THE COUNCIL OF THE CITY OF NEW YORK

Hon. Christine C. Quinn
Speaker of the Council

Hon. Rosie Mendez
Chair, Committee on Public Housing

Hearing on the Fiscal 2014 Preliminary Budget & the Fiscal 2013 Preliminary Mayor's Management Report

New York City Housing Authority

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New York City Housing Authority Overview

The New York City Housing Authority (NYCHA) provides affordable housing for low-income City residents by managing and maintaining 345 public housing developments with 181,000 apartments, housing approximately 420,000 authorized residents. NYCHA also administers Section 8 vouchers. The Authority manages new construction and rehabilitation of public housing buildings and units and also provides social services to its residents. NYCHA's budget is not part of the City's budget and NYCHA's fiscal year follows the calendar year. On January 16, 2013 the NYCHA board approved the Five-Year Operating Plan for Fiscal 2013-2017.

2013-2017 Operating Plan Highlights

Dollars in Thousands	**2013**	**2014**	**2015**	**2016**	**2017**
Revenues					
Revenue from Operations	$935,141	$987,825	$1,034,773	$1,073,098	$1,106,756
Other Revenues	2,204,647	2,138,238	2,207,977	2,259,084	2,296,379
Total Revenues	**$3,139,788**	**$3,126,063**	**$3,242,750**	**$3,332,182**	**$3,403,135**
Expenditures					
Personal Service	$1,270,957	$1,304,362	$1,333,543	$1,349,054	$1,375,906
Other Than Personal Service	1,868,521	1,908,776	1,964,067	2,021,546	2,064,355
Total Expenditures	**$3,139,478**	**$3,213,138**	**$3,297,610**	**$3,370,600**	**$3,440,261**
Surplus/(Deficit)	**$310**	**($87,075)**	**($54,860)**	**($38,418)**	**($37,126)**

NYCHA projects an overall surplus of $310,000 in 2013 and deficit of $87.1 million in 2014. The surplus in 2013 is primarily due to the one-time use of $90 million unrestricted reserves from the surplus value created in the Mixed-Federalization transaction and the planned Contract-Based Section 8 Properties transaction. If these funds were not available, the 2013 deficit would total $89.7 million. The chronic deficits are driven by federal underfunding of public housing and increased employee entitlement costs. The ongoing operating deficits for the out years are due to the federal government providing only 92% of the eligible funds that is determined under HUD's funding formula. This results in approximately $80 million less in operating subsidy each year.

REVENUE HIGHLIGHTS

- **Rent Equity Policy.** NYCHA projects that over 47,000 households are paying less than 30% of family income towards rent, as required by the federal Department of Housing and Urban Development (HUD). In 2011, the NYCHA board approved changes to the rent policy where rents for these "flat rent" households will gradually increase to 30% of family income subject to the maximum HUD-established fair market rent. This policy is expected to take effect the second quarter of 2013. This rent equity policy is expected to yield 4% compound growth in projected Tenant Rental Revenue over the 2013-2017 period, from

$917 million in 2013 to $1.086 billion in 2017, for a total increase of $169 million from this initiative.

- **Unsubsidized Units.** NYCHA owns and operates 21 developments, consisting of approximately 20,100 units, which were originally financed by the City and State of New York but later brought into the federal program. Under an agreement with HUD, the Authority was permitted to use the resources of the remaining housing portfolio to finance the operating costs of these units. In 2008, NYCHA was given authority to convert 8,400 public housing units at these developments to Section 8 assistance through a voluntary conversion plan (VCP). Additionally, through the Mixed-Finance Federalization transaction that was closed in 2010, NYCHA was able to get a federal operating subsidy for 11,743 units in these developments. This added approximately $60 million of annual federal operating subsidy. As of December 31, 2012, less than 2,900 of the units covered under the VCP have been converted to Section 8 assistance. Under the current five-year operating plan, NYCHA expects to convert another 4,300 unfunded public housing units to Section 8 assistance beginning in 2014. This initiative will double the VCP subsidy income from $43 million in 2013 to $104 million in 2017. NYCHA also intends to work with HUD over the coming year to develop a new conversion plan.
- **Develop Ancillary Revenue Streams.** Additional revenues can be generated through NYCHA's market-rate commercial property rentals, increases in parking revenue, development of new advertising and sponsorship revenues, and the sublease of underutilized administrative office space. These revenues are expected to grow from $38 million in 2013 to $45 million in 2017. This initiative will require partnership with residents and other city stakeholders.
- **Infill Development/Land Lease Strategy.** NYCHA plans to lease underdeveloped land at select infill sites to developers in order to generate additional income streams. A Request for Proposals (RFP) will be released in 2013, which will seek bids from developers for the rights to build on 16 infill sites, or approximately 3.8 million square feet of residential zoning area in Manhattan below 110th Street. No rezoning is required and there will not be any displacement of existing housing. Some nonresidential facilities, such as parking lots, trash yards, and community centers will be affected. These nonresidential facilities will be rebuilt by the selected developers so that NYCHA residents do not lose resources. The largest tower would contain just over 500 units and the smallest would be as few as 50 units. The development sites will be located in Council Members Chin (1,322,658 square feet), Mendez (684,145 square feet), and Mark Viverito's (1,841,274 square feet) districts. The buildings will be constructed on the edge of the NYCHA developments in order to integrate with the neighborhood and provide additional security for NYCHA residents. Of the projected 4,330 new units, 20%, or 860, will be affordable to households at 60% Area Median Income (AMI) or below. The Authority will prioritize NYCHA residents, especially those in the effected developments, for the new affordable housing stock. NYCHA projects the average unit size to be 890 square feet. By providing these affordable housing units, the developers will receive 421-a tax abatements. Under this plan, there will be no City subsidy funds required.

