TIME TO ACT
Restoring the Promise of NYC's Public Housing
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We have been aware of the rapid deterioration of the New York City Housing Authority (NYCHA) for years, through multiple federal, state, and city administrations. Yet we have continued to take only half-steps to turn this situation around. As a result, conditions in New York City’s public housing now range from the unacceptable to the deplorable.

While the scale of the problem — $45 billion needed in capital repairs1 — makes solving it an intimidating undertaking, an incremental approach only adds more to the ultimate cost, regardless of whether or not we solve the problem. Deferring needed renovations adds more than $850 million a year to the ultimate repair bill.2 In addition, we are at a critical juncture regarding the overall viability of the buildings themselves. If we do not act now, we will find ourselves quickly facing a massive situation of demolition by neglect.

If we allow NYCHA to enter an era of managing this demolition by neglect, we will rapidly lose our most affordable housing in a city marked by an ongoing affordable housing emergency. This will mean much more than just the loss of buildings; it will mean enormous emergency shelter expenses, an economy damaged by a loss of workforce, irrevocably scarred neighborhoods, and massive displacement of thousands of longtime New Yorkers. And it will mean that we as a city have failed our citizens in a truly shameful way. A great city does not allow people’s homes to fall apart.

Now is the time to develop and implement a complete and real commitment to bringing our public housing back to a state of good repair. To do this, we will need three things: a serious and rapid influx of funding; more innovative and efficient structures for management and capital delivery; and a confluence of major political and civic will. These need to build on, not replace, current efforts already underway.

The main priority now needs to be implementing existing plans, including PACT to Preserve and Build to Preserve, and scaling up the speed at which they can be realized.

RPA is also proposing 10 actions that we believe will be major steps in this process, and can work in conjunction with other approaches to form a comprehensive and long-term solution. These recommendations will not solve the problem by themselves, but they will be large and meaningful pieces of the puzzle.

### 10 Actions to Repair NYCHA

1. Form a new civic coalition for NYCHA
2. Make NYCHA the centerpiece of New York City’s housing plan
3. Create a separate public development entity for NYCHA
4. Invest in the next generation of public housing
5. Generate new revenue in the long-term by supplementing the existing Transfer to Preserve program with new options
6. Have high-end real estate contribute its fair share to NYCHA
7. Return to development-based operations
8. Create a skills-based exchange program for property managers
9. Continue to expand the role of city government in NYCHA operations
10. Bring independent voices to the Board

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1 How much in repairs is needed at NYCHA is dependent on the time horizon used. $45 billion is the amount of total repairs needed over a 20 year period. $32 billion in repairs is needed over the next 5 years. For a detailed description of NYCHA’s capital needs, see “Physical Assessment: Final Report,” prepared for NYCHA by STV AECOM, 2017.


A Call for Support: Forming a New Civic Coalition for NYCHA

That we have let more than 400,000 of our neighbors fall into terrible living conditions is a source of shame for us all. It is not just incumbent on government to turn the tide; the greater civic world of New York City also needs to engage on this issue.

We all benefit from public housing and the opportunities it brings, and more entities need to advocate for public housing residents. Employers benefit from the workers who live in public housing and labor unions who represent them; churches, synagogues, mosques and other faith institutions where residents worship; businesses where they spend money and professional associations where they pay dues; banks and credit unions which hold their deposits. All of these civic institutions should be part of the solution and should commit to providing concrete resources toward the effort to save our public housing.

Civic institutions have often come together to support other necessary public infrastructure and investment. Notable examples took place in the 1970s through the fiscal crisis, the 1980s to repair the subway, and post-2000 through coalitions like the Empire State Transportation Alliance, a coalition of business, civic, labor, and environmental organizations which advocated for expanded resources for New York State transportation. A similar coalition would be a powerful voice on the local and state level to prioritize NYCHA and release the funding necessary to return it to a state of good repair.

This coalition could also seed or incubate an independent oversight and advocacy organization. Public schools, public transportation, public parks, and many other public assets have independent stakeholders and advocates who not only advocate for budgetary and regulatory needs, but also serve as impartial and independent evaluators of the public asset. They are able to create an authoritative voice of accountability for the agency as a whole and for individual performers.

The Straphangers Campaign, for instance, grades the performance of subway lines from A to F. The Center for New York City Affairs, through its Inside Schools initiative, evaluates individual public schools and districts, not just the Department of Education as a whole. An independent entity could do the same for individual NYCHA developments, not only to create accountability but also to learn lessons from good performing developments and highlight successes in the system.

As part of this, metrics for judging success should be revised and made fully transparent, so that this organization would be able to impartially judge effectiveness. Developments should be judged on tenant satisfaction and a physical state of good repair, as opposed to closed work orders or other metrics that do not directly represent the condition of the buildings and the satisfaction of the tenants. All “NYCHA-Stat” information should be made fully public on a real-time basis, and tenants and other stakeholders should have ongoing input into what these metrics are.
There are 176,780 Affordable units have been preserved by the City of New York from 2005-2019.

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Set Goals and Metrics

One of the largest keys to success of our overall housing rehabilitation program are the goals we set for ourselves. In New York City, this has been a goal of creating or preserving a certain amount of affordable housing: 165,000 units in Mayor Bloomberg’s New Housing Marketplace, and 200,000 units (later increased to 300,000) in Mayor de Blasio’s Housing New York. While the details of these plans have been revisited, the main goal has consistently been the same: build or preserve a certain number of affordable homes. This is a powerful management tool, one which provides a common metric of accountability for the agency and entire administration.

It is also a highly successful one. New York City has met every affordable housing production and renovation goal it has set for itself. The New York City Housing Authority is the only source of affordable housing whose preservation is not measured in the New York City housing plan. A similar goal now needs to be set for public housing, our permanently affordable homes. The effects of this go beyond just city organization and staffing.

The idea that NYCHA and its residents are siloed from the overall infrastructure and resources of city government is one that has consistently come up when listening to residents and other stakeholders.

When NYCHA apartments do not have a smooth path to accessing the professional and financial resources available to other distressed housing in the city, it sends the message that NYCHA is not as valuable to the city as other affordable housing.

Traditionally, a housing unit has been counted as “preserved” by the Department of Housing Preservation and Development if any affordability restrictions have been extended for a longer time period. Because public housing is required to be permanently affordable, by definition it does not have the ability to extend its affordability requirements. This is not something that should stop us from counting these units toward a housing goal. An obvious component of affordable housing, in addition to regulations and rules, is keeping it in habitable condition.

