VIA EMAIL: scousins@nysenate.gov; Speaker@nyassembly.gov; Lauren.Manberg@exec.ny.gov; tania.dissanayake@exec.ny.gov; CC: RosentL@assembly.state.ny.gov; kavanagh@nysenate.gov; DavilaM@nyassembly.gov; senatorpersaud@gmail.com; nyspio@otda.ny.gov

March 24, 2023

Honorable Kathy Hochul Governor of the State of New York NYS Capital Building Albany, NY 12224

Honorable Andrea Stewart-Cousins Majority Leader, New York State Senate Legislative Office Building, Room 907 Albany, NY 12247

Honorable Carl Heastie Speaker, New York State Assembly Legislative Office Building, Room 932 Albany, NY 12248

**Re: Funding Public Housing Rental Arrears in NY State** 

To Governor Kathy Hochul, Senate Majority Leader Andrea Stewart-Cousins, and Speaker Carl Heastie,

We, the undersigned, submit this letter in strong support of enacting a statewide emergency rental assistance program for public housing residents, and providing \$538 million for rental arrears at NYCHA and \$51 million for Public Housing Authorities in Western New York, Upstate, and Long Island. Including rental assistance funds in this year's adopted budget would protect the homes of more than 70,000 households statewide that were unjustly excluded from obtaining pandemic rental assistance. Overdue rents at public housing authorities in New York State total over \$500 million, most of which accrued during the pandemic. While tens of thousands of these households applied to the Emergency Rental Assistance Program (ERAP), the authorizing legislation deprioritized public housing tenants and others assisted households. We were disappointed to see the Executive Budget include no funding to cover these arrears. And despite including \$385 million and \$389 million, in respective proposals for assisted households who have applied for rental assistance in the Assembly and Senate One House Budgets, these funds only allow for coverage of applications to the State's ERAP program prior to the January 20th cut off date—meaning only a fraction of NYCHA tenant arrears can be covered and tens of millions less than what is needed in Upstate, Western, and Long Island PHAs. These plans leave out thousands of households that were eligible but didn't apply for various reasons, including confusion about their eligibility because of the language used by the State legislature.

No other state in the nation deprioritized the vulnerable households in assisted housing. Indeed, both Massachusetts and Maryland's ERA programs *prioritized* public housing tenants, with the understanding that public housing tenants only having to pay 30% of their incomes for rent doesn't preclude them from financial struggles. This is especially true in New York where most public housing residents live in the most expensive city in the world.

Public housing agencies cannot forgive rent (as per the Department of Housing and Urban Development's (HUD) <u>interpretation of Federal Law</u>), so the funding must come through a rental assistance program. We

are asking that NY State create a new rental assistance program to serve public housing residents and allocate \$538 million for NYCHA and \$51 million for Public Housing Authorities in Western New York, Upstate, and Long Island. Providing PHAs with the funding for the express use to cover public housing residents' owed rent would be a simple path forward to covering tenants' arrears in a way that falls within federal law. State lawmakers created and funded two special programs worth \$318 million to support those in need during the pandemic, one to cover rental arrears for private landlords, even if they already evicted the tenant, and another to assist high-income tenants. They can do the same for public housing residents in the FY 2023-24 adopted budget. Such a program must include the following rules:

- 1. Allow PHAs to receive funds without tenants having to apply one at a time.
- 2. Ensure the program covers total public housing arrears at the time of the law's implementation.
- 3. Ensure, going forward, assisted tenants will be liable for rent calculated as part of the Section 9 program and not subject to payment plans or alternative fees related to the rent paid by the assistance.

If the State doesn't act, evictions are a serious concern. Evictions have been threatened at NYCHA, and the agency has begun to take action against 2,600 households with substantial arrears from before the pandemic. Similarly, PHAs in Upstate and Western New York, and Long Island have started to take tenants to court including 1500 public housing tenants in Albany who are facing eviction.

We, the undersigned, urge Governor Kathy Hochul, Senate Majority Leader Andrea Stewart-Cousins, Assembly Speaker Carl E. Heastie, and the other members of the State legislature to provide public housing authorities **\$589.4 million** to address public housing arrears, stopping the healthcare crisis of our time from displacing thousands of low-income families.

Signed,

Center for Justice Innovation (CJI)

The Community Service Society of New York (CSS)

Community Voices Heard (CVH)

Enterprise Community Partners, Inc.

Good Old Lower East Side (GOLES)

**Housing Court Answers** 

The Legal Aid Society of NY (LAS)

New York Legal Assistance Group (NYLAG)

The Red Hook Initiative (RHI)

Red Hook West Resident Association

United Tenants of Albany

CC: Honorable Brian Kavanagh Chair, Senate Housing Committee Legislative Office Building, Room 512 Albany, NY 12247

> Honorable Linda B. Rosenthal Chair, Assembly Housing Committee Legislative Office Building, Room 942 Albany, NY 12248

Honorable Maritza Davila Chair, Assembly Social Services Committee Legislative Office Building, Room 844 Albany, NY 12248

Honorable Roxanne J. Persaud Chair, Senate Social Services Committee Legislative Office Building, Room 409 Albany, NY 12247