

THE COUNCIL OF THE CITY OF NEW YORK

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Report on the Fiscal 2017 Preliminary Budget and the Fiscal 2016 Preliminary Mayor's Management Report New York City Housing Authority March 28, 2016

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The New York City Housing Authority

The New York City Housing Authority (NYCHA or the Authority) provides affordable housing to nearly 404,000 low-and moderate income City residents by managing and maintaining 328 public housing developments comprised of 2,551 buildings that consist of 177,666 apartment units in the five boroughs. Through federal rent subsidies (Section 8 Leased Housing Program), the Authority assists nearly 89,000 families in locating and renting housing in privately owned buildings. In addition, the Authority facilitates access to critical social services to residents in their communities. NYCHA's budget is not part of the City's budget and NYCHA's fiscal year follows the calendar year. On December 23, 2015, the NYCHA Board approved the 2016-2020 Operating and Capital Plans.

This report provides a review of NYCHA's 2016-2020 Adopted Operating and Capital Plans. The first section provides a review of the operating plan, followed by a financial summary of NYCHA's budget. Highlights regarding the Agency's Expense and Revenue budgets are also included, as well as initiatives funded by the Council and the impact of State and federal budget actions. The report then provides a review of the Authority's Fiscal 2016-2019 Preliminary Capital Budget. Finally, the appendices are included to provide additional details on performance measures, the capital plan by work type, and disaggregated authority-wide figures on the Authority's three component funding sources: General funds, Section 8 Program funds, and Categorical Grants funds.

2016-2020 Operating Plan Summary

The 2016 Adopted Operating Budget projects an overall deficit of \$60 million, including a General Fund deficit of \$31 million, a \$9 million surplus in Categorical grants (comprised of mostly City funds), and a Section 8 Housing Choice Voucher (Section 8) program deficit of \$38 million.

NYCHA 2016-2020 Operating Budget (All Funds)					
<i>Dollars in Thousands</i>	2016	2017	2018	2019	2020
Revenues					
Revenue from Operations	\$1,015,260	\$1,032,781	\$1,051,300	\$1,051,448	\$1,050,693
Other Revenues	2,304,673	2,153,091	2,222,262	2,317,984	2,298,727
Total Revenues	\$3,319,933	\$3,185,872	\$3,273,562	\$3,369,432	\$3,349,420
Expenditures					
Personal Service	\$1,445,222	\$1,432,057	\$1,441,539	\$1,430,898	\$1,415,936
Other Than Personal Service	1,934,684	1,950,534	1,963,104	1,985,529	1,976,874
Total Expenditures	\$3,379,906	\$3,382,591	\$3,404,643	\$3,416,427	\$3,392,810
Surplus/(Deficit)	(\$59,973)	(\$196,719)	(\$131,081)	(\$46,995)	(\$43,390)

NYCHA's total revenues for 2016 are approximately \$3.3 billion. About \$997 million, or 30 percent, of NYCHA's Fiscal 2016 budget is comprised of tenant rental revenue. Revenue from the Section 8 program accounts for approximately \$983 million, or 30 percent of NYCHA's total revenue. Federal operating subsidies account for 27 percent of the Authority's operating revenues or \$910 million in 2016. Total other revenue, which includes \$140 million in City funds, is projected to be about \$360 million in 2016.

NYCHA's total expenditures for 2016 are approximately \$3.4 billion. About \$1.4 billion, or 43 percent of NYCHA's Fiscal 2016 expenditures is comprised of personal services (PS), including salaries and fringe benefits. These expenses include \$746.3 million in uncontrollable PS costs related to fringe benefits, other salary and retroactive pay, and \$699 million in controllable PS costs, which include full-time and part-time salaries, seasonal employee salaries and overtime pay. Section 8 Housing Assistance Payments account for 28 percent, or \$961 million of the total expenditures. Utilities payments account for 18 percent of the Authority's operating expenditures, or \$600 million in 2016. Total other expenditures, which include \$55.4 million in insurance payments, is projected to be about \$211 million in 2016.

At the time this report was written, NYCHA has 2.77 months of operating reserves, which is slightly less than the three months of reserves recommended by HUD.

Operating Deficit

NYCHA projected overall deficit of \$60 million in 2016 and a deficit for all outlying years, slightly decreasing to \$44.4 million by 2020, which represents an improvement from recent years. NYCHA's 2015-2019 Adopted Operating Plan projected general fund deficits range from \$98 million to \$287 million. The structural deficits are driven by chronic federal underfunding and increased employee entitlement costs, such as pension and benefits related expenses. These costs are considered "uncontrollable" in the near-term. NYCHA submits funding requests to the U.S. Department of Housing and Urban Development (HUD) for the amount it is entitled to under statutory formulas for federal operating and capital funds. After receiving submissions from Public Housing Authorities (PHAs) nationwide, HUD prorates each allocation in accordance with actual appropriations. Over the 2012 to 2015 period, appropriations have been less than the cumulative amount needed by all housing authorities, as such NYCHA has received an average of about 86 percent of the funding it is eligible for based on the federal formula.

The President's Fiscal 2016 proposed budget for the public housing operating fund requests \$4.6 billion from Congress. While this funding level is \$160 million above the 2015 Congressional appropriation, it remains \$700 to \$800 million short of estimates of national eligibility and suggests a proration rate of 86 percent in 2016. Each percentage point decrease in NYCHA's annual proration rate drives a decrease of approximately \$10.7 million in operating subsidy. NYCHA's 2016 Operating Plan assumes last year's proration rate of 85 percent, which will result in an estimated funding loss of about \$160 million. Any adverse changes in this funding appropriation would only amplify the current deficit and negatively impact service levels, as NYCHA would be forced to seek spending cuts that are not currently reflected in this plan.

Expense Highlights

The Fiscal 2016 Operating Plan includes these key actions for NYCHA:

- **Operating Budget Deficit Closing Actions.** NYCHA is deploying several strategies to cover its operating deficit in 2016, including: using \$24 million in Section 8 HUD reserves to cover Housing Assistance Payments; and using \$2 million in Administrative

reserves to cover Section 8 administrative expenses. The Authority does not anticipate increasing its Capital to Operating fund transfer in 2016 to cover the General fund budget gap. NYCHA will instead pursue revenue generating and cost savings strategies in 2016, including an anticipated \$20 million in additional savings from lower utilities costs, and increased rent collection revenue of \$15 million.

- **Headcount Reductions.** Over the ten-year period from 2006 to 2015, NYCHA headcount dropped by 1,611 positions, or by approximately 14 percent, from 12,703 positions in 2006 to 11,092 positions in 2015. Over the same period of time, annual expenses have increased by \$676 million, or by approximately 27 percent, from \$2.5 billion in 2006 to \$3.2 billion in 2015. As such, NYCHA is pursuing strategies to cut expenses by continuing to shrink its central office workforce through attrition and integration of some operations and positions within NYCHA into other City agencies. In Fiscal 2015, NYCHA yielded about \$8 million in savings in personnel costs through the transition of 56 staff to other City agencies. The Authority's 2016 Operating Plan includes 11,052 budgeted positions, including about 2,500 administrative staff and 8,500 frontline staff; the number of budgeted positions declines to 10,644 by 2020. The current financial headcount plan is being evaluated and NYCHA will negotiate with various City agencies in Fiscal 2017 to identify opportunities to transfer additional staff members.
- **Financial Impact of NextGeneration NYCHA.** In May 2015, NYCHA unveiled NextGeneration NYCHA, a ten-year strategic action plan that introduced several new initiatives intended to generate operating funds, reduce operating costs and structural deficits, pursue development opportunities, and improve social service delivery and other core services. During the first year of the plan, NYCHA has dedicated about \$2.4 million in funding towards Next Generation NYCHA, including \$1.6 million for a recycling program initiative, and \$78,000 in contracts and Other Than Personal Services (OTPS) related to NextGeneration Neighborhoods. NYCHA has realized about \$61 million in savings from NextGeneration strategies, including: \$60.7 million in savings in 2015 for Payment in Lieu of Taxes (PILOT) relief from the City, and \$8 million in savings from the transfer of all 24 Community Centers under NYCHA's management to the Department of Youth and Community Development (DYCD), and the transition of 56 staff to other City agencies. The Authority estimates that NextGeneration strategies will result in annual operating surpluses of \$230 million over ten years.
- **Bank Settlement Funds for Crime Reduction Initiatives.** In December 2014, Mayor de Blasio and Manhattan District Attorney Cyrus R. Vance, Jr. announced a new investment to enhance security at 15 NYCHA developments with the highest violent crime rates in public housing. The Manhattan District Attorney's Office committed approximately \$101 million to fund key infrastructure upgrades and public safety evaluation and programming. Specifically, \$89 million will go towards infrastructure improvements, including cameras, connection to the New York Police Department (NYPD) network, layered access, exterior doors and lighting, and \$12 million to support the development of public safety analysis and programming, such as surveys, violence reduction strategies, analysis of physical conditions and environmental design work. A

total of \$80.2 million is provided in the City's Fiscal 2017 Preliminary Plan towards the Mayor's Action Plan (MAP) for Neighborhood Safety.

