

Testimony from NYCHA's Chief Operating Officer Eva Trimble
Rent Arrears and Evictions (Resulting from Underfunding ERAP)
Committee on Public Housing
Wednesday, September 18, 2024 – 11 a.m.
New York City Hall Council Chambers

Chair Chris Banks, members of the Committee on Public Housing, other distinguished members of the City Council, NYCHA residents, community advocates, and members of the public: good morning. I am Eva Trimble, NYCHA's Chief Operating Officer. I am pleased to be joined by Chief Financial Officer Annika Lescott-Martinez, First Deputy General Counsel Hannah Roth, Managing Director of Strategic Operations for Real Estate Development Gillian Connell, and other members of NYCHA's team.

Thank you for this opportunity to discuss the critical matter of rent arrears, including its impact on the Authority and how we are working to address it. NYCHA was founded nearly a century ago to serve as a vital resource of truly affordable housing for low-income New Yorkers, and this mission remains the same today. Our goal is to keep residents housed, and that is why we have advocated vigorously for rental assistance funding from the government and implemented various supportive policies and programs that assist residents who are having trouble paying their rent.

Rent Revenue Is Vital to Serve Residents

Rent payments constitute one-third of NYCHA's operating budget, funding that is necessary to repair and maintain our developments and promote residents' quality of life. This revenue is especially critical considering that our aging buildings suffer from nearly \$80 billion in major capital needs, the consequences of decades of federal disinvestment from public housing. Unfortunately, we are currently collecting only about 68 percent of the rent owed, and rent arrears now stands at \$487 million – nearly four times what it was in 2019 and well beyond the ERAP funding we've secured for residents. All households must do their part in paying rent so that we can provide the quality of life that residents deserve.

As the largest public housing authority in the nation, and the city's most significant resource of affordable housing, we recognize the ability of affordable housing to stabilize and support – and offer a pathway to opportunity – for the hundreds of thousands of families we serve. As such, eviction rates are very low at NYCHA – substantially lower than at other public housing

authorities and substantially lower than the citywide eviction rate. Eviction is always a measure of last resort, after we have exhausted all other ways to resolve tenant issues, whether they are related to egregious cases of nonpayment of rent or major lease violations. After the nearly two-year pandemic-related eviction moratorium was lifted in January 2022, NYCHA executed only two evictions in all of 2022, 58 in 2023, and 174 this year, as of September 1. For context, NYCHA evicted 556 households in 2019 (a 0.3 percent eviction rate compared to the 0.12 percent eviction rate in the 2024 City Fiscal Year). The majority of the evictions for nonpayment of rent involved extremely high arrears, where the households owed tens of thousands of dollars – an average of more than \$15,000 in 2024.

In most instances of rental arrears, we are able to work collaboratively with residents to resolve the matter, with tenants paying their arrears and staying in their apartments as a result. Beyond evictions for the nonpayment of rent, evictions may also occur because of a serious lease violation or when the resident is not authorized to live in a NYCHA apartment.

Policies to Promote Housing Stability

To give you a sense of how dire and pervasive the situation regarding arrears is, consider this:

- As of September 1, there are nearly 70,000 households in arrears – almost half of all households – and 20,000 of those are senior-headed households;
- The average amount of arrears per household is \$6,915, representing an average of 14 months of arrears;
- Twenty percent of households owe more than \$10,000; and
- The average rent billed is \$651, though the average rent collected is \$399.

There are several policies and programs in place at NYCHA to assist residents who are falling behind in paying their rent. At the beginning of the pandemic, we launched a NYCHA-wide campaign to inform residents of the various ways they can get help, from one-time emergency assistance available from the City's Human Resources Administration to financial counseling opportunities from our partners. We work with residents experiencing hardship, developing payment plans that will enable them to get caught up on rent – there are more than 1,500 payment plans in effect currently, and the vast majority of them were executed this year alone. Significantly, rent is calculated based on household income; residents experiencing a loss in income can have their rent reduced to as low as zero – this is the case for residents of our

traditional public housing developments as well as our PACT developments, and it is a demonstration of how NYCHA serves as a powerful bedrock of stability in our communities.

There are also strong protections for residents at our PACT developments, in accordance with applicable federal rules and regulations. NYCHA requires our PACT partners to work with on-site social service coordinators to conduct proactive outreach to help connect families with resources, such as accessing public benefits or setting up installment payment plans. PACT partners must make every effort to avoid initiating a formal eviction proceeding in Housing Court, and NYCHA closely monitors these outreach efforts. In 2023, for instance, pre-eviction outreach was provided to nearly 5,000 households, and only 36 evictions occurred after this outreach (representing an eviction rate of 0.19 percent).

ERAP and Other Rental Assistance Programs

We are proud of our successful efforts to obtain ERAP funding for NYCHA residents, a great example of what we – NYCHA, residents, elected officials, and other advocates – can achieve when we work together. NYCHA has received a total of approximately \$159 million in ERAP funding, \$39 million more than we initially expected. We have already applied over \$148 million to residents' accounts and will continue to credit residents' accounts as funds are received. This funding has helped to bring down, and stabilize, rent arrears.

Initially, NYCHA residents were going to receive zero dollars in ERAP funding. But thanks to NYCHA's tireless advocacy in collaboration with partners like Mayor Adams, this Council, Governor Hochul, and the State legislature, NYCHA residents are receiving their fair share of these vital funds. This victory is a testament to our supporters' commitment to the well-being of public housing residents, and the strength and future of this agency. However, because of the delay, thousands of residents had ERAP applications pending for three or four years. In that time, many residents may have thought that their ERAP funding would resolve all of the arrears accrued – but it only provided a maximum of 12 months of assistance. Additionally, while the ERAP application was pending, NYCHA was precluded from bringing an eviction proceeding on the basis of nonpayment of rent. These factors led to a significant buildup of rent arrears.

To help address the buildup of arrears, we are implementing two additional rental assistance programs that will provide much-needed financial relief to residents who were impacted by the

pandemic. The State Covid-19 Rental Assistance Program (CRA) and federal HOME American Rescue Plan Program (HOME-ARP) will provide up to an estimated \$185 million to cover some or all of the rent arrears of eligible residents. We are soon launching a communications campaign targeted to residents we've preliminarily identified as eligible to let them know how they can obtain these critical funds.

Serving Residents and the Community

Our primary mission is to keep residents housed. As we have outlined, we are doing everything we can to accomplish this goal, to promote the well-being of NYCHA residents while also ensuring that the Authority has the funding to best serve NYCHA families. We look forward to additional conversations with you about how we can advance this work in service to the NYCHA community.

Thank you. We are happy to answer any questions you may have.



JUMAANE D. WILLIAMS

**STATEMENT OF PUBLIC ADVOCATE JUMAANE D. WILLIAMS
TO THE NEW YORK CITY COUNCIL COMMITTEE ON PUBLIC HOUSING
SEPTEMBER 18, 2024**

Good morning,

My name is Jumaane D. Williams and I am the Public Advocate for the City of New York. Thank you Chair Banks and members of the Committee on Public Housing for holding this hearing and allowing me the opportunity to provide a statement.

Due to the COVID-19 pandemic, New York State launched its Emergency Rental Assistance Program (ERAP) which is a housing relief program developed to assist eligible households that reside in NYS with rental arrears, utility arrears, and temporary rental assistance.¹ Applications opened on June 1, 2021 which were months before the extended state eviction protection was set to expire on August 31, 2021. If an applicant was approved, they would receive up to 12 months of rental arrears payment, up to 3 months of additional rent assistance for future rent, and up to 12 months of electric or gas utility arrears payments.²

As of June 30, 2021, NYCHA residents owed \$241 million in arrears and, in August 2021, more than 5,000 NYCHA residents applied for ERAP.³ Many residents were concerned about their applications since NYCHA did not complete the landlord portion nor communicated with them about their application.⁴ By the end of 2022, the number of applicants jumped to 31,330 with combined arrears of \$250 million.⁵

The state prioritized ERAP to assist private sector residents who were in rent arrears compared to NYCHA residents which were clearly the lowest priority. As we can see, this evidently excluded NYCHA residents from receiving any payments.⁶ Many NYCHA residents are low-income communities of color and the financial construct that initially excluded NYCHA from ERAP is discriminatory at its core. On top of all that, many NYCHA residents are dealing with dire living conditions with mold, leaks, and repairs not being done timely. My office released a report called, *[How the Other Half Lives in Public Housing](#)*, detailing some of the worst and dangerous conditions at NYCHA developments that were reported to my staff.

By November 2023, NYCHA residents' rent arrears were \$484 million across 71,000 households.⁷ The state's fiscal year 2024 budget had \$391 million to support ERAP applications across the state but only

¹ <https://otda.ny.gov/programs/emergency-rental-assistance/faq.asp#faq-benefits-q1>

² Id.

³ Id.

⁴ Id.

