

Executive Summary

NYCHA's Draft Agency Plan for FY 2017

Federal law requires the New York City Housing Authority (“NYCHA”) to develop, with input from public housing residents, Section 8 participants, elected officials and the public, a plan setting forth its major initiatives for the coming year.

The Draft Agency Plan for FY 2017 is available for public review at NYCHA’s Central Office and each development’s management office as well as on NYCHA’s web page <http://www1.nyc.gov/site/nycha/about/annual-plan-financial-information.page>. NYCHA will also provide a copy of the Draft Agency Plan to each public housing Resident Association President.

NYCHA met with the Resident Advisory Board (“RAB”) members for their comments in ten meetings between February and June 2016.

NYCHA’s Final Agency Plan to the U.S. Department of Housing and Urban Development (“HUD”) will be submitted on October 18, 2016. Following NYCHA’s submission, HUD has 75 days in which to review and approve the plan.

NYCHA’s priorities for the coming year are outlined on pages 18 through 26.

NextGeneration NYCHA

On May 19, 2015, Mayor de Blasio and NYCHA Chair and CEO Shola Olatoye announced NextGeneration NYCHA (“NextGen”), a comprehensive ten-year plan to stabilize the financial crisis facing New York City’s public housing authority and deliver long-needed improvements to residents’ quality of life by changing the way NYCHA is funded, operated and how it serves its residents. Developed over one year from 150 collaborative meetings with NYCHA residents, stakeholders and elected officials, NextGen builds on the de Blasio administration’s commitment to stabilize, preserve and revitalize public housing. Facing the worst financial crisis in NYCHA’s history, the Authority continues to launch targeted strategies each month with the goal of improving resident quality of life and preserving public housing for this and future generations. With increased transparency, infrastructure improvements, and stakeholder engagement, NYCHA is taking meaningful steps to change the way it does business and become a more modern, effective and efficient landlord. NextGen’s 15 targeted strategies support four principal goals:

1. Change the way NYCHA is funded
2. Operate like a more modern, efficient landlord
3. (Re)build existing public housing and new affordable housing
4. Engage residents and connect them to best-in-class services

By cutting costs, instituting modern and effective management practices, and targeting new sources of revenue, over ten years the plan’s 15 strategies will both reduce NYCHA’s capital needs by \$4.6 billion over ten years and achieve nearly \$900 million in savings and new operating revenue over the next five years.

In the first year of the NextGeneration plan, NYCHA has made major progress in its commitment to improving quality of life for the more-than 400,000 people who call NYCHA home.

NYCHA has made major capital repairs and improvements to buildings across the five boroughs, including at Sandy-impacted developments – and is integrating sustainability and resiliency into all new construction. NYCHA has improved the speed and ease of customer service with initiatives like localized property management, and innovative technology, like the MyNYCHA Mobile App, which connects residents with NYCHA through smartphones, tablets, and computers. NYCHA has made millions of dollars of security improvements, installing security cameras, exterior and interior lighting, and layered access doors, and continues to make communities safer by enhancing communication and collaboration with partner agencies. NYCHA is engaging residents in new ways, through comprehensive outreach efforts and constant dialogue with the community – graduating nearly 450 residents from its resident training programs, partnering with expert providers to deliver services to residents, and holding 36 meetings with over 600 residents to date at Holmes Towers and Wyckoff Gardens in the NextGen Neighborhoods program. Additionally, NYCHA is leveraging new funding streams, including federal programs like Rental Assistance Demonstration (RAD), through which NYCHA will make critical improvements and renovations at 1,400 units in Far Rockaway.

Below are some of the accomplishments achieved:

| FUND |
|---|
| Improve resident rent and fee collection. |
| <ul style="list-style-type: none"> • Expanded use of automated rent reminder calls (robocalls) to all of NYCHA • Launched pilot at St. Nicholas Houses to reduce overall rent delinquency • Trained over 700 NYCHA staff on new rent procedures to improve customer service on rent collection |
| Maximize the revenue and uses of ground floor spaces. |
| <ul style="list-style-type: none"> • Created 15 new leases of formerly vacant ground-floor commercial and community space and renewed 9 leases, totaling 27,000 square feet generating new revenue |
| Integrate with City agencies and reduce central office expenses. |
| <ul style="list-style-type: none"> • Reduced central office costs through attrition and integration into other City agencies |

