



**Testimony of Assistant Commissioner Samara Karasyk
City Council Hearing Regarding DRIE Income Eligibility Increase
July 22, 2014**

Good afternoon Chairman Cohen and members of the Committee on Mental Health. I am Samara Karasyk, Assistant Commissioner of External Affairs. With me here today is Sara Meyers, Assistant Commissioner of Tax and Parking Program Operations. Thank you for the opportunity to testify before you today regarding the Preconsidered Introduction regarding the Disability Rent Increase Exemption Program or DRIE, which will increase the DRIE income eligibility threshold to \$50,000 with an effective date of July 1, 2014. DRIE and the Senior Citizen Rent Increase Exemption Program, or SCRIE, are hugely important to this Administration and we support this bill wholeheartedly.

Under this Preconsidered Introduction, in order to qualify for DRIE, applicants must have a total household income of \$50,000 or less, live in a rent regulated apartment, spend at least one-third of their income on rent, and receive one of the following disability benefits from the State or Federal government:

- Federal Supplementary Security Income (SSI);
- Federal Social Security Disability Insurance (SSDI);
- US Department of Veteran's Affairs disability pension or compensation that is related to military service or compensation; or,
- Disability-related Medicaid if they have received either SSI or SSDI in the past.

The current DRIE income eligibility threshold is \$20,412 for single households and \$29,484 for households that have two or more people in residence. By increasing the income eligibility to \$50,000, this new law will freeze rent increases for more disabled New Yorkers living in rent regulated apartments. It will also simplify the DRIE application process by applying one income threshold to all types of households, regardless of how many people reside therein. We are pleased that this bill will make it easier for applicants to understand the program's requirements while benefiting additional New Yorkers.

As you know, SCRIE's income eligibility threshold increased to \$50,000 effective July 1, 2014. That legislation was signed into law prior to the July 1 effective date. The DRIE and SCRIE programs are nearly identical and have the same application process. Having recently passed legislation which increased the SCRIE income threshold to \$50,000, the Council's action on this bill doing the same for DRIE will ensure the programs continue to mirror each other and allow for ease of administration and understanding by the general public.

In the case of the Preconsidered Introduction we are discussing today, we will apply the new DRIE income eligibility threshold retroactively to July 1, 2014 after the law is finalized. This means that if we received someone's application on or after July 1, 2014, and they qualify for the DRIE benefit under the new law but were above the income eligibility threshold previously, we will grant them the benefit after the law goes into effect but it will be retroactive to July 1, 2014.

We expect that the increase to the DRIE and SCRIE income threshold will result in more program participants and are in full support of more New Yorkers having access to these valuable benefits. We are prepared for this change and have the staffing in place to timely process all new applications. We communicate regularly with City Council, community groups and the Mayor's office for People with Disabilities, and we will all be ready to spread the word about the increase to the income threshold for DRIE once the law is enacted. We look forward to collaborating with you and your offices to ensure that we reach every potential DRIE participant. We are planning an extensive SCRIE and DRIE marketing campaign for the fall. We are totally committed to reaching every New Yorker that qualifies for these programs and are hard at work on a new outreach strategy that will accomplish this goal. We will be presenting our DRIE and SCRIE outreach plan to City Council in the autumn.

At this time, we would be happy to answer any questions you may have.

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Testimony of New York State Assemblymember Brian Kavanagh

Before the New York City Council Committee on Mental Health, Developmental Disabilities, Alcoholism, Substance Abuse and Disability Services

Regarding a Local Law to Increase the Maximum Income Level Qualifying for Exemption from Rent Increases Granted to Certain Persons with Disabilities

July 22, 2014

Good afternoon. My name is Brian Kavanagh, and I'm a Member of the New York State Assembly represent the 74th District in Manhattan, which includes parts of the Lower East Side, Stuyvesant Town, Peter Cooper Village, East Midtown Plaza, Gramercy, Waterside Plaza, Kips Bay, Murray Hill, and Tudor City.

I want to thank Chair Andrew Cohen and the members of the Committee (Members Crowley, Johnson, Vallone, and Wills), as well as the Committee staff, for organizing this hearing and for allowing me to offer this testimony in support of increasing the maximum income eligibility level for the Disability Rent Increase Exemption program, commonly known as DRIE. I had the privilege of working here a number of years ago as chief of staff to a Councilmember; it's always good to be back! I would also like to thank Councilmember Helen Rosenthal for authoring the pre-considered intro that is before the Committee, and the other sponsors of the bill, for working together to provide relief for tenants with disabilities as soon as possible.

With most of my constituents living in rent-regulated or publicly subsidized housing, I have made advocacy for affordable housing one of my highest priorities in Albany and in the communities I represent; and with many seniors and disabled New Yorkers residing in my district, I am acutely aware of the particular challenges they face in remaining in their homes.

Since 2007, my first year in the legislature, I have carried legislation to raise the Senior Citizen Rent Increase Exemption (SCRIE) program's maximum annual income eligibility level to \$50,000 per household. This increase, bringing the maximum from \$29,000 to \$50,000, was finally enacted as part of the State budget this past April, and I commend and thank the Council

and Mayor Bill de Blasio for passing local legislation promptly in May to enact the change here in New York City, making about 24,000 households newly eligible for this relief.