⁵ <https://citylimits.org/2022/12/22/nycha-blames-dreary-financial-outlook-on-454-million-in-unpaid-pandemic-rent/>

⁶ Id.

⁷ <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2024/03/NYCHA-1.pdf>



JUMAANE D. WILLIAMS

\$163 million was expected for NYCHA which is less than a third of the current rent arrears.⁸ During this time, NYCHA residents with pending applications were protected from eviction under the state law until a decision was made on their case. However, NYCHA residents who did not apply for ERAP received eviction notices. NYCHA evicted 2 households in 2022, 58 households in 2023, and 62 households in the first quarter of this year.⁹ According to the state's fiscal year 2025 executive budget, it does not include additional funding for ERAP, other expenses, or capital funds for NYCHA.¹⁰

NYCHA's long standing chronic budget deficit, coupled with the fiscal impacts of the pandemic is creating a financial burden on NYCHA that is unsustainable. New York State has always treated NYCHA differently and expects NYCHA to do more with less. For decades, NYCHA paid the City of New York for police services while private landlords did not and were not expected to. Also, NYCHA received a fraction of what private landlords received in the shelter allowance for recipients of public assistance. Undoing these two measures alleviated NYCHA's financial burden, but did not eliminate their chronic budget deficit, because NYCHA continues to be underfunded by the federal government.

I hope that during today's hearing the administration will provide more information on the state budget concerns. I would also like to know what the administration plans to do moving forward with the underfunding of ERAP and the impact it will have in recouping rent arrears. What will happen if NYCHA residents face homelessness due to eviction? Will our fatigued shelter system be available to support them? We cannot overburden our most vulnerable residents with responsibilities that belong to our leaders in government. We failed to protect them then and now we need to correct the problem.

Thank you.

⁸ Id.

⁹ <https://www.thecity.nyc/2024/07/02/nycha-evictions-rent-arrears-expensive-moving-costs/>

¹⁰ <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2024/03/NYCHA-1.pdf>



WRITTEN TESTIMONY FOR THE NEW YORK CITY COUNCIL, PUBLIC HOUSING COMMITTEE:
OVERSIGHT - RENT ARREARS AND EVICTIONS (RESULTING FROM UNDERFUNDING ERAP), BY
BROOKLYN LEGAL SERVICES CORPORATION A

September 18, 2024

Dear Chair Banks and members of the Committee on Public Housing,

My name is Jessica Rose and I am the Executive Director of Brooklyn Legal Services Corporation A ("Brooklyn A"). Thank you for continuing to examine the unmet needs of public housing residents and evaluating the resources needed to address them.

Brooklyn A is a civil legal service provider and member of the New York Legal Services Coalition (NYLSC) and the Leap Coalition. Our mission is to wield community-focused civil legal services to confront injustice. Brooklyn A works to ensure all New Yorkers have equal access to legal services to seek justice, make their voices heard, and overcome systemic oppression and racism. We address the myriad systemic issues facing our communities by providing a combination of legal assistance, including full legal representation, brief advice/services, and community education, to marginalized populations—including the low-income working poor, the unemployed or underemployed, the disabled, seniors, survivors of domestic violence, families in crisis, community-based organizations ("CBOs"), and largely women, immigrant, and BIPOC-owned small businesses throughout New York City ("NYC").

Brooklyn A's Preserving Affordable Housing (PAH) Program in Brooklyn and Queens provides legal representation and legal education and advocacy strategies to preserve and protect affordable housing, prevent eviction, combat tenant harassment and discrimination, and helps tenant organizations marshal the power of strength in numbers to protect the right to safe and sanitary housing. In Fiscal Year 2024, our PAH Program helped nearly 3,000 individuals maintain housing stability and supported 23 tenant associations to fight for habitable living conditions. While the need for these services has increased significantly and costs for providing services have increased, LSLINY has not been increased since Fiscal Year 2021 and LSWP was only increased last fiscal year, after multiple years of level funding.

Brooklyn A's aggressive housing practice prevents thousands of evictions of low-income tenants and their families each year by securing repairs and essential services; helping families obtain the benefits they need to pay rent arrears and afford future rent; and contesting illegally high rents, slowing the increasingly rising rent costs. This work by Brooklyn A is primarily funded at the city

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level by the Anti-Eviction: Full Legal Representation program (formerly the Homelessness Prevention Law Project), also known as the Right to Counsel program (RTC).

Brooklyn A also provides essential legal services to tenant groups, employing aggressive legal tactics to challenge landlords that neglect affordable housing properties in order to ensure that our tenant clients can live safely in their homes and their affordability is preserved. This group representation work is primarily funded by the NYC Anti-Harassment Tenant Protection (AHTP) program.

The Emergency Rental Assistance Program (ERAP) was a valuable eviction-prevention tool for many of our clients in the wake of the pandemic. However, because the state did not initially extend ERAP funds to NYCHA units, many public housing residents were unable to take advantage of the program even after it was expanded to all New Yorkers. NYCHA residents were told during the rollout that they did not qualify so they did not pursue the funds to help pay their arrears. Once the program was expanded to include public housing units, the state and city's outreach was insufficient to alert NYCHA tenants, including many of our clients, that they were now eligible to apply within a much shorter window of time. This left far too many public housing households unaware of this resource.

Unaddressed repairs are another serious concern, and a financial stressor contributing to rent arrears, for our public housing clients. The AHTP program does not currently fund representation for public housing tenants. Right now, we can only commence actions against NYCHA for individuals or group cases if there is a referral from the Family Justice Centers, the Office of Civil Justice, or HRA. This means public housing residents typically cannot make use of the valuable legal resources AHTP provides. In a public housing system that has an estimated \$78 billion of repair needs, there are countless residents living in inadequate, unsafe, or illegal conditions. Brooklyn A represents NYCHA tenants and expanding the scope of AHTP would give us a necessary tool to deliver justice for public housing residents.

Additionally, the reported 19 percent cut to AHTP is deeply troubling. We understand that the money was purportedly routed to the Anti-Eviction: Full Legal Representation Program (the Right to Counsel Program). While we share the City's goal of fully funding the Right to Counsel program, both these initiatives are critically important to New York tenants, public or private.

Expanding AHTP would allow us to take more cases like the group we successfully represented in Coney Island: Across seven NYCHA buildings in the neighborhood, the cooking gas was out for over a year—even as residents and local elected officials demanded this basic service be restored.

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Residents were forced to cook with hot plates or else buy food out, disrupting their diets and budgets with little acknowledgement from the city. We were proud to work with our 53 clients to restore the gas last year, but these kinds of injustices are far too common in NYCHA buildings. Whether it's cooking gas outages, no hot water, no heat in the winter, or other essential service outages, NYCHA residents too often go without a basic standard of living. If civil service providers had AHTP fully at its disposal, we could ensure timely solutions for these often underserved New Yorkers.

Access to free legal services makes a striking difference in the outcome of eviction proceedings: an analysis of Housing Court outcomes by the Office of Civil Justice from 2022 showed 78% of New York City tenants with a lawyer in eviction proceedings were able to stay in their homes and avoid facing the streets or the overloaded shelter systems.¹

The 2023 Annual Report from the Permanent Commission on Access to Justice estimated, New York State is short as much as \$1 billion needed in additional funding to assist all low-income New Yorkers facing civil legal issues.² Brooklyn A joins our fellow legal service providers in urging the state and city to maintain and expand its sources of funding for the Right to Counsel (RTC) and other programs to better meet the need to preserve affordable housing and prevent homelessness. The current funding level for RTC only supports legal representation for just over half of the NYC tenants who need services each year – the antithesis of the intent of the NYC Right to Counsel Law.

Under New York City's Right-to-Counsel (RTC) law, tenants facing eviction or NYCHA administrative proceedings are entitled to free legal representation and advice, and Brooklyn A is a proud RTC provider. However, as the RTC program has evolved due to the overwhelming need for these services, providers (and our hardworking staff) have been stretched thin, with attorneys, paralegals, social workers, and support staff working at or beyond capacity. RTC providers continue to advocate for increased City funding, but until the City fully funds the program so that it is scaled to the size necessary to meet the housing court docket, funding from other sources remains essential. Changes in state housing laws over the last five years have afforded tenants more robust defenses. This is clearly a net win for our clients, but it requires more complex legal practice and cases that last longer.

¹ Office of Civil Justice "Universal Access to Legal Services" report, 2022.

OCJ_UA_Annual_Report_2022.pdf (nyc.gov)

² New York State Unified Court System. "Report to the Chief Judge of the State of New York." November, 2023. Annual Reports & Appendices | NYCOURTS.GOV

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Brooklyn A joins our fellow legal service providers in urging the city to maintain and expand its sources of funding for the Right to Counsel and Anti-Harassment Tenant Protection programs so they can be fully implemented. The current funding level for RTC only supports legal representation for just over half of the NYC tenants who need services each year – the antithesis of the intent of the Right to Counsel Law.