City-funded Initiatives

The City's Fiscal 2017 Preliminary Budget provides \$141.4 million in City funds for ongoing operating costs and other core services at NYCHA and adds \$62.3 million to fund several new initiatives to improve social service delivery, improve infrastructure and increase housing placements. These actions are further outlined below.

NYCHA Additions in the City's FY2017 Preliminary Budget	Agency	FY2016	FY2017	FY2018	FY2019	FY2020	Five-Year Total
Operating Funds (FY2016-FY2020)							
CDBG	NYCHA	\$ 337,000					
DoITT	NYCHA	550,000					
Community & Senior Center Subsidy	NYCHA	1,500,000					
Homeless Initiative	NYCHA	9,000,000					
Lights	NYCHA	1,600,000					
Right Size	NYCHA	8,400,000					
Labor Reimbursement	NYCHA	119,982,000					
<i>subtotal</i>		\$ 141,369,000					
<i>New Needs</i>							
MAP Center Repairs	Misc	\$ 1,180,000					
MOCJ- Lights Study (to evaluate the effectiveness of lights on neighborhood safety)	MOCJ	5,560,000					
MAP Extended Hours	Misc	2,430,000					
NYCHA Façade Repairs--necessitated by the Local Law 11 compliance	HPD	46,485,591	106,800	106,800	106,800	0	\$ 46,805,991
LINC Voucher Payments for NYCHA Homeless Housing Placements	DHS	0	9,000,000	18,360,000	28,090,800	38,203,488	93,654,288
Collective Bargaining Reimbursements (L237)	Misc	5,471,053	6,623,922	7,246,841	7,246,841	7,246,841	33,835,498
NYCHA Veteran Housing --placement of 57 homeless veterans at NYCHA	Misc	790,000	0	0	0	0	790,000
SBS Payment to NYCHA for leasing of NYCHA space for SBS's Workforce 1 Center	SBS	441,635	0	0	0	0	441,635
<i>subtotal</i>		\$ 62,358,279					
<i>Adjustments</i>							
State funds for the NYCHA-MOCJ MOU at MAP developments	Misc	\$ 80,238,500	0	0	0	0	\$ 80,238,500
Total		\$ 283,965,779	\$ 15,730,722	\$ 25,713,641	\$ 35,444,441	\$ 45,450,329	\$ 406,304,912

- Labor Reimbursement.** City funds of about \$120 million are included in the Fiscal 2017 Preliminary Plan to offset the increase in the gross wages of specific unions throughout the City; these were un-budgeted and unexpected costs for the Authority. These reimbursements helped prevent the general wage increase costs from further increasing NYCHA's deficit for Fiscal 2015 and Fiscal 2016.
- Public Housing for Homeless Families.** Approximately 5,000 apartments become available each year inside developments run by NYCHA. As of January 2016, there are 256,980 families on the public housing waitlist. Currently, the Authority dedicates 750 public housing units per year for homeless families referred by the New York City Department of Homeless Services (DHS). In addition, beginning in 2016, NYCHA will dedicate an additional 750 apartments a year in public housing to homeless families. In exchange for the additional 750 units, the City will provide NYCHA with about \$9 million, which is the same level of subsidy it provides to private landlords to house

homeless families. A total of 1,500 units will be dedicated to house homeless families each year from 2016 to 2025.

- **Right Sizing Incentive Program.** The City has committed \$8.4 million to pilot an incentive program for NYCHA households living in units too large for their family size, known as “overhoused families”, to move into appropriately sized units. Among the overhoused, defined as households with two or more bedrooms beyond the number for which they qualify, are living in units defined as “extremely under-occupied.” Over half of extremely under-occupied households are seniors who have aged in place. This initiative will ensure the rightsizing of 400 households; vacant units will then be available to house homeless families.
- **NYCHA Veteran Housing.** The Fiscal 2017 Preliminary Budget includes a transfer of \$790,000 in City funds to the Miscellaneous budget to place homeless veterans in NYCHA housing. In October 2015, DHS identified 70 veterans with children living in the City’s shelter system and prioritized them for NYCHA housing. As of December 2015, 21 units have been dedicated to place these families in NYCHA housing, consisting of 17 public housing units, and four Section 8 units. The remaining veterans that were initially identified exited the shelter system, were not interested in NYCHA housing or found other housing accommodations.
- **MAP Center Repairs.** The City will allocate \$1.2 million to NYCHA for critical repairs to community centers participating in MAP. NYCHA is completing physical inspections at 15 applicable centers and is working with the Mayor’s Office of Criminal Justice (MOCJ) to determine which repairs to fund.
- **MOCJ Lights Study.** The City will allocate \$5.6 million to MOCJ to initiate a light study to assess the impact of lighting on crime in NYCHA developments. NYCHA will be responsible for installing and maintaining the temporary light towers, and submitting light tower data to the Crime Lab at the University of Chicago. As part of the light study, a total of 400 towers will be installed at 40 NYCHA developments.
- **Extended Hours Initiative.** As a component of MAP, this initiative aims to improve safety at NYCHA’s developments during the peak summer crime season. The City is funding NYCHA-operated and sponsor-operated community centers at NYCHA developments to enable them to remain open until 11:00 PM during the summer months, from July 7, 2016 to August 29, 2016. For Fiscal 2016, the New York City Office of Management and Budget (OMB) allocated \$2.4 million in funding for 27 sites, of which 23 sites opted to participate in the program. NYCHA provides funding to sponsors, which is then reimbursed by OMB on a quarterly basis. This initiative is estimated to cost \$90,000 per center for the summer months outlined above.
- **NYCHA Façade Repair.** A total of \$46.5 million in City funds are added in Fiscal 2016 and \$107,000 in Fiscal 2017 to support mandated building repairs under Local Law 11 of 1998 and the construction of emergency sidewalk sheds at 81 NYCHA buildings. While this is in the Department of Housing Preservation and Development’s (HPD) budget, the funds are largely managed by NYCHA. Local Law 11 mandates that owners of buildings greater than six stories have their buildings’ exterior walls inspected once every five years and file a technical report to the Department of Buildings (DOB). The

report details whether a certified architect or engineer found potentially dangerous deterioration on a building's exterior faces, and in the event deterioration is found, recommendations are outlined and building owners are required to schedule the necessary work in a timely manner. The current inspection cycle (Cycle 8) for Local Law 11 runs from February 21, 2015 through February 21, 2020. An August 2015 report by a DOB Inspector General found that hundreds of NYCHA building exteriors were classified as unsafe. However, the scope of this work does not entirely meet the requirements of Directive 10, and the City is therefore providing NYCHA with expense funding in Fiscal 2016 to complete the work. The \$46.5 million will provide \$32 million for capital ineligible façade repairs at 81 buildings across 31 NYCHA developments and \$9 million for the construction of emergency sheds. This allocation also includes the annualized cost of \$106,800 for two full-time HPD staff to manage the contracts on behalf of NYCHA, which is baselined through Fiscal 2019.

- **Collective Bargaining.** The Fiscal 2017 Preliminary Plan includes a total of \$5.5 million in Fiscal 2016 as a result of collective bargaining labor costs. This funding grows to \$7.2 million by Fiscal 2020.

Revenue Highlights

- **Project-Based Section 8.** As of March 2016, the Authority operates 4,239 units that receive no dedicated federal, State, or local government funding. NYCHA estimates that this results in a loss of \$70 million in operating revenue annually. These units were built by the City and State but no longer receive operating or capital support. NYCHA currently obtains additional subsidy for approximately 100 to 300 units annually through the use of project-based Section 8 vouchers when there is a turnover of a unit. In 2015, 192 units were converted to receive the Section 8 subsidy, and NYCHA anticipates it will increase the rate of units receiving subsidy in 2016, which will include an additional 300 units. Subject to HUD approval, NYCHA will pursue federal subsidy for all remaining 4,239 unsubsidized units by 2025. This will generate \$60 million in annual operating revenue.
- **Expand Affordable Housing at NYCHA.** To support the development and preservation of 200,000 affordable housing units outlined in the Mayor's Housing Plan, *Housing New York*, NYCHA will coordinate with HPD to solicit request for proposals (RFPs) for on-site development. As part of the plan, NYCHA and HPD will develop 17,000 new affordable housing units on underutilized land, such as empty lots and parking lots, within NYCHA developments over a ten-year period. The Administration has revealed details about five such projects to be developed, including half-market rate, half-affordable developments (50/50 development program) at Wyckoff Gardens in Boerum Hill and Holmes Towers on the Upper East Side, as well as the development of 100 percent affordable projects at Ingersoll in Fort Greene, and Van Dyke in Brownsville and Mill Brook in Mott Haven. In total, about 50 sites are slated for the 100 percent affordable housing program, which are projected to provide \$100 to \$200 million in operating revenue for the Authority over a 10 year period. In July, 2015 NYCHA and HPD released RFPs for the first three developments (Millbrook, Van Dyke, and Ingersoll Houses) in July 2015 and will announce the winners in April 2016. NYCHA estimates that the

50/50 development program could encompass 30 sites and generate \$300 to \$600 million in operating revenue over a 10 year period, which would be dedicated to improvement projects in the adjacent development and to ensuring the Authority's financial sustainability. The community engagement process is ongoing at the 50/50 development sites, and at the time this report was written, no timeframe had been provided for development at these locations.