OPERATE

Transform into a digital organization

- Launched the MyNYCHA app in English and Spanish, allowing residents to create, schedule and view apartment repair requests from their smartphones and tablets
 - Over 23,000 downloads for the app; residents have created nearly 96,000 work orders
- Created Development Portal, allowing residents to view information about their development, including work orders, service levels, and outages.
- Launched online Section 8 recertifications and public housing annual income reviews
 - Over 41,000 recertifications have been submitted online out of 80,000 leased housing voucher-holders
 - Public housing annual income reviews were piloted at 3 developments (Lincoln, Jefferson, and Ravenswood)

Localize decision-making at the developments

- NYCHA expanded the asset-based Optimal Property Management Operating Model or OPMOM at 39 Queens, Staten Island and Mixed Finance properties.
- Reduced work order completion time to 6.2 days from 21 days at the initial 18 OPMOM developments

Pursue a comprehensive sustainability agenda

- Launched NYCHA's first-ever Sustainability Agenda, marking the first time in NYCHA's history the Authority has developed an integrated, long-term plan focused on environmental health, green building and operations, and climate change adaptation and resiliency
- The major goals of the Sustainability Agenda include reducing greenhouse gases 80% by 2050, integrating resiliency and climate change adaptation into capital planning and incorporating sustainability into daily management and operations.
- Recycling:
 - Rolled out recycling program at 120 developments, impacting 1,074 buildings that serve 186,920 residents
- Sandy Recovery:
 - Started FEMA-funded Sandy Construction at 21 developments
 - Renovated 216 Sandy-damaged first floor apartments at 10 developments
 - Ready to begin construction on first major permanent repairs project in the

Rockaways

Increase safety and security at NYCHA developments

- Completed a \$4.8 million lighting project at Polo Grounds Towers, installing 341 state-of-the-art, energy-efficient fixtures in public areas.
- Completed \$4.1 million exterior lighting project in Bushwick
- Installed CCTV, lighting, doors, and layered access at 15 MAP developments
- Completed 32 Layered Access Control (LAC) and CCTV projects
- Reduced violent crime at MAP sites by 11% in 2015
- Removed over 10,000 linear-feet of legacy shedding
- Launched the Public Safety Advisory Committee (PSAC), bringing residents to the table with NYCHA staff and management, law enforcement agencies, and community organizations to develop a Public Safety Blueprint for improving quality of life

(RE) BUILD

Devise Capital Planning Strategy

\$300 million City investment over the next 3 years to replace some of the worst roofs in NYCHA's portfolio in order to reduce mold, repair leaks, and restore apartments impacted by aging roof infrastructure.

- Replaced 21 of 26 roofs at Queensbridge North and South with \$87M in City capital funding

Provide underutilized NYCHA-owned land to support the creation of affordable housing units

Plans to create affordable senior and family housing on underused NYCHA property following an extensive planning process with residents and community advocates at Ingersoll (Fort Greene, Brooklyn), Van Dyke (Brownsville, Brooklyn) and Mill Brook (Mott Haven, Bronx.)

- Selected developers for NYCHA's first 100%-affordable housing sites at Mill Brook, Ingersoll, and Van Dyke Houses
- Initiative to generate revenue to reinvest into NextGen Neighborhood development sites and across NYCHA by leveraging a 50-50 split of market-rate and affordable housing units built on underutilized NYCHA land.

- Engaged 600+ residents in 36 meetings at Holmes Towers (Manhattan) and Wyckoff Gardens (Brooklyn), where a 50/50 mix of affordable and market-rate housing will be

developed to generate revenue for critical repairs at NYCHA and increase the City's supply of affordable housing.

Leverage HUD programs to preserve housing

A federally-supported program to transition Ocean Bay Apartments (Bayside) in the Far Rockaway, from traditional public housing funds to project-based Section 8 in order to finance critical building repairs and achieve operating revenue.

- NYCHA released a request for proposals for potential developers to upgrade 1,400 public housing units at Ocean Bay Apartments (Bayside) in the Far Rockaways through the U.S. Department of Housing and Urban Development's (HUD) RAD program

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

- Created design guidelines for new construction on NYCHA campuses
- Finalized design standards for kitchens and bathrooms
- Revised eight design guidelines impacting 30% of 2016 capital projects (\$210 million value)
- Initiated peer review program for community centers and grounds improvement projects
- Conducted design charrette to incorporate "Enterprise Green Communities" into capital projects

ENGAGE

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

- To improve social services delivery to residents, 24 Community Centers and 17 Senior Centers are now managed by New York City Department of Youth and Community Development (DYCD) and the Department for the Aging (DFTA)
- Created 6 new Resident Associations and 14 Youth Councils

Attract philanthropic dollars for resident services through the creation of a non-profit 501(c)3

- Launched an independent, non-profit 501(c)3 organization, the Fund for Public Housing, to support NYCHA's transformation from a direct service provider to a partnership based model

Connect residents to quality workforce opportunities

- Graduated 350 residents from Resident Training Academy
- Graduated 84 residents from Food Business Pathways
- Launched a workforce development initiative with East Harlem Employment Services
- Held first conference in the Resident Leader training series on the Section 3 resident hiring program and other economic opportunities

NextGeneration is transforming how NYCHA is funded, operates, builds and rebuilds, and engages residents and connects them to opportunity. In year one, NYCHA is moving in a positive direction and seeing results.