Public housing preservation could be enumerated alongside other preservation programs or it could be one individual component of a larger housing plan. However, a clear goal must be set. Just as the city has a plan to build or preserve 300,000 units of affordable housing, it must also commit to preserving, in its entirety, all 174,000 units of public housing.

This does not necessarily mean that from a financial perspective NYCHA should cease using unique sources of financing, or necessarily rehabilitate its projects according to HPD term sheets. NYCHA often has resources available that other affordable housing owners and developers do not, such as generating significant operating subsidy through converting developments to Section 8 through PACT to Preserve. NYCHA also has restrictions on utilizing potential funding sources, most notably the inability to take on private debt collateralized by the buildings themselves, a major method of funding for other affordable housing programs. This uniqueness will necessitate a tailored approach to financing these renovations.

It is important to acknowledge that centering NYCHA in the city’s housing goals will likely mean that fewer affordable housing deals of other sorts will be able to be completed. This is not only because of direct funding constraints, but also because of the capacity constraints on developers, contractors, subcontractors, and skilled workers that come with trying to complete a large pipeline of projects. These capacity constraints lead to both delays — often meaning more costs through time overruns — and ever higher marginal costs for construction due to lack of enough contractor competition for the large amounts of projects. Efforts to reduce the costs of housing construction overall, especially affordable housing construction, will also be necessary for this effort, as will efforts to scale up the capacity of the construction and building rehabilitation trades through jobs and training programs. These programs could be targeted at NYCHA residents themselves. One approach in particular could be to package PACT to Preserve conversions with the renovation of other nearby developments through other capital programs when issuing RFPs for developers and contractors.

Another area in which additional professional capacity will be needed, and where HPD and HDC will be able to provide less resources, is in construction management. Here the help of private and nonprofit developers, professional associations, and banks will be needed. A program of providing experienced construction managers on a pro-bono basis will be a critical component of creating an effective plan. A representative accountable to residents, in addition to a construction manager accountable to NYCHA or the City, could be part of this program as well.

Even with this, however, prioritizing NYCHA will be a choice with repercussions on the larger housing industry of New York City. It will involve tradeoffs of other priorities for a limited amount of funding and professional capacity. However, public housing residents have had to endure being on the short end of these tradeoffs for too long. It is past time that they came first.
**Recommendation 3**

Create a Separate Public Development Entity for NYCHA

NYCHA must not only be able to raise money quickly, it must be able to spend money quickly and efficiently.

Part of this must involve a new entity which is not constrained by the unnecessary procurement rules and regulations that are part of NYCHA.

This function should be separated from NYCHA and made into an independent entity controlled by New York City, along the lines of the School Construction Authority. This entity should be chaired by the Commissioner of Housing Preservation and Development (HPD), and be the main conduit and coordinator for comprehensive rehabilitations and all major capital work to the extent possible according to federal laws and regulations. Any charter of this new entity should be designed to give it maximum flexibility regarding capital procurement and other processes.

Consideration should be given for this entity to be physically and officially housed within HDC. In addition to the integration of NYCHA with greater city resources, making this entity part of HDC may also help with attracting and retaining talented professional personnel, which could also be assigned from these agencies.

**Recommendation 4**

Invest in the Next Generation of Public Housing

Building new public housing is not something that has been thought of in our current discussion around NYCHA and public housing in general. However, there is nothing about public housing which inherently leads to bad living conditions. Any building that continues to age without a comprehensive renovation will soon find itself uninhabitable. As late as 2005, the City noted that, “the structural condition of Public Housing in the City was excellent. In 2005 only 3.2% of Public Housing units were in a building with one or more building defects.” This is as compared to 9.1% of all rental housing units. And several other global cities run large public and social housing portfolios that remain in a continual state of good repair and provide. There have also been eras in New York where private rental housing has largely failed its responsibilities. In 1981, for instance, 30% of all New York City rental housing had inadequate heating and over half had at least one serious maintenance deficiency.6

New York clearly benefits from public housing and the opportunities it brings when this housing is kept in habitable shape. But we have not had a serious conversation about expanding it. While we are constrained by federal laws, and since the federal government no longer provides direct capital funding for building public housing, public housing would need another form of capital support.

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Federal Law Constrains Public Housing Options

The Faircloth Amendment, named for former North Carolina Senator Lauch Faircloth, is an amendment to the Housing Act of 1937 which established the federal Public Housing program in the United States. The Faircloth Amendment prohibits the Federal government from funding the construction or operation of public housing units if those units would result in a net increase in the number of units the Public Housing Authority owned, assisted, or operated as of October 1, 1999, essentially capping public housing units in any given city at 1999 levels.

Adjustments to the Faircloth limit are made when public housing is converted through programs such as Hope VI and RAD. For instance, if New York City converts 62,000 units through the RAD program, the Faircloth limit will also be lowered by 62,000 units. However, other public housing losses have left NYCHA approximately 4,000 units below the Faircloth limit.

New York City is legally able to build or acquire over 4,000 units of public housing before running afoul of federal law.

By building new public housing, either on existing NYCHA campuses or nearby, residents could be relocated from existing buildings to this new public housing, the older buildings replaced or renovated, and the entire campus redeveloped in a way which prevents displacement. The financial feasibility of this model will likely depend on the additional market rate or mixed-income units developed on campus. If the pilots prove successful, the program could be replicated, as long as no more than approximately 4,000 units are replaced at any one time (unless Federal law was to be changed). New project-based Section 8 Development could also be a possibility, and is already being proposed for one development, the Fulton Houses in Chelsea.

In addition to providing acceptable and modern conditions for residents, this new housing would likely also save a large amount in operating expenses. Newer housing could easily be constructed to be much more energy efficient than the older housing, and other management efficiencies could also be incorporated into this new public housing. Especially in a management model in which utility costs are paid by the owner, the opportunity to significantly reduce utility costs is a major advantage for maintaining a balanced operations budget.

There is no shortage of examples to follow in this regard. Many other cities with large public housing portfolios around the world, most notably London and Toronto, are redeveloping publicly-owned housing developments in this manner. Some cities in the United States, most notably Seattle, have been able to do a similar model with acquisition of nearby existing buildings being used as the replacement public housing.

It is not enough to simply bring back public housing to the state it was in 20 years ago. We must also think of New York City's future, especially our ever-growing need for deeply affordable housing, and act accordingly.


Image: CarsonSall
With $45 billion in capital needs, the bottom line is that NYCHA needs significantly more capital funding, and quickly.