- **Rental Assistance Demonstration Program.** In 2011, HUD created the Rental Assistance Demonstration (RAD) program as a tool for PHAs to leverage private funding by converting public housing subsidy into Section 8 rental assistance; through this conversion, funds can also be used to make capital upgrades to properties. After a two-year process, NYCHA secured approval from HUD to convert approximately 1,400 units at Ocean Bay (Bayside) Apartments in Far Rockaway to project-based Section 8 through the RAD program. The conversion of these units will fund comprehensive rehabilitation of the units, and provide long-term Section 8 rental assistance contracts and a stable federal funding stream. Once converted, the RAD units are projected to provide \$66 million in operating revenues and reduce capital needs by \$87 million over a ten-year period. NYCHA released the request for RAD proposals in February 2016 and proposals from developers are due in April 2016.
- **Lower Energy Costs.** Utility expenditures represent 18 percent of total expenditures for NYCHA; a significant component of NYCHA's operating budget, and are estimated to cost \$600 million in 2016. Utility costs include payments for electricity, gas, water, steam and fuel oil. Utility costs have increased significantly over the past five years, which is driven by increases in electricity and water rates. In addition, NYCHA's aging infrastructure and outdated systems render much of NYCHA's public housing portfolio water and energy inefficient. These factors have contributed to an increase in NYCHA's utility spending to approximately \$48 million per month. To address rising utility costs, NYCHA will undertake water and energy efficiency improvements that will reduce energy consumption. In 2015, NYCHA received a rate reduction incentive from HUD totaling \$39 million for securing cheaper electricity rates through the New York Power Authority. In addition, through a series of competitive Energy Performance Contracts (EPC), NYCHA will implement at least \$100 million in energy-saving measures across nearly 300 developments. The EPC will enable NYCHA to achieve energy and water savings without having to provide upfront capital dollars. The selected energy services company will implement energy and water conservation measures and provide a guarantee of energy savings from these measures. The first stage of the initiative will impact 89 developments, comprised of 87,000 units with a combined annual utility cost of \$300 million.
- **Rent Collection.** In 2016, about \$997.4 million, or 30 percent, of NYCHA's operating budget is comprised of tenant rental revenue. However, as of January 2016, NYCHA has a 69 percent rent and fee collection rate. In order to improve collection rates, NYCHA will change internal procedures to include robocalls and automated payment reminders to prompt residents who have not yet paid their rent within the first two weeks of the month. NYCHA is also working closely with the Human Resources Administration to

provide rental assistance as part of an eviction intervention initiative. These policy changes are expected to result in \$30 million in annual operating revenue.

Performance Indicators

NYCHA's relevant performance indicators in the Fiscal 2016 Preliminary Mayor's Management Report are included in those specifically for NYCHA, but also in the indicators for MAP. Highlights of major indicators, or those with notable performance changes are discussed below. For the full list of performance indicators, please see Appendices F and G.

- **Mayor's Action Plan (MAP) for Neighborhood Safety.** In July 2014, the Administration announced a comprehensive multi-agency effort to address public safety concerns and promote crime reduction in 15 housing developments that drive 20 percent of NYCHA's violent crime. The 15 NYCHA developments include: Boulevard (BK); Brownsville (BK); Bushwick (BK); Ingersoll (BK); Red Hook E (BK); Red Hook W (BK); Tompkins (BK); Van Dyke I (BK); Van Dyke II (BK); Butler (BX); Castle Hill (BX); Patterson (BX); Polo Grounds (MN); St. Nicholas (MN); and Wagner (MN). The initiative invested \$210.5 million for a variety of programs and service enhancements overseen by MOCJ. During the two-year period, Fiscal 2014 to Fiscal 2015, \$211.3 million has been invested in the MAP initiative. The \$211.3 million investment consisted of: \$122 million in City funds to relieve NYCHA of other obligations so that money can be used for repairs and maintenance; \$50 million for physical improvements to enhance security; \$1.5 million for exterior lighting at the 15 developments; \$21.7 million for the civilianization of 200 police officers and overtime pay; \$10.2 million for expanded community center hours; and \$5.9 million to expand other key programs to help build stronger individuals, families and communities. During the first four months of Fiscal 2016, the violent crime rate increased by 1.5 percent across the 15 MAP developments. As of February 2016, the City has committed \$35.4 million towards exterior lighting at MAP and \$1.9 million has been spent. In total, 168 buildings across 11 developments are undergoing or will undergo exterior lighting capital work between August 2015 and September 2017. The total budget for this work is \$113.8 million, comprised of \$58.3 million in City funding, and several other funding sources. An additional \$126.6 million in City funds is programmed for MAP in Fiscal 2016.
- **City Funding for Capital Improvements.** From July 1, 2015 to October 31, 2015, NYCHA has used City Council funding to install 805 new CCTV cameras and to convert and upgrade an additional 56 existing cameras in 184 buildings as part of the 29 projects that comprise the Fiscal 2015 New York City Council portfolio, along with three New York State-funded projects. As a component of MAP, construction on exterior lighting began in August 2015 at the Polo Grounds, Bushwick, Boulevard, Castle Hill, Stapleton, Ingersoll, Butler, and St. Nicholas Houses.
- **Maintenance and Repairs.** The average time to resolve emergency service requests, which includes heat complaints, increased 45 percent during the first four months of Fiscal 2016, from 9.5 hours in Fiscal 2015 to 13.8 hours in Fiscal 2016, but remained below the target of 24 hours. The time to resolve heat and hot water work orders, which increased to 26.9 hours during the first four months of Fiscal 2016 negatively impacted the overall average response time for emergency service requests. However,

the average time to resolve non-emergency service requests improved by 13 percent to 13.9 days from 16 days during the reporting period. This is attributable to the Real Time Repairs program launched by NYCHA in June 2015, which has helped reduce the time to address non-emergency work orders and increase resident satisfaction as minor repairs are performed during apartment inspections. As of January 2016, there are 142,810 open work orders across NYCHA's portfolio, this is larger than the Authority's manageable workload of about 90,000 work orders.

- **Section 8 Placements.** The number of housing applicants placed through Section 8 vouchers increased 240 percent from 147 during the first four months of 2015 to 501 over the same four-month period in 2016. In 2015, 1,640 Section 8 vouchers were issued for homeless families and veterans. An increase in voucher funding enabled NYCHA's Section 8 program to begin issuing vouchers again and several new project-based properties were also leased during the reporting period. The utilization rate for Section 8 vouchers decreased, from 89 percent in 2015 to 87 percent over the same period in 2016. This is below NYCHA's target of a 97 percent utilization rate. Additionally, the Section 8 occupied units decreased 1.6 percent, from 87,841 to 86,402. While the utilization of units decreased, NYCHA will utilize 99 percent of the funding allocated for Section 8 vouchers in Fiscal 2016.
- **Applicants Placed in Public Housing.** The number of applicants placed in NYCHA housing decreased 32 percent during the first four months of Fiscal 2016, from 2,157 in Fiscal 2015 to 1,466. During the reporting period, NYCHA prioritized the placement of 750 homeless families into public housing as a part of Mayor de Blasio's initiative to end homelessness. In 2015, about 1,650 homeless families were placed in public housing during the calendar year, which exceeds the 1,500 goal set by the Mayor. In Fiscal 2016, \$15.4 million in City Capital funds are allocated to rehabilitate 174 housing units at an average cost of \$40,000 per unit. This action is expected to bring additional housing units online and increase the number of families placed in NYCHA housing.
- **Domestic Violence Victims.** NYCHA's Emergency Transfer Program (ETP) is available to NYCHA residents who are victims of domestic violence, intimidated victims and witnesses, or child sexual victims. The program provides these at-risk residents with case management and confidential relocation services to another NYCHA development. During the first four months of Fiscal 2016, more residents were approved for ETP, from 314 in Fiscal 2015 to 366 in Fiscal 2016. In addition, ETP disposition time declined 20 percent from 55.5 days to 48.2 days. NYCHA's collaboration with partner organizations helped applicants secure required documentation more quickly, which resulted in more completed applications for processing. ETP case disposition time gradually increased during the reporting period due to the higher number of received cases and staff vacancies. To address this increase, NYCHA's Family Services Department adopted a new application that has helped streamline the transfer process.
- **Supportive Services for Youth.** In summer 2015, as part of MAP, NYCHA community centers were open late each night, staying open until 11:00 p.m. nightly and until 12:30 a.m. on weekends at centers with gyms. During the first four months of Fiscal 2016, the initiative served 841 youth through the Summer Youth Employment Program at a total cost of \$1.2 million, served 49,389 youth in Kids in Motion classes operated by the

Department of Parks and Recreation at a total cost of \$300,000, and deployed additional police officers over the summer for patrol, to engage with residents at community centers, and conduct wellness visits at total cost of \$4.2 million.