The demand for civil legal services continues to grow, and increased funding is essential to provide continued support for eviction prevention work.

The majority of our state and city contracts are not structured to cover yearly increased costs including cost of living adjustments (COLA) and this needs to be remedied so that the contracts includes annual COLA increases as well as additional funding upfront to make up for the years without any such increases.

Fully funding civil legal service programs and addressing contracting challenges are parts of the solution to the housing affordability crisis plaguing NYC and the state. Keeping low-income people in their homes is essential not only for their individual well-being, but also as a bulwark against the loss of affordable rents in the housing market. When a low-income tenant is evicted, their apartment at times is not rented again to low-income tenants; as contrary to the law, unscrupulous landlords raise rents illegally or remove the apartment from the market altogether. Thus, as we move through the many stages of this housing and health crisis, we remain on the frontline of efforts to ensure that the needs of New York’s marginalized communities are met. We will continue to make the case for justice and equity.

We need maximum support to provide representation to keep New Yorkers in their homes, get repairs and restoration of essential services made, educate tenants on their rights, and represent tenants in danger of losing their homes in legal proceedings.

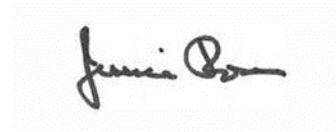
Pay parity is another high priority for Brooklyn A and our fellow NYLSC members. In 2023, NYLSC undertook a project comparing the pay of civil legal services attorneys to comparable Assistant Attorney General (AAG) positions within the Attorney General’s Office (see attached white paper and one-pager). The results demonstrate a shocking chasm: In NYC, an AAG makes a starting salary of \$90,000 compared to the average of \$69,000 for the same position at a CLS provider. After 10 years, an AAG earns \$134,000 per year, while the 10-year veteran at a CLS organization earns \$92,000.

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Simply put, entry level pay is 30% to 45% lower than their government counterparts. Those inequities grow as careers advance: at ten years of service, the gaps in pay between civil legal services attorneys and AAGs are as much as 75% in some areas of the state—21 years into civil service careers, the gap is 62%. We are therefore calling for pay equity to justly compensate our workforce. To meet the gap, the coalition estimates it will cost an additional \$170 million over the next three years, or \$57 million per year. It is the only way that we will ever make great strides in closing the justice gap.

Thank you for the opportunity to share this testimony and your continued dedication to delivering civil legal services to all New Yorkers.

Sincerely,

A handwritten signature in black ink, appearing to read "Jessica Rose", is centered on a light gray, textured rectangular background.

Jessica Rose, Esq.

Executive Director

Brooklyn Legal Services Corporation A

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Courtney Bryan. Executive Director

**Center for Justice Innovation
New York City Council
Committee on Public Housing
September 18th, 2024**

Good morning, Chair Banks and esteemed members of the Public Housing Committee. My name is Brianna Williams and I serve as the Senior Planner of Housing Justice Initiatives at the Center for Justice Innovation (the Center). Thank you for the opportunity to testify today.

The Emergency Rental Assistance Program (ERAP) was launched at the peak of the COVID-19 pandemic to help tenants falling behind on rent. However, despite experiencing COVID-19-related hardships and owing thousands of dollars in rental arrears, New York City Housing Authority (NYCHA) tenants were deprioritized and unable to receive ERAP assistance until earlier this year. By the time the state provided funds to support NYCHA tenants, there was only enough to relieve 15,000 of the roughly 70,000 NYCHA households in need.¹ This has left many residents who owe back rent living in limbo, waiting for the next shoe to drop. While NYCHA's 40,000 residents have their rent capped at 30% of their income before taxes, the average annual income for NYCHA households is just \$24,000, leaving little left over for food, utilities, medical expenses, and other necessities.² When families have an unexpected expense or loss of income, as many did during the pandemic, they can easily fall behind on rent. Once in arrears, NYCHA residents can find themselves in a hole that is almost impossible to crawl out of.

On top of this, many tenants were stuck paying more in rent than they should have as a result of laggard responses from NYCHA. By failing to certify tenants' incomes, the economic hardships faced by many during the pandemic went unacknowledged, their monthly rent payments unadjusted to accommodate for decreased hours or lost employment.

All the while, NYCHA continues to lag behind in addressing the \$80 billion backlog of repairs and hazardous conditions in NYCHA developments across the city. When repair tickets and in-person complaints go unanswered, tenants often use their lawful right to withhold rent in response to their landlord's failure to uphold the warranty of habitability. When NYCHA tenants experience utility outages for weeks, months, or even years, tenants incur additional expenses—replacing lost groceries, paying for restaurant dining, and purchasing other quality of life items—that often impact their ability to pay rent.

¹ Turner, T., & Evely, J. (2024, May 1). NYCHA Tenants Sue Over Early Exclusion From State Pandemic Rent Relief. <https://citylimits.org/2024/05/01/nycha-tenants-sue-over-early-exclusion-from-state-pandemic-rent-relief/>

² Bryan, C. (2023, February 28). The urgent need to fund public housing residents. <https://www.gothamgazette.com/130-opinion/11848-urgent-fund-public-housing-residents>

Eviction actions against tenants for rent debt accrued during the pandemic are on the rise with almost half of households in arrears.³ For families evicted from NYCHA, the next stop is often the shelter system. Homelessness is associated with a wide range of harms, especially for children, not to mention the substantial cost to the city. As the Center’s Executive Director Courtney Bryan wrote, evictions affect communities, “disrupting the ties that make them resilient and safe.”⁴

The Center works to prevent evictions, respond to hazardous repair conditions, and increase tenant financial and legal empowerment. By addressing issues early, we help keep people safely housed and avoid legal system involvement that can affect employment, family security, and future access to stable housing. The Center often serves as a bridge between the court system, city agencies, legal service providers, and communities, developing comprehensive strategies to advance access to housing and reduce housing insecurity. Our neighborhood-based work supports tenants taking actions on repairs, rent and lease issues in NYCHA.

Since 2001, the Center has operated two neighborhood-based housing courts, in Harlem and Red Hook, Brooklyn. Here, the Center’s housing resource staff provide court navigation, one-on-one assistance, and direct connection to a variety of resources and legal services for tenants. Over the past 23 years, staff have conducted over 42,000 intakes for residents in Red Hook and Harlem with housing concerns. In just this past year, our housing resource centers worked with 1,753 residents to help them remain safely, affordably housed.⁵ Building off of this, the Center has expanded our housing work to Mott Haven and Far Rockaway based out of our Bronx and Queens Community Justice Centers.

The Center’s housing resource staff provide court navigation, one-on-one assistance, and direct connection to a variety of resources and legal services for tenants. Our housing resource centers help tenants, supporting them in documenting and tracking their repair needs, as well as accessing and navigating the court system when needed to hold NYCHA accountable. We also work to achieve systemic reform through advocacy for open data on NYCHA’s housing code violations and for improvements to NYCHA’s work order systems. In partnership with the Office of Court Administration, the Center operates the Virtual Court Access Network in Harlem and Red Hook, helping tenants respond to housing court notices and file Housing Part Actions for repairs.

The Center also runs Legal Hand out of a collection of storefronts in Brooklyn, Queens, and Bronx communities. Legal Hand is staffed by highly-trained volunteers including both local residents and law students, trained to provide free legal information, assistance, and referrals. While they support visitors with a range of problems including public benefits, immigration, domestic violence, debt, and employment, support with housing concerns is the main type of help offered.

³ Center for Justice Innovation. (2023, March 8). Housing is Justice.

<https://www.innovatingjustice.org/about/announcements/housing-justice>

⁴ Bryan, C. (2023, February 28). The urgent need to fund public housing residents.

<https://www.gothamgazette.com/130-opinion/11848-urgent-fund-public-housing-residents>

⁵ Center for Justice Innovation. (2024). Justice Center Application database. [Data file].

Housing is the foundation for strong communities. We cannot address the rental arrears backlog in NYCHA through simply filing evictions for nonpayment of rent. To do so would cause wide-scale destabilization in some of the City's most vulnerable communities. To equitably address the post-pandemic rental arrears crisis, NYCHA should continue efforts to increase access to rental assistance for NYCHA tenants; work with tenants, property managers, and community-based organizations to reduce the backlog of past-due annual recertifications; and address repairs, utility outages, and other habitability concerns. Thank you for the opportunity to testify today.



Testimony of Juan Diaz
Citizens' Committee for Children of New York
Submitted to The New York City Council Committee on Public Housing
Oversight – Rent Arrears and Evictions (Resulting from Underfunding ERAP)
September 18, 2024

Thank you, Chair Banks and all the members of the Committee on Public Housing, for holding this oversight hearing on rental arrears and evictions at public housing units as a result of underfunding from the Emergency Rental Assistance Program (ERAP).

