology software and hardware services, telecommunications services, lockbox fees, professional services, and others. To improve residential services and to address compliance requirements, NYCHA has been increasing its contract capacity in recent years. Increased contract capacity will help address key issues in the area targeted to address lead, mold, pest management, heating management, elevator as well as other operational concerns. Contract expense decreases from \$413.5 million in 2024 to \$400.7 million by 2028 reflective of PACT conversions.

## *Supplies, Equipment, and OTPS Other*

*Supplies* includes materials and supplies required for property management operations (as well as administrative functions), including paint, tiles, carpentry supplies, electrical and plumbing supplies, auto repair shop supplies, uniforms, office supplies, and others.

*Equipment* includes ranges, refrigerators, telecommunications, automotive, machinery, computer hardware, grounds, and tools, (all of which must be above NYCHA's capitalization threshold).

Although funded in the Operating Plan, these are categorized as assets.

*Debt Service* provides interest payment for NYCHA's EPC (Energy Performance Contract) based on approval from HUD.

*OTPS Other* includes operating budget funding of the capital replacement reserves for NYCHA's mixed-finance portfolios, athletic and recreational activities, postage, petty cash reimbursements, training, and other miscellaneous expenditure categories. Overall, budget for Supplies, Equipment, Debt Service, and OTPS Other show decreases from \$201.3 million in 2024 to \$169.3 million by 2028 reflective of PACT conversions.



## 2024-2028 Operating Plan by Funds

### All Funds

(\$ in 000s)

Revenues	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<b>Revenue from Operations:</b>					
Tenant Rental Revenue	\$958,802	\$896,080	\$895,336	\$896,132	\$914,895
Other Revenue from Operations	38,536	37,122	36,066	34,605	34,325
<b>Total Revenue from Operations</b>	<b>\$997,338</b>	<b>\$933,203</b>	<b>\$931,402</b>	<b>\$930,737</b>	<b>\$949,220</b>
<b>Other Revenues</b>					
Federal Subsidies	\$1,310,287	\$1,349,812	\$1,321,082	\$1,369,431	\$1,399,831
Debt Services Subsidy	-	-	-	-	-
Section 8 Phased Conversion	32,115	31,315	30,992	29,097	29,478
Section 8 Management Fees	-	-	-	-	-
Capital Fund Reimbursements	263,156	263,156	263,156	263,156	263,156
Interest on Investments	11,534	9,759	9,328	9,031	8,933
Other	59,144	68,498	43,069	45,159	45,376
Categorical Grants	1,262	1,082	901	675	675
Section 8 Subsidy	1,698,144	2,048,845	2,245,837	2,369,377	2,492,159
Section 8 Admin	161,207	166,665	174,076	181,717	189,674
City Funds (CDGB)	17,986	11,486	11,486	11,486	11,486
City Funds (Vacant)	21,418	24,729	25,001	24,977	24,977
City Funds (Labor & Other)	165,930	170,648	173,741	174,714	174,468
Withdrawal From Reserves	221,000	149,766	65,356	55,113	49,451
<b>Total Other Revenues</b>	<b>\$3,963,184</b>	<b>\$4,295,761</b>	<b>\$4,364,026</b>	<b>\$4,533,934</b>	<b>\$4,689,664</b>
<b>Total Revenues</b>	<b>\$4,960,522</b>	<b>\$5,228,964</b>	<b>\$5,295,428</b>	<b>\$5,464,671</b>	<b>\$5,638,884</b>
<b>Expenditures</b>					
<b>Personal Service:</b>					
Salary F/T	846,945	852,893	885,023	879,650	879,650
Salary P/T	92	92	92	92	92
Seasonal	21,810	21,810	21,810	21,810	21,599
Overtime	110,904	109,514	108,475	107,706	107,706
Shift Differential	2,013	2,013	2,013	2,013	2,013
Retro	226	226	226	226	226
Fringe	665,791	675,949	696,269	715,332	732,661
Other Salary	11,025	10,918	10,831	10,753	10,753
<b>Total Personal Service</b>	<b>\$1,658,807</b>	<b>\$1,673,415</b>	<b>\$1,724,739</b>	<b>\$1,737,581</b>	<b>\$1,754,698</b>
<b>Other Than Personal Service:</b>					
Leases	60,247	62,186	62,218	63,530	63,530
Supplies	109,395	107,460	105,905	104,678	104,678
Equipment	35,802	31,356	30,836	26,402	26,402
Utilities	643,480	640,624	579,287	579,229	579,229
Contracts	413,532	407,358	403,275	400,731	400,731
Insurance	117,262	124,806	100,825	100,825	100,825
Debt Services	13,859	14,180	13,190	13,484	13,784
OTPS Other	42,264	24,797	24,382	24,371	24,417
Housing Assistance Payments	1,901,140	2,197,081	2,314,308	2,436,160	2,558,455
<b>Total Other Than Personal Service</b>	<b>\$3,336,981</b>	<b>\$3,609,845</b>	<b>\$3,634,229</b>	<b>\$3,749,410</b>	<b>\$3,872,052</b>
<b>Total Expenditures</b>	<b>\$4,995,788</b>	<b>\$5,283,260</b>	<b>\$5,358,968</b>	<b>\$5,486,991</b>	<b>\$5,626,751</b>
<b>Surplus/(Deficit)</b>	<b>\$(35,266)</b>	<b>\$(54,296)</b>	<b>\$(63,540)</b>	<b>\$(22,320)</b>	<b>\$12,134</b>
<b>HEADCOUNT</b>	12,109	11,477	11,394	11,292	11,292