From 2012 to 2016, only 15% of all capital needs were budgeted for, and even less were actually done. Because of the poor underlying conditions of NYCHA housing, this deferred maintenance resulted in a 15-fold increase in immediate capital needs from 2011 to 2017.\(^8\)

The speed with which funds can be both raised and spent is critical to the success of any capital repair plan. This is especially true considering that deferred maintenance is costing NYCHA at least $850 million per year across the portfolio,\(^9\) an expense which will only accelerate as building conditions deteriorate further. It is imperative that we act as quickly as possible on existing strategies as well as add to the list of ways to generate revenue.

NYCHA’s main revenue source is rent paid by its residents, followed by federal subsidies. Federal support for public housing has declined drastically for decades. There is virtually no chance that this trend will be reversed in time to save NYCHA. Although City and, to a lesser extent, State subsidies have been increasing as the situation has deteriorated, they are still a relatively small part of NYCHA’s overall operating budget.

It is also critical that City and State commitments to funding NYCHA are realized promptly, with money being made as flexible as possible. Because of the deteriorating situation, the value of these commitments diminish with each delay of their release. The State should also consider raising the public shelter allowance of $400, which has not been raised since 2003 and has not been raised for NYCHA since 2007; it would have the effect of indirectly funding NYCHA through higher rents from residents on public assistance.\(^11\)

But even with these commitments realized in a timely manner, much more is needed to meet the capital repair gap.

The City’s NYCHA 2.0 plan details three main strategies for revenue generation to meet this gap: PACT to Preserve, which encompasses programs to transfer existing Section 9 traditional public housing to Section 8 voucher programs with private managers, most notably through the Rental Assistance Demonstration (RAD) program; Build to Preserve, which encompasses the long-term leasing of NYCHA land to raise money through new development, and is commonly known as the infill program; and Transfer to Preserve, which envisions selling NYCHA’s Transferable Development Rights (TDRs), or the unused development potential of NYCHA campuses to nearby private parcels.\(^12\)

NYCHA estimates that these three strategies will generate almost $16 billion in revenue over 10 years, with PACT to Preserve generating more than 80% of this amount.

NYCHA 2.0 Revenue from Assets

The cost of deferred maintenance is coming due now.

NYCHA's immediate maintenance costs have increased 15-fold since 2011.

\begin{itemize}
  \item 2011 projected costs for immediate maintenance: $1.6 Billion
  \item 2017 projected costs for immediate maintenance: $25.4 Billion
\end{itemize}

PACT to Preserve and Build to Preserve in particular have been the subject of intense policy discussions, and the details of these programs have been changed several times since they were first conceived, with each change delaying the process further.

For instance, Build to Preserve, or earlier equivalents under the previous mayoral administration, has revisited decisions and commitments about the affected campuses, amount of affordable housing required, affordability levels of this housing, proposed physical design, and where the revenue realized will be spent several different times since its inception. The result is a program which is likely to go the entire administration without recognizing any significant revenue for repairs. PACT to Preserve has had somewhat more progress, most notably with the success of the Ocean Bay apartments in Far Rockaway from Section 9 (traditional public housing) to project-based Section 8, and has several more conversions underway. However, it still needs significant acceleration in order to reach the scale needed.

The main priority now needs to be implementing existing plans, including PACT to Preserve and Build to Preserve, and scaling up the speed at which they can be realized rather than revisiting details, which would require even more delays.

Opportunities to accelerate the renovations of NYCHA buildings through PACT to Preserve conversions should be taken whenever possible. However, this does not mean that there is not room for improvement in both programs. Care needs to be taken to protect tenant rights, to make sure needed repairs and maintenance are done in a swift and professional manner, and to ensure the public control and permanent affordability of the developments. PACT to Preserve also must ensure all current and future TDRs and other development rights continue to be owned by NYCHA exclusively.

In addition, adding more flexibility to the Build to Preserve program is something that should be considered. Currently, Build to Preserve operates on the assumption of mixed-income residential development only. Commercial, retail, and community facility uses should also be possibilities, especially if they would result in more revenue for NYCHA. More retail options could also result in better urban design. Because retail space in new construction is often underwritten conservatively, this could allow for more locally-oriented retail with local residents of the development choosing the best retail option for them out of several financially viable choices. Energy storage, as well as alternative energy uses, are other possibilities for NYCHA campuses which could be explored.

**Public Housing’s Broken Compact**

Public housing has historically been a compact between the federal government and local housing agencies. However, the federal government has slowly but surely disavowed this compact. NYCHA estimates they have cumulatively lost $1.34 billion since 2001 in federal capital funding, and the City now provides more capital funding than the federal government.

We all must continue to advocate for a federal government which returns to upholding its responsibilities to our public housing. However, in light of the current situation, New York State also needs to solidify a capital commitment to NYCHA along with New York City.

Capital funds should follow three principles: be a reliable and ongoing source until NYCHA is back in a state of good repair; be released in a timely manner; and be made as flexible as possible. This will allow the City to effect the best overall comprehensive repair plan.

It is understandable that all levels of government will want to release funds to an agency which can be trusted to spend them responsibly. This is part of the reason for a new development entity for NYCHA, and for HPD and HDC to be brought in as government partners with full oversight over any capital repair plan.

**NYCHA Operating Revenue (excluding Section 8) FY 2019**

- **Tenant Rent**: 45%
- **Federal Operating Subsidy**: 40%
- **Other Sources**: 3%
- **City Funding**: 12%

**NYCHA 2019 Capital Plan Revenue**

- **Tenant Rent**: 36%
- **Federal Funding**: 13%
- **Disaster Recovery**: 7%
- **Other Sources**: 2%
- **City Funding**: 42%

Source: NYCHA 2.0. Part 1: Invest to Preserve

Source: NYCHA’s Adopted Budget for FY 2019 and The Four-Year Financial Plan FY 2020-2023
NYCHA’s untapped development rights are a critical component for generating needed funds for the immediate benefit of residents. Active realization of these plans, including new development on existing campuses through Build to Preserve, is the best opportunity available to generate the revenue needed to restore NYCHA to a state of good repair. It’s critical that the City continue to work collaboratively with local communities to advance these plans, which have often taken years to develop, without delay. Doing otherwise would result in lost time and revenue that would prolong the crisis NYCHA and its residents face.

NYCHA’s Transfer to Preserve program is another, supplementary, way of generating funds through NYCHA’s development rights. NYCHA is already starting to realize needed revenue through this program, most recently with the announced transfer of development rights at Ingersoll Houses in Downtown Brooklyn. However, because of the layout of many NYCHA campuses and the rules governing the transfer of these rights, the program is very limited. Development rights are allowed only to be transferred to a site on the same block — and NYCHA developments often occupy the entire block themselves, leaving nowhere to transfer these rights.

