

# **Fiscal 2009 Executive Budget Hearings**

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## **Housing Authority (Capital)**

*May 2008*

*Hon. Christine C. Quinn  
Speaker of the Council*

*Hon. David I. Weprin, Chair  
Committee on Finance*

*Hon. Erik Martin-Dilan, Chair  
Committee on Housing and Buildings*

*Preston Niblack, Director  
Finance Division*

New York City Council Finance Division

Preston Niblack  
Director

Jeffrey Rodus  
Deputy Director

Jonathan Rosenberg  
Deputy Director

David Pechefsky  
Assistant Director

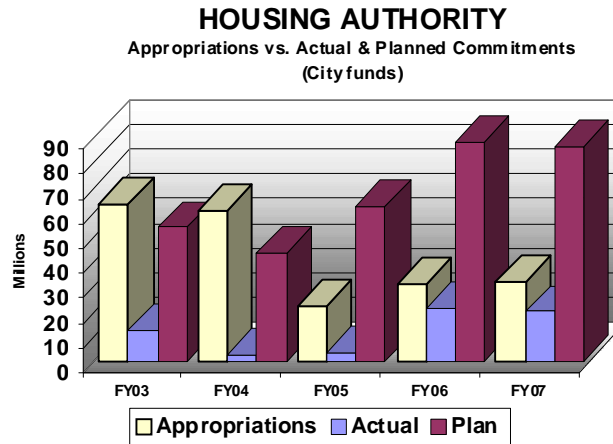
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Housing Authority (Capital)

Anthony Brito  
Analyst

## Agency Overview

The mandate of the New York City Housing Authority (NYCHA) is to provide affordable housing for low-income New Yorkers. The Authority owns and operates 345 developments with 181,000 apartments; housing approximately 420,000 authorized tenants throughout the city. The Housing Authority also operates a Leased Housing Program (Section 8) within the private housing market. In addition, the Authority maintains and runs ancillary services such as day-care centers and playgrounds, child health stations and senior centers.



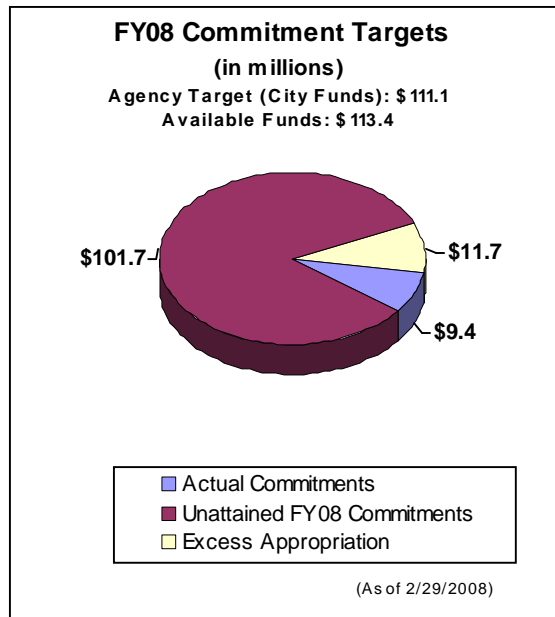
### *Current Budget Summary*

The majority of the New York City Housing Authority's capital program is financed through grants from the federal government through the U.S. Department of Housing and Urban Development (HUD). NYCHA's 2007 to 2011 Capital Plan totaled \$1.7 billion. Of the \$655 million for 2007, \$235 million was from the Federal Public Housing Capital Fund, while \$400 million was budgeted as a result of NYCHA's participation in HUD's Capital Fund Financing Program (CFFP). This \$400 million in CFFP financing was a part of Mayor Bloomberg 2005 announcement that NYCHA would dedicate a portion of its federal capital grant to cover debt service costs on a \$700 million bond issue (\$300 million in Fiscal 2005 and \$400 million in Fiscal 2007) to fund capital repairs. After 2007, NYCHA's capital budget as of the Authority's May 2007 plan is approximately \$266 million annually.

The City's May 2008 Capital Commitment Plan includes 126.3 million in Fiscals 2009-2012 for NYCHA, which represents only City funds since NYCHA's federal capital grant is not carried in the City's budget. This is less than 1 percent of the City's total \$43.1 billion January Plan for Fiscals 2009-2012.

As of the February 29, 2008 NYCHA has only committed \$9.3 million, 8 percent, of its \$111.9 million Fiscal 2008 plan. Over the past five years NYCHA has only committed an average of 23 percent of its annual City capital plan. Therefore it is assumed that a large portion of the agency's Fiscal 2008 capital plan will be rolled into Fiscal 2009 increasing the size of the Fiscal 2009-2012 capital plan.

Currently NYCHA's appropriations total \$113.4 million in city-funds for Fiscal 2008. These funds are to be used to finance the Authority's \$102.6 million city-funded capital commitment program for the current fiscal year. The agency has approximately 10 percent more city funding than it needs to meet its capital commitment program for the current fiscal year.



## **Fiscal 2009 Executive Capital Budget**

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The Housing Authority's capital commitments for the last five years are shown below:

<b>FIVE YEAR HISTORY - CAPITAL BUDGET</b> (\$ in millions)					
	FY03	FY04	FY05	FY06	FY07
CITY	13	3	4	21	19
NON-CITY	0	0	0	0	0
TOTAL	13	3	4	21	19

The Preliminary Four-Year Capital Plan is shown below:

<b>PRELIMINARY CAPITAL BUDGET – JANUARY 2008</b> (\$ in millions)					
	FY09	FY10	FY11	FY12	FY's 09-12
CITY	34.4	33.5	46.4	11.7	126.2
NON-CITY	0	0	0	0	0
TOTAL	34.4	33.5	46.4	11.7	126.2

The Executive Four-Year Capital Plan is shown below:

<b>EXECUTIVE CAPITAL PLAN – MAY 2008</b> (\$ in millions)					
	FY09	FY10	FY11	FY12	FY's 09-12
CITY	34.5	33.5	46.4	11.7	126.3
NON-CITY	0	0	0	0	0
TOTAL	34.5	33.5	46.4	11.7	126.3