

What is RAD/PACT?

Part of the NYCHA Real Talk series

This workshop can help you facilitate conversations about NYCHA's plans to use RAD/PACT to address their building management problems.

Once the group you're working with understands the basics, you can have a broader discussion about the best ways for NYCHA tenants to hold NYCHA accountable or what tenants want to prioritize fighting for.

Throughout the workshop, there are places to ask the participants questions. We suggest taking answers from a few participants. Depending on how much time you have for the workshop and how interactive you want it to be, you can have more participants respond.

- Introduce yourself and the purpose of today's workshop. Ask everyone to introduce themselves, it helps warm people up for participating later on in the workshop!
- Make sure everyone has the workshop handout. Mention that it summarizes the main ideas, and also has contact information for people who can help.
- If this workshop is taking place virtually:
 - You can either send the handout to participants ahead of time, share it in the chat, or tell participants that the handout will be sent out afterward.
 - Remind participants to leave their camera on so everyone feels like they're in the same room!



[Slide 1: "What is RAD/PACT?"]

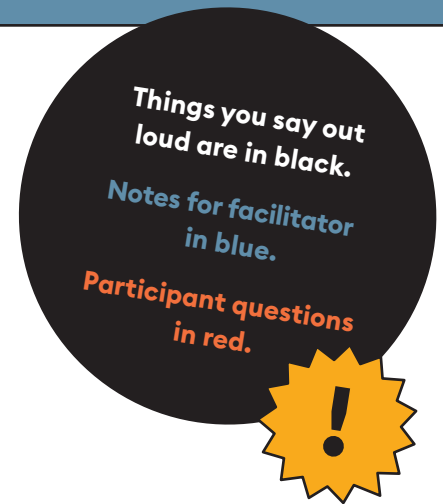
- Today we are going to run a workshop explaining how NYCHA is trying to fix their building maintenance issues. They have a few different plans for how to do this, and we will talk about what they are. We'll also talk about what NYCHA says are the benefits and drawbacks, so that we can decide whether we support these programs or not.



[Slide 2: "NYCHA buildings need repairs"]

Note: If you are doing both the RAD/PACT and Infill parts of the workshop together, you only need to do the next two slides once.

- NYCHA manages public housing buildings in NYC. Around 400,000 – 600,000 people live in NYCHA buildings.



- NYCHA has serious funding problems. Some of the money that pays for NYCHA comes from the city and state governments. But most of it comes from the federal government in Washington DC.
- The problem is that, for decades, the federal government has been steadily reducing the amount of money they pay to NYCHA.
- Because of lack of funding, NYCHA buildings now need \$40 billion in repairs!



[Slide 3: “What’s NYCHA’s plan?”]

- NYCHA has two ideas to raise funds.
- **Has anyone heard of these ideas and know what they’re called?**
 - Depending on how they answer, say:
 - They’re called “NYCHA 2.0” and “A Blueprint for Change.” NYCHA 2.0 has been around since 2018 and A Blueprint for Change is from 2020. NYCHA wants to use these plans to try and get private developers and landlords to take over the responsibility of maintaining and repairing NYCHA buildings.



[Slide 4: “What’s NYCHA’s plan?”]

- There are a few different programs within NYCHA 2.0 that are designed to get private landlords and developers involved:
 - RAD/PACT,
 - Infill,
 - and Transfer of Development Rights (TDR).
- They all have some good parts and some bad parts.
- Today we are going to go through the basics of the RAD/PACT program so you can decide if you support it, or want to advocate against it.
 - If you plan on talking about other programs in addition to RAD/PACT, e.g. Blueprint for Change, you can introduce them here.



[Slide 5: “What Is RAD/PACT?”]

- RAD/PACT is one of the programs NYCHA is using to try to deal with its repair problems.
- **Raise your hand if you’ve heard of this program.**



[Slide 6: “What Is RAD/PACT?”]

- **Does anyone know what RAD stands for?**
 - Depending on how they answer, say:
 - It stands for Rental Assistance Demonstration program.
 - RAD is what the federal government calls it. NYC decided to call it PACT.

- Does anyone know what PACT stands for?
 - Depending on how they answer, say:
 - Permanent Affordability Commitment Together.
- RAD and PACT work in the same way. You might hear it called either of these names depending on whether someone is talking about it from the perspective of the federal government, or NYC. And you might also hear it called “PACT To Preserve.”
- Does anyone know what the basic idea behind RAD/PACT is?
 - Depending on what participants share, add: Generally, it allows NYCHA to transfer its buildings to private landlords who then manage the buildings instead of NYCHA. It’s a way for NYCHA to transfer responsibility for buildings to private developers and landlords so it doesn’t have to maintain them any more.



[Slide 7: “How does RAD/PACT work?”]

- Traditionally, the federal government gives money to NYCHA and NYCHA uses that money to manage the building. Tenants pay up to 30% of their income back to NYCHA in rent.



[Slide 8: “How does RAD/PACT work?”]