Opportunities for on-campus development are not endless, and will not work everywhere. Many campuses may have excess development rights even after any on-campus development. Without changes to existing rules governing Transfer to Preserve, NYCHA will eventually run up against the reality that it possesses substantial value that it is simply unable to unlock.

However, action could be taken on a local level which could address these limitations and have the potential of adding significantly to revenue for repairs. This would involve a citywide zoning text amendment that would allow NYCHA to transfer development rights to other locations within an agreed-upon distance. This would follow in the footsteps of other districts with expanded development rights, such as the East Midtown special district.

It is important to note that this process would need to make its way through a lengthy negotiation and approval process and take significant time to complete. The East Midtown special district, for instance, took several years to realize and implement. As such, existing plans for generating revenue through NYCHA 2.0 can not be delayed.

NYCHA currently estimates that Transfer to Preserve could raise approximately $1 billion. However, they are examining the program only through current City rules regarding transferable development rights. RPA has analyzed the impacts of changes, specifically for NYCHA, in legislation governing TDRs in order to see how much more revenue could be realized.

This program would not substitute for the existing Transfer to Preserve. It would, however, expand it and, over the longer-term, provide a significant supplement to existing plans.

Based on the City’s data, RPA estimates that there are 78 million square feet of unused development rights owned by NYCHA. However, most of these development rights cannot be transferred under current rules, given that TDRs may only be transferred to sites on the same block. This is further limited by the fact that many NYCHA developments themselves occupy an entire tax block. Given that the majority of NYCHA’s unused development rights are essentially landlocked in this manner, modifications to zoning and additional strategies that go beyond the current framework need to be considered.

This is not unprecedented. There are several structures and places in New York City that allow more flexibility when it comes to selling development rights. City landmarks are allowed to transfer development rights across the street. Some special districts allow for transfers over a greater area, spanning several blocks. If such a district were adopted for NYCHA campuses, additional upzoning could also create even more potential for the campus to generate revenue for the buildings and their residents.

Creating a new zoning framework to allow for more flexible transfers of NYCHA’s TDRs would require a process which would be lengthy and difficult to complete. And, as noted earlier, this would not be a substitute for the existing Transfer to Preserve program. However, as the existing Transfer to Preserve program runs its course and the ability to monetize NYCHA’s remaining development rights diminishes, this new framework will become increasingly critical. An expanded program would also provide more options, and could be used in conjunction with the existing Build to Preserve program, allowing some development rights to be realized on-campus and others to be transferred off-site.

RPA’s assessment revealed that an expanded TDR program that would allow as-of-right transfers within a half-mile distance from the NYCHA generating site could, in theory, provide a path to unlocking all of the 78 million square feet of unused development rights owned by the authority. A rough estimate is that this could ultimately provide a revenue source of between $4.2 and $8.4 billion.13 This additional revenue would provide necessary resources for investment in the preservation, maintenance, and improvements of NYCHA infrastructure.

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13 Estimation based on NYCHA’s unused development rights located in neighborhoods defined as TDR market areas, where at least 20 zoning lot mergers, TDR deals, or comparable agreements have occurred within the boundaries of a given community district. The median price per square foot of NYCHA TDRs was assumed to be sold between $75 and $150, a conservative estimate.
Of course, whether all of this potential revenue will be realized is difficult to predict. As a more flexible TDR framework makes its way through the process, it is likely that elements of this will be changed along the way. For instance, the radius in which development rights are allowed to be transferred could become smaller, or the rules governing how many square feet would be allowed to be transferred to any one site could be changed. The more restrictions or other considerations, such as community benefits or affordable housing requirements, are attached to the transfer of these rights, the more the value realized for NYCHA will be diminished. The markets for these development rights vary, and could change over the course of the time necessary to implement this program, making it difficult to realize the full potential of these development rights. Even with these uncertainties, however, what is clear is that the potential that such a framework offers to NYCHA makes it an important and worthy supplement to the existing Transfer to Preserve program.

Even with this expanded transfer area, selling the TDRs and realizing this potential would still take time, likely several years over more than one market cycle. And even if all the TDRs were sold in time to help finance a potential 20-year repair schedule, it would still provide just part of the revenue needed to effect a complete repair of NYCHA. An expanded TDR transfer program would complement, not replace, the City’s efforts in other areas, as well as different revenue-generating and money-savings proposals in this and other reports. A uniform as-of-right framework for these transfers to provide the most options and flexibility, encouraging a higher rate of transactions and realizing revenue as soon as possible, will be critical.

How this potential development becomes realized can also be shaped by the City. In RPA’s analysis, we assume contextual development through the surrounding neighborhood. This would limit the amount of TDRs which could be transferred to any one site. Allowing transfers within a half-mile radius would include more than enough parcels in the catchment areas that, in theory, all of NYCHA’s 78 million square feet of unused development rights could be transferred.

New sites could also be required to conform to affordability restrictions. Mandatory Inclusionary Housing guidelines require between 20-30% of the housing units at the redeveloped site to remain below market in perpetuity, for example.

Both of these strategies have trade offs — putting restrictions on height, bulk, design, and affordability for these development rights makes them less attractive for developers to purchase, resulting in less revenue for NYCHA and its needs. Additional spatial considerations could also be embedded into NYCHA’s TDR program in a way that promotes density where it makes the most sense. In RPA’s case studies, we assume transference to parcels in proximity

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**NYCHA Unused Development Rights**

<table>
<thead>
<tr>
<th>NYCHA TDR Status</th>
<th>Harlem and Mott Haven</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development rights with viable receiving</td>
<td>Lower East Side and Williamsburg</td>
</tr>
<tr>
<td>Landlocked development rights</td>
<td></td>
</tr>
<tr>
<td>No available development rights</td>
<td></td>
</tr>
</tbody>
</table>

**Unused Development Rights**

- 5,000 square feet
- 2,100,000 square feet

Source: RPA Analysis based on Primary Land Use Tax Lot Output (PLUTO) 18v2.1

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14 This could be done by requiring Quality Housing bulk regulations as a condition of receiving NYCHA TDRs.
to transit stations, and eliminate parcels located in future floodplains. Even with these additional filters, the half-mile distance scenario would still unlock all of NYCHA’s TDRs.

**Legal Precedent and Potential Application**

TDRs were initially conceived in New York City in the mid-1960s as a mechanism to provide economic relief to owners of individually landmarked properties. The transfer of development rights provided an argument that helped sustain the legitimacy of the City’s landmark law, which was conceived as a legal requirement for preserving the character of historically significant buildings. Over the following decades, TDR programs were advanced throughout the New York metropolitan region with the aim of promoting a wider range of policy objectives, including the creation of new open space and preserving key environmental assets such as drinking water sources. More recently, TDR mechanisms have been implemented and are being explored to ensure the vitality of central business districts in Manhattan and improve access to transit stations. A TDR framework for NYCHA would acknowledge the vital role of public housing and the necessity of preserving it as a resource of deeply affordable homes.