- **Supportive Services for Seniors.** The referrals to supportive services rendered to senior residents decreased 41 percent from 34,502 in Fiscal 2015 to 20,496 in Fiscal 2016. Due to a reduction in consultant positions during this reporting period, NYCHA's Family Services Department had fewer consultants working with senior residents. Staff split their time covering multiple sites which resulted in a reduction of hours at senior sites overall, which impacted the total number of units of services rendered. As of July 1 2015, 15 senior centers remain under NYCHA management. The City's Fiscal 2017 Preliminary Plan does not provide funding for the ongoing support for these centers.
- **Job Placements.** Resident job placements improved by 135 percent during the first four months of Fiscal 2016, from 405 in Fiscal 2015 to 952 during the Fiscal 2016 reporting period. Job placements include the number of residents placed by NYCHA's Department of Resident Economic Empowerment and Sustainability (REES) and through Human Resources. In summer 2015, NYCHA resumed the Management Seasonal Program which was suspended last year. There was also an increase in hiring for frontline Caretaker positions for NYCHA developments. REES hires also increased as a result of large scale placements for security contracts and Sandy Recovery projects.

Federal & State Issues

Congressional Funding Deficit

NYCHA receives federal capital grants for infrastructure improvements and major rehabilitation to public housing buildings. Currently, NYCHA has an \$18 billion dollar gap between what NYCHA will receive in federal capital funding and what its buildings and infrastructure require to maintain the properties in a state of good repair. NYCHA reports that from 2001 to 2015 they have experienced a cumulative federal capital grant funding loss of \$1.27 billion compared to its eligibility. As the capital needs of aging buildings grow, operating costs, such as maintenance and repair also increase.

Federal operating subsidies account for approximately 39 percent of NYCHA's General Fund and 100 percent of NYCHA's Section 8 Program revenues. Operating budgets are funded separately by HUD from the Public Housing Operating Fund. This Fund provides subsidies to public housing agencies nationwide for day-to-day operations. Funding is based on the subsidy eligibility of all housing authorities and the annual federal appropriation. The eligibility formula is intended to capture the costs of operating public housing but if the total national eligibility exceeds the congressional appropriation, then HUD must prorate the allocation of subsidy. Additionally, while HUD's formula takes various factors into account, New York City has long advocated that the factors underlying the operating subsidy formula are inequitable and ignore local factors, specifically, the age and height of NYCHA's buildings, the City's uniquely high construction costs, and higher employment costs in comparison to other PHAs across the U.S. NYCHA reports that from 2001 to 2015, proration resulted in a cumulative operating funding loss of \$1.2 billion. NYCHA has based its Fiscal 2016 budget on the Fiscal 2015 appropriation of 85 percent, and the plan assumes this operating subsidy proration for Fiscal 2016 to 2020. In 2016, the Authority would be eligible for \$1.07 billion but is estimated to only receive \$910 million, a shortfall of \$159 million.

Funding for the Section 8 Program

The Section 8 program assists low-income families in obtaining affordable housing in the private market by providing rental subsidies to landlords on behalf of eligible participants through housing assistance payments (HAP). NYCHA administers the largest Section 8 program in the nation, serving over 89,000 eligible families through a network of over 28,000 landlords. The number of vouchers that NYCHA can administer is dependent on current year appropriation and funding availability, changes in landlord rents, changes in family incomes, and the use of HAP reserves. As a result of sharp declines in renewal funding, HAP reserve levels have been exhausted, and the number of families NYCHA can serve is primarily determined by annual appropriations. Based on estimated 2015 HAP expenditures of \$1 billion, NYCHA expects HAP renewal funding of \$983 million in 2016 at 98 percent proration.

In New York City, HPD also administers approximately 38,320 Section 8 vouchers annually. HPD reserves its Section 8 vouchers for homeless individuals referred by DHS and the New York City Human Resources Administration (HRA) and for families in buildings developed or renovated under certain HPD programs. For additional information on the HPD's budget

and its various programs, please refer to the Fiscal 2017 Preliminary Budget Report for HPD located at: http://council.nyc.gov/html/budget/fy17_documents.shtml

State Issues

State Support for NYCHA Capital Funds

Although the State has historically provided capital funds for NYCHA developments, in 2001 State contributions were reduced from \$15 million to \$6.4 million before being completely terminated in 2007. Since then, the State has sporadically allocated money to NYCHA, most recently \$100 million in Capital funds in the 2015-2016 Enacted Budget. As of October 2015, \$41.6 million of this allocation has been programmed for security upgrades at 76 NYCHA developments. The remainder will be allocated at the discretion of Assembly members to NYCHA developments in their districts. The State's 2016-2017 Executive Budget does not include an outlay in capital funding for NYCHA.

Other Issues

Funding of NYCHA Senior Centers

In total, 255 community and senior centers operate on NYCHA's property across the five boroughs which provide recreational, social, educational and cultural programming for residents and community members. These centers are operated by NYCHA, DYCD, the Department for the Aging (DFTA), and a variety of community-based organizations at a total annual operating cost ranging from \$200,000 to \$520,000 per center (see table below). Due to the high costs of managing community and senior centers and severe government operating shortfalls facing NYCHA, the Authority has proposed closing NYCHA-managed centers several times. In Fiscal 2015, a budget agreement was reached between the City Council and the Administration in which the City Council provided \$17.1 million to NYCHA in Fiscal 2015 for the operation of 24 community centers and 33 senior centers. In Fiscal 2016, a more permanent solution was implemented that allowed all 24 Community Centers previously under NYCHA management to be transferred to DYCD. The Fiscal 2016 Executive Budget provided \$29.1 million to DYCD through 2019 for the operation of these centers beginning on July 1, 2015. In addition, the Fiscal 2016 Executive Budget included \$5.7 million for DFTA through 2019 for the operation of 17 senior centers previously under NYCHA management. As of July 1 2015, only 15 senior centers remain under NYCHA management. The City's Fiscal 2017 Preliminary Plan does not provide funding for the ongoing support for these centers after June 30, 2016.

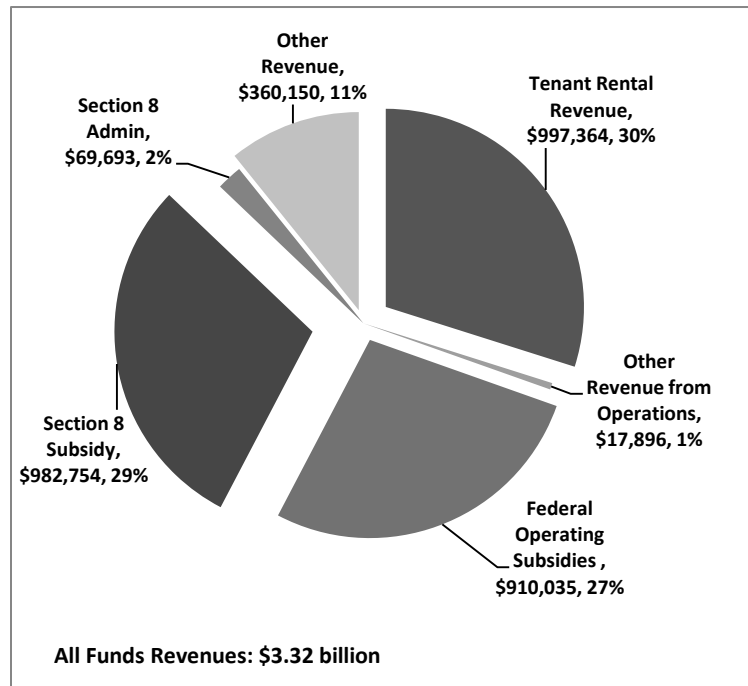
FY2016 NYCHA Community Center and Senior Center Inventory					
Managing Entity	NYCHA	DYCD	CBOs	DFTA	Total
Community Centers	0	93	33	N/A	126
Senior Centers	15	N/A	10	104	129
Total Centers	15	93	43	104	255
Estimated Annual Program Budget per center	\$200,000	\$422,857	\$520,000	\$360,000	

Council Initiatives

In Fiscal 2016, the City Council provided \$3.98 million to NYCHA's annual operating budget. Most of this funding, \$3 million, was allocated to NYCHA for the ongoing operation of 15 Senior Centers (listed below) currently under NYCHA management. In addition, \$375,000 in funding was provided to support the creation of a participatory budgeting process at NYCHA. The remaining \$607,600 was allocated directly by Council Members.