  The estimated total land value of these properties is between $513 million to $760 million ($135-200 per square foot). NYCHA will maintain ownership over the land and enter into a

99-year unsubordinated ground lease with the developer. Proceeds from the lease will move from the operating budget into the capital budget in order to finance capital rehabilitation work at existing developments. The total annual ground rent payments to NYCHA is expected to reach $31-46 million after conveyance of all infill sites based on a 6% return on the estimated land value. Ground lease payments will remain fixed for the initial 35 years. NYCHA's Five-Year Operating Plan estimates revenue to be $16 million in 2015 and growing to $32 million in 2016-2017. The Authority will also be able to borrow against the lease revenue stream.

The developers will be required to meet all 421-a criteria and under the program will receive a declining property tax exemption for the assessed value of the new multifamily development. These benefits will cover the construction period and then phase out by the end of a 20-25 year period depending on the development's location. Each infill project will be subject to Payment in Lieu of Taxes (PILOT), based on the value of the new building, less the reduction provided by the 421-a program. NYCHA will require the affordable units to remain for the term of the ground lease, even after the 421-a phases out. If a developer seeks to benefit from the City's inclusionary zoning program, it must comply with all of the Department of Housing, Preservation and Development's (HPD) program requirements and must receive HPD approval. Developers are free to seek other benefits, such as tax exempt bonds or 4% tax credits in addition to the 421-a , but might be subject to more extensive affordability restrictions and does not affect the 20% permanent affordability requirement.

During development, NYCHA will seek to facilitate resident construction jobs and permanent employment. NYCHA will also be building a micro-grid in each of the effected developments, which will provide electrical power to the entire site and help mitigate future problems during disasters like Superstorm Sandy.

Below is a breakdown of infill development sites:

Infill Development Site Summary				
Development	Location	Neighborhood	Residential Zoning Floor Area (SF)	City Council Member
LaGuardia	Madison Street	Lower East Side	134,210	Chin
LaGuardia	Rutgers Street	Lower East Side	121,428	Chin
Smith Houses	Robert Wagner Place	Downtown	363,000	Chin
Smith Houses	South Street	Downtown	704,020	Chin
Baruch	Houston Street	Lower East Side	175,000	Mendez
Baruch	FDR Drive	Lower East Side	298,000	Mendez
Campos Plaza I	E. 12th Street b/w Avenue A & B	East Village	89,700	Mendez
Meltzer Towers	E. 1st Street	East Village	121,445	Mendez
Carver	E. 102nd Street & Madison Avenue	East Harlem	150,834	Mark Viverito
Carver	E. 102nd Street & Madison Avenue	East Harlem	150,834	Mark Viverito
Douglass	Columbus Avenue & W. 102nd Street	Manhattanville	169,620	Mark Viverito
Douglass	Columbus Avenue & W. 102nd Street	Manhattanville	169,620	Mark Viverito
Douglass	W. 104th Street b/w Amsterdam & Columbus	Manhattanville	173,976	Mark Viverito
Douglass	W. 104th Street b/w Amsterdam & Columbus	Manhattanville	173,976	Mark Viverito
Washington	E. 99th Street (North Side)	East Harlem	350,000	Mark Viverito
Washington	E. 99th Street (North Side)	East Harlem	502,415	Mark Viverito
TOTAL			**3,848,078**	

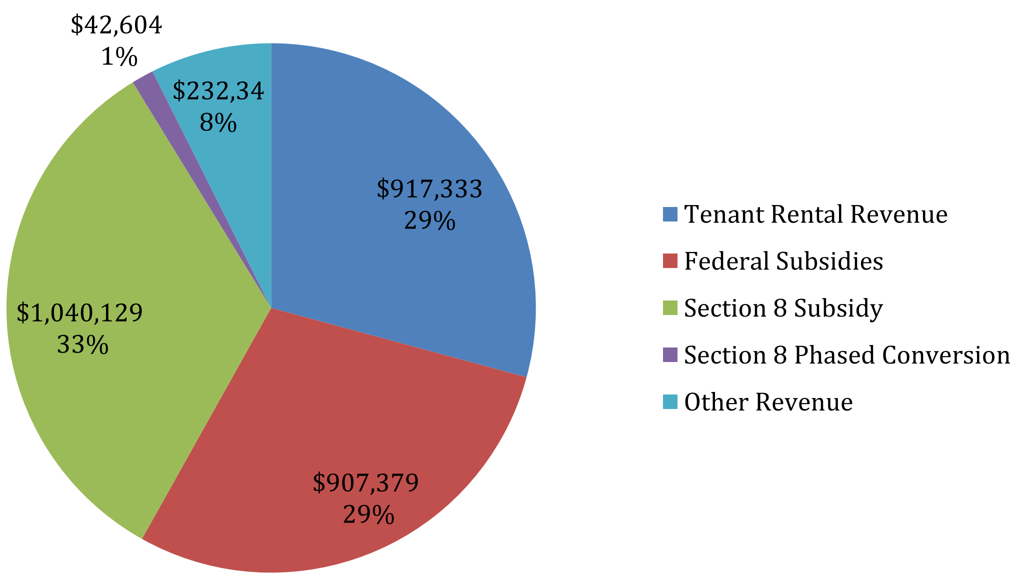
- **Mixed-Federalization transaction and the planned Contract-Based Section 8 Properties transaction.** The Mixed-Finance Federalization transaction was structured so that if construction rehabilitation and lease-up were successfully executed, then transaction sources would exceed uses for the low-income tax housing tax credit portfolio. After the completion of the final rehabilitation project in 2012 and repayment of financing, which is expected by mid-year 2013, any surplus becomes unrestricted funds. This surplus is approximately $65 million. The Contract-Based Section 8 Properties transaction pertains to a low-income housing tax credit transaction for the rehabilitation of 875 units through leveraging the cash flows of the portfolio and the sale of tax credits to an equity investor. NYCHA expects the transaction to generate $25 million. The Authority plans to close this transaction and begin construction before year-end 2013.

