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**RPPH believes the following changes to the law Authorizing the Preservation Trust, Article 15 of the Public Housing Law, "New York City Public Housing Preservation Trust" are imperative to be made as soon as possible:**

- The law must be changed so that no properties will be transferred without approval after a vote in which **a majority of eligible voters at a specific development participate**; the law must require that 66% of eligible voters must vote before the selection is certified, Sec. 630(2).
- The law must require an audit of the **current resources available for the development under Section 9** and an **independent physical needs assessment** of their campus to be provided to residents before they vote as part of the “summary” required by Sec. 630(5)(b). It is imperative that residents get these so that any decision they make through the voting process is meaningful.
- The law must require that NYCHA disclose **how much bond financing** will be used for each development in addition to vouchers as part of the as part of the “summary” required by Sec. 630(5)(b).
- The law must require that NYCHA facilitate and directly fund resident access to an **independent tenant advisor** to guide outreach strategy and assist in evaluation of the options prior to the voting process. (This should be added to Sec. 630).
- The law must be amended to **prohibit the Trust from backing its debt with housing** that it will get from NYCHA. In Section 637, remove Sec 13 and in Sec 14: change "the fee ownership of" to "any ownership interest in." Throughout last year, NYCHA staff indicated in public discussions that the intent of Section 14 was to prohibit the Trust from backing debt with property; the law must be amended to reflect that intention.

## THE RESIDENTS TO PRESERVE PUBLIC HOUSING (RPPH)



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- The law allows the Trust to issue bonds to finance renovations up to \$10 billion. Since only 25,000 units are permitted to be transferred to the trust, that means \$200,000 in debt financing per unit. This is an enormous number. The theory behind a transfer to the Trust that has been sold to elected officials is that the Trust will be able to access Tenant Protection Vouchers (TPV) for financing, a stream of public funding that NYCHA cannot reach. Debt financing is only supposed to be secondary to vouchers - the Trust should not be allowed to leverage the assets it gets from NYCHA for \$200,000 per unit. That's simply fiscally irresponsible. The **financing limit should be lowered to \$5 billion**, which will still provide a backup on top of TPVs of \$100,000 per unit. Sec. 637(2).
  - Restrict the Preservation Trust (PT) ballot to the PT question only, eliminating the possibility of both other options and other ballot items.
  - The law must be amended to require New York City and/or New York State to pay any outstanding debts in the event the Trust should default on its obligations, or cease to exist