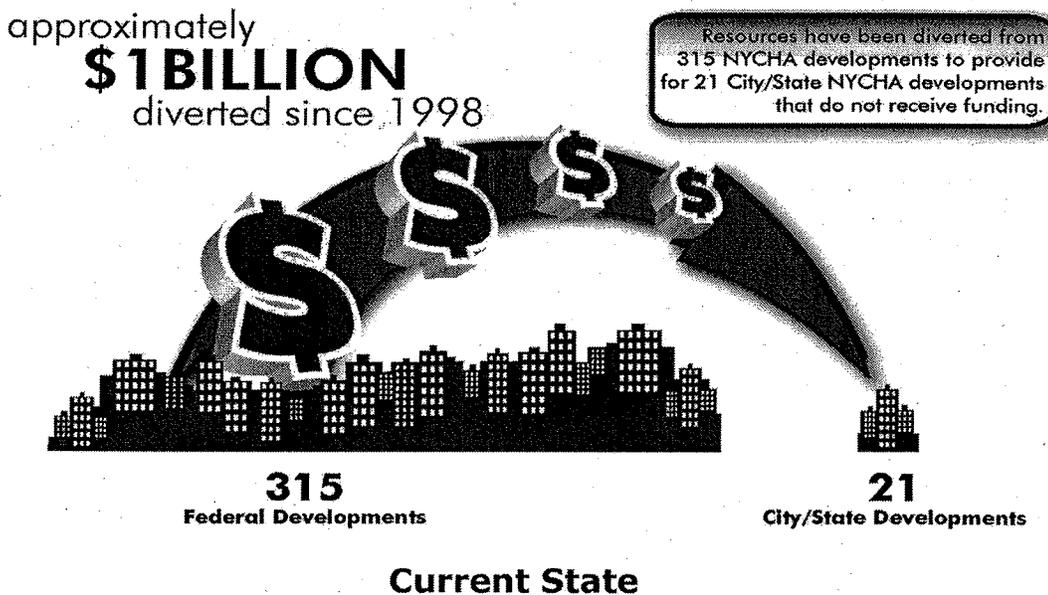


Mixed-Finance Modernization Plan ("Federalization")



The New York City Housing Authority has 21 developments built by the City and State for which the Authority does not receive funding to operate and maintain these developments.

- This has resulted in increasing operating deficits to NYCHA.
- Currently, NYCHA faces an annual deficit of approximately \$150 million.
- Approximately \$90 million of NYCHA's yearly deficit is due to meeting the unsubsidized operating and \$30 million of capital needs of these 21 built City and State developments on a yearly basis.
- Since 1998, NYCHA has made close to a \$1 billion investment in maintaining these properties without receiving funding from the federal, state or city governmental sources.



The Time to Act is Now

- Federalization has been a long term goal of Residents, Management and City/State and Congressional elected officials.
- As a result of the emerging stimulus legislation, there is now a one-time opportunity for NYCHA to bring additional money and bring the 21 City/State Developments formally into public housing.
- The Mixed-Finance Modernization Program is an initiative that NYCHA is pursuing to restore funding to a large portion of our housing portfolio.

The Mixed-Finance Modernization Program involves:

- A mixed-finance method that will involve a combination of federal and private funds;
- A creation of a limited partnership between NYCHA, a major financial institution and a non-profit entity.
- NYCHA will be a managing partner and maintain control and operation of the 21 developments.
- The Mixed-Finance Modernization Program must "close" by March 17, 2010; rehabilitation work will continue through 2012.
- NYCHA will continue to own the land where the developments are located and will continue to operate the community facilities and commercial spaces as it does now.

Proposed Future State



- Dedicated Federal funding for all 336 NYCHA developments
- Keep all units as Public Housing
- NYCHA will continue to manage the developments
- NYCHA will invest \$200 million over the next two years
- Improvements in building standards and conditions
- Better service to residents over the long term

NYCHA is Preserving Existing Public Housing Units for the Future

- NYCHA has preserved low-income housing over the past 75 years and will continue to do so into the foreseeable future.
- The Mixed-Finance Modernization Plan will allow NYCHA to continue to ensure that the buildings will be operated and maintained for the benefits of low-income residents into the future.
- Same rent schedules
- Same tenant rights
- No displacement
- NYCHA will remain a non-profit entity

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