EXPENSE HIGHLIGHTS

- **Central Office and Administrative Efficiency.** The 2012-2016 Operating Plan incorporates approximately $35 million of annual savings (including salary and fringe) by 2016 through streamlining central staff and administrative functions. The current Operating Plan reflects an additional $10 million of full-time administrative salary reductions from the reduction of approximately 130 budgeted positions in each year. A total of $33 million from these reductions will be redirected to the frontline for maintenance work and repair.

- **Increased Pension and other Entitlement Costs.** In 2012, NYCHA annual contribution to the pension system increased 26.1%, from $119 million to $150 million due to a lowering of the discount rate and other actuarial changes. The Authority expects pension costs to increase from $153 million in 2013 to $173 million in 2017. Additionally, NYCHA obtains its health insurance plans through the City, which costs are projected to rise approximately 9% annually from $192 million in 2013 to $266 million in 2017. NYCHA actuaries also estimate that the expected 2013 losses for workers' compensation have increased to about 25% or $50 million over the 2012 estimated losses. These costs are expected to rise at approximately 3% annually from $59 million in 2013 to $67 million in 2017.
- **Maintenance and Repair.** NYCHA estimates that the cost to complete deferred maintenance and repair to apartment interiors is approximately $500 million, or $3,000 per unit. Through funding reimbursement from the Capital Program, the Authority plans to invest $15 million, or $5 million per year over the period of 2013-2015 for the backlog of apartment repairs. The City Council committed $10 million in City Fiscal Year 2013 for the hiring of an additional 176 positions to address maintenance and repair. Hiring was completed and is providing employment opportunities of NYCHA residents. The Operating Plan assumes that the funding will last until the end of 2013 but not thereafter.

2013 Operating Plan Revenues



*In Thousands

Other Revenue **In Thousands*	
Other Revenue from Operations	$17,808
Contract-Based Section 8 Properties Subsidy	10,698
Debt Service Subsidies	724
Categorical Grants	11,311
Capital Fund Reimbursements	80,011
Interest on Investments	1,720
Other	20,071
Mixed Finance Federalization Surplus	65,000
Contract-Based Section 8 Properties Surplus	25,000
Total Other Revenue	**$232,343**

NYCHA's total revenues for 2013 are approximately $3.14 billion. The primary source of revenue is from the Section 8 Housing Choice Voucher program, which accounts for approximately $1.04 billion, or 33% in subsidy. 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% 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 program.

Tenant rental revenues ($917.3 million) and Federal subsidy ($907.4 million) both account for about 29% of the Authority's operating revenues, respectively. Projected tenant rental revenue has increased $1.24 million in 2013 from the prior 2012-2016 Operating Plan. The subsidy for units that were converted to Section 8 assistance accounts for approximately 1% of operating revenue, or $42.6 million in 2013. While Other Revenue is approximately $232.3 million, $90 million of this stream is from one-time payments from the Mixed Finance Federalization Surplus and the Contract-Based Section 8 Properties Surplus.

Federal Operating Funding

Federal subsidies account for approximately 40% of NYCHA's General Fund and 100% of the Section 8 HCV Program revenues. NYCHA receives federal capital grants for infrastructure improvements and major rehabilitation to public housing buildings. As the capital needs of aging buildings grow, operating costs, such as maintenance and repair increase. 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.

From 2001 to 2012, proration resulted in a cumulative operating subsidy loss of over $750 million compared to eligibility. For 2012, the $3.96 billion national appropriation was almost $1 billion short of eligibility. HUD implemented a combination of an "operating reserve offset" and proration to distribute the $1 billion shortfall nationally. Due to the appropriation shortfalls, NYCHA suffered an approximately $70 million reserves offset in 2012, and lost an additional $45 million of subsidy through proration. This results in a combined loss of approximately $115 million, or an effective proration of about 89% for 2012.

CONTINUING RESOLUTION

The President's 2013 proposed budget was $4.524 billion for the public housing operating fund. While this request is $560 million above the 2012 congressional appropriation, it is $400 million short of national eligibility estimates and indicates a 90-92% proration for 2013. Appropriation bills put forth by the Senate and House sought $4.591 billion and $4.524 billion, respectively.

The federal government is currently funded under a Continuing Resolution (CR) through March 27, 2013. This CR continues funding at 2012 levels and includes operating reserve offset language. NYCHA is hopeful that instead of passing a full appropriations bill, Congress will fund the balance of 2013 with an additional CR and include a remedy for the $1 billion of unmet eligibility. If remedy language is not included, HUD will have $3.96 billion of funding, or approximately 80% of the total amount needed. HUD has informed NYCHA that they will be funded at the expected final appropriation level of $4.524 billion for the first three months of 2013.

