

Testimony from NYCHA’s Chief Executive Officer Lisa Bova-Hiatt
Executive Budget Hearing – Public Housing
Committee on Public Housing with the Committee on Finance
Tuesday, June 2, 2026 – 2 p.m.
New York City Hall Council Chambers

Chairs Chris Banks and Linda Lee, members of the Committee on Public Housing and the Committee on Finance, other distinguished members of the City Council, NYCHA residents, community advocates, and members of the public: good afternoon. I am Lisa Bova-Hiatt, NYCHA’s Chief Executive Officer. I am pleased to be joined by Chief Operating Officer Eva Trimble, Executive Vice President of Finance and Chief Financial Officer Annika Lescott-Martinez, Interim Chief Asset and Capital Management Officer Dylan Baker-Rice, and other members of NYCHA’s leadership team. NYCHA’s Board of Directors approved our adopted budget in November; thank you for this opportunity to share updates on NYCHA’s fiscal outlook for calendar and Fiscal Year 2026, as well as the progress we’re making to transform our organization and residents’ quality of life.

The City’s Support for NYCHA

Since we last sat before the committee, Mayor Mamdani has released “Block by Block: A Housing Plan for a New Era.” NYCHA is a central part of the Mamdani administration’s recently released housing plan. Over the next four years and beyond, NYCHA will play an essential role in not only stewarding the City’s existing affordable housing, but also in creating new housing opportunities for current residents and other low-income New Yorkers. As laid out in the housing plan, NYCHA is focusing on programs and new initiatives to improve and expand upon its work within three core areas: addressing major capital needs and supporting effective operations that are accountable to resident experiences and participation, delivering deep capital reinvestment and positioning NYCHA and the Trust as 21st century stewards of publicly owned housing, and supporting economic mobility for NYCHA residents. With the City’s renewed focus, NYCHA will remain a valuable resource – a platform for opportunity – for the New Yorkers we serve.

In 2026, with a total of \$5.6 billion in the Five-Year Capital Plan across existing funds, investments made in the 2026 preliminary plan, and new additions in the Mayor’s first Executive Budget, the Mayor’s budget is dedicating the most City capital to NYCHA in recent history.

And we are incredibly grateful for the City's support of our mission – Mayor Mamdani and his administration are investing \$500 million in new capital funding over the coming years that will enable us to comprehensively renovate thousands of homes through our innovative PACT and Trust programs – initiatives which provide residents with fully renewed homes while maintaining their rights and protections as well as the integrity of our public housing. Additionally, approximately \$78 million in new City capital funding will enable us to address asbestos as well as to turn over thousands of vacant apartments more quickly. In addition, the City committed approximately \$76 million in new expense funding over Fiscal Year 2026 to Fiscal Year 2030 to address mold, elevators, and vacant apartments. All in, total City support for public housing and Section 8 conversions increased by about \$650 million for Fiscal Years 2026 to 2030 in the Fiscal Year 2027 Executive Budget.

In addition to new funding, NYCHA is currently investing over \$6 billion using City, State, and federal sources in its Section 9 properties across 500 capital projects.

Unprecedented Investment in Addressing Vacant Units and Increasing Move-Ins

In recent years, NYCHA has made significant progress in turning over vacant apartments to be occupied. Annual move-ins have increased by more than 50 percent since 2023, average turnaround time has been cut by 73 days since August 2024, and standardizing environmental testing and abatement has been implemented to ensure every turned-over apartment is lead-free, mold-free, and asbestos-safe. The lead and asbestos work are time consuming and costly, but critical to protecting resident health and safety. The average cost to make each apartment move-in ready is about \$59,000, driven mostly by environmental remediation requirements and the scale of repairs needed across an aging portfolio.

Further, the number of apartments requiring turnover work is not static, as people continue to leave NYCHA for various reasons. NYCHA also facilitates transfers of existing residents to newly open units, including statutorily mandated categories such as survivors of domestic violence or those requiring accessibility accommodations. As a result, vacancies continue to cycle through NYCHA's system even as turnover performance steadily improves. As of May 20, about 6,000 vacant apartments remain in NYCHA's portfolio.

To address these challenges, the City announced it is investing the largest capital commitment to vacant unit turnover in the City's history. In the recently announced Executive Budget and in the Mayor's "Block by Block" housing plan, the City committed \$256 million in capital funds and \$118 million in expense funds through Fiscal Year 2030 to restore vacant NYCHA apartments and prepare them for tenancy. With this additional funding, NYCHA will be able to renovate more units and house more New Yorkers in deeply affordable homes.

We thank the City Council for repeated advocacy and leadership on this issue. We will continue providing updates to the Council on our efforts to address the conditions in these units and bring more housing to as many New Yorkers as possible.

Funding Outlook

We remain laser-focused on our core mission of providing safe and decent affordable housing for hundreds of thousands of New Yorkers. To that end, we are making the best possible use of the limited federal funding that's available while also pursuing innovative strategies for bringing billions of dollars of investment to our properties – delivering to residents the quality of life that they deserve.

The figures in our adopted budget that we shared with the Council in March remain the same: We anticipate a balanced budget by year end, with \$5.6 billion in expected expenses matched by our total anticipated funding of \$5.6 billion, and we expect to invest \$3.6 billion in capital funding in our developments this year. However, the rent revenue deficit remains a major challenge – we collected only about 87 percent of the rent charged in April, and current arrears amount to approximately \$493 million across 61,000 households. We are relaunching an informational campaign to let residents know how they can get help with paying down their arrears.

Additionally, there is still uncertainty about the level of federal funding we will receive, and we remain concerned about federal funding cuts that could affect our operations. Congress's appropriations bill for 2026 decreases operating funding for public housing authorities nationwide by 14 percent. If NYCHA does not receive competitive shortfall funding from HUD to make up the gap, we would need to reduce operating spending by up to \$158 million by year

end. Even if we must make difficult choices to keep our budget balanced, we will always prioritize residents' health and safety, along with essential services.

Assisting Emergency Housing Voucher Program Participants

We know that members of the Council are as concerned as we are about the fate of the federal government's Emergency Housing Voucher (EHV) program. Once the federal government announced last year that it would be ending this critical program, with funding running out by the end of 2026 (four years earlier than expected), we began developing a plan to assist the approximately 5,200 NYCHA participants.

While NYCHA does not have the funding necessary to transfer EHV households to the traditional Housing Choice Voucher Section 8 program, we are working hard to provide them with a new subsidized housing option. To that end, we reached out to EHV participants through multiple rounds and modes of communication to encourage them to complete a public housing application, which we are accepting through this summer. As of May 27, we have received 1,275 public housing applications from EHV households, and we have begun matching some of those applicants with vacant apartments across our housing portfolio. The City has identified \$80 million in HOME-ARP funding to reallocate to HPD's HOME-TBRA Program to assist a portion of NYCHA's current EHV participants. The proposed use of funding is contingent on HUD approval. NYCHA takes seriously the timeline which we are operating under and is working with referral partners, participating in cross-agency working groups with City Hall and HPD to look for any approach to assist EHV households.

Strengthening NYCHA, for Today and the Generations to Come

We are wholeheartedly devoted to pursuing every possible strategy to ensure that NYCHA remains a vital resource of affordable housing for New Yorkers – for today and for the decades to come. Thank you for your critical partnership and support as we continue making progress on behalf of the families we serve. We are happy to answer any questions you may have.