Recent commitments made by the mayoral administration recognize the importance of NYCHA and justify the necessity of preserving and investing in public housing. NYCHA residents and facilities also make vital contributions to New York’s economy and quality of life. Whether measured by workforce, economic, cultural, or business activity, contributions by NYCHA and its residents provide a substantial and critical role in the city. 

The need to safeguard NYCHA is in itself an argument for treating NYCHA property differently and developing a more robust TDR program. The justification for treating NYCHA properties in a different way than most others unfolds when recognizing the necessity for preserving public housing and maintaining federal regulations that ensure affordable rents. This special condition provides grounds for creating a program that would allow all of NYCHA’s properties to transfer unused development rights in a more flexible way.

**Planning Rationale: Which Properties are Currently Eligible to Transfer TDRs?**

RPA estimates that there are 672 NYCHA properties holding a total of approximately 78.2 million square feet of unused development rights. However, the number of sites where NYCHA TDRs could be used, either on-site or especially transferred off-site, is relatively limited under current zoning regulations, with approximately 1,500 parcels adjacent to NYCHA parcels that have unused development rights. Many of these potential receiving sites are already overbuilt or are limited by envelope restrictions imposed by contextual zoning districts. This further reduces the number of viable receiving parcels to approximately 555. This means that almost half of NYCHA parcels cannot transfer their unused development rights. Finally, because development rights are not evenly distributed across the city and underlying zoning imposes limits on the amount of TDRs any given site could absorb, this means that under current conditions, 98% or roughly 77 million square feet of NYCHA TDRs will likely remain unusable. Current market conditions likely limits the practical application of these rights even further.

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17 Estimations are based on PLUTO 18V1. Dataset provided by the NYC Department of City Planning.

18 Viable receiving sites are defined as having 40% or more unused FAR and not located in contextual zoning districts according to PLUTO 18V1. NYCHA’s 314 properties, holding over 28 million square feet of unused development, currently have only only 570 viable receiving sites that can accept TDRs.

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### Estimated Value Generated by Sale of NYCHA TDRs in Different Scenarios

<table>
<thead>
<tr>
<th>Goal Set by NYCHA 2.0</th>
<th>As-of-Right (Current Rules)</th>
<th>Conduit Parcels</th>
<th>Across Street</th>
<th>Half-Mile Radius</th>
<th>Community District</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10 Billion</td>
<td></td>
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<td>$7.5 Billion</td>
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<tr>
<td>$0</td>
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</tbody>
</table>

Lower estimate value per sqft at $75

Higher estimate value per sqft at $150
TDR SCENARIOS

RPA evaluated a range of different scenarios for NYCHA’s transferable development rights. After assessing these scenarios, we determined that modifying the rules of zoning to allow NYCHA to transfer development rights within a half-mile distance of existing developments has the best potential for unlocking the balance of NYCHA’s unused development rights beyond those currently planned for in existing NYCHA 2.0 initiatives, while maintaining a reasonable geographic nexus. Based on further study and outreach, the City should advance a citywide review process aiming to amend the zoning code to allow for this.

As-of-Right (existing zoning rules)

Transferring development rights to parcels that are directly adjacent to NYCHA properties via zoning lot mergers (development rights remain within the same block). In this scenario, there are a limited number of parcels that can receive and absorb NYCHA’s TDRs. While NYCHA would be able to transfer some development rights through existing plans, over 77 million square feet would likely remain landlocked and unusable to generate revenue.

Conduit Parcels

Allowing NYCHA sites to transfer development rights via zoning lot mergers and jumping over parcels that are not immediately adjacent to NYCHA. Adjacent lots that are not able to receive NYCHA development rights would become conduit parcels for transfers and density would remain the same within each block. Under these rules, the number of potential receiver sites almost doubles when compared to the as-of-right scenario. However, even in this scenario, over 76 million square feet of NYCHA’s development rights would remain landlocked.

Across Streets

Allowing NYCHA sites to transfer development rights directly across street boundaries, either next to, across the street from, or diagonally across an intersection. This would provide the same spatial rules that individual landmarks have for transferring TDRs. A variation of this scenario would combine the rules of conduit parcels, in theory allowing transfers at greater distances. With almost 6,000 potential receiver parcels, approximately 20 million square feet of NYCHA’s unused development rights could be unlocked by this strategy, potentially generating up to 2.1 billion dollars of revenue. However, in this scenario, most TDRs would still remain untapped, with approximately 51 million square feet likely to remain landlocked.

Within a Half-Mile

Creating a mechanism whereby unused development rights from NYCHA campuses would be permitted to be transferred within a half-mile from the generating NYCHA site. With more than 68,000 potential receiver parcels, all of NYCHA’s unused development rights could be unlocked by this alternative. A rough estimate is that this could ultimately provide a revenue source of between $4.2 and $8.4 billion, in combination with existing NYCHA 2.0 strategies. However, exact figures will depend heavily on the rules and restrictions that emerge from the process necessary to put this framework in place, as well as market conditions at the time these development rights are sold.

Community District

Allowing NYCHA properties to transfer development rights to any site within the same community district and/or within a half-mile from the generating NYCHA site. This utilizes the precedent of the Voluntary Inclusionary Zoning program, which allows for a development to gain a zoning bonus by building or preserving affordable housing in the same community board or within a half mile. With almost 120,000 potential receiver parcels, all of NYCHA’s unused development rights could be unlocked. Although the amount of TDR square footage unlocked would be the same as in the half-mile scenario, revenue would likely be slightly larger and could be realized with somewhat more certainty than under the half-mile-only scenario, due to increased competition for the TDRs.

For more information, see the technical appendix to this report at library.rpa.org
Site Specific Case Studies

In order to demonstrate this concept, we focused on three NYCHA clusters with the aim of representing a diversity of size and typology of both the NYCHA campuses and surrounding receiving sites. Impacts were calculated by modeling the relevant NYCHA sites, modeling potential receiving sites where the development rights might land, and calculating the financial yield of each of the strategies.