- So how does RAD/PACT work? A landlord or management company leases one of NYCHA’s buildings. Then that landlord or management company is responsible for managing the building, making renovations and repairs, and collecting rents.
- Tenants pay 30% of their income in rent, but they pay it to the private landlord instead of NYCHA.
- The building is removed from public housing and changed into a Project-Based Section 8 building. Let’s look at how that works.



[Slide 9: “What is a Section 8 Building?”]

- While the federal government doesn’t want to fund public housing directly, they are willing to fund private landlords with public money. Section 8 is a program that does that.
- Raise your hand if you’ve heard of Section 8.

- Does anyone know how it works?
 - If someone knows, let them explain. Otherwise, say:
 - In Project-Based Section 8, a tenant lives in a building managed by a private landlord. This landlord gets two payments for each apartment – one from the tenant, who pays 30% of their income, and the other from the federal government, which pays the balance of rent. The total of both payments added together equals the “Fair Market Rent” which is just a fancy way of saying the average rent that a private landlord in the area can charge for any private apartment.
 - This can be confusing, so make sure everyone gets it before moving on:
 - So let’s go over that slowly one more time. In any Project-Based Section 8 apartment, the tenant pays 30% of their income, and the federal government pays more money, on top of that, to add up to the Fair Market Rent. Both payments go to the private landlord.
 - It is possible someone will ask about Section 8 vouchers. If they do, you can explain the difference between Section 8 vouchers and buildings to them:
 - There are two kinds of Section 8. The tenant-based Section 8 voucher program, and the Project-Based Section 8 program.
 - In Project-Based Section 8, the whole building is in the Section 8 program, and if a resident leaves, they can’t take the Section 8 benefits with them. In the voucher program, a tenant can go to any private building and try to get the landlord to accept their Section 8 voucher and take them as a tenant.
 - RAD/PACT is Project-Based Section 8. It’s converting the public housing building to a Project-Based Section 8 building.
 - Basically, all RAD/PACT is doing is converting buildings from Section 9 public housing – where the federal government pays NYCHA to run the buildings – to Project-Based Section 8, where the federal government is subsidizing a private landlord to run the buildings.



[Slide 10: “How likely is it that your building will be converted?”]

- NYCHA wants to shift responsibility for managing its buildings by using these RAD/PACT conversions.
- Having a private landlord involved also means that the landlord can bring in their own sources of money to help repair and manage a building.
- The federal government has already set up the rules for how to do RAD/PACT, NYCHA has already converted a bunch of buildings using RAD/PACT, and plans to do more.
- Does anyone know how many they’ve converted already?
 - NYCHA has already changed thousands of apartments through RAD/PACT in New York City, and is working on thousands more.

- Fill in here the current number of RAD/PACT conversions in the neighborhood you're doing this workshop in. You can look up this information at NYCommons.org here: <https://nycommons.org/resources/how-many-units-has-nycha-privatized-date>



[Slide 11: "NYCHA says residents will benefit from..."]

- We want to mention here again that we aren't necessarily supporting this program, but here is how NYCHA says the programs will benefit residents.
- When a public housing building is converted through RAD/PACT, the new landlord is supposed to make a bunch of renovations and repairs.
- **What kinds of repairs does your building need?**
 - Take responses from the participants. Depending on what they say, add:
 - Roof replacements, exterior upgrades, new kitchens and bathrooms, renovated common spaces, upgraded lighting, better security, improved outdoor areas.
 - These are all things that NYCHA is supposed to ask the private landlord to do. NYCHA is supposed to consider what the building needs, get resident input, and then share a list of the needed renovations and repairs with the landlord.



[Slide 12: "NYCHA says residents will benefit from..."]

- Residents will still have most of the same rights they had when their building was public housing.
- **What are some rights you have as NYCHA residents?**
 - Take a few responses from participants. Depending on what they share, add:
 - Residents have the right to pass their apartment on to a loved one.
 - Residents have the right to a hearing if they have grievances.
 - Residents have the right to organize through a residents association.



[Slide 13: "How could NYCHA residents lose out?"]

- **We talked about some of the benefits for residents of RAD/PACT, but what are some of the things we might worry about?**
 - Take a few responses from participants. They might bring up concerns you are not aware of yet.
- One big thing we might worry about is that in Project-Based Section 8, tenants pay 30% of their income, no matter what. While in public housing, residents pay up to 30% of their income. Some tenants, who are paying less than 30% of their income in public housing, might end up paying a lot more rent if they have to pay exactly 30% of their income.