SEQUESTRATION

Federal budget cuts pursuant to the default cuts contained in the 2011 Budget Control Act – known as sequestration – took effect on March 1, 2013. The cuts to so-called discretionary spending, which are 5.2% of annual appropriations, are equivalent to a 9% cut because they must be taken against unspent funds for the remaining 7 months of the federal fiscal year, through September 30th. The President and Congressional leaders indicated that they do not intend to re-visit the sequestration for the remainder of the fiscal year, making it a "done deal," at least until the impacts make themselves sufficiently felt to cause Washington decision makers to change their minds. However, even in the event that changes are enacted – if not sooner, then in time for Federal FY 2014, starting next October 1st – there will not be much relief.

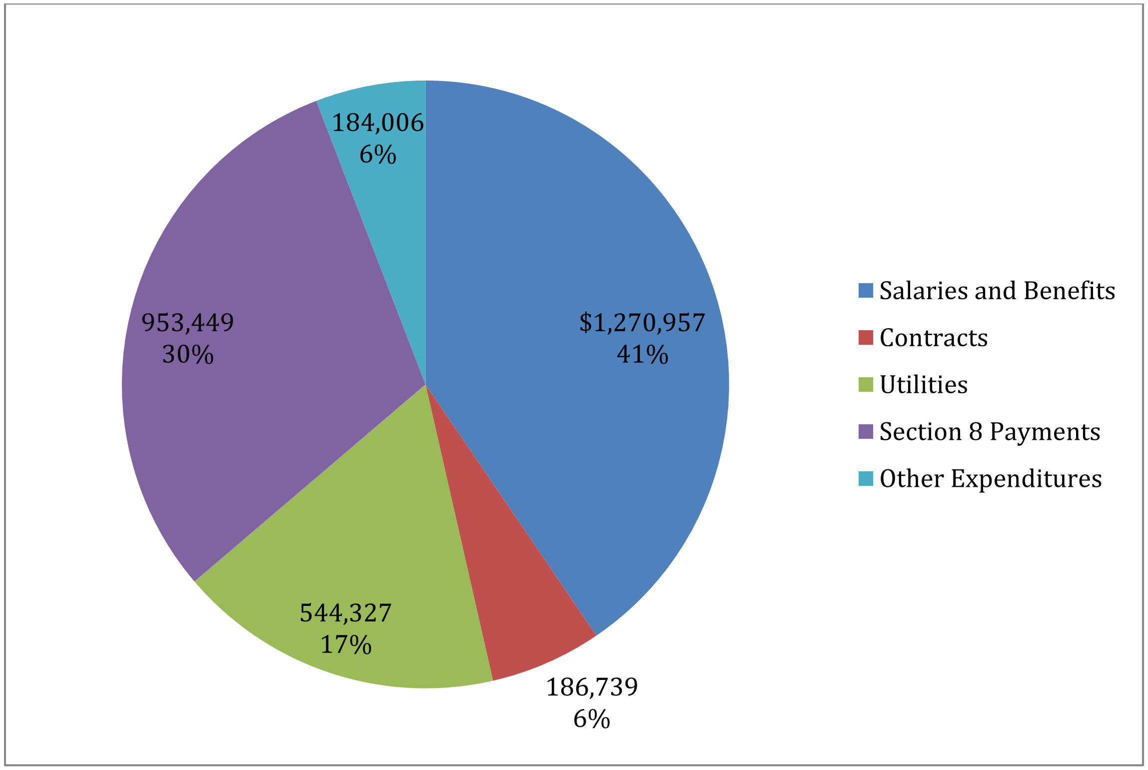
The sequestration is expected to have severe impacts on NYCHA in 2013, resulting in a $50 million cut in the Authority's operating fund which will cut staff by over 600 positions. This greatly impairs NYCHA's ability to eliminate its backlog and of maintenance and repair issues. Additionally, there will be a $75 million cut in Section 8 housing vouchers, equivalent to 6,400 fewer vouchers. Finally, the Authority's Capital Fund will be cut $14 million, threatening the progress of critical repairs and upgrades.

The risks to the full year CR or sequester are not reflected in the 2013-2017 Operating Plan.

SUPERSTORM SANDY

Superstorm Sandy caused substantial damages to hundreds of NYCHA buildings. The Authority has completed its initial damages assessments and commenced the insurance and FEMA claims process. The majority of costs are capital related and the impact of non-reimbursable costs on the operating budget is expected to primarily be an increase of property insurance. The expected needs and sources for permanent rebuilding will be reflected in the 2013-2017 Capital Plan.

2013 Operating Plan Expenditures



Other Expenditures **In Thousands*	
Leases	$35,693
Supplies	35,437
Equipment	17,334
Insurance	38,567
PILOT	28,459
Debt Service	695
Other	27,821
Total Other Expenditures	**$184,006**

NYCHA's total operating expenditures is approximately $3.14 billion for 2013. This is primarily salaries and benefits, which account for $1.27 billion, or 41% of the total. Section 8 payments also make up a substantial portion of the expense budget totaling approximately $953.4 million in 2013. The cost of utilities is also an expenditure that continues to increase and the Plan estimates a cost of $544.3 million for 2013. Of Other Expenditures, about $38.6 million is allocated for insurance in 2013. Due to Superstorm Sandy, NYCHA expects insurance to increase in the out years.