## General Funds

(\$ in 000s)

Revenues	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<b>Revenue from Operations:</b>					
Tenant Rental Revenue	\$958,802	\$896,080	\$895,336	\$896,132	\$914,895
Other Revenue from Operations	38,536	37,122	36,066	34,605	34,325
<b>Total Revenue from Operations</b>	<b>\$997,338</b>	<b>\$933,203</b>	<b>\$931,402</b>	<b>\$930,737</b>	<b>\$949,220</b>
<b>Other Revenues</b>					
Federal Subsidies	\$1,293,871	\$1,333,209	\$1,306,352	\$1,354,488	\$1,384,622
Debt Services Subsidy	-	-	-	-	-
Section 8 Phased Conversion	32,115	31,315	30,992	29,097	29,478
Section 8 Management Fees	39,346	44,586	46,261	47,980	49,763
Capital Fund Reimbursements	263,156	263,156	263,156	263,156	263,156
Interest on Investments	10,505	9,270	9,084	8,933	8,933
Other	57,169	67,123	41,694	43,784	44,001
Categorical Grants	-	-	-	-	-
Section 8 Subsidy	-	-	-	-	-
Section 8 Admin	-	-	-	-	-
City Funds (CDGB)	-	-	-	-	-
City Funds (Vacant)	-	-	-	-	-
City Funds (Labor & Other)	160,129	165,799	170,345	171,318	171,318
Withdrawal From Reserves	-	-	-	-	-
<b>Total Other Revenues</b>	<b>\$1,856,292</b>	<b>\$1,914,458</b>	<b>\$1,867,884</b>	<b>\$1,918,756</b>	<b>\$1,951,272</b>
<b>Total Revenues</b>	<b>\$2,853,629</b>	<b>\$2,847,660</b>	<b>\$2,799,286</b>	<b>\$2,849,493</b>	<b>\$2,900,492</b>
Expenditures	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<b>Personal Service:</b>					
Salary F/T	\$787,264	\$797,962	\$830,470	\$825,249	\$825,249
Salary P/T	92	92	92	92	92
Seasonal	21,550	21,550	21,550	21,550	21,550
Overtime	106,160	104,770	103,731	102,961	102,961
Shift Differential	2,013	2,013	2,013	2,013	2,013
Retro	226	226	226	226	226
Fringe	624,974	633,481	652,745	670,390	686,729
Other Salary	10,412	10,304	10,220	10,142	10,142
<b>Total Personal Service</b>	<b>\$1,552,690</b>	<b>\$1,570,397</b>	<b>\$1,621,045</b>	<b>\$1,632,623</b>	<b>\$1,648,962</b>
<b>Other Than Personal Service:</b>					
Leases	\$52,498	\$54,184	\$54,218	\$55,377	\$55,377
Supplies	108,630	106,616	105,133	103,907	103,907
Equipment	24,310	24,007	23,759	23,635	23,635
Utilities	642,819	639,945	578,590	578,531	578,531
Contracts	369,355	361,701	358,335	355,815	355,815
Insurance	116,989	124,525	100,535	100,535	100,535
Debt Services	67	67	67	67	67
OTPS Other	21,646	19,871	19,776	19,790	19,831
Housing Assistance Payments	-	-	-	-	-
<b>Total Other Than Personal Service</b>	<b>\$1,336,316</b>	<b>\$1,330,915</b>	<b>\$1,240,414</b>	<b>\$1,237,658</b>	<b>\$1,237,698</b>
<b>Total Expenditures</b>	<b>\$2,889,005</b>	<b>\$2,901,312</b>	<b>\$2,861,459</b>	<b>\$2,870,281</b>	<b>\$2,886,660</b>
<b>Surplus/(Deficit)</b>	<b>\$(35,376)</b>	<b>\$(53,651)</b>	<b>\$(62,173)</b>	<b>\$(20,787)</b>	<b>\$13,831</b>
<b>HEADCOUNT</b>	11,316	10,733	10,655	10,555	10,555