- Another thing we might worry about is who is getting the money. In this program NYCHA is probably not getting very much money at all. Most of the money is passing straight from the federal government to the private landlord. This means the RAD/PACT program doesn't generate funds for other NYCHA buildings, like some of the other NYCHA 2.0 programs might. What it does is transfer responsibility for maintaining NYCHA buildings from NYCHA to a private landlord.
- We may also worry about private landlords taking over management.
 1. They don't have to follow through on making repairs and maintenance in the same way that NYCHA does. By court order, NYCHA has to answer to the Mold and Leak Ombudsperson and the NYCHA Monitor. Unfortunately a private landlord isn't accountable to either. They may also be less accountable to elected officials than NYCHA is.
 2. Private landlords are also much quicker to sue or threaten to sue tenants for being late with rent or other paperwork.
- **Raise your hand if you've heard of a public-private partnership before.**
 - The City calls RAD/PACT a "public-private partnership" because there's a public partner – NYCHA, and a private partner – the landlord, who work together.
 - If it's a 'partnership,' which partner is responsible for what? This is where it gets complicated. Since the private landlord is leasing the land from NYCHA, the landlord is supposed to do what NYCHA says. But it isn't really clear how NYCHA will monitor the landlord to make sure they are taking care of the building. It also isn't clear how easy it will be for NYCHA to get rid of a bad landlord. To find out you should keep in touch with community organizations that work on these issues, like GOLES.
 - Some people worry that over time, public-private partnerships will mean government agencies do less and the services they used to provide will only be available from private, for-profit companies. If this happened to NYCHA, there might be a lot less "public housing" in the long run.



[Slide 14: "How hard is it to do this?"]

- If NYCHA wants to convert a building through RAD/PACT, it has to go through the U.S. Department of Housing and Urban Development (HUD) approval process.
- This means that they have to show HUD that a few things are true:
 1. The plan is in the best interests of current residents.
 2. The conversion won't cause any difficulties or mess with how the development functions.
 3. NYCHA has developed its plans after talking with residents about them.
- This means NYCHA has to listen to resident input! If you disagree with their plans, make sure your voice is heard.



[Slide 15: “What’s the difference between the programs of NYCHA 2.0?”]

Note: If you are doing both the RAD/PACT and Infill parts of the workshop, you only need to do these next three slides once after you have gone through both.

- If you remember at the beginning, we talked about the three main programs of NYCHA 2.0. They were: RAD/PACT, Infill, and Transfer of Development Rights.
- This slide shows the basic differences between the three, in case you want to advocate for one over another.

Walk people through the highlights of each of the programs.

- RAD/PACT:
 - You will live in a building managed by a private landlord instead of NYCHA.
 - Building is converted from public housing (Section 9) to privately managed Section 8 housing.
 - Ongoing payments from the government and the tenants will go to the private landlord instead of NYCHA.
- Infill also called, “Build to Preserve”:
 - If your development gets a new “Infill” building, NYCHA will still manage your property.
 - A new building replaces the land on your NYCHA campus that might be a playground or parking lot or lawn right now.
 - NYCHA says that money raised will be used to make repairs to your NYCHA building, but money isn’t being raised right now.
- Transfer of Development Rights also called, “Transfer to Preserve”:
 - NYCHA still manages your building and no new buildings are built on NYCHA property.
 - NYCHA makes money by selling unused development rights to private developers to build new buildings near NYCHA property.
 - One-time payment from the developer is used to make repairs to your NYCHA building.



[Slide 16: “What’s going on in your development?”]

- These programs are going into place in NYC and other parts of the US.
- For example, RAD has been done in cities like Chicago, Philadelphia, and San Francisco.
- The NYCHA Annual Plan and NYCommons.org are both places you can find out more about what’s planned for your development.

Fill in here what’s going on in any of the participants’ developments.

- Has anyone heard about this? If so, would you like to share more details?



[Slide 17: “What can you do to get involved?”]

- Here are a few ways that NYCHA residents can get involved in organizing around RAD/PACT and other NYCHA 2.0 programs:
 - Get involved in your NYCHA resident association. This is a good way to find out if the city or NYCHA plans to bring any of these programs to your development.
 - Talk to your neighbors.
 - If NYCHA holds public meetings about these programs in your NYCHA development, show up and make your voice heard!
 - Contact local community organizations that are organizing around these NYCHA strategies.
 - Contact your City Council Member and let them know if you think RAD/PACT, Infill, or TDR are good things for NYCHA to do.

Fill in here the name of the local City Council member or local community organizations that can help.



[Slide 18: “Questions/Discussion”]

Note: If you are doing both the RAD/PACT and Infill parts of the workshop, you only need to do this section once after you have gone through both.

- Let people know what your organization is doing about RAD/PACT. Do you support it? Let participants know why. Are you against it? Help participants understand the drawbacks.
- Ask the participants if they have any more questions and answer them.
- Give participants information so they can follow up with your organization, or get involved in any organizing efforts you have planned.

Depending on how much time you have for the workshop, it can be helpful to have participants break off into groups to talk about some of the questions below. After, small groups can share out what they spoke about to the larger group.

- Has NYCHA already proposed one of these programs for your building or campus? Which one? Do you think it’s a good idea?
- If you had to pick one of the NYCHA 2.0 programs for your campus, which one would you pick, and why?
- Which of these do you think are good programs for NYCHA in general? Which ones are worth the trade-off of creating enough money versus NYCHA giving up resources?
- Would you prefer NYCHA didn’t try any of these programs? What are other ways NYCHA might be able to find funding?