

Facing mounting disrepair and mismanagement issues, the New York State Legislature created the Public Housing Preservation Trust, a public benefit corporation allowed to take on up to ten billion dollars in bond debt in order to rehabilitate NYCHA's housing stock.

## **WHAT DOES THIS MEAN FOR NYCHA TENANTS?**

The Preservation Trust may help raise funds necessary to address repairs in the short-term, but there's the potential for longer-term issues to arise:

For existing NYCHA tenants, voting to join the Trust means waiving their right to request a transfer to a different NYCHA complex. Instead, as Section 8 tenants, they can request a portable voucher (if one is available) to search for housing in the private market.

By taking on large amounts of debt, the way NYCHA manages buildings could change:

- The trust is allowed to pledge all federal funding and revenue stream to repay bond debt, which could lead to the prioritization of repayment over providing services to tenants.
- In the event of a default on bond debt repayment, bondholders could dictate how NYCHA manages buildings, demanding that money first be used to repay them.

## **WHAT'S NEXT?**

What happens next is in the hands of NYCHA tenants. In November 2023, tenants in Nostrand Houses in Brooklyn will vote on the future of their complex, with other NYCHA developments to follow, and can choose from one of three options:

- Remain public housing
- Join the preservation trust
- Join the RAD/PACT program

Read more about the Preservation Trust and upcoming vote in our Know Your Rights guide [here](#).