



PACT

Permanent
Affordability
Commitment
Together

New York City's Rental Assistance Demonstration



As federal and state funding for public housing has dramatically decreased, NYCHA's developments have fallen into disrepair. There are few tools available to generate the money NYCHA needs to repair and renovate housing in the Authority's portfolio.

The *Rental Assistance Demonstration (RAD)* is a U.S. Department of Housing and Urban Development (HUD) tool, created by the Obama Administration for housing authorities to make necessary improvements and ensure long-term affordability. Under this program, major repairs are made to a specific development, when NYCHA shifts the federal subsidy supporting the development from the public housing program to the Housing Choice Voucher (Section 8) Program.

In New York City, the RAD program is called **PACT (Permanent Affordability Commitment Together.)** Apartments participating in PACT will be **permanently affordable** and maintain tenancy rights in line with those of public housing tenants.

PACT developments become permanently affordable through contracts that remain in effect in perpetuity, renewed every 20 years, eliminating any risks of rents becoming market-rate.

Overview:

Public-private partnerships, not privatization: NYCHA continues to own the land and oversee all major decisions. The Authority also has veto power.

Permanent affordability: Contracts that require the units to be permanently affordable are automatically renewed every 20 years, so all apartments remain permanently affordable.

Stable federal funding: Funding for renovation, repairs and maintenance shifts from the shrinking, unstable Public Housing (Section 9) program to the more stable Housing Choice Voucher (Section 8) program, providing residents with long-term security.

Guaranteed public housing rights: PACT residents have rights in line with residents in public housing including:

- Paying no more than 30% of income on rent
- Automatic lease renewal if a resident is in good standing
- The right to establish and operate resident organizations recognized by NYCHA
- Succession rights that are grandfathered in for current public housing residents
- The right to a hearing to resolve any grievances.

Building improvements: 5,000 units of permanently affordable housing are in line for improvements under PACT. After the needs of the buildings have been assessed, improvements could include:

- Comprehensive mold remediation and projects that could include roof replacements or façade repair
- New kitchens, bathrooms and flooring, renovated hallways and stairwells
- Lighting, new fencing, doors, windows, and new asphalt and concrete site work