## Housing Choice Vouchers

(\$ in 000s)

Revenues	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<b>Revenue from Operations:</b>					
Tenant Rental Revenue	-	-	-	-	-
Other Revenue from Operations	-	-	-	-	-
<b>Total Revenue from Operations</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Other Revenues</b>					
Federal Subsidies					
Debt Services Subsidy					
Section 8 Phased Conversion					
Section 8 Management Fees					
Capital Fund Reimbursements					
Interest on Investments	-	-	-	-	-
Other	775	775	775	775	775
Categorical Grants					
Section 8 Subsidy	1,730,260	2,080,160	2,276,830	2,398,474	2,521,637
Section 8 Admin	161,207	166,665	174,076	181,717	189,674
City Funds (CDGB)					
City Funds (Vacant)					
City Funds (Labor & Other)					
Withdrawal From Reserves* (HAP RESERVE)	221,000	149,766	65,356	55,113	49,451
<b>Total Other Revenues</b>	<b>\$2,113,241</b>	<b>\$2,397,366</b>	<b>\$2,517,037</b>	<b>\$2,636,079</b>	<b>\$2,761,537</b>
<b>Total Revenues</b>	<b>\$2,113,241</b>	<b>\$2,397,366</b>	<b>\$2,517,037</b>	<b>\$2,636,079</b>	<b>\$2,761,537</b>
<b>Expenditures</b>					
<b>Personal Service:</b>					
Salary F/T	\$45,658	\$45,658	\$45,658	\$45,658	\$45,658
Salary P/T	-	-	-	-	-
Seasonal	49	49	49	49	49
Overtime	4,745	4,745	4,745	4,745	4,745
Shift Differential	-	-	-	-	-
Retro	-	-	-	-	-
Fringe	34,339	37,633	38,954	40,474	41,465
Other Salary	606	606	606	606	606
<b>Total Personal Service</b>	<b>\$85,397</b>	<b>\$88,691</b>	<b>\$90,011</b>	<b>\$91,532</b>	<b>\$92,523</b>
<b>Other Than Personal Service:</b>					
Leases	\$7,749	\$8,002	\$8,000	\$8,153	\$8,153
Supplies	133	133	133	133	133
Equipment	11,492	7,349	7,077	2,767	2,767
Utilities	661	679	698	698	698
Contracts	55,879	61,128	62,814	64,533	66,316
Insurance	272	281	289	289	289
Debt Services	-	-	-	-	-
OTPS Other	18,403	2,707	2,713	2,719	2,725
Housing Assistance Payments	1,933,256	2,228,396	2,345,301	2,465,256	2,587,933
<b>Total Other Than Personal Service</b>	<b>\$2,027,844</b>	<b>\$2,308,675</b>	<b>\$2,427,025</b>	<b>\$2,544,548</b>	<b>\$2,669,014</b>
<b>Total Expenditures</b>	<b>\$2,113,241</b>	<b>\$2,397,366</b>	<b>\$2,517,037</b>	<b>\$2,636,079</b>	<b>\$2,761,537</b>
<b>Surplus/(Deficit)</b>	<b>\$(0)</b>	<b>\$0</b>	<b>\$(0)</b>	<b>\$0</b>	<b>\$0</b>
<b>HEADCOUNT</b>	655	655	655	655	655