Number of Centers	Borough	Managing Agency	NYCHA Development	Council Member
1	Bronx	NYCHA	Highbridge Gardens	Gibson
2	Bronx	NYCHA	Sedgwick	Gibson
3	Bronx	NYCHA	Soundview	Palma
4	Brooklyn	NYCHA	Brownsville	Mealy
5	Brooklyn	NYCHA	Cypress Hills	Barron
6	Brooklyn	NYCHA	Glenmore Plaza	Espinal
7	Brooklyn	NYCHA	Hughes Apartments	Mealy
8	Brooklyn	NYCHA	Sumner	Cornegy
9	Manhattan	NYCHA	Lincoln	Mark-Viverito
10	Manhattan	NYCHA	Manhattanville	Levine
11	Manhattan	NYCHA	Taft	Dickens
12	Manhattan	NYCHA	Wagner	Mark-Viverito
13	Queens	NYCHA	Astoria	Constantinides
14	Queens	NYCHA	Baisley Park	Wills
15	Queens	NYCHA	Bland	Koo

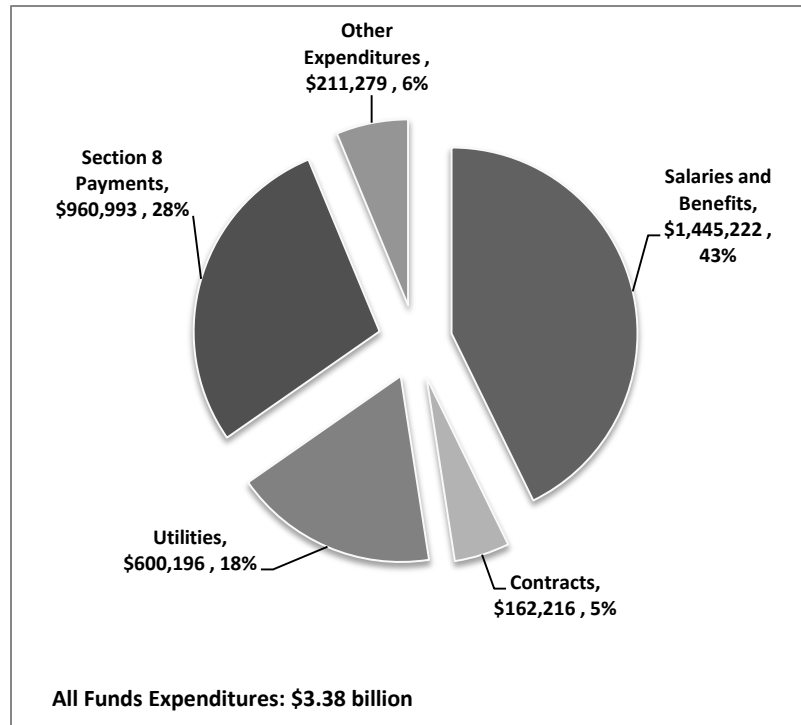
2016 Operating Plan Revenues



Other Revenue <i>*In Thousands</i>	
Debt Service Subsidies	\$438
Section 8 Fraud Recovery	900
Categorical Grants	3,904
Capital Fund Reimbursements	52,569
Interest on Investments	4,557
City Funds	140,482
Other	157,300
Total Other Revenue	\$360,150

NYCHA's total revenues for 2016 are approximately \$3.32 billion. The primary source of revenue for the Authority is comprised of tenant rental revenues, which will total \$997.4 million in 2016. Tenant rental revenue is projected to increase to \$1.02 billion in 2020 due to changes in NYCHA's Flat Rent Provision. Revenue from the Section 8 program accounts for approximately \$982.8 million, or 29 percent of NYCHA's total revenue. Under this program, NYCHA pays HUD subsidies to participating landlords on behalf of eligible tenants. These tenants are currently paying rents generally equal to 30 percent of family adjusted income and the subsidies fill the gap between the contract rent and rental payments. NYCHA also earns a fee from HUD for administering the Section 8 program, which totals \$69.7 million in 2016. The Section 8 administrative fee is prorated at 80 percent in 2016. Federal operating subsidies account for 27 percent of the Authority's operating revenues, or \$910 million in 2016. Other revenue from operations consists of ancillary fees, primarily from residents, including sales and services charges, parking fees, and appliance surcharges intended to defer a portion of the cost of excess utility consumption. Other revenue from operations is projected to increase from \$17.9 million in 2016 to \$27 million in 2020. Parking fees are projected to increase due to the elimination of the lower, non-reserved pricing option as NYCHA converts more of its parking lots to reserved-only pricing. Total other revenue is projected to be about \$360.2 million in 2016, which includes \$140.5 million from the City.

2016 Operating Plan Expenditures

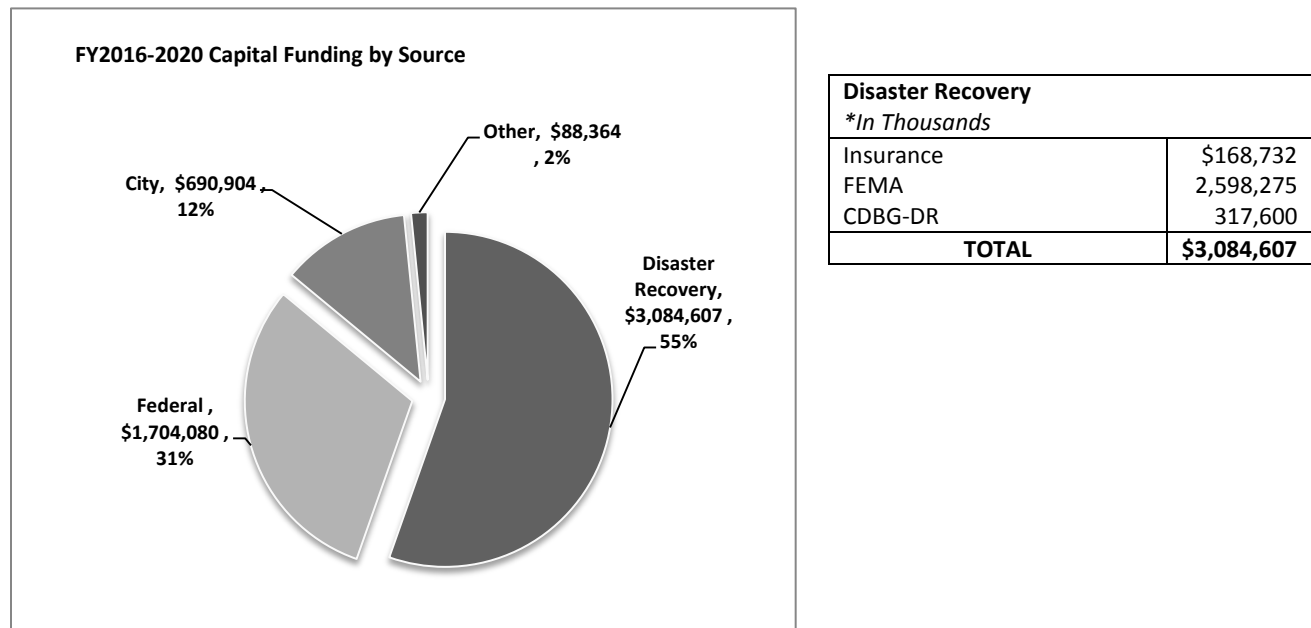


Other Expenditures *In Thousands	
Leases	\$41,166
Supplies	70,493
Equipment	21,164
Insurance	55,403
Debt Services	733
Other	22,320
Total Other Expenditures	\$211,279

NYCHA's total operating expenditures is approximately \$3.38 billion for 2016. These expenditures are mostly comprised of salaries and benefits, which account for \$1.45 billion, or 43 percent of total budget expenditures. Full-time salaries are budgeted at \$630 million in 2016, decreasing to \$600 million by 2020. Section 8 payments also comprise a substantial portion of the expense budget, totaling approximately \$961 million in 2016. The cost of utilities is also an expenditure that continues to increase; the current plan estimates a cost of \$600.2 million for 2016 and grows to \$633.7 million by 2020. Of the other expenditures category, about \$55.4 million is allocated for insurance in 2016. NYCHA saw its property insurance premiums increase in 2014 due to Superstorm Sandy. As a result, the cost of insurance is projected to increase up to \$69.3 million by 2020. The costs of contracts are budgeted at \$162.2 million in 2016. Contracts include third-party services payments for painting, floor tiling, elevator maintenance, fire safety, environmental services, marshal fees, security services, energy contracts, automotive services, office equipment rentals, information technology software, telecommunications services, and other professional services. Payments by NYCHA to NYPD for policing services were budgeted in this line at \$70 million annually, but the City has relieved this expenditure item for NYCHA in 2015 and in the outyears through 2019.