Since 1944, Citizens' Committee for Children of New York has served as an independent, multi-issue child advocacy organization. CCC does not accept or receive public resources, provide direct services, or represent a sector or workforce; our priority is improving outcomes for children and families through civic engagement, research, and advocacy. We document the facts, engage, and mobilize New Yorkers, and advocate for solutions to ensure that every New York child is healthy, housed, educated, and safe.

CCC is a steering committee member of the Family Homeless Coalition (FHC), a coalition comprised of 20 organizations representing service and housing providers, children's advocacy organizations, and people with lived experience with family homelessness. We are united by the goal of preventing family homelessness, improving the well-being of children and families in shelter, and supporting the long-term stability of families with children who leave shelter.

Housing providers, homeless service organizations, and those providing prevention services agree that there is a severe rental arrears crisis among low- and moderate-income New Yorkers. While much of this crisis was exacerbated by the COVID-19 pandemic, many families continue to struggle in our city. The "recovery" from the economic fallout of COVID-19 has significantly and disproportionately impacted families with children of color. The recently published [CCC's Keeping Track of New York City's Children: 2024](#) data book revealed that Black and Latino renter households face higher than average severe rent then the rest of the city population. Furthermore, marshal evictions continue to rise after the eviction moratorium expired in January 2022, with 12,000 in 2023

Additionally, families in public housing, along with those in affordable housing, were initially deprioritized in the Emergency Rental Assistance Program (ERAP). Though more money was eventually allocated in the FY24 NY State Enacted Budget to assist with arrears of families in public and affordable housing, the amount has been insufficient, and many families have been in arrears beyond the limited period that ERAP covers. The persistence of this issue threatens the housing stability of thousands of families who face possible eviction, and risks further burdening



our shelter system. It is also incredibly damaging for the mission-driven operators of affordable housing, including many longtime nonprofit organizations.

CCC and FHC partners are continuing to strategize and advocate around these core problems, with a focus on budgetary, legislative and process reforms, a few of which we want to bring to the Committee's attention today:

More Support for Prevention and Aftercare Services

Homelessness prevention and aftercare services for those placed in permanent housing have largely been centralized through Homebase providers' work. As more and more work has fallen under the purview of Homebase, and the need has increased due to the global factors we discussed, those providers have become overburdened. This has resulted in gaps and delays in delivery of these services.

There remains a need for upstream solutions, so that families who fall behind can relate to resources like One Shot Deals and CityFHEPS before arrears grow and the problem becomes unmanageable.

We recommend a major emphasis on the current system around prevention and aftercare services, with more dedicated resources for Homebase providers and additional pathways for help outside of the Homebase network to help facilitate assistance and reduce the burden on a handful of organizations.

CityFHEPS Reforms

As the legal process carries on with respect to CityFHEPS expansion, we stress the importance of expanding this critical resource. The City Council should consider alternate pathways to achieving some of the goals of the package of CityFHEPS legislation to reduce administrative delays and help get the voucher into the hands of families who need it.

Adequate Staffing and Benefits Processing

We applaud the emphasis in the last year on important priorities like reducing the backlog of One-Shot Deal cash assistance. This type of assistance must remain readily available to those who need it and who qualify, requiring vigilance on the part of administering agencies to ensure timelines are met and staffing levels are adequate.

Thank you for your time and consideration.

LEGAL SERVICES NYC | STATEN ISLAND

TESTIMONY BEFORE THE NEW YORK CITY COUNCIL COMMITTEE ON PUBLIC HOUSING REGARDING RENT ARREARS AND EVICTIONS RESULTING FROM UNDERFUNDING OF THE EMERGENCY RENTAL ASSISTANCE PROGRAM IN PUBLIC HOUSING

Submitted by Renee Martinez, Legal Services NYC

September 18, 2024

Greetings. My name is Renee Martinez and I am a senior case handling paralegal in the housing rights units at Legal Services NYC | Staten Island.

Legal Services NYC is a non-profit organization that fights poverty and seeks racial, social, and economic justice for low-income New Yorkers. LSNYC is the largest civil legal services provider in the country, with deep roots in all of the communities we serve. Our staff members assist more than 80,000 low-income New Yorkers each year and, along with other legal services providers in the city, Legal Services NYC is at the forefront of the fight to prevent evictions, preserve affordable housing, and ensure that our clients' apartments are safe and our clients are free from harassment. A significant part of Legal Service NYC's work is in the areas of tenant rights, eviction defense, and foreclosure defense—in addition to a range of other legal matters.

Specifically, Legal Services NYC represents public housing residents throughout the city in Housing Court, New York State Supreme Court, administrative proceedings, and in the federal courts. In our work, we witness the constant neglect and disrespect that our clients face living in public housing, including but not limited to deplorable housing conditions, rent overcharges, the lack of essential services, and unnecessary problems arising from recertifications and related rent setting issues. Most of our clients endure this because of the chronic shortage of affordable housing in NYC, meaning it is virtually impossible for many of them to live anywhere else in the City. The affordability crisis also means that our clients are often faced with complicated legal issues that arise when trying to calculate their correct rent under Section 8, often leading them to be improperly sued for rent they do not owe. However, sometimes emergencies arise and our clients to fall behind on their rent.

The Covid-19 pandemic had a disproportionate and devastating impact on low-income communities of color, particularly tearing through NYC's public housing complexes—resulting in some of the highest mortality rates. In addition to the density of their living conditions and

Demand Justice.

their likelihood of employment in an essential service industry, NYC public housing residents were a high-risk population because one out of four residents are senior citizens, and most of the residents are either African American or Latinx.¹ As a result of institutional racism, poverty and lack of access to healthcare, many of these residents had underlying conditions that increased the risk of death from COVID-19. As a result, our public housing clients faced immense financial and emotional distress from loss of employment, Covid-19 related deaths, and reduction in income. Emergency Rental Assistance Program (ERAP) grants are sometimes all that stand between a family of long-time public housing tenants and homelessness. But ERAP has severe limitations that exacerbate the issues public housing tenants are already facing.

As a housing paralegal, I work closely with clients in public housing who have been deeply impacted by the limitations of ERAP. Currently, in cases being handled by my office, many applications remain in limbo for extended periods of time. Our clients took all the painstaking steps to apply for the much-needed relief from the 2020 global pandemic to reduce their rental arrears. However, they were informed that their applications could not be processed until non-public housing residents' ERAP applications were either approved or denied. This has caused great stress and anxiety for public housing residents over the past several years, living day-to-day with the fear that ERAP funds would run entirely out before they become eligible. Additionally, having a housing court case drag on for 3-4 years while the client is continuously at risk of imminent eviction causes great harm to our clients and their families.

Moreover, even after an ERAP application has made it through the process, it can still get caught up in limbo, being marked as "Tenant Approved, Landlord Pending," meaning that landlords have failed to complete the necessary ERAP application steps such as uploading the relevant documents and/or linking their accounts to tenant applications. As a result, despite tenants doing everything in their power to seek assistance, the financial aid they desperately need to secure their affordable housing remains out of reach. For our clients who reside in public housing, this lack of progress puts them in an incredibly vulnerable position. Without ERAP, tenants are often left with no choice but to apply for a one-shot deal (an emergency rental assistance grant for NYC residents facing eviction) through the Human Resources Administration (HRA). ERAP's grant-based assistance offers a more sustainable and supportive solution for managing rental arrears compared to loan-based options. It provides immediate relief without future repayment obligations, enhances financial stability, supports housing security, and promotes equitable and effective relief for all affected tenants. For example, one of our current clients has resided in their public housing apartment for the past 12 years with their three minor children. As a home health aide, their income was significantly reduced following the passing of their patient during the pandemic. As a result, they incurred rental arrears. The client's non-payment court case began in 2021. They promptly applied for ERAP the same year. However, as of September 11, 2024, the application status is still "tenant approved, landlord pending," leaving the family in a state of uncertainty and continued financial strain.

The one-shot deal process is also not a cakewalk for many of our public housing clients. It can be an arduous process where tenants have to wait a long time and provide a lot of documents. The one-shot deal is generally structured as a loan that tenants must repay, often over a fixed period—placing them under a financial burden that stretches far beyond what they can

¹ <https://www.pix11.com/news/monica-makes-it-happen/ceo-greg-russ-on-nycha-response-to-covid-19>

reasonably afford. This also might close the door to future one-shot deal applications if made within a year and/or if the tenant fails to fully repay the loan. For families already living paycheck to paycheck, the repayment terms can be overwhelming. These tenants are not only responsible for covering their ongoing rent obligations but are also expected to allocate a portion of their limited and often times fixed income to pay back the one-shot deal. This creates a precarious situation in which tenants are balancing basic living expenses—such as food, transportation, utilities, childcare, and medical care—alongside a repayment plan for emergency assistance they applied for in good faith. Moreover, it is quite simply unfair and discriminatory that public housing tenants should have to take on loans for money that private tenants obtained free of charge through ERAP when the need for the funds comes from the same situation—a global pandemic that left a particularly crushing and often deadly impact on low-income communities of color in NYC, most notably in public housing.