Creating safe, clean, and connected communities for residents

NextGeneration NYCHA – Public Safety

As part of NextGeneration NYCHA, the Public Safety Advisory Committee will engage a variety of stakeholders to develop a NextGen Public Safety Blueprint, a plan that will incorporate current public safety efforts with additional initiatives to address crime, youth and community engagement, emergency response and preparedness, lease enforcement, and quality of life issues ranging from littering to dog owners that fail to curb their pets. The Advisory Committee will build on the vision of NYCHA’s existing Resident Watch Groups— comprised of resident volunteers who give their time to enhance development security— and ensure that resident voices continue to be the central focus of NextGeneration NYCHA’s safety agenda. Since more than 41 percent of NYCHA residents are under the age of 25, elevating the voice and input of young adults living in NYCHA communities will be crucial to shaping the direction of the Public Safety Advisory Committee.

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

Housing New York

In May 2014, Mayor de Blasio unveiled **Housing New York: A Five-Borough, Ten-Year Plan**, a comprehensive plan to build or preserve 200,000 affordable units over the coming decade to support New Yorkers with a range of incomes, from the very lowest to those in the middle class. NYCHA has already played a key role in advancing **Housing New York’s** goals.

NextGeneration NYCHA – 100%Affordable Housing

The Authority will provide underutilized land for the creation of 10,000 affordable housing units, including a mix of uses, to provide additional amenities. In May 2016, NYCHA and New York City Department of Housing Preservation and Development (HPD) announced the selection of three development teams to expand affordable housing opportunities at three NYCHA developments: Ingersoll Houses in the Fort Greene neighborhood of Brooklyn, Van Dyke

Houses in the Brownsville neighborhood of Brooklyn, and Mill Brook Houses in the Mott Haven neighborhood in the Bronx. The plan to create 100 percent affordable senior and multifamily housing on available NYCHA property was developed in response to resident and advocate calls for more affordable housing options in their communities.

NYCHA intends to ground lease three sites located at Betances V, Betances VI, and Sumner Houses for additional low-income housing development. RFP release is scheduled for Spring 2016. Developer selection will be completed in Spring 2016. Section 18 applications will be submitted in 2017. Construction is scheduled to begin in 2018.

All six 100 percent affordable housing developments will advance the goals of Mayor de Blasio's Housing New York plan to build or preserve 200,000 affordable housing units over ten years. It also helps achieve NYCHA's commitment to contribute 10,000 of those affordable units within the decade as part of NextGeneration NYCHA, the Authority's 10-year strategic plan.

NextGeneration NYCHA – NextGeneration Neighborhoods

Centered on resident and community stakeholder engagement, the *NextGen Neighborhoods* program enables NYCHA to generate revenue to reinvest back into our development sites and across NYCHA by leveraging a 50-50 split of market-rate and affordable housing units.

NYCHA has been actively seeking resident input at the front end of the process to help shape the final plan. Between September 2015 and May 2016, over 1,300 residents have participated in meetings, visioning sessions, and charettes at Holmes Towers in Manhattan and Wyckoff Gardens in Brooklyn. Their input will inform the character of the residential/commercial mix at sites, the new building location, and the look and feel (that is, the design and landscape) of the new construction – all of which will help integrate the new building into the NYCHA campus and community. Their feedback will also guide NYCHA in determining priorities for capital repairs in their buildings, which will occur concurrently with the new construction. Once the developer is selected, NYCHA will continue to engage its residents through a Stakeholder Committee. The Stakeholder Committees will work directly with the selected developer by representing the interests and concerns of NYCHA residents, neighbors, and the community. The committee will be comprised of, at a minimum, three residents from each building—including at least one youth (ages 18-24), one senior resident (ages 64+), and one general resident (no age requirement) to ensure a diversity of perspectives; as well as one Resident Association member, one non-NYCHA resident from the community, and 5-7 representatives from community-based organizations, advocacy groups, and elected officials.

