



NextGen Neighborhoods Development Program Frequently Asked Questions

What is NextGeneration NYCHA?

NextGeneration NYCHA is a 10-year strategic plan that will guide NYCHA and communicate in a transparent way with our residents and partners how we will change the way we do business. We understand that NYCHA residents, like all New Yorkers, want communities that are safe, clean, and connected. To create and sustain those communities, NYCHA must change the way that we do business. NextGeneration NYCHA addresses the four core parts of our business including: how NYCHA is funded, how we operate, what we build, and most of all how NYCHA engages with residents to address NYCHA's present and future.

What is NextGen Neighborhoods?

NextGeneration (NextGen) Neighborhoods is a program intended to build mixed-income housing on underutilized NYCHA land to generate much-needed revenue for capital repairs and to create more affordable housing for our communities. The units, which will be built on leased land, will be 50 percent affordable and 50 percent market-rate, in order to generate revenue. A significant portion of the revenue generated will be reinvested back into the development site for infrastructure repairs and the remaining dollars will be funneled back to NYCHA for operations and repairs across other developments. Residents will be key in deciding how monies are spent for major capital improvements and repairs at NextGen Neighborhood sites.

Why is NYCHA pursuing NextGen Neighborhoods?

Billions in underfunding by all levels of government, outdated and inefficient management models, and rapidly deteriorating buildings have severely weakened NYCHA as an organization and diminished the quality of life of residents. Today, tenants shoulder the burden of nearly \$17 billion in unmet capital needs across NYCHA's aging building stock, living with leaky roofs, unreliable heating systems, broken elevators, and a host of other problems. NYCHA must explore all reasonable options to increase revenue to make necessary repairs and updates to existing NYCHA buildings and fund operations.

What does underfunding mean to NYCHA residents?

Without intervention, hundreds of thousands of New Yorkers will experience worsening problems that the Authority, in a state of financial paralysis, will be unable to address.

What is NextGen Neighborhoods?

NextGen Neighborhoods is where NYCHA will build 50% market-rate and 50% affordable housing units built on underutilized NYCHA land.

What are the goals of NextGen Neighborhoods?

NextGen Neighborhoods is focused on 3 main things:

1. Saving NYCHA so that it remains for current and future generations to come
2. Reinvesting in capital needs at Wyckoff, Holmes and across NYCHA
3. Increase affordable housing for NYC and NYCHA residents

What are the benefits for NYCHA residents?

- Improved quality of life for residents by making capital improvements to the developments
- Increased financial stability
- Preserving public housing for this and future generations by generating revenue for capital repairs
- NYCHA residents access to more affordable housing
- Temporary and permanent job opportunities

What are the income guidelines for this 50% Affordable Housing portion?

NYCHA will ensure that these new developments have 50 percent of the new affordable housing units dedicated to families earning no more than 60% of the Area Median Income (AMI) – which is approximately \$46,600 for a family of three in 2015. This is the minimum affordability and NYCHA will pursue the deepest affordability possible as the program moves forward.

How much revenue will the NextGen Neighborhoods program generate?

Based on preliminary analysis, NYCHA estimates that this program could generate \$300 to \$600 million over the next 10 years. The potential revenue for each site will be determined as the scope of the project is informed through stakeholder input.

How will the revenue generated for the selected NYCHA developments be allocated? What will the money be used for?

NYCHA will apply a significant portion of the revenues towards infrastructure improvements at the NextGen Neighborhood sites and towards the preservation of existing public housing units across NYCHA. Residents at NextGen Neighborhood sites would set priorities for making capital improvements at their development such as: new roofs, brickwork, kitchen and bathroom renovations; while also securing the Authority's financial sustainability.

Will NYCHA manage the new NextGen Neighborhoods affordable housing sites?

NYCHA expects that the project owner will hire a third party management company to manage the properties.

How will residents and stakeholders be engaged as part of the NextGen Neighborhoods program?

As the first phase of engagement through the beginning of 2016, residents and stakeholders at NextGen Neighborhood sites will be given ample opportunity to learn and ask questions about the new development project, as well as provide input and feedback regarding benefits that they would like to see come to their community as a result of the development project.

How were the NextGen Neighborhoods development sites selected?

NYCHA considered the underutilized land available, the capital needs of the developments, the affordable housing needs of the neighborhood and the potential to generate revenue from market-rate apartments.

Will NYCHA be selling or leasing the land?

This decision may change on a site by site basis. Our work is being guided by three commitments:

1. Creating more affordable units,
2. Becoming financial sustainable as an organization, and
3. Being in the driver's seat when it comes to ensuring long-term affordability, in any scenario.

How will the new affordable units be marketed and leased? Will there be preference for NYCHA residents at these new developments?

New affordable units will be marketed publicly and leased through the City's traditional affordable housing application and lottery process. NYCHA residents will benefit from a 25 percent preference and additional community preferences may be set through local community boards.

Will any NYCHA residents have to move?

No. No public housing resident will have to move because of the new developments.

How will the affordable and market rate units be distributed throughout the building?

The market rate and affordable units will be equally dispersed throughout the building.

How will job opportunities work at the NextGen Neighborhood sites?

Since this program will not be utilizing federal funding, HUD's Section 3 rules will not apply. However, NYCHA will be creating a local, resident jobs program to match residents with job and training opportunities associated with new construction.

Will play areas impacted by construction be relocated?

The stakeholder engagement process will allow residents input on moving and replacing play areas impacted by construction.

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Where can I go to find out more information about the NextGen Neighborhoods affordable housing project?

Go to NYCHA's Website at <http://on.nyc.gov/ngn>