2016- 2020 Capital Plan

NYCHA's 2016-2020 Capital Plan provides approximately \$5.6 billion in planned commitments for infrastructure improvements, major modernization, systemic upgrades, repair, resiliency, and fortification of developments damaged by Superstorm Sandy. The plan is based on the current federal capital funding outlook, and relies on the near-term implementation of NYCHA initiatives.



The Plan includes \$3.084 billion in expected one-time disaster recovery funds to address the continued impacts of Superstorm Sandy. Overall, of the \$5.568 billion included in this Plan, 55.4 percent is from funds related to disaster recovery, including \$2.6 billion from FEMA, \$317.6 million from federal Community Development Block Grant Disaster Recovery (CDBG-DR) funds, and \$168.7 million from insurance. The Capital funding also includes \$80.2 million in State Asset Forfeiture funds (classified as part of 'Other' in the chart above). The Plan reflects an increase of \$500 million in federal disaster recovery awards, and an increase of \$407 million in City capital funds over the 2015-2019 Adopted Capital Plan.

Highlights of NYCHA's 2016-2020 Capital Plan include:

- Superstorm Sandy Developments.** This Plan includes \$3.1 billion for planning, physical assessments, design work, repairs and critical systems improvements at 33 developments that sustained damage from Superstorm Sandy. To date, NYCHA has secured \$2.6 billion from FEMA for repair work at Coney Island Houses, Red Hook West, Redfern, Hammel and Carey Gardens Houses; secured \$317 million in CDBG-DR funds; and \$318 million in insurance recovery funds, with an additional \$131 million in negotiation. To date, preliminary phases of construction work have begun or been completed at 17 developments. As of March 2016, three developments are expected to

begin full recovery and resiliency work, which is the final phase of NYCHA's extensive and ongoing recovery. In addition, over 21 developments have progressed to the 100 percent design phase, with six having been published for bid. Design for all 33 developments undergoing capital work is expected to be completed by July 2016.

- **Brick and Roof Work.** This Plan provides \$319 million for exterior restoration and roof replacement at various developments, including \$15 million for Queenbridge North and South, \$28 million for Albany Houses and \$19 million for Parkside Houses.
- **Boiler Replacement.** This Plan provides \$301 million for boiler replacement, exterior restoration, roof replacement, exterior lighting, gas riser replacement, window replacement, and water tank replacement. Commitments are principally aimed to address critical conditions at the following developments: Breukelen, Justice Sotomayor, Mitchel, Harlem River and Dyckman Houses.
- **State Asset Forfeiture Funds.** Through an agreement made in December 2014 with the New York County Office of the District Attorney (DANY), MOCJ, and OMB, approximately \$89 million will be allocated to various NYCHA developments for infrastructure improvements, including: cameras, connection to the NYPD network, layered access, exterior doors and exterior lighting. A total of \$80.2 million is provided in the City's Fiscal 2017 Preliminary Budget towards infrastructure improvements in connection with MAP for neighborhood safety. A summary of the total investment in this initiative is provided below.

DANY Total Investment Summary	
Security Operating Centers	\$5,748,000
Camera connection to NYPD networks	9,000,000
8 cameras on each building	8,955,000
Lobby Cameras	5,440,000
Elevator Cameras	8,694,000
New Doors	12,560,000
Layered Access (key fob)	25,120,000
Exterior Lights	13,721,500
TOTAL	\$89,238,500

For additional information on the 2016-2020 Capital Plan by work type, see Appendix E.

Capital Program

Capital Budget Summary

The Fiscal 2017 Preliminary Capital Commitment Plan totals \$676.3 million in Fiscal 2016-2019 for NYCHA (including \$610 million in City funds and \$66.3 million in Non-City funds). This represents less than one percent the City's total \$57.2 billion January Plan for Fiscal 2016-2019. The Authority's Preliminary Commitment Plan for Fiscal 2016-2019 schedules the same amount that was reflected in the Adopted Capital Commitment Plan. The table below reflects capital commitments over the Fiscal 2016-2019 period.

NYCHA 2016-2019 Capital Commitment Plan: Adopted and Preliminary Budget					
<i>Dollars in Thousands</i>					
	FY16	FY17	FY18	FY19	Total
Adopted					
Total Capital Plan	\$396,856	\$148,671	\$115,778	\$15,000	\$676,305
Preliminary Plan					
Total Capital Plan	\$396,856	\$148,671	\$115,778	\$15,000	\$676,305
Change					
Level	\$0	\$0	\$0	\$0	\$0
Percentage Change	0%	0%	0%	0%	0%

The majority of the capital projects span multiple fiscal years and it is therefore common practice for an agency to roll unspent capital funds into future fiscal years. In Fiscal 2015, NYCHA committed \$30.2 million or 13 percent of its annual capital plan. Therefore, it is assumed that a significant portion of the Authority's Fiscal 2016 Capital Plan will be rolled into Fiscal 2017, thus increasing the size of the Fiscal 2017-2020 Capital Plan. Since adoption last June, the citywide total Capital Commitment Plan for Fiscal 2016 has increased from \$19.3 billion in the Adopted Capital Commitment Plan to \$19.7 billion in the Preliminary Capital Commitment Plan, an increase of \$415 million or 2.2 percent.

NYCHA's Fiscal 2016 -2019 Preliminary Capital Commitment Plan of \$676.3 million includes:

NYCHA 2016-2019 Capital Commitment Plan By Major Categories <i>Dollars in Thousands</i>	2016	2017	2018	2019	Total
Roof Work	\$100,000	\$100,000	\$100,000	\$7,213	\$307,213
Security Enhancements	75,028	0	0	0	75,028
Building Facades	75,000	0	0	0	75,000
Lighting	52,123	0	0	0	52,123
Renovations	15,625	0	0	0	15,625
Homeless Initiative	15,400	0	0	0	15,400
Upgrades and repairs to centers	15,159	0	0	0	15,159
Upgrades to playgrounds	8,653	0	0	0	8,653
Kitchens and plumbing	8,091	11,000	0	0	19,091
Operations and Maintenance	8,000	0	0	0	8,000
Citywide repairs	2,200	0	0	0	2,200
Outdoor area improvements	2,065	0	0	0	2,065
Hot water heaters	2,000	27,471	0	0	29,471
Handicapped accessibility	1,700	0	0	0	1,700
Other commitments	15,812	10,200	15,778	7,787	49,577
TOTAL	\$396,856	\$148,671	\$115,778	\$15,000	\$676,305

Some of the major capital projects included in the Preliminary Capital Commitment Plan for Fiscal 2016-2019 include:

- Roof Replacement Program.** As outlined in the Administration's long-term strategic plan, *One New York: The Plan for a Strong and Just City* (OneNYC), the City will allocate \$100 million per year for the next three years for a roof repair program to address health related hazards in NYCHA developments. The first \$100 million tranche of funding will provide for roof repair work at 67 buildings across five developments scheduled between May 2015 and March 2018. The developments include Parkside (14 buildings) in the Bronx; Sheepshead Bay (18 buildings) and Albany I and II (9 buildings) in Brooklyn; and Queensbridge South (13 buildings) and Queensbridge North (13 buildings) in Queens. The total budget for this work is \$111.5 million, comprised of \$100 million in City funding. NYCHA estimates that the program will reduce capital needs by \$600 million at these developments. As of February 2016, the City has committed \$85 million towards the Roof Repair Program and \$15.7 million has been spent. It is expected that this program will impact approximately 13,000 NYCHA residents.
- Security Initiatives- Exterior Lighting.** The Preliminary Capital Commitment Plan includes \$58.3 million for lighting at various developments as part of MAP. In total, 168 buildings across 11 developments are undergoing or will undergo exterior lighting capital work between August 2015 and September 2017. The total budget for this work is \$113.8 million, comprised of \$58.3 million in City funding, and several other funding

sources. As of February 2016, the City has committed \$35.4 million towards exterior lighting and \$1.9 million has been spent.

- **City Capital Funded Projects.** City Capital funding comprises approximately 12.4 percent of NYCHA's \$5.568 billion, 2016-2020 Capital Plan. As of December 31, 2015 there are 170 City funded Capital projects in NYCHA's portfolio totaling \$126 million in unexpended funds, which includes: \$116.3 million from the City Council, \$3.8 million in Mayoral capital funds, and \$5.8 million in Borough President allocations. In addition, some of these projects receive additional funding from City, State and federal resources. For the period of October 1, 2015 to December 31, 2015, City-funded Capital projects in the Bronx and Brooklyn receive the largest allocations as indicated by the table below.