NextGeneration NYCHA – HUD Preservation Programs

NYCHA will use every tool available to protect the affordability of New York City's housing stock and strengthen public housing for this and future generations. By leveraging the Rental Assistance Demonstration program ("RAD"), NYCHA will help improve the quality of life for residents at Ocean Bay (Bayside) in Queens, ensuring their apartments and buildings receive much-needed repairs and upgrades while preserving affordability and tenant protections. RAD is a component of NextGeneration NYCHA's 10 year strategic plan to preserve public housing and become a more effective and efficient landlord.

With program approval from HUD, NYCHA can begin to address the significant capital repair needs at Ocean Bay (Bayside) Apartments by converting the development's funding source from public housing funds to this special Project-Based Section 8 program.

As the funding supporting this development transitions from public housing to Section 8, NYCHA will retain ownership and play a key role in decision making and oversight of the project. Under RAD rules, the property and unit count must remain permanently affordable (cannot exceed 30% of resident income), which NYCHA will enforce through agreements with the developer and ownership of the land. Residents will continue to have the same succession opportunities and grievance procedures under the RAD program that currently exist for NYCHA's public housing residents. No resident can be evicted without proven cause. Residents will retain the right to establish and operate a resident organization. Finally, developers will be required to propose a plan to train and hire NYCHA residents, and proactively engage residents on a regular basis as the project moves forward.

In February 2016, NYCHA released the "Request for Proposal" (RFP) for potential developers to upgrade approximately 1,400 public housing units at Ocean Bay (Bayside) through RAD. NYCHA estimates these 1,400 apartments need about \$174 million in major improvements and upgrades over the next 20 years, such as kitchen and bathroom modernizations, roof replacement, boiler replacements and safety upgrades. Through the RFP, NYCHA has invited developers, including non-profit entities and M/WBE firms, to submit proposals for the financing, major rehabilitation and operations of Ocean Bay (Bayside) as a Section 8 property.

NYCHA is also planning to submit RAD applications for 40 additional developments with over 5,100 units. These RAD applications may result in conversions that would perform substantial rehabilitation of the properties, convert ACC subsidy to project-based Section 8 Housing Assistance Payment contracts, and preserve substantive housing rights for residents.

Those initially selected for RAD applications are scattered developments and obsolete developments. Development selection considered a RAD conversion's ability to improve a development's maintenance, management, and physical condition. Subject to site selection, resident engagement, and RAD application submission and selection, conversions may occur beginning in 2017.

One City: Built to Last

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

The NextGeneration NYCHA Sustainability Agenda

In April 2016, New York City Housing Authority (NYCHA) released its Sustainability Agenda, a ten-year roadmap for creating healthy and comfortable housing that will withstand the challenge of climate change. The Sustainability Agenda is a central strategy of NextGeneration

NYCHA, the Authority's long-term strategic plan to become a more efficient and effective landlord, in order to improve the quality of life for NYCHA residents. It is also an invitation to residents and surrounding communities to work with NYCHA to realize a shared long-term vision of equity, sustainability, and resiliency.

<http://www1.nyc.gov/site/nycha/about/sustainability.page>

Focusing on resident health and working hand-in-hand with community partners, NYCHA has committed to the following goals by 2025:

- Work to achieve City's goal of **reducing greenhouse gases** 80% by 2050
- Integrate **resiliency and climate change adaptation** into capital planning
- Incorporate **sustainability into daily management and operations**
- Systemically eliminate the **root causes of mold** by fixing leaks in roofs, facades, pipes and modernizing ventilation systems
- Ensure **consistent heat and hot water** (prevent unplanned outages and overheating)

The Sustainability Agenda includes 17 targeted strategies, which are meaningful ways NYCHA plans to meet the de Blasio administration's emission-reduction goals (One City: Built to Last) and resiliency and sustainability objectives (OneNYC.) The plan also outlines NYCHA's commitment to federal sustainability goals, including a pledge to develop 25 MW of renewable energy capacity by 2025 as part of Renew300, a joint HUD-DOE initiative. NYCHA has also committed to participate in HUD's Better Buildings Challenge to cut energy intensity in the Authority's buildings portfolio-wide by 20% over the next decade.

OneNYC

Lastly, NextGeneration NYCHA is a part of **OneNYC**, the Mayor's plan for growth, sustainability, resiliency, and equity released in April 2015. As NYC heads into its fifth century and tackles the challenges of a growing population, an evolving economy, and growing inequality, NextGeneration NYCHA plays an important role in ensuring the vision of a thriving, just, equitable, sustainable and resilient city. Through multiple initiatives, including capital improvements, affordable housing, sustainability efforts, and recycling, NYCHA continues to play a key role in the success of **OneNYC**.