## Categorical Grants

(\$ in 000s)

Revenues	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<b>Revenue from Operations:</b>					
Tenant Rental Revenue					
Other Revenue from Operations					
<b>Total Revenue from Operations</b>					
<b>Other Revenues</b>					
Federal Subsidies	\$16,416	\$16,603	\$14,730	\$14,943	\$15,209
Debt Services Subsidy					
Section 8 Phased Conversion					
Section 8 Management Fees					
Capital Fund Reimbursements					
Interest on Investments	1,029	489	245	98	-
Other	1,200	600	600	600	600
Categorical Grants	1,262	1,082	901	675	675
Section 8 Subsidy					
Section 8 Admin					
City Funds (CDGB)	17,986	11,486	11,486	11,486	11,486
City Funds (Vacant)	21,418	24,729	25,001	24,977	24,977
City Funds (Labor & Other)	5,801	4,849	3,396	3,396	3,150
Withdrawal From Reserves					
<b>Total Other Revenues</b>	<b>\$65,113</b>	<b>\$59,838</b>	<b>\$56,359</b>	<b>\$56,175</b>	<b>\$56,096</b>
<b>Total Revenues</b>	<b>\$65,113</b>	<b>\$59,838</b>	<b>\$56,359</b>	<b>\$56,175</b>	<b>\$56,096</b>
Expenditures	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<b>Personal Service:</b>					
Salary F/T	\$14,023	\$9,274	\$8,895	\$8,742	\$8,742
Salary P/T	-	-	-	-	-
Seasonal	212	212	212	212	-
Overtime	-	-	-	-	-
Shift Differential	-	-	-	-	-
Retro	-	-	-	-	-
Fringe	6,478	4,835	4,570	4,468	4,466
Other Salary	7	7	5	5	5
<b>Total Personal Service</b>	<b>\$20,720</b>	<b>\$14,327</b>	<b>\$13,683</b>	<b>\$13,427</b>	<b>\$13,213</b>
<b>Other Than Personal Service:</b>					
Leases	-	-	-	-	-
Supplies	632	711	639	638	638
Equipment	-	-	-	-	-
Utilities	-	-	-	-	-
Contracts	27,644	29,114	28,387	28,363	28,363
Insurance	-	-	-	-	-
Debt Services	13,792	14,113	13,124	13,417	13,718
OTPS Other	2,215	2,219	1,894	1,862	1,862
Housing Assistance Payments	-	-	-	-	-
<b>Total Other Than Personal Service</b>	<b>\$44,283</b>	<b>\$46,156</b>	<b>\$44,043</b>	<b>\$44,281</b>	<b>\$44,581</b>
<b>Total Expenditures</b>	<b>\$65,003</b>	<b>\$60,483</b>	<b>\$57,726</b>	<b>\$57,707</b>	<b>\$57,794</b>
<b>Surplus/(Deficit)</b>	<b>\$110</b>	<b>\$(645)</b>	<b>\$(1,367)</b>	<b>\$(1,533)</b>	<b>\$(1,698)</b>
<b>HEADCOUNT</b>	138	89	84	82	82