Long Island City
(Queensbridge houses) half-mile catchment area

Development Rights
- Total unused: 1,820,000 square feet
- Potential revenue generated: $136 - $273 million

Potential Receiving Parcels
- Viable receiver sites within catchment area: 844 parcels
- Average FAR available per site: 81%
- Viable receiving sites needed to utilize full rights: 111 parcels or 13.2%
- Average increase per site: 16,300 square feet or 54.2%
Kip’s Bay
(Nathan Straus Houses)
half-mile catchment area

Development Rights
• Total unused: 70,000 square feet
• Potential revenue generated: $5.2 - $10.5 million

Potential Receiving Parcels
• Viable receiver sites within catchment area: 231 parcels
• Average FAR available per site: 76%
• Viable receiving sites needed to utilize full rights: 3 - 4 parcels or 1.35%
• Average increase per site: 20,900 square feet or 57.8%

Upper West Side
(Douglass Houses)
half-mile catchment area

Development Rights
• Total unused: 2,000,000 square feet
• Potential revenue generated: $150 - $300 million

Potential Receiving Parcels
• Viable receiver sites within catchment area: 489 parcels
• Average FAR available per site: 56%
• Viable receiving sites needed to utilize full rights: 213 parcels or 43.6%
• Average increase per site: 9,385 square feet or 30%

Source: RPA Analysis based on Primary Land Use Tax Lot Output (PLUTO) 18v2.1
Mechanisms for TDR sales
Developing an as-of-right framework will be critical for encouraging a higher rate of transactions and realizing revenue with greater certainty. A citywide text amendment for allowing special rules for transferring NYCHA’s unused development rights should aim to achieve this.

The city should also explore implementing a bidder and auction format, similar to the Long Island Pine Barrens program, as a transference mechanism for these TDRs, as well as possibly setting minimum asking prices.\(^\text{19}\) Given the large extension and the number of potential receiving sites contained within the half-mile strategy, the auction and bidding process would likely create a system that provides greater incentives to drive the transactions.

The city should also consider accepting development bonds in exchange for providing NYCHA’s TDRs. This would generate compounded interests over time, instead of the single transaction typical in most TDR deals.

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Inclusionary Housing Certificates
In addition to traditional TDRs, yet more revenue could potentially be generated through the sale of voluntary inclusionary housing certificates. These certificates allow a private developer more density in certain districts in exchange for rehabilitating permanently affordable housing offsite. NYCHA is required to be permanently affordable and has federal operating subsidies which allow for this. As a result, less money would be needed to be put toward reserves than in other affordable housing, making NYCHA’s buildings more competitive for these certificates and leaving more money available for rehabilitation.

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An ongoing relationship.
Selling development rights or allowing development on NYCHA campuses could involve more than just a simple one-time cash transaction. New buildings which utilize NYCHA’s development rights, whether on- or off-campus, could contribute to NYCHA financially on an ongoing basis as well. It’s also important than any new development adds value for existing residents, instead of being kept separate. Especially in on-campus developments, amenities and open space in new buildings should be made available to neighboring Public Housing residents on an equal basis, and community facilities in Public Housing could be made available for use by neighbors as well.

Have High-End Real Estate Contribute its Fair Share to NYCHA

Beyond the revenue which can be realized through NYCHA 2.0 strategies, we also have a responsibility as a city and state to create new funding streams supported by other parts of the city as well. The reason why New York City remains such a desirable place to live, visit, and invest is because of the residents who contribute to our success. These residents need affordable places to live in order to continue to ensure this success. NYCHA residents account for more than 125,000 members of the New York City workforce and make up critical components of important sectors of the economy. For instance, over 30,000 healthcare jobs in New York City are held by NYCHA residents.

This desirability of New York City has driven the value of real estate — especially high-end real estate — ever northward.

NYCHA residents are a critical component of the workforce in certain industries.

In just 13 years, the record for most expensive apartment sold in New York City went from $45 million to $238 million dollars, a 428% increase, and 16 times the rate of inflation.

This presents an opportunity to use increasing value in order to help maintain the housing which allows us to have this diverse and desirable city.

Further, this opportunity can also help address some of the larger inequities in the existing property tax system. Virtually all of these high-end properties pay vastly less in property taxes, on a proportional basis, than do middle-class properties due to inequities in valuation methods, assessment caps, and other technical issues. New York’s most expensive apartment will pay just 0.2% of its sales value in property taxes, as compared to 0.87% for the median 1-3 family home throughout the five boroughs, and even more for most co-ops, condos, and rental properties.

The history of this tax inequity extends to public housing as well. For decades, NYCHA, the most affordable of all of our affordable housing, paid a Payment in Lieu of Taxes (PILOT) until 2014, along with separate payments for sanitation and police services which no other landlord was subject to — money which could have been used for preventative maintenance leading to a more stable situation today. The Community Service Society estimated that these payments cost NYCHA more than $1 billion from 2001 to 2011 alone. These payments, if they had been used for capital repairs, could have saved NYCHA between $1 and $1.5 billion in additional deferred maintenance costs.

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20 These are, respectively, the November 2005 sale of the Penthouse of 15 Central Park West, and the January 2019 sale of the Penthouse of 220 Central Park South.

This is while virtually all affordable housing, almost all newly constructed housing with as little as 20% affordable units, and even many all-market buildings in the outer boroughs, received a full or almost-full tax exemption.

While it is clear that our entire residential property tax system needs an overhaul,\(^22\) it is also necessary that we find ways to have the increasing value of high-end real estate contribute to solving the financial crisis at NYCHA. Two possibilities, reforming the cooperative and condominium abatement and instituting a pied-a-terre tax, are outlined below, but there likely remain many other mechanisms as well.

### Co-op and Condo Abatement Reform

One proposal by the New York Housing Conference (NYHC) would be to cancel the tax abatement that high-value cooperatives and condominium owners receive — currently 17.5% of their tax bill — and redirect the resulting revenue to NYCHA’s capital program. An analysis by the Citizens Housing and Planning Council (CHPC) estimates that eliminating the cooperative and condominium abatement for the top 10% of cooperatives and condominiums would generate $3.3 billion in capital repair dollars for NYCHA. Since abatements are essentially direct city expenditures, this would also have the effect of being revenue positive and not affecting other parts of the tax system.


### Pied-a-Terre Tax

Another idea which has been discussed in recent tax reform efforts is a pied-a-terre tax, especially on very high-end properties, something RPA called for in its Fourth Regional Plan and previous tax reform work. Since the cooperative and condominium abatement is only available for full-time residents, a pied-a-terre\(^{23}\) tax could compliment the co-op and condo abatement reform proposal.

\(^{23}\) A pied-a-terre would be defined as an apartment occupied by its primary resident less than half of the year, which would exempt them from paying New York City income tax.

### Units Held for “Seasonal, Recreational, and Occasional Use” Compared to Units Vacant and Available for Rent, 1991-2017

![Graph showing units held for seasonal, recreational, and occasional use compared to units vacant and available for rent, 1991-2017.](source: New York City Housing and Vacancy Survey, 1991-2017)
Almost 75,000 apartments in New York City are used as part-time residences and not available for full-time New York residents, contributing to New York City’s housing emergency.