Uncontrollable and Controllable Expenditures

Uncontrollable vs. Controllable Expenditures (General Fund)		
	2013-2017 CAGR %	% of 2013 Cost Base
Uncontrollable OTPS (utilities, insurance, PILOT)	3.7%	29%
Uncontrollable PS (fringe, shift differential, other salary, retro)	5.6%	25%
Controllable OTPS (leases, supplies, equipment, contracts, other)	0.1%	14%
Controllable PS (FT and PT salary, seasonal, overtime)	-0.9%	32%

Over the last decade, NYCHA's cost per employee has risen 5.4% annually. During the same period, the Authority has also reduced its full-time headcount by nearly 3,000 from 14,547 in 2002 to 11,591 at the year-end 2012. This five-year Operating Plan projects the cost per employee rising 2.5% annually, while projected federal operating funding is rising only 1.1% annually. Uncontrollable Personal Service costs, which are mainly fringe benefits and other entitlements, are growing the fastest, at 5.6% annually between 2013 and 2017. Alternatively, Controllable Personal Service costs are expected to decline 0.9% over the same period due to reduction of central office support function costs in full-time salary and overtime.

Fiscal 2013 Mayor’s Management Report Performance Measures (July-Oct)

	Actual			Target		4-Month Actual	
Performance Statistics	FY 10	FY 11	FY 12	FY 13	FY 14	FY 12	FY 13
Apartments vacated	4.5%	4.6%	5.0%	*	*	N/A	N/A
«Occupancy rate (%)	99.5%	99.4%	99.2%	*	99.2%	99.2%	99.2%
Applicants placed in public housing	5,554	5,650	6,012	*	*	1,977	1,711
Working families residing in public housing (cumulative) (%)	47.2%	46.7%	48.0%	*	*	N/A	N/A
Disabled persons placed in public housing	24.1%	22.4%	23.9%	*	*	23.8%	27.0%
Families on Section 8 waiting list (000)	125	N/A	124	*	*	124	124
«Utilization rate for Section 8 vouchers (%)	101.0%	98.3%	95.3%	97.0%	97.0%	96.4%	94.8%
«Section 8 Occupied Units (certificates and vouchers)	100,570	95,898	93,789	*	93,789	95,132	92,669
Annual Section 8 inspections	97.73%	N/A	89.18%	*	*	85.08%	80.48%
Annual Section 8 recertifications	96.87%	N/A	86.36%	*	*	70.96%	94.97%
Applicants placed through Section 8 vouchers	7,523	N/A	421	*	*	216	249
«Apartments (000)	178	179	179	*	*	179	179
Number of developments	334	334	334	*	*	334	334
Number of buildings	2,604	2,597	2,597	*	*	2,597	2,597
Public housing apartments that are occupied or available for occupation	177,068	177,711	178,062	*	*	177,784	178,075
Rent collection (%)	98.7%	99.0%	99.2%	*	*	N/A	N/A
«Active capital projects on schedule (%)	38.7%	27.5%	29.1%	*	29.1%	28.9%	39.5%
«Active capital projects in construction phase on schedule (%)	87.4%	71.6%	91.1%	*	91.1%	77.8%	89.4%
«Average time to resolve emergency service requests (hours)	N/A	18.3	7.5	24.0	24.0	6.2	7.8
«Average time to resolve nonemergency service requests (days)	N/A	29.0	30.0	15.0	15.0	28.4	36.9
«Average time to resolve heat service requests (hours)	N/A	12.9	11.9	24.0	24.0	10.6	9.0
«Average time to resolve elevator outages (hours)	13.1	5.2	3.8	10.0	10.0	4.0	6.3
«Average time to prepare vacant apartments (days)	39.4	30.9	31.8	20.0	20.0	31.0	36.8
«Average turnaround days for vacant apartments	36.5	35.2	40.0	*	40.0	39.7	49.8
Annual HUD Assessment rating	79.0	80.0	N/A	*	*	N/A	N/A
«Average outage per elevator per month	1.15	1.08	1.01	*	1.01	1.14	1.04
«Elevator service uptime	97.9%	99.2%	99.4%	97.0%	97.0%	99.4%	99.1%
Elevator outages due to vandalism (%)	29.9%	31.8%	34.8%	*	*	33.5%	36.0%
«Alleged elevator injuries reported to DOB	30.0	24.0	13.0	*	ò	5.0	7.0
«Elevator related fatalities	0	0	0	*	ò	0	0
Management cost per dwelling unit ($)	$826	$858	$885	$867	$875	$858	$867
Crime Rate Year To Date	4.9	5.4	5.8	*	*	9.3	10.3
«Major felony crimes in public housing developments	4,090	4,406	4,771	*	ò	1,556	1,734
Residents approved for the Emergency Transfer Program	850	859	849	*	*	332	345
«Emergency Transfer Program disposition time	40.34	39.76	44.18	45.00	45.00	38.29	60.68
«Average daily attendance in community centers ages 6-12	2,402	2,800	2,447	*	2,447	2,502	2,034
«Average daily attendance in community centers ages 13-19	1,616	1,720	1,618	*	1,618	1,036	886
«Initial social service tenant contacts conducted within five days of referral (%)	78%	76%	76%	*	76%	85%	60%
Referrals to supportive social services rendered to senior residents	96,247	95,299	94,665	*	*	30,813	33,971
Community centers	67	70	70	*	*	70	69
Senior centers	40	38	38	*	*	38	38
Utilization of senior centers (%) ages 60+	155.9%	156.0%	157.0%	85.0%	85.0%	169.4%	136.0%
«Residents job placements	1,519	2,090	1,593	*	1,593	610	818
Job training programs - ratio of job placements to program graduates (current period)	133%	75%	61%	*	*	N/A	N/A
Youth placed in jobs through youth employment programs	1,343	1,127	1,188	*	*	N/A	N/A

The number of applicants placed through Section 8 vouchers increased 15% from 216 in 2012 to 249 over the same four month period in 2013. This is primarily due to new rentals from the transfer of applicants formerly in the HPD Home Program. Utilization rate for Section 8 vouchers decreased, from 96.4% in 2012 to $94.8% over the same period in 2013. This is below NYCHA's target of 97.0% utilization rate. Additionally, the Section 8 occupied units decreased 2.6%, from 95,132 to 92,669.