Total Funding by Borough	
<i>*In Thousands</i>	Amount
Bronx	\$50,266
Brooklyn	24,979
Manhattan	4,733
Queens	6,720
Staten Island	6,404
Various	2,909
TOTAL	\$126,011

- **Closed Circuit Television System (CCTV).** As per NYCHA's October 1, 2015 through December 31, 2015 Quarterly report, 55 CCTV and security projects are currently in NYCHA's portfolio, including 19 projects in the planning phase, eight in the construction phase, and 21 completed projects in the final contracting phase.
- **Non-Security Projects.** As per NYCHA's October 1, 2015 through December 31, 2015 Quarterly report, 115 non-security projects, which include playground renovations, basketball or baseball field reconstructions, and upgrades to community centers, are currently in NYCHA's project portfolio, including 31 in the planning phase, 30 in the design phase, 12 in the construction phase, and 32 projects that are either on hold or need to be repurposed.

Appendix A: 2016-2020 Operating Budget (All Funds)

NYCHA 2016-2020 Operating Budget (All Funds)					
<i>Dollars in Thousands</i>					
	2016	2017	2018	2019	2020
Revenues					
<i>Revenues from Operations:</i>					
Tenant Rental Revenue	\$997,364	\$1,012,570	\$1,023,512	\$1,023,559	\$1,023,609
Other Revenue from Operations	17,896	20,211	27,788	27,889	27,084
Total Revenue from Operations	\$1,015,260	\$1,032,781	\$1,051,300	\$1,051,448	\$1,050,693
<i>Other Revenues</i>					
Federal Subsidies	\$910,035	\$901,988	\$899,375	\$907,608	\$920,242
Debt Service Subsidies	438	360	285	230	180
Section 8 Phased Conversion	51,902	56,000	60,099	64,201	68,303
Capital Fund Reimbursements	52,569	47,569	47,569	47,569	47,569
Interest on Investments	4,557	6,836	8,936	11,847	14,759
Other	140,241	52,926	90,971	155,101	101,600
Categorical Grants	3,904	618	618	68	68
Section 8 Housing Assistance Payments	930,852	939,958	951,471	958,584	963,024
Section 8 Admin	69,693	70,000	70,051	69,776	69,474
City Funds	140,482	76,835	92,887	103,000	113,506
Total Other Revenues	\$2,304,673	\$2,153,091	\$2,222,262	\$2,317,984	\$2,298,727
Total Revenues	\$3,319,933	\$3,185,872	\$3,273,562	\$3,369,432	\$3,349,419
Expenditures					
<i>Personal Service:</i>					
Salary F/T	\$629,800	\$619,815	\$603,984	\$601,764	\$600,137
Salary P/T	1,263	1,254	1,254	1,254	1,254
Seasonal	325	30	30	30	30
Overtime	67,499	67,355	67,278	67,288	67,202
Shift Differential	1,216	1,211	1,210	1,210	1,210
Retro	4,611	4,591	4,591	4,591	4,591
Fringe	727,344	724,698	750,166	741,735	728,486
Other Salary	13,164	13,102	13,025	13,025	13,025
Total Personal Service	\$1,445,222	\$1,432,057	\$1,441,539	\$1,430,898	\$1,415,936
<i>Other Than Personal Service:</i>					
Leases	\$41,166	\$42,000	\$43,063	\$58,017	\$29,807
Supplies	70,493	69,923	70,128	69,322	67,586
Equipment	21,164	15,020	11,707	11,857	11,601
Utilities	600,196	610,913	619,754	620,279	633,701
Contracts	162,216	156,423	157,786	157,522	157,435
Debt Services	733	628	534	455	376
Insurance	55,403	58,463	61,753	65,364	69,291
OTPS Other	22,320	19,282	19,306	19,223	19,223
Section 8 Housing Assistance Payments	960,993	977,883	979,073	983,490	987,854
Total Other Than Personal Expenses	\$1,934,684	\$1,950,534	\$1,963,104	\$1,985,529	\$1,976,874
Total Expenditures	\$3,379,906	\$3,382,591	\$3,404,643	\$3,416,427	\$3,392,810
Surplus/(Deficit)	(\$59,973)	(\$196,719)	(\$131,081)	(\$46,995)	(\$43,391)

Appendix B: 2016-2020 Operating Budget (General Fund)

NYCHA 2016-2020 Operating Budget (General Fund)					
<i>Dollars in Thousands</i>					
	2016	2017	2018	2019	2020
Revenues					
Revenues from Operations:					
Tenant Rental Revenue	\$997,364	\$1,012,570	\$1,023,512	\$1,023,559	\$1,023,609
Other Revenue from Operations	17,896	20,211	27,788	27,889	27,084
Total Revenue from Operations	\$1,015,260	\$1,032,781	\$1,051,300	\$1,051,448	\$1,050,693
Other Revenues					
Federal Subsidies	\$908,665	\$900,616	\$898,003	\$906,236	\$918,871
Debt Service Subsidies	438	360	285	230	180
Section 8 Phased Conversion	51,902	56,000	60,099	64,201	68,303
Section 8 Management Fees	13,939	14,000	14,010	13,955	13,895
Capital Fund Reimbursements	52,569	47,569	47,569	47,569	47,569
Interest on Investments	4,557	6,836	8,936	11,847	14,759
Other	138,716	51,419	89,483	153,633	100,155
City Funds	119,982	58,475	64,796	64,796	64,796
Total Other Revenues	\$1,290,767	\$1,135,275	\$1,183,181	\$1,262,468	\$1,228,528
Total Revenues	\$2,306,027	\$2,168,056	\$2,234,481	\$2,313,916	\$2,279,221
Expenditures					
Personal Service:					
Salary F/T	\$599,045	\$591,345	\$576,478	\$574,803	\$573,502
Salary P/T	1,254	1,254	1,254	1,254	1,254
Seasonal	14	14	14	14	14
Overtime	66,856	66,834	66,757	66,767	66,681
Shift Differential	1,215	1,210	1,209	1,209	1,209
Retro	4,611	4,591	4,591	4,591	4,591
Fringe	703,331	701,437	726,501	717,580	703,631
Other Salary	12,519	12,457	12,380	12,380	12,380
Total Personal Service	\$1,388,845	\$1,379,142	\$1,389,184	\$1,378,598	\$1,363,262
Other Than Personal Service:					
Leases	\$36,135	\$36,940	\$37,888	\$52,682	\$24,114
Supplies	69,754	69,862	70,067	69,266	67,530
Equipment	17,665	12,966	9,974	10,147	9,917
Utilities	600,010	610,726	619,566	620,089	633,505
Contracts	149,567	152,728	154,061	154,001	153,930
Debt Services	414	334	267	216	166
Insurance	55,201	58,250	61,529	65,130	69,045
OTPS Other	19,493	18,455	18,479	18,534	18,534
Total Other Than Personal Expenses	\$948,239	\$960,261	\$971,831	\$990,065	\$976,741
Total Expenditures	\$2,337,085	\$2,339,404	\$2,361,017	\$2,368,663	\$2,340,004
Surplus/(Deficit)	(\$31,058)	(\$171,348)	(\$126,536)	(\$54,747)	(\$60,783)

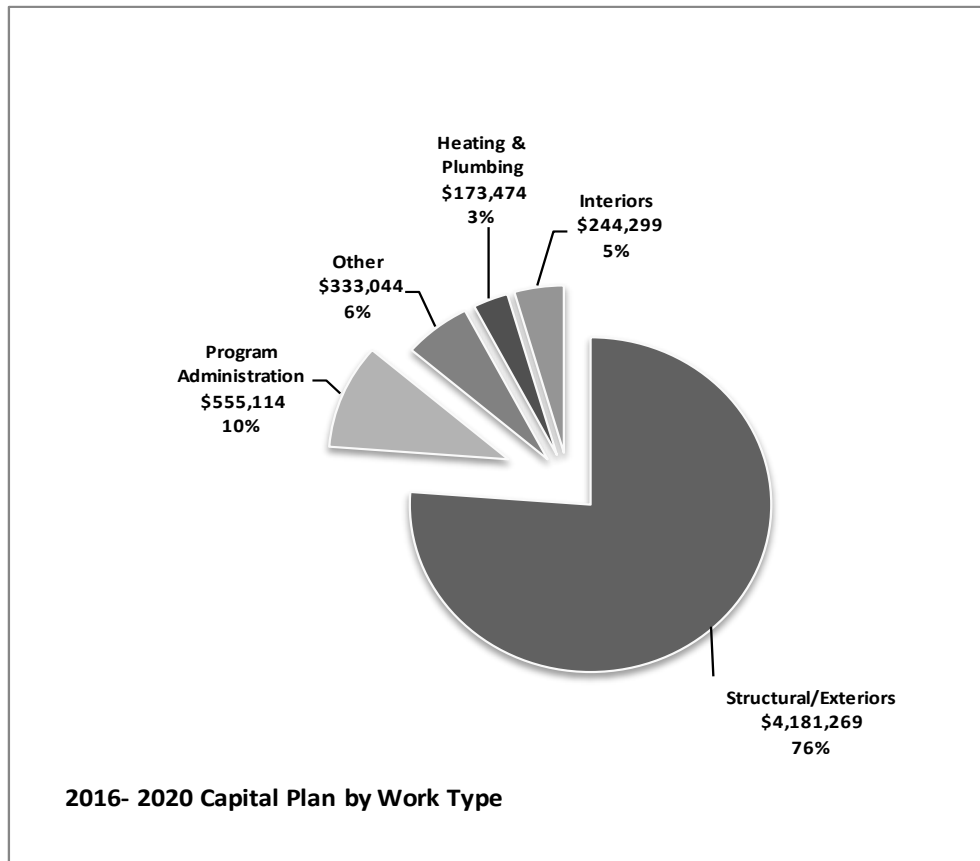
Appendix C: 2016-2020 Categorical Grants