Even without the burden of repaying a one-shot deal, public housing tenants live with the constant threat of falling behind on rent or facing eviction due to the economic hardships they face. Many tenants are low-income families, seniors on fixed incomes, and/or individuals who are still recovering from the financial impact of the pandemic. For them, taking on an additional repayment obligation is not a sustainable solution—it's a temporary patch that only worsens their long-term financial health. In many cases, this repayment plan can become the tipping point, pushing tenants further into debt and financial insecurity. The pressure to keep up with both ongoing rent payments and the one-shot deal repayments traps tenants in an impossible cycle. If they fall behind on either obligation, the looming threat of eviction resurfaces, and they may find themselves once again facing housing instability or homelessness. For those with children, the impact is even more severe, as it threatens the stability and security of entire families. What should be a lifeline ends up becoming a new obstacle, one that only compounds their financial difficulties and exacerbates their housing insecurity.

Relying on one-shot deals as a default when ERAP assistance is delayed or insufficient is not just unsustainable, it is inequitable. Public housing tenants should not have to choose between repaying emergency rent assistance or meeting their basic needs. Improvements in ERAP funding and administration would better address the needs of both tenants and landlords in resolving rental arrears. This is a systemic issue facing NYC public housing residents. ERAP is a vital lifeline for public housing tenants, but it cannot be effective if the funding that tenants have eagerly expected for the past several years is non-existent. Moreover, tenants should not be forced into one-shot deals as their only option, especially when those funds are meant to be repaid. ERAP payments would resolve many rental arrears issues that resulted from the global pandemic.

Public housing tenants need the same relief that was afforded to private tenants over the years. Research shows that addressing these arrears is the most effective way to combat poverty, evictions and to preserve affordable housing. These are some of the most vulnerable tenants in our city who rely on fixed income and government assistance. Despite that, public housing tenants—our clients—are doing their best to stay housed, but are continuously met with obstacles beyond their control. ERAP greatly increases the odds of preserving their affordable housing. Thank you for your time and attention.



September 18, 2024

NYAA Testimony on ERAP and Evictions

Thank you for holding this hearing today. I am Adam Roberts, testifying on behalf of the New York Apartment Association (NYAA). NYAA is a newly formed trade group representing multifamily housing providers across New York City. Our members are long-term owners and operators of rental housing. They collectively provide more than one million units of rental housing, most of which is older construction and subject to rent-stabilization. Our mission is to ensure the rental housing stock is abundant, safe, and desirable to live in so that New York can be affordable for generations to come.

The repercussions of the pandemic are still being felt by New York renters and their housing providers. With ERAP's limited funding sources and program restrictions, including ERAP only covering 15 months of unpaid rent, countless renters are left with pandemic-related arrears. For renters, these large arrears can threaten their ability to remain in their current apartment, even if they have resumed paying their monthly rent. For housing providers, the financial distress from unpaid rent leads to deferred maintenance and prohibits necessary capital improvements, leaving tenants in buildings with increasing states of disrepair.

For buildings with high percentages of rent-stabilized units in the outer boroughs, the situation is even worse. Those buildings were already operating on narrow financial margins, and the shock from unpaid rent during the pandemic has accelerated these buildings' financial free fall. For instance, the Rent Guidelines Board (RGB) found in its 2024 Income and Expense Study that pre-1974 rent-stabilized buildings – those that did not receive 421a or other public subsidies – are particularly in peril. From 2021-2022, net operating income (NOI) fell nearly 20% in the Bronx, while over 10% of buildings citywide are “distressed.” The median unit's rent is only \$272 above costs, leaving not enough funding to repay loans for much-needed repairs.

ERAP's failure has also left housing court overwhelmed with nonpayment cases. The Biden Administration encouraged federal Emergency Rental Assistance (ERA) funding to be coupled with housing court diversion programs. These programs allow for nonpayment cases to be mediated outside of housing court, preventing it from being overwhelmed. However, New York City did not follow this path, forcing tenants with arrears into the dysfunctional housing court system. In Housing Court, one-shot deals, which cover arrears, are sparsely distributed.

New York's failure to implement a diversion program has left its housing court system overwhelmed, years after the financial crisis caused by COVID ended. Now countless tenants remain stuck in the system. These delays are not only traumatic for tenants, but leave rent-stabilized buildings, especially in the outer boroughs, on uncertain financial footing.

We hope to work with the council to address ERAP's failures, including implementing a housing court diversion program, to ensure renters remain in their homes. Thank you.

Oversight - Rent Arrears and Evictions (Resulting From Underfunding ERAP)
Testimony of the NYU Furman Center

Before
New York City Council
Committee on Public Housing
Chris Banks, Chair
September 18, 2024

Chairman Banks, and members of the Committee on Public Housing, thank you for the opportunity to submit testimony on the topic of rent arrears and evictions in New York City. The NYU Furman Center presents this testimony as a summary of available data, along with our most relevant and emerging research from the pandemic era. Our aim is to provide a clear understanding of what the data reveal, and offer useful evidence for the Committee's consideration.

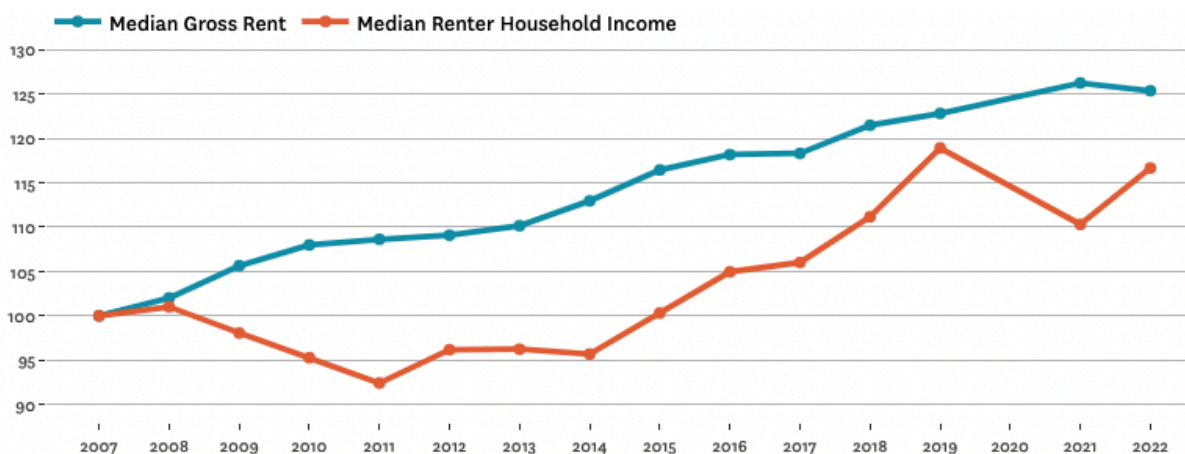
This testimony provides context on the housing affordability challenges faced by low-income New Yorkers, data regarding the share of households currently behind on rent, nonpayment filing trends in New York City's housing courts, and some detailed information on the impact of the pandemic on rent payment and arrears.

The Broader Context: New York City's Affordable Housing Crisis

New York City renters, especially low-income renters, have been grappling with a long-standing affordable housing crisis. Over the last 15 years, renter incomes have not kept pace with rising rents. Indexed to 2007, the real median gross rent has outpaced the real median renter household income. While rent reached 125 percent of its 2007 level in 2022, renter income was only 117 percent of its 2007 level (Figure 1).¹

¹ NYU Furman Center, *State of New York City's Housing and Neighborhoods in 2023*.
<https://furmancenter.org/stateofthecity/view/state-of-renters-and-their-homes-2023>

Figure 1: Index of Real Median Gross Rent and Real Median Renter Household Income, New York City (Index = 100 in 2007)



Sources: American Community Survey, NYU Furman Center.

In turn, 45 percent of low-income households (51-80% of area median income) experience rent burden. By measuring the ratio of rent costs to household income, rent burden is one of the highest quality measures of housing affordability. In 2022, 71 percent of extremely low-income households (ELI, less than or equal to 30% of area median income) were severely rent burdened, paying more than 50 percent of their income on rent. 87 percent of ELI households were at least moderately rent burdened, with more than 30 percent of their income going towards rent. Unfortunately, this is not an anomaly from the pandemic: the share of ELI households experiencing rent burden has changed little over the last decade.²

What Publicly Available Data Show about the Prevalence of Rent Arrears

As rent costs have increased faster than household incomes, and lower-income households have struggled with rent burdens, a large share of renter households have fallen behind on rent, which we refer to as households “in arrears.” Based on the most recent Census Pulse Survey, 13 percent of renter households in the New York metro area reported that they were behind on rent.³ According to the 2023 New York City Housing and Vacancy Survey, 13 percent of renter households reported that they missed their rent at least once in the previous year, and of those households, slightly more than a third were still behind on rent at the time of the survey interview.⁴

² NYU Furman Center, State of New York City’s Housing and Neighborhoods in 2023. <https://furmancenter.org/stateofthecity/view/state-of-renters-and-their-homes-2023>

³ Household Pulse Survey, U.S. Census Bureau.