The number of applicants placed in NYCHA housing decreased 13% during the first four months of Fiscal 2013, from 1,977 in Fiscal 2012 to 1,711. The PMMR states that this is due to increased preparation time and rightsizing. The lag in preparation time is reflected in the average time to prepare vacant apartments, which has increased from 31 days in Fiscal 2012 to 36.8 days in Fiscal 2013. Additionally, the average turnaround days for vacant apartments increased from 39.7 days in Fiscal 2012 to 49.8 days in Fiscal 2013.

The average time to resolve emergency service requests increased 26% from 6.2 hours during the first four months of Fiscal 2012 to 7.8 hours during the same period in fiscal 2013. Although this is an increase it is still well below the target of 24 hours. Preparation for Superstorm Sandy in October also negatively affected this metric. With regards to non-emergency service requests, there was also an increase of 31% from 28.1 days during the first four months of Fiscal 2012 to 36.9 days during the same period in Fiscal 2013.

With regards to elevators, the average time to resolve elevator outages increased 58% from 4 hours during the first four months of Fiscal 2012 to 6.33 hours during the same period in Fiscal 2013. While the time to resolve was longer this period, NYCHA experienced fewer outages. The average number of elevator outages per car was down 9% from 1.14 outages per car to 1.04 during the same period. The elevator uptime was 99.1% and exceeded the target of 97%. The number of elevator related injuries increased from 5 to 7.

The initial Social Services tenant contacts conducted within five days decreased 25% during the first four months of Fiscal 2013 to 60% compared to 85% for the same period in Fiscal 2012. Family Services staff is often called away from scheduled home visits to attend to unforeseen emergencies for other tenants.

The referrals to supportive services rendered to senior residents increased by 10% during the first four months of Fiscal 2013 to 33,971 compared to 30,813 for the same period in Fiscal 2012. The increase reflects improved monitoring techniques that are better capturing and reporting services provided to residents.

NYCHA's Emergency Transfer Program (ETP) is available to NYCHA residents who are victims of domestic violence, intimidated victims, intimidated witnesses, or child sexual victims. The program is intended to enhance safety for at-risk residents by providing case management and confidential relocation services to another NYCHA development. ETP disposition time was up 58% from 38.3 days in Fiscal 2012 to 60.7 days in Fiscal 2013. During the reporting period, the backlog of ETP cases for disposition increased. As of October 31, 2012, ETP received 208 more cases compared to the same time period last year.

The resident job placements increased by 34% in Fiscal 2013 to 818 compared to 610 in Fiscal 2012. This indicator includes the number of residents placed by NYCHA's Department of Resident Economic Empowerment and Sustainability (REES) and through Human Resources (HR). The overall 33% increase is due to a 44% increase in REES placements from 263 to 379 and a 27 percent increase in HR placements from 347 to 439.

Appendix A
2013-2017 Operating Budget (All Funds)

Dollars in Thousands	2013	2014	2015	2016	2017
Revenues					
Revenues from Operations:					
Tenant Rental Revenue	$917,333	$968,346	$1,014,825	$1,052,721	$1,085,938
Other Revenue from Operations	17,808	19,479	19,948	20,377	20,818
Total Revenue from Operations	**$935,141**	**$987,825**	**$1,034,773**	**$1,073,098**	**$1,106,756**
Other Revenues					
Federal Subsidies	$907,379	$934,042	$948,666	$948,038	$948,350
Contract-Based Section 8 Properties Subsidy	10,698	10,805	10,913	11,022	11,132
Debt Service Subsidies	724	621	525	438	360
Section 8 Subsidy	1,040,129	1,040,681	1,059,290	1,077,548	1,101,779
Section 8 Phased Conversion	42,604	54,891	73,022	91,582	103,961
Categorical Grants	11,311	3,378	3,382	3,175	3,175
Capital Fund Reimbursements	80,011	70,547	68,547	62,547	62,547
Interest on Investments	1,720	3,440	5,873	8,809	8,809
Other	20,071	19,833	21,559	23,525	23,866
Land Lease Strategy			16,200	32,400	32,400
Mixed Finance Federalization Surplus	65,000				
Contract-Based Section 8 Properties Surplus	25,000				
Total Other Revenues	**$2,204,647**	**$2,138,238**	**$2,207,977**	**$2,259,084**	**$2,296,379**
Total Revenues	**$3,139,788**	**$3,126,063**	**$3,242,750**	**$3,332,182**	**$3,403,135**
Expenditures					
Personal Service:					
Salary F/T	$636,782	$634,111	$629,100	$622,509	$622,986
Salary P/T	1,765	1,765	1,765	1,765	1,816
Seasonal	13,136	8,300	8,300	3,300	3,300
Retro	2,746	2,746	2,747	2,747	2,747
Overtime	58,938	53,938	53,936	53,932	53,932
Shift Differential	1,595	1,596	1,596	1,596	1,596
Fringe	536,539	582,445	616,633	643,734	670,058
Other Salary	19,456	19,461	19,466	19,471	19,471
Total Personal Service	**$1,270,957**	**$1,304,362**	**$1,333,543**	**$1,349,054**	**$1,375,906**
Other Than Personal Service:					
Leases	$35,693	$37,724	$40,578	$41,657	$43,014
Supplies	35,437	35,254	35,262	35,262	35,223
Equipment	17,334	12,270	12,283	11,908	11,908
Utilities	544,327	562,333	581,366	601,623	622,971
Contracts	186,739	184,302	184,324	184,125	184,396
Insurance	38,567	41,255	43,621	46,096	48,691
Section 8 Payments	953,449	976,176	993,157	1,009,862	1,026,526
PILOT	28,459	31,055	33,081	34,317	35,083
Debt Service	695	593	498	498	498
Other	27,821	27,814	27,897	27,998	27,845