NYCHA 2016-2020 Operating Budget (Categorical Grants)					
<i>Dollars in Thousands</i>					
	2016	2017	2018	2019	2020
Revenues					
<i>Other Revenues</i>					
Federal Subsidies	\$1,370	\$1,372	\$1,372	\$1,372	\$1,372
Other	645	628	608	587	565
Categorical Grants	3,904	618	618	68	68
City Funds	20,500	18,360	28,091	38,203	48,709
Total Other Revenues	\$26,418	\$20,978	\$30,689	\$40,231	\$50,714
Total Revenues	\$26,418	\$20,978	\$30,689	\$40,231	\$50,714
Expenditures					
<i>Personal Service:</i>					
Salary F/T	\$2,501	\$1,108	\$1,108	\$1,004	\$1,004
Salary P/T	9	0	0	0	0
Seasonal	295	0	0	0	0
Overtime	122	0	0	0	0
Fringe	2,125	853	860	785	792
Total Personal Service	\$5,052	\$1,961	\$1,968	\$1,789	\$1,795
<i>Other Than Personal Service:</i>					
Supplies	682	4	4	0	0
Contracts	9,228	222	222	0	0
Debt Services	319	293	267	239	210
OTPS Other	2,138	137	137	0	0
Total Other Than Personal Expenses	\$12,367	\$657	\$630	\$239	\$210
Total Expenditures	\$17,418	\$2,618	\$2,598	\$2,028	\$2,005
Surplus/(Deficit)	\$9,000	\$18,360	\$28,091	\$38,203	\$48,709

Appendix D: 2016-2020 Operating Budget (Section 8 Housing Choice Voucher)

NYCHA 2016-2020 Operating Budget (Section 8 Housing Choice Voucher) <i>Dollars in Thousands</i>					
	2016	2017	2018	2019	2020
Revenues					
<i>Other Revenues</i>					
Section 8 Housing Assistance Payments	982,754	995,959	1,011,570	1,022,785	1,031,328
Section 8 Admin	69,693	70,000	70,051	69,776	69,474
Other	880	880	880	880	880
Total Revenues	\$1,053,327	\$1,066,839	\$1,082,501	\$1,093,440	\$1,101,682
Expenditures					
<i>Personal Service:</i>					
Salary F/T	\$28,254	\$27,362	\$26,398	\$25,958	\$25,632
Seasonal	16	16	16	16	16
Overtime	521	521	521	521	521
Shift Differential	1	1	1	1	1
Fringe	21,888	22,409	22,804	23,370	24,063
Other Salary	645	645	645	645	645
Total Personal Service	\$51,324	\$50,954	\$50,386	\$50,511	\$50,878
<i>Other Than Personal Service:</i>					
Leases	\$5,031	\$5,060	\$5,175	\$5,334	\$5,693
Supplies	57	57	57	57	57
Equipment	3,500	2,054	1,733	1,710	1,684
Utilities	186	187	188	190	197
Contracts	17,360	17,473	17,513	17,476	17,399
Insurance	203	213	224	235	246
OTPS Other	689	689	689	689	689
Section 8 Housing Assistance Payments	1,012,894	1,033,884	1,039,173	1,047,690	1,056,157
Total Other Than Personal Expenses	\$1,039,919	\$1,059,616	\$1,064,751	\$1,073,381	\$1,082,121
Total Expenditures	\$1,091,243	\$1,110,570	\$1,115,137	\$1,123,892	\$1,132,999
Surplus/(Deficit)	(\$37,916)	(\$43,731)	(\$32,636)	(\$30,452)	(\$31,317)

Appendix E: 2016-2020 Capital Plan by Work Type



Appendix F: Fiscal 2016 Mayor's Preliminary Management Report Performance Measures

Performance Indicators	Actual		FY15	Target		4-Month Actual	
	FY13	FY14		FY16	FY17	FY15	FY16
Rent collection (%)	NA	NA	78.00%	97.50%	97.50%	77.00%	79.00%
Rent Delinquency Rate (%)	NA	NA	NA	*	*	NA	28.70%
Average time to resolve emergency service requests (hours)	13.6	11	14.7	24	24	9.5	13.8
Average time to resolve non-emergency service requests (days)	42.5	27.6	14	15	15	16	13.9
Average time to resolve heat service requests (hours)	19.8	13.6	19	24	24	10.1	26.9
Management cost per dwelling unit (\$)	\$1,012	\$913	\$893	\$875	\$875	\$877	\$837
Average time to prepare vacant apartments (days)	39.6	43.7	38.2	20	20	36.1	36.8
Average turnaround days for vacant apartments	60.3	77.9	58.1	30	30	66.7	48.5
Crime Rate Year To Date	12.4	13.3	12	*	*	4.4	4.8
Major felony crimes in public housing developments	5,018	5,328	4,858	DOWN	DOWN	1,695	1,896
Occupancy rate (%)	98.80%	99.40%	99.50%	99.20%	99.20%	99.50%	99.40%
Applicants placed in public housing	4,233	5,988	4,939	*	*	2,157	1,466
Families on Section 8 waiting list (000)	123	123	121	*	*	123	120
Utilization rate for Section 8 vouchers (%)	93.90%	91.20%	88.10%	97.00%	97.00%	89.00%	87.00%
Section 8 Occupied Units (vouchers)	91,892	88,529	86,167	87,000	87,000	87,841	86,402
Applicants placed through Section 8 vouchers	933	384	892	*	*	147	501
Residents approved for the Emergency Transfer Program	937	808	815	*	*	314	366
Emergency Transfer Program disposition time (days)	54.25	45.91	48.17	45	45	55.48	48.19
Initial social service tenant contacts conducted within five days of referral (%)	64%	68%	80%	76%	76%	78%	87%
Referrals to supportive social services rendered to senior residents	96,548	84,987	70,824	*	*	34,502	20,496
Senior centers	37	33	32	*	*	32	15
Utilization of senior centers (%) ages 60+	133.50%	143.00%	145.00%	85.00%	85.00%	149.00%	113.00%
Resident job placements	1,567	874	1,084	1,593	1,593	405	952
Completed requests for interpretation	150,619	154,339	187,871	*	*	49,644	50,405

Appendix G: Fiscal 2016 Mayor's Management Report Performance Measures on the Mayor's Action Plan for Neighborhood Safety (MAP)

Managing Agency	Performance Indicator	FY15 Actual	July- Oct 2015 (FY16 Actual)	FY16 Target
People				
DOP	Participants enrolled in the NextSTEPS youth mentorship program	255	87	200
DOP	Participants who positively exit the NextSTEPS program (%)	NA	42%	40%
DYCD	MAP Summer Youth Employment Program (SYEP) participants	992	841	850
CEO	NYCHA youth enrolled in Work Progress Program (WPP)	218	52	*
HRA	Individuals connected to benefits	294	600	1,000
HRA	Appointments to connect individuals with benefits	409	910	1500
Places				
DPR	Kids in Motion program participants across MAP sites	38,292	49,389	35,000
DYCD & NYCHA Community Centers	ShapeUp participants across MAP sites	1,487	1,500	1,400
NYCHA	Permanent lights installed	NA	0	1,193
NYCHA	Layered access projects completed (repairing and adding additional security to development entry and access points)	NA	0	18
NYCHA	Cameras installed (closed circuit television)	47	0	468
NYCHA	Non-construction scaffolding and shedding removed (feet)	10,252	934	934
Networks				
OCDV	Healthy Relationship Academy workshops held	NA	21	50
OCDV	Residents linked to Domestic Violence Response Team (DVRT) Specialists	90	31	100
OCDV	Community outreach events	NA	198	400
DFTA	Grandparent support group participation	670	567	1,500
DFTA	Seniors engaged at public events	3,561	3,069	3,000
DFTA	Intake meetings to connect senior residents with information, assistance and referrals	57	28	300

Crime Statistics in the 15 MAP Developments			
	July 1- October 31		
	FY15	FY16	% Change
Violent crime	205	208	1.5%
Total index crimes	294	292	(0.7%)