⁴ Gaumer, E. The 2023 New York City Housing and Vacancy Survey: Selected Initial Findings. New York, NY: New York City Department of Housing Preservation and Development; 2024. <https://www.nyc.gov/assets/hpd/downloads/pdfs/about/2023-nychvs-selected-initial-findings.pdf>

What Housing Court Data Show about Eviction Filing Patterns and Rent Arrears in NYCHA-Owned Apartments

Below, we summarize the data and our research on eviction filings and rent arrears among tenants that reside in NYCHA properties. We hope this information on trends and policy changes before and after the pandemic informs the Committee's consideration of evictions related to the underfunding of ERAP.

A Primer on Housing Court Data

Housing Court data highlights the scale of the issue and its variation by geography, housing type, and the amount sought in nonpayment cases. When households fall behind on rent, they risk eviction due to nonpayment. One of the early stages of that process is filing for eviction. While tenants have the opportunity to pay overdue rent or move out after an eviction filing, the filing itself marks a significant step in the eviction process. The [NYU Furman Center Eviction Tracker](#) monitors new eviction filings citywide, providing insights into rent levels, property types, and geographies involved in eviction filings.

Pattern in NYCHA-Owned Apartments

The count of monthly eviction filings brought by NYCHA is dramatically lower than during pre-pandemic years. In July of this year, the authority filed about 300 nonpayment eviction cases. This was one-tenth the scale of the July 2017-2019 average of 2,989 nonpayment filings.⁵

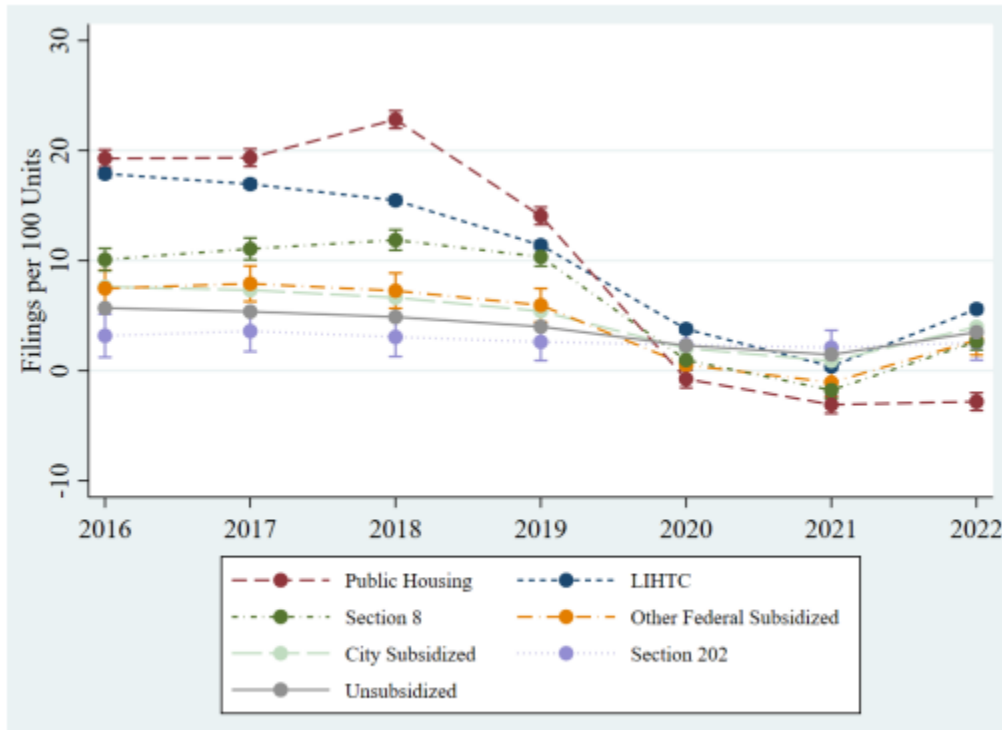
Our 2022 report, [Eviction Practices Across Subsidized Housing in New York State: A Case Study](#), and our 2024 paper, [Eviction Practices in Subsidized Housing: Evidence from New York State](#), examined patterns of eviction filings in NYCHA both prior to and in the wake of the pandemic. We found that, after controlling for key factors like census tract characteristics and year, New York City's public housing properties had the highest filing rates compared to unsubsidized multifamily properties and affordable properties prior to 2020 (Figure 2). However, public housing properties had the lowest share of executed eviction warrants compared to other properties. We noted that PHAs may have filed for eviction as a way to enforce rent collection, and because of the notion that it might help households access forms of rental assistance (such as a "One Shot Deal"). While all types of properties saw a drop in filings after the beginning of the pandemic, public housing properties saw the greatest decline in filing rates. At the time, we found a notable amount of variation in filing rates among New York City public housing properties, which may have been driven in part by variations in the amount of arrears as properties with high rates also sought higher amounts of rental arrears in eviction filings. However, this variation also reflects the discretion that was afforded to individual property managers as to the threshold for filing an eviction case.⁶ In 2022, NYCHA announced that it

⁵ Housing Court Data, New York State Office of Court Administration.

⁶ Ellen, I. G., Lohead, E & O'Regan, K. (2022). *Eviction Practices Across Subsidized Housing in New York State: A Case Study*, NYU Furman Center. https://furmancenter.org/files/publications/Eviction_practices_across_subsidized_housing_in_New_York_state_Final.pdf; Gould Ellen, I., Lohead, E & O'Regan, K. (2022). *Eviction Practices Across Subsidized*

would end 90 percent of its pending non-payment cases and would instead enforce an authority-wide threshold prioritizing cases with over two years of arrears.⁷

Figure 2: Eviction Filings per 100 Units by Subsidy Type, New York City



LIHTC = low-income housing tax credit.

Sources: CoreData.nyc; New York City Department of Finance Property Tax System; New York State Office of Court Administration; American Community Survey

Unfortunately, detailed data on current rent arrears in NYCHA properties is not publicly available. However, data from the Office of Court Administration show that, as the number of nonpayment filings has decreased, the median amount sought in nonpayment eviction filings (at the time of filing) has increased since the pandemic. Under NYCHA's new policy to focus on households with the deepest arrears, the composition of filings has changed. The median amount sought in NYCHA filings shifted from \$1,464 in 2017–2019 to \$16,662 in 2023, and then to \$18,681 in 2024—a 1,176 percent increase since the pre-pandemic period.

Housing in New York State: A Case Study. *Cityscape*, 26(1).

<https://www.huduser.gov/portal/periodicals/cityscape/vol26num1/ch13.pdf>

⁷ New York City Housing Authority. (2020). NYCHA Discontinues More than 31,000 NonPayment Cases, Reducing Caseload by 90 Percent [Press release]. <https://www.nyc.gov/site/nycha/about/press/pr-2022/pr-20220203>.



Testimony Before the New York City Council Committee by the Public Housing Committee Regarding Rent Arrears and Evictions (Resulting From Underfunding ERAP)

September 18, 2024

The Association for Neighborhood and Housing Development (ANHD) appreciates the opportunity to address the Committee on Public Housing about the pressing issue of rent arrears and evictions resulting from the underfunded Emergency Rental Assistance Program (ERAP).

About the Association for Neighborhood and Housing Development (ANHD)

ANHD is one of the City's leading policy, advocacy, technical assistance, and capacity-building organizations. We maintain a membership of 80+ neighborhood-based and city-wide nonprofit organizations that have affordable housing and/or equitable economic development as a central component of their mission. We bridge the power and impact of our member groups to build community power and ensure the right to affordable housing and thriving, equitable neighborhoods for all New Yorkers. We value justice, equity and opportunity, and we believe in the importance of movement building that centers marginalized communities in our work. We believe housing justice is economic justice is racial justice.

The COVID-19 pandemic has had enduring economic repercussions, significantly affecting New York's affordable housing sector. Although the Emergency Rental Assistance Program (ERAP) was designed to provide financial support to renters and housing providers, its funding has been inadequate, especially for income-restricted housing. We urge the City Council to take a proactive stance in advocating the State to address the financial strain of rental arrears and the escalating risk of evictions faced by mission-driven developers and NYCHA due to ERAP underfunding. The increasing costs of maintaining and operating housing for affordable housing providers in the areas of utilities and insurance are compounding the rental arrears challenges.

Both ANHD's CDC members and NYCHA are both struggling to stay afloat, unable to pay vendors, contribute to capital reserves, or properly maintain their buildings; there are few remaining options left. The City Council has a crucial role in spotlighting the consequences of ERAP's deprioritization on public and affordable housing, which supports New York's most vulnerable low-income residents.