NYCHA is a vital tool for helping with this crisis for very low-income New Yorkers. Dedicated revenue from a pied-a-terre tax could help fund major capital improvements in NYCHA in a way that would not negatively impact the city budget or housing affordability.

A pied-a-terre tax is not a substitute for comprehensive property tax reform and, similar to the cooperative and condominium abatement, it would need to be implemented in a way which would not affect other parts of the property tax system and led to more revenue overall.

There are also two main technical issues around pied-a-terre tax implementation which need to be addressed:

1. **Valuation**: Currently Class 2 properties are valued according to their income-producing potential, leaving expensive cooperatives and condominiums extremely undervalued. In order for a pied-a-terre tax to be impactful, a parallel valuation model, likely comparable sales based, would need to be developed by the NYC Department of Finance (DOF). The most recent pied-a-terre tax proposal required that the tax be based on the sales price of the property. This may take time to institute, but is technically feasible. Class 1 properties are already valued according to the comparable sales model. In addition, the City’s Independent Budget Office conducts property tax analyses based on the sales valuation of cooperatives and condominiums.

2. **Implementation**: Instituting a pied-a-terre tax would require determining which apartments are not occupied as full-time primary residences. DOF already has a mechanism to determine owner-occupancy of cooperatives and condominiums, as all cooperatives and condominiums are already required to be owner-occupied residences in order to take advantage of the cooperative and condominium tax abatement. A pied-a-terre tax would likely also apply to 1-3 family homes, meaning this mechanism would need to be expanded to Class 1 properties as well.

   In addition, the New York State Department of Taxation and Finance currently investigates and conducts residency audits for local income tax purposes, which could simply be expanded to include residency for pied-a-terre tax purposes as well. Because income tax and pied-a-terre tax are payable on different residency statuses, determining who is subject to a pied-a-terre tax could be as simple as instituting an opt-out system where a State income tax return claiming New York City residency could be provided to opt out, or have any pied-a-terre tax instituted as a refundable credit against New York City income tax.
It is indisputable that NYCHA is in need of significant management reform. A major management study was conducted by Boston Consulting Group in 2012, and another is underway right now in 2019. Time is of the essence here as well. Continual consultant reports without implementation will accomplish nothing. Even with sufficient funding, managing it quickly and efficiently enough to effect turnaround will be impossible without fundamental management reform.

NYCHA has significantly fewer employees than it did when it was largely in a state of good repair, falling from nearly 15,000 employees in 2001 to just over 10,000 today.\(^\text{24}\)

Any property management company that experiences a 30% decline in staffing while still being expected to maintain approximately the same portfolio will run into problems of staff capacity.

Because of this loss, utilizing other employees of New York City when possible will be vital. However, NYCHA residents are often precluded from utilizing services provided by the City that are allowed for virtually all other residents of private housing. Two obvious places to start are the 311 system for building complaints and the housing inspection system. In particular, HPD housing inspectors should be utilized whenever possible.\(^\text{25}\)

NYCHA’s Problems Are Increasing as its Number of Employees is Decreasing

\(^{24}\) This has largely been due to the need to offset rising pension and benefit costs. For more, see “Cleaning House,” Citizens Budget Commission, 2015; NYCHA 2008-2019.

\(^{25}\) For more on the need to allow NYCHA access to 311 and other available city housing services, see “Strengthening New York City’s Public Housing: Directions for Change,” Community Service Society, 2014.
Residents and other sources continuously stress the importance of more localized property management. Before large-scale federal budget cuts, NYCHA had more localized property management, and residents living in developments at that time recall much more responsive maintenance.

Currently, the only in-person points of contact, for residents are two drop-in centers, one on Atlantic Avenue in Brooklyn and one on Fordham Road in The Bronx, which handle public housing applications, Section 8 issues, maintenance and repair requests, and complaints. These centers are open only during regular weekday working hours, 8:00 AM - 5:00 PM, Monday through Friday, leaving them unusable resources for residents with other commitments during the workday. Only a little over 3% of NYCHA residents live within one mile of these centers. In addition to the drop-in centers, there is a NYCHA call center whose function is to relay requests for repairs to the relevant NYCHA development. Since the call center's main purpose is simply to route a complaint or request, it would make sense to reassign employees to be in-person points of contact in local developments and transfer the functions of the call center to 311, which provides this function for virtually every other city agency. This function is also duplicated by the MyNYCHA app, which also has the advantage of providing a direct means of communication from the residents and retaining a written record of this communication and commitments by NYCHA for follow-up, as opposed to the call center where the specifics of a complaints may be lost or misinterpreted because of the indirect nature of the communication.

As part of a more localized property management system, property managers would need to be empowered with the flexibility and authority in a particular development to use their budget to address conditions. Proper language service would need to be ensured, with developments assigned employees fluent in languages spoken by local residents. Oversight structures would still need to be in place at the upper management level which would ensure prompt and fair treatment of all complaints, provide an avenue for escalating complaints that are not addressed, and audit the spending and fiscal responsibility of the local managers.

A Columbia Capstone project from May 2019 estimates that it would cost an additional $286 million a year to hire the staff necessary to return to a localized property management system with a superintendent in every building, a property management office in each development, and one skilled maintenance worker

for every 100 units. While this is an additional expense, representing an 8.2% increase in NYCHA’s operating budget, the additional operations cost of switching to this system should be weighed against the savings that would occur from more responsive and efficient maintenance in the form of less deterioration and need for capital repairs.

Consider Separate Housing Authorities or Property Management Entities

With approximately 174,000 units of housing, NYCHA is the largest property manager in the entire United States, and is several times larger than the next largest landlord in New York City.

Largest Property Managers in NYC:
Total Units Managed

<table>
<thead>
<tr>
<th>Property Manager</th>
<th>Total Units</th>
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</thead>
<tbody>
<tr>
<td>Rose Associates</td>
<td>11,974 units</td>
</tr>
<tr>
<td>Prestige Management</td>
<td>13,138 units</td>
</tr>
<tr>
<td>Orsid Realty</td>
<td>13,148 units</td>
</tr>
<tr>
<td>Charles H. Greenthal &amp; Co.</td>
<td>13,684 units</td>
</tr>
<tr>
<td>Wavecrest Management</td>
<td>15,514 units</td>
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<tr>
<td>Halsted Management</td>
<td>16,267 units</td>
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<tr>
<td>Metro Management Development</td>
<td>25,667 units</td>
</tr>
<tr>
<td>Akam Living Services</td>
<td>37,822 units</td>
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<tr>
<td>First Service Residential</td>
<td>53,302 units</td>
</tr>
<tr>
<td>Douglas Elliman Property Management</td>
<td>56,269 units</td>
</tr>
<tr>
<td><strong>NYCHA</strong></td>
<td><strong>173,762 units</strong></td>
</tr>
</tbody>
</table>

Scale is important in property management, allowing for efficiencies of procurement and management. However, there is a point of diminishing returns, where adding more units to a portfolio does not result in any more efficiencies. NYCHA has long since left this point of diminishing returns behind.