Dollars in Thousands	2013	2014	2015	2016	2017
Land Lease Strategy Transfer			12,000	28,200	28,200
Total Other Than Personal Expenses	**$1,868,521**	**$1,908,776**	**$1,964,067**	**$2,021,546**	**$2,064,355**
Total Expenditures	**$3,139,478**	**$3,213,138**	**$3,297,610**	**$3,370,600**	**$3,440,261**
Surplus/(Deficit)	**$310**	**($87,075)**	**($54,860)**	**($38,418)**	**($37,126)**
Revenues					
Revenue from Operations	$935,141	$987,825	$1,034,773	$1,073,098	$1,106,756
Other Revenues	2,114,647	2,138,238	2,207,977	2,259,084	2,296,379
Total Revenues	**$3,049,788**	**$3,126,063**	**$3,242,750**	**$3,332,182**	**$3,403,135**
Expenditures					
Personal Service	$1,270,957	$1,304,362	$1,333,543	$1,349,054	$1,375,906
Other Than Personal Service	1,868,521	1,908,776	1,964,067	2,021,546	2,064,355
Total Expenditures	**$3,139,478**	**$3,213,138**	**$3,297,610**	**$3,370,600**	**$3,440,261**
Surplus/(Deficit)	**($89,690)**	**($87,075)**	**($54,860)**	**($38,418)**	**($37,126)**

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Appendix B
2013-2017 Operating Budget (General Fund)

Dollars in Thousands	2013	2014	2015	2016	2017
Revenues					
Revenues from Operations:					
Tenant Rental Revenue	$917,333	$968,346	$1,014,825	$1,052,721	$1,085,938
Other Revenue from Operations	17,808	19,479	19,948	20,377	20,818
Total Revenue from Operations	**$935,141**	**$987,825**	**$1,034,773**	**$1,073,098**	**$1,106,756**
Other Revenues					
Federal Subsidies	$905,702	$932,325	$946,908	$946,233	$946,233
Contract-Based Section 8 Properties Subsidy	10,698	10,805	10,913	11,022	11,132
Debt Service Subsidies	724	621	525	438	360
Section 8 Phased Conversion	42,604	54,891	73,022	91,582	103,961
Section 8 Management Fee	7,073	9,142	8,291	7,948	7,011
Capital Fund Reimbursements	80,011	70,547	68,547	62,547	62,547
Interest on Investments	1,720	3,440	5,873	8,809	8,809
Other	19,111	18,863	20,583	22,540	22,788
Land Lease Strategy			16,200	32,400	32,400
Mixed Finance Federalization Surplus	65,000				
Contract-Based Section 8 Properties Surplus	25,000				
Total Other Revenues	**$1,157,643**	**$1,100,634**	**$1,150,862**	**$1,183,519**	**$1,195,241**
Total Revenues	**$2,092,784**	**$2,088,459**	**$2,185,635**	**$2,256,617**	**$2,301,997**
Expenditures					
Personal Service:					
Salary F/T	$605,797	$603,905	$598,966	$592,541	$592,480
Salary P/T	1,538	1,538	1,538	1,538	1,538
Seasonal	8,286	8,286	8,286	3,286	3,286
Retro	2,733	2,733	2,734	2,734	2,734
Overtime	56,958	51,957	51,956	51,952	51,952
Shift Differential	1,594	1,595	1,595	1,595	1,595
Fringe	511,810	558,696	591,562	617,268	642,268
Other Salary	18,592	18,597	18,602	18,607	18,607
Total Personal Service	**$1,207,308**	**$1,247,307**	**$1,275,239**	**$1,289,521**	**$1,314,460**
Other Than Personal Service:					
Leases	$31,527	$33,402	$35,814	$36,717	$37,969
Supplies	35,155	35,154	35,163	35,163	35,124
Equipment	12,742	9,314	9,293	9,293	9,293
Utilities	544,093	562,096	581,127	601,384	622,729
Contracts	182,583	180,909	180,931	180,767	181,038
Insurance	38,417	41,094	43,449	45,913	48,496
PILOT	28,459	31,055	33,081	34,317	35,083
Debt Service	695	593	498	498	498
Other	25,231	25,338	25,436	25,554	25,659
Land Lease Strategy Transfer			12,000	28,200	28,200
Total Other Than Personal Expenses	**$898,902**	**$918,955**	**$956,792**	**$997,806**	**$1,024,089**
Total Expenditures	**$2,106,210**	**$2,166,262**	**$2,232,031**	**$2,287,327**	**$2,338,549**
Surplus/(Deficit)	**($13,426)**	**($77,803)**	**($46,396)**	**($30,710)**	**($36,552)**

Appendix C
2013-2017 Operating Budget (Section 8 HVC)