The deprioritization of ERAP funds for public housing during the 2021-22 legislative session has led to severe rental arrears and heightened eviction risks. Initially, 140,000 residents missed out on ERAP assistance before funding ran out; of these, [73,000](#) of those were public housing residents including 20,000 senior households. In New York City, NYCHA alone faces \$487 million in arrears with low rent

collection of 68%, a rate that can not support the operational and maintenance costs of developments. Although the State's [recent infusion](#) of \$159 million for NYCHA-related arrears is a welcome step, it remains insufficient compared to the \$487 million owed. NYCHA is currently advocating for an additional \$185 million—\$35 million from the State and \$185 million from the federal government which will flow through the City, but it is unclear if these funds will be acquired.

Furthermore, ongoing federal disinvestment in NYCHA's capital needs, combined with inadequate ERAP and One Shot Deal support, has deepened residents' mistrust and uncertainty. The coordination between NYCHA and HRA on One Shot Deals has only exacerbated this issue, leading to delays and denial of assistance for residents. We urge the Council to provide additional oversight on this relationship and provide more comprehensive solutions that clear arrears to prevent further destabilization and homelessness.

Similarly, mission-driven developers, who manage affordable units with average rents around \$1,000 and primarily serve low-income communities of color, are also facing severe arrears. Despite some progress in addressing this issue, these organizations are grappling with rising operational, insurance costs, and low rent collection. The average economic occupancy has dropped to 89% from 95% pre-pandemic levels, leading to negative cash flows over the last two years¹. This downturn has significant implications for paying debt service. Operating on tight margins, these organizations struggle to maintain their properties, cover essential expenses, and prevent evictions. **ANHD estimates that between 33,500 and 70,400 non-profit affordable housing units are currently in rent arrears, with an average arrear amount of \$9,565 per unit. This results in an estimated total of [\\$320 to \\$673 million](#) in arrears for non-profit providers.** The combined financial strain on these buildings and their tenants threatens the preservation of thousands of deeply affordable housing units, leaving non-profit developers with limited options to maintain adequate conditions and avoid further evictions.

Without immediate action to resolve the arrears issue, affordable housing nonprofits in New York City could face severe setbacks. The potential for evictions not only threatens to damage their reputation but also jeopardizes their ability to secure future funding. This reputational harm, combined with heightened scrutiny and operational strain, could disrupt their capacity to manage properties effectively and to undertake new projects. Additionally, the strain on community stability could further weaken their mission and diminish their impact. Immediate intervention is crucial to prevent these negative outcomes and safeguard the vital work of these nonprofits.

The growing rental arrears and the risk of eviction threaten not only the immediate stability of tenants but also the long-term availability of affordable housing in New York. Mission-driven housing providers are doing all they can to prevent evictions, but their options are rapidly dwindling due to inadequate funding. Without urgent and substantial intervention, New York City faces a crisis of escalating homelessness and a reduction in affordable housing stock.

Looking Forward

¹ Enterprise Community Partners Asset Management Data

During last year's state legislative session, ANHD and NYSFAFH requested \$75M and raised awareness about affordable housing challenges. This year, we must continue pushing for support as the consequences are severe. We urge the City Council to consider the impact on communities of color and the affordable housing sector. The gap between rental relief needs and available funds remains critical. Despite \$2.8 billion in ERAP funding, economic impacts persist. Without intervention, displacement and homelessness will increase. While new affordable housing efforts are underway, losing existing units threatens overall housing stability. **As the housing and homelessness crisis deepens, it is essential for the City Council and state legislature to act decisively to protect and support the most vulnerable New Yorkers.**

Thank you for your attention to this important matter.

Please feel free to contact ANHD if you have any follow-up questions at:

Association for Neighborhood and Housing Development (ANHD)
50 Broad Street, Suite 1125
New York, NY 10004
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Testimony of the Family Homelessness Coalition

The New York City Council Committee on Public Housing Oversight – Rent Arrears and Evictions (Resulting from Underfunding ERAP)

September 18, 2024

The Family Homelessness Coalition (FHC) is made up of organizations representing service and housing providers, children’s advocacy organizations, and people with lived experience with family homelessness. We are united by the goal of preventing family homelessness, improving the well-being of children and families in shelter, and supporting the long-term stability of families with children who leave shelter. We would like to thank Chair Banks for holding this hearing on an issue of great significance for the City.

Our collective professional experience as housing providers, homeless service organizations, and those providing prevention services, clearly demonstrates that there remains a rental arrears crisis among low- and moderate-income New Yorkers. While much of this stems originally COVID-19 pandemic, many families continue to struggle. The “recovery” from the economic fallout of COVID-19 has been unequal.¹ The poverty rate has increased, while housing costs have continued to skyrocket. Families in public housing, along with those in affordable housing, were initially deprioritized in the Emergency Rental Assistance Program (ERAP). Though more money was eventually allocated to assist with arrears of families in public and affordable housing, the amount has been insufficient and many families have been arrears beyond the limited time period that ERAP covers.

The persistence of this issue threatens the housing stability of thousands of families who face possible eviction, and risks further burdening our shelter system. It is also incredibly damaging for the mission-driven operators of affordable housing, including many longtime nonprofit organizations.

FHC is continuing to strategize and advocate around these core problems, with a focus on budgetary, legislative and process reforms, a few of which we want to bring to the Committee’s attention today.

¹ <https://www.nytimes.com/2024/03/05/nyregion/nyc-economy-comeback.html>

More Support for Prevention and Aftercare Services

Homelessness prevention and aftercare services for those placed in permanent housing has largely been centralized through the work of Homebase providers. As more and more work has fallen under the purview of Homebase, the program has been effectively flat-funded since prior to the pandemic. While need has increased due to the global factors we discussed, those providers have become overburdened, resulting in gaps and delays in delivery of these services.

There remains a need for upstream solutions, so that families who fall behind can be connected with resources like One Shot Deals and CityFHEPS before arrears grow and the problem becomes unmanageable.

We recommend more dedicated resources for Homebase providers and additional pathways for help outside of the Homebase network to help facilitate assistance and reduce the burden on a handful of organizations.

CityFHEPS Reforms

As the legal process carries on with respect to CityFHEPS expansion, the FHC again calls out the importance of expanding this critical resource. The City Council should consider alternate pathways to achieving some of the goals of the package of CityFHEPS legislation to reduce administrative delays and help get the voucher into the hands of families who need it.

Adequate Staffing and Benefits Processing

In the past year, progress has been made on important priorities like reducing the backlog of One Shot Deal cash assistance. We appreciate HRA's policy directive which empowers Benefits Access Center (BAC) to make OSD decisions for straightforward cases with arrears below fifteen thousand dollars. This policy helps preserve the capacity of HRA's Rental Assistance Unit (RAU) to focus on higher arrears and more complicated cases.

Unfortunately, prevention providers are reporting increased delays for getting a One-Shot in recent months. Households who should be able to access a One-Shot directly from BAC staff are not receiving them, and high-arrears/complicated cases are not being referred to RAU by BAC staff. Additionally, providers report their clients are experiencing significant delays with BAC updating their Cash Assistance cases, including rebudgets, adding/removing individuals from the household, and opening a CA case in AP or Single Issuance status, all of which can result in delays or outright denials to their One-Shot Deal or rental assistance voucher application. BAC staff still must be trained on FHEPS To Stay screenings, referrals to FCUDU, and how to restore or modify a household's FHEPS voucher, even though BAC has been the sole point of access for this vital rental-assistance voucher since January 2020. Households continue to be turned away

by BAC staff, or inappropriately ping-ponged between BAC and Homebase offices, all while precious time ticks.

We at the Family Homelessness Coalition look forward to working with all city stakeholders on working through these issues and reducing housing insecurity for the most vulnerable New York families.

Thank you for your consideration and for the opportunity to submit this testimony.

Testimony Before the New York City Council Committee by the Public Housing Committee Regarding Rent Arrears and Evictions (Resulting From Underfunding ERAP)

September 18, 2024

University Neighborhood Housing Program Inc. appreciates the opportunity to address the Committee on Public Housing about the pressing issue of rent arrears and evictions resulting from the underfunded Emergency Rental Assistance Program (ERAP).

University Neighborhood Housing Program Inc. (UNHP) has been working to preserve affordable housing and bring much needed resources to the Bronx for over 40 years. UNHP owns and/or oversees roughly 1,500 units of affordable housing across 26 Buildings in the Bronx, each project with it's own unique regulatory agreement and financing structure. Our focus in past and present has been preserving the existing affordable housing stock, specifically rent stabilized housing. At the onset of the Covid 19 Pandemic, we began to experience historically low collection rates as people in the community dealt with the effects of the coronavirus outbreak. In the four years since then, we have fought hard to keep our projects going, whether that meant differing non-essential maintenance or inter-organization lending to cover capital expenses and operating costs.