Even assuming the conversion of approximately one-third of the portfolio to project-based Section 8 through PACT to Preserve, there would still be more than 100,000 apartments managed by NYCHA. Forming several smaller management entities or authorities would still leave each one well above the number needed to provide efficiency of scale. In a sample division of NYCHA into 15 separate management entities based on proximate geographies, they would still represent 8 of the 20 largest property managers in New York City, with each managing more than 4,000 units of housing.

This would provide opportunities to test different management styles and strategies. Poor performing authorities could have their properties transferred to neighboring authorities or management entities if they were not able to provide sufficiently suitable maintenance.

It is important that these potential clusters be based on a thorough accounting of what would make for the most efficient management. This is likely not as straightforward as a simple borough-based system. Consider, for instance, not only the distance between Ravenswood Houses in Astoria and Redfern Houses in Far Rockaway, but the difference in state of repair, exposure to flooding and sea level rise, and physical building type.
Create a Skills-Based Exchange Program for Property Managers

For far too long, public housing has been thought of in a silo. With its own authority and funding sources, it has been a small government unto itself.

As one part of bringing NYCHA back into the City, opportunities for professional exchange for its staff should be developed as well, where property managers, superintendents, and other employees from NYCHA are placed in similar positions in private or non-profit managed buildings for a period of time and vice versa.

NYCHA developments are buildings like any other. Most are physically and structurally similar to many others built during the same post-war time period which are managed by non-profit or private entities. These other property managers, working in conjunction with unions and owners, could provide perspectives on different management styles and systems, and help build knowledge and skills in NYCHA’s workforce.

There is much that other private and non-profit managers can learn from NYCHA developments and employees as well. Because of the poor condition of many of the buildings now, the challenges of everyday maintenance are likely greater than most other buildings in the city. Hands-on experience with this would be invaluable for superintendents and property managers, especially if they take over other physically distressed buildings.

This would also serve to broaden job possibilities for both NYCHA and private employees. NYCHA residents could, and should, be part of this exchange as a pathway toward employment opportunities both in and out of NYCHA.
Continue to Expand the Role of City Government in NYCHA Operations

NYCHA has made admirable headway in streamlining its responsibilities in the wake of losing significant funding and staff by transferring the management of certain responsibilities to relevant city agencies. This is most notable with Community and Senior Centers, which are now almost all scheduled to be managed by the NYC Department of Aging and NYC Department of Youth & Community Development, respectively. It is important to note that the finalization of these transfers needs to be completed and also come with a strategic plan for rehabilitation, instead of simply shifting responsibility for management without addressing physical needs.

Utilizing other city staffing and municipal infrastructure already in place when it comes to NYCHA will continue to be an important means of retaining and improving services while working within a constrained budget. There may also be opportunities to transfer out some pieces of NYCHA’s portfolio in a way that would qualify them for other ongoing income streams relating to supportive housing. For instance, the Senior Housing portfolio could be transferred to non-profit managers specializing in Senior Housing.

Another possibility could be parks and recreation elements, especially those near other New York City Parks and Recreation Department properties. There are several places where NYCHA open space and NYC Parks open space could be combined into a larger community asset managed by the Parks Department. This would allow NYCHA to benefit from the City, and the City to benefit from NYCHA. Because of the “Tower in the Park” typology of NYCHA developments, there are many possible opportunities for better open space, used by not just residents of the development but of the entire neighborhoods and City as a whole. Design that encourages use and open access will be paramount in this effort, and the Parks Department’s “Parks Without Borders” initiative could possibly be applied to NYCHA open space as well.

Bring Independent Voices to the Board of Directors

NYCHA is mayoral controlled, with the Mayor appointing all Board Members as well as the COO and CEO. It is vitally important that the Mayor continue to control — and be accountable for — NYCHA and public housing as a whole.

However, many mayorally controlled city authorities and boards — such as the City Planning Commission, Industrial Development Agency, and Health and Hospitals Corporation — also have Board Members appointed or recommended by other New York City elected officials.

This representation from other public officials and stakeholders ensures transparency and other avenues for stakeholders to address grievances, while not diminishing the responsibility and ultimate accountability of the Mayor. This should be added to NYCHA as well, in the form of a majority of Mayoral appointees on the board, but with at least one appointed by another elected official from New York City, such as the Comptroller or City Council Speaker. In addition, a resident representative directly elected by residents could also provide an important voice and directly represent the most important constituency of NYCHA.

It is true that NYCHA currently has strong and independent fiduciary oversight in the form of the federally appointed monitor. And there are currently several civic groups which monitor and evaluate conditions in NYCHA and make recommendations for change. However, neither of these are necessarily permanent structures.

Better structural oversight when NYCHA was in good repair could have allowed for its initial deterioration to be noticed by other elected officials and the public at large much sooner than it did.

If we manage to turn this situation around, we must make sure we do not repeat the mistakes of the past.
THE TIME TO ACT IS NOW

Our public housing will soon be in danger of physical collapse. The consequences of this will be drastic: to our budget, our neighborhoods, and our people. Again, the suggestions contained within this report are not a total solution. They are meant to be added tools, not substitutes for current efforts, and need to build on efforts already underway.

Most importantly, without implementation, ideas mean nothing. This report, and many other efforts, have provided a roadmap for the funding and reforms necessary to save NYCHA. But we must now travel down this road with no more delay. Each day we come closer to a point of no return — a point which is now imminent. All of us in New York City are responsible for doing our part to make sure this point is not reached.

New York has turned around situations more dire than this. We are the city that has rebuilt our subways, bridges, economy, and entire neighborhoods. We can rebuild our public housing as well. But the time to act is now.
Regional Plan Association is an independent, not-for-profit civic organization that develops and promotes ideas to improve the economic health, environmental resiliency and quality of life of the New York metropolitan area. We conduct research on transportation, land use, housing, good governance and the environment. We advise cities, communities and public agencies. And we advocate for change that will contribute to the prosperity of all residents of the region. Since the 1920s, RPA has produced four landmark plans for the region, the most recent was released in November 2017. For more information, please visit rpa.org or fourthplan.org.

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