*Dollars in Thousands	2013	2014	2015	2016	2017
Housing Assistance Payments					
Revenues					
Total Housing Assistance Payments	**$1,009,790**	**$1,021,795**	**$1,057,715**	**$1,093,736**	**$1,129,913**
Expenditures					
Total Section 8 Payments	**$996,053**	**$1,031,067**	**$1,066,179**	**$1,101,444**	**$1,130,487**
Surplus/(Deficit)	**$13,737**	**($9,272)**	**($8,464)**	**($7,708)**	**($574)**
Administrative Fees					
Revenues					
Operating Subsidy	$72,943	$73,777	$74,597	$75,394	$75,827
Other	625	625	625	625	625
Total Revenues	**$73,568**	**$74,402**	**$75,222**	**$76,019**	**$76,452**
Expenditures					
Personal Service:					
Salary F/T	$28,839	$28,229	$28,167	$28,109	$28,109
Seasonal	14	14	14	14	14
Retro	13	13	13	13	13
Overtime	1,980	1,980	1,980	1,980	1,980
Shift Differential	1	1	1	1	1
Fringe	21,525	22,366	23,610	24,995	26,245
Other Salary	864	864	864	864	864
Total Personal Service	**$53,236**	**$53,467**	**$54,649**	**$55,976**	**$57,226**
Other Than Personal Service:					
Leases	$4,166	$4,322	$4,764	$4,940	$5,045
Supplies	99	99	99	99	99
Equipment	4,592	2,956	2,990	2,615	2,615
Utilities	234	237	239	239	242
Contracts	10,430	12,499	11,648	11,306	10,369
Insurance	150	161	172	183	195
Other	661	661	661	661	661
Total Other Than Personal Expenses	**$20,332**	**$20,935**	**$20,573**	**$20,043**	**$19,226**
Total Expenditures	**$73,568**	**$74,402**	**$75,222**	**$76,019**	**$76,452**
Surplus/(Deficit)	**$0**	**$0**	**$0**	**$0**	**$0**
Total Housing Choice Voucher Program Surplus/(Deficit)	**$13,737**	**($9,272)**	**($8,464)**	**($7,708)**	**($574)**

Appendix D
Plan-to-Plan Changes (General Fund)

Dollars in Thousands	2013	2014	2015	2016	2017
Prior Plan Surplus/(Deficit)	**($63,336)**	**($18,299)**	**$1,679**	**$3,074**	**$3,074**
Revenues					
Revenues from Operations:					
Tenant Rental Revenue	$1,238	$11,526	$16,417	$16,435	$49,651
Other Revenue from Operations	(2,622)	(1,492)	(39)	(39)	403
Total Plan-to-Plan Change in Revenue from Operations	**($1,384)**	**$10,034**	**$16,378**	**$16,396**	**$50,054**
Other Revenues					
Federal Subsidies	$0	($3,000)	($5,000)	($10,000)	($10,000)
Contract-Based Section 8 Properties Subsidy	93	94	95	96	206
Debt Service Subsidies	(323)	(310)	(153)	(147)	(224)
Section 8 Phased Conversion	(4,613)	(8,425)	930	17,102	29,482
Section 8 Management Fee	(1,957)	170	(865)	(1,248)	(2,185)
Capital Fund Reimbursements	3,854	(2,573)	(3,573)	(3,573)	(3,573)
Interest on Investments	0	0	0	0	0
Other	3,228	155	697	1,888	2,136
Land Lease Strategy	0	0	16,200	32,400	32,400
Mixed Finance Federalization Surplus	65,000	0	0	0	0
Contract-Based Section 8 Properties Surplus	25,000	0	0	0	0
Total Plan-to-Plan Change in Other Revenues	**$90,282**	**($13,889)**	**$8,331**	**$36,518**	**$48,242**
Total Plan-to-Plan Change in Revenues	**$88,898**	**($3,855)**	**$24,709**	**$52,914**	**$98,296**
Expenditures					
Personal Service:					
Salary F/T	$9,936	$8,108	$8,248	$8,530	$8,591
Salary P/T	26	26	26	26	26
Seasonal	(23)	(23)	(23)	(23)	(23)
Retro	(2,733)	(2,733)	(2,734)	(2,734)	(2,734)
Overtime	61	22	(27)	(89)	(89)
Shift Differential	1,356	1,355	1,355	1,355	1,355
Fringe	(51,749)	(69,625)	(75,495)	(74,352)	(99,352)
Other Salary	(7,562)	(7,571)	(7,576)	(7,581)	(7,581)
Total Plan-to-Plan Change in Personal Service	**($50,688)**	**($70,441)**	**($76,226)**	**($74,868)**	**($99,807)**
Other Than Personal Service:					
Leases	$393	($937)	($498)	($374)	($1,625)
Supplies	(4,699)	(4,694)	(4,698)	(4,697)	(4,659)
Equipment	(11,502)	(8,075)	(8,104)	(8,104)	(8,104)
Utilities	22,308	23,075	23,903	24,662	3,317
Contracts	2,789	4,460	4,491	4,646	4,375
Insurance	(466)	(954)	(1,016)	(1,079)	(3,662)
PILOT	(1,822)	(2,790)	(3,343)	(3,392)	(4,157)
Debt Service	0	0	0	0	0

Dollars in Thousands	2013	2014	2015	2016	2017
Other	$4,699	$4,707	$4,707	$4,706	$4,601
Land Lease Strategy Transfer	0	0	(12,000)	(28,200)	(28,200)
Total Plan-to-Plan Change to Other Than Personal Expenses	**$11,700**	**$14,792**	**$3,442**	**($11,832)**	**($38,114)**
Total Plan-to-Plan Change in Expenditures	**($38,988)**	**($55,649)**	**($72,784)**	**($86,700)**	**($137,921)**
Surplus/(Deficit)	**($13,426)**	**($77,803)**	**($46,396)**	**($30,712)**	**($36,551)**

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