As a non-profit community developer and operator of Affordable Housing it has always been a last resort to take residents to court for non-payment. To avoid this, we have setup outreach days in building lobbies to assist with ERAP applications, tried to make individual agreements with residents who are delinquent on rent, continued to link people to HRA and legal aid, and accepted one shot deals which do not fully recoup the lost rent. We held off as long as we possibly could but we now find ourselves in an untenable situation as expenses in these buildings are increasing at a rapid rate and the outstanding rent balances collectively remain over \$3,000,000. We have seen collection rates increase significantly over the last 4 years but what we are not seeing is folks addressing the rent balance due. More often, the only reason our rent receivable figure is reduced is when a tenant is removed by the courts and we write off the loss as bad debt.

The other side of the issue is that costs like legal, Insurance, water & sewer, maintenance, compliance (local law 11, 152, 87, 97, 126) have driven up operating costs to a level never seen before in these same buildings. The average rent across our portfolio is roughly \$1,000 per month and our buildings have provided safe quality housing for many years. We want residents to be able to remain in their homes where they have been in most cases for over 30 years. It does not help us to spend thousands on legal fees, thousands renovating an empty apartment after an eviction, and lose anywhere for 12 to 24 months rent while the court process plays out. We would welcome any proposal which would fund the ERAP program and create alternative options to nonpayment filings in housing court.

In the past year we have seen cases where NFP community developers could no longer continue to operate buildings and were forced to give them up, we have seen for profit owners default and put RS buildings on the market for a fraction of the acquisition prices, and we have seen management

companies close down due to reduced collection rates. The ERAP program did a lot of good for a lot of families but it was funded at only a fraction of its true level of need. There needs to be more funds allocated to addressing the rental arrears crisis and we ask that city council take the steps necessary to ensure that this critical affordable stock is not overlooked.

Thank you for your attention to this important matter.

Please feel free to contact **Brendan Mitchell** if you have any follow-up questions at:

Brendan Mitchell

Director of Real Estate and Finance

Bmitchell@unhp.org

(718)933-3101

COMMITTEE ON PUBLIC HOUSING: OVERSIGHT -RENT ARREARS AND EVICTIONS (RESULTING UNDERFUNDING OR ERAP) - Renee Keitt

The state's handling of subsidized housing tenants, (NYCHA residents) during the Emergency Rental Assistance Program (ERAP) reflects a troubling return to "separate and unequal" treatment. Under Governor Cuomo, and later continued by Governor Hochul, NYCHA tenants were excluded from receiving ERAP funds until all other applicants had been processed. Only through the advocacy of NYCHA tenants, elected officials and housing organizations were they eventually included, highlighting the state's reluctance to prioritize public housing residents.

This exclusion mirrors a form of systemic inequality that should have ended with the civil rights movement of the 1960s, specifically The Fair Housing Act of 1968. The situation recalls *Plessy v. Ferguson* (1896), where "separate but equal" was enshrined in law. Justice Harlan, in his dissent, argued that the separation of citizens was inconsistent with the civil freedoms guaranteed by the Constitution. The state's treatment of NYCHA tenants today echoes that injustice—classifying them as "less than" by placing them at the back of the line for critical financial aid. As *Brown v. Board of Education* (1954) demonstrated, "separate but equal" is inherently unequal.

Governor Hochul initially claimed that NYCHA residents were a priority, but this failure to act swiftly on behalf of the most vulnerable tenants—leaving them on the brink of eviction while signing into law The Preservation Trust suggests otherwise. Meanwhile, the RAD/PACT Program, advertised as a solution, has become a "get-rich" scheme for private developers who fail to deliver the promised services while destabilizing communities by shifting public housing management into private developers' hands, undermining residents' long-term stability. While marketed as a solution to NYCHA's capital repair needs, (40.6 billion as found by Community Services Society's What Happened to Public Housing in New York on Page 5 and Save Section 9. Both organizations came to the conclusions separately.) These conversions often result in fewer tenant protections and reduced accountability for landlords. Despite NYCHA stating that they oversee the process. This disproportionately affects vulnerable communities, leading to displacement and further marginalization of long-standing residents. The emphasis on privatization prioritizes profit over people, eroding the fabric of neighborhoods as tenants are pushed out, and the legacy of public housing is erased. Instead of providing the promised repairs and services, PACT conversions are accelerating the loss of truly affordable housing, deepening the housing crisis while enhancing the wealth of the real estate class.

The fact that 174 residents have been evicted as of September 1st is deeply troubling, especially when the stated goal is to keep residents housed. Given that it costs significantly more to shelter as Eva Trimble stated individuals than to keep them in stable housing, these evictions reflect a disconnect between the stated mission and the actual outcomes. Trimble's statements are contradictory, as her words indicate a commitment to housing stability, yet the rising number of evictions tells a different story. This inconsistency undermines trust and raises concerns about the true priorities of those in charge. If we are serious about keeping residents in their homes, a more transparent and accountable approach is needed.

Without addressing rent arrears and adequately funding public housing, this number will continue to rise. The inability to provide clear data on hardship denials and ERAP outreach further erodes trust. Council Member Mealey and Chair Banks raised key questions about transparency, asking repeatedly for concrete data and receiving the familiar refrain of “we’ll follow up.”

When asked about a plan we had the usual nonanswer answer. The answer is that no plan exists to prevent the continuous cycle of rent arrears and evictions. Without a comprehensive legislative strategy at the federal, state, and city levels, tenants are being set up to fail or is that the plan?

During the discussion, NYCHA was unable to provide details regarding how many NYCHA tenants would be hired to inform their neighbors about ERAP under Section 3 obligations. Section 3, a key federal mandate, requires that employment, training, and contracting opportunities be directed to low- and very low-income residents, particularly those in public housing. However, the lack of transparency and specifics in hiring data raises concerns about whether NYCHA and its partners are fully meeting their Section 3 commitments. This is particularly troubling given the importance of these opportunities in helping residents gain meaningful employment and improve economic conditions in their communities. Part of NYCHA’s mission. Accountability, comes into play and the non answer answers continued. The gravy train of NYCHA continues for those outside of NYCHA.

The current approach appears intentional. The consistent lack of accountability—from the federal (HUD), the Regional Administrator Alicka Ampry-Samuel, the city council is alarming. Who will ensure that NYCHA follows up with answers to the questions raised? As Teresa Scott rightly pointed out, NYCHA consistently attends these hearings unprepared, without the necessary data, and repeatedly promises to “follow up” on key

issues. This is unacceptable. We need to know: who is accountable for ensuring these questions get answered? We are not just asking for promises—we are demanding accountability. We are asking **you** to take responsibility and make sure that the questions are answered. Enough of the delays and vague responses—residents deserve real answers and transparency.

By pushing tenants into RAD/PACT conversions, where public housing falls into private hands, the state is dismantling NYCHA piece by piece, under the guise of addressing capital needs. NYCHA's residents deserve better—a housing system that supports rather than displaces them. Only by holding leaders accountable and demanding a clear, actionable plan can we prevent this slow erosion of truly affordable housing.

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(PLEASE PRINT)

Name: Jack Underwood

Address: [Redacted] Brooklyn NY 11211

I represent: Brooklyn Land Service Corp. A

Address: 260 Broadway, Brooklyn NY 11211

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Name: Arixa Torres

Address: _____

I represent: Smith House

Address: _____

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Name: Manuel Martinez

Address: [Redacted]

I represent: Queens South (COP District) 50 Jan RA

Address: _____

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Name: Brianna Williams

Address: _____ Jackson Heights

I represent: Center for Justice Innovation

Address: 520 84th Ave

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Name: Alixandra W2

Address: 413 West 25th St

I represent: NYCHA Housing tenant

Address: 2002

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Name: Sharon Brown Jeter

Address: 130-10 140 Street Suite 1

I represent: NYCHA Housing tenant

Address: _____

Bklyn NY 11238
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Name: Alex MacDougall

Address: 49 Thomas St.

I represent: The Legal Aid Society

Address: _____

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Date: 9/18/2024

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Name: Adam Roberts

Address: [REDACTED] NY, NY 10012

I represent: New York Apartment Association

Address: 123 William St NY, NY

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Name: Eva Trimble

Address: _____

I represent: NYCHA COO

Address: _____

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Name: Annika Lescott - Martinez

Address: _____

I represent: NYCHA CEO

Address: _____

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Name: Hannah Roth

Address: _____

I represent: NYCHA First Deputy General

Address: Counsel

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Name: Gillian Connell

Address: _____

I represent: NYCHA Managing Director of

Address: Strategic Operations for Real Estate Development

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Name: Travis Bostick

Address: _____

I represent: ANHD

Address: _____

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(PLEASE PRINT)
Name: Metin N Sacci

Address: _____ NY, NY 10031

I represent: self

Address: _____

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