However, unfortunately, the income limits for DRIE were left unchanged during this process. I worked with Senator Diane Savino and our colleagues in the State Legislature to pass a bill to remedy this. We succeeded, and the bill was sent to Governor Andrew Cuomo on July 11th, and the Governor is due to act by the end of the day tomorrow. Although nothing is certain, we have reason to expect the Governor will sign the bill into law, authorizing the City and other localities throughout the State to offer DRIE to people with household income up to \$50,000. Again, I thank Helen Rosenthal, this Committee, and the Council for acting so quickly and taking the implementing legislation up as a pre-considered intro, so it can be passed as soon as possible assuming the Governor acts favorably on my bill today or tomorrow.

Current DRIE Program

As you know, the DRIE program already preserves housing affordability for about 11,000 renters with disabilities who live on fixed incomes of \$20,412 or less for a single-person household or \$29,484 or less for a household of two or more. DRIE freezes rents for tenants living in eligible rent-regulated housing, who pay one-third or more of their income in rent and receive disability benefits.¹ Landlords are compensated in full for foregone rent increases through property tax abatements. DOF authorizes property tax abatement credits and transfers the credits to landlords' property tax accounts. This costs about \$18.6 million annually.

Proposed Changes

We are proposing two important changes to the existing law.

First, my bill and the bill before you would raise the maximum annual income for DRIE eligibility to \$50,000.

Second, we would eliminate the distinction in the income eligibility standard based on household size, making the income maximum for an eligible single-person-household the same as the maximum for a two-or-more-person household.

These changes would conform DRIE's income requirements with those of SCRIE, consistent with the changes to SCRIE already enacted. We would extend the opportunity to participate in DRIE to an estimated 1,000 new households across the City, at a cost likely to be around \$200,000 per year for each of the next two years, or perhaps significantly less, depending on how many eligible households actually enroll. Both changes would be retroactive to this past July 1st and would sunset on July 1, 2016.

¹ Social Security Disability Insurance (SSDI), Supplemental Security Income (SSI), VA disability benefits, or Medicaid disability benefits.

Need for Increased Eligibility

Since DRIE became available to New York City residents in 2005, the program's income eligibility limits have been based on cost of living adjustments (COLAs) to the disability assistance programs. While this means that increases have been automatic, it has been clear for some time, especially for New Yorkers with disabilities who live on modest incomes who have been unable to qualify, that the meager income limits were inadequate.

A study from NYU reports that since 2005, the median gross New York City rent has increased by nearly 11 percent after inflation while the median household income of City renters rose by only 2 percent. NYU considers households to be "rent burdened" if they pay 30 percent or more of their incomes on rent, which is comparable to the DRIE rent-to-income ratio requirement. Notably, in 2012, 54 percent of all NYC rental households, and over 75 percent of low-income renters, were rent burdened in this way.

Raising the eligibility maximum for DRIE will help prevent a cascade of unintended consequences. As the City Council's May 2014 *Report of the Finance and Human Services Divisions* recognized, even a minor COLA to disability assistance or VA benefits can result in tenants with disabilities having their eligibility for DRIE revoked, therefore losing the shield against rent-increases that the program provides. Because cost-of-living increases are far smaller than annual rent increases for rent-stabilized apartments, the result of this absurd domino effect may be that once-eligible DRIE recipients who receive an increase in disability benefits to keep up with a rising cost of living end up losing their homes. Since 2005, there have been eight automatic COLAs to Social Security.

On a related note, under the current DRIE program, some of our City's most vulnerable disabled veterans—those with a 100 percent disability rating—are currently subject to a similarly unconscionable result that will be remedied with the changes to the law we're discussing today: Because veterans with the greatest degree of disability receive the greatest compensation, the incomes they receive place them above the current income threshold for DRIE. Thus, a veteran rated 70 percent disabled might qualify for DRIE while another who is rated 100 percent disabled would not. The bill we passed in Albany and the one before you today would raise the income cap to an amount that would allow veterans with a 100 percent disability rating, who otherwise qualify, to participate in the DRIE program.

I would note that eliminating the distinction in DRIE eligibility based on household size is particularly important, fixing a glaring inequity. When you're disabled and paying more than a third of your household income on rent, there's no justification for imposing an income maximum for eligibility for relief that's 30 percent less than the one that applies to other households just because you live alone. SCRIE makes no such distinction and neither should DRIE; we're proposing to eliminate the distinction.

Sunset

Earlier, I mentioned that State bill and the bill before you sunset on July 1, 2016. As with the SCRIE increase enacted earlier this year, the DRIE income levels we're proposing today would

revert back to pre-2014 levels unless the Legislature and the Council act before that date. To address this, I will be introducing a bill to eliminate the sunset provisions in these laws and the uncertainty they create. While this bill is not the subject of today's hearing, I will be asking for your support when the state legislature's next session convenes.

Increasing Participation: The Importance of Outreach and Education

As I also mentioned earlier, there are currently an estimated 11,000 New York City households shielded from rent increases by their participation in DRIE. While this is a significant figure, it is only a modest fraction of the more than 31,000 households that are estimated to be eligible.

People with disabilities often fail to take advantage of DRIE, due to lack of awareness or lack of access to the resources necessary to properly apply. There's a similar story with respect to participation in SCRIE.

So, in addition to advocating for the City Council's prompt passage and enactment of this law, I would like to work with you and the de Blasio administration to ensure that as many newly eligible households as possible make application to and take advantage of this critical program.

The enactment of a higher income eligibility threshold provides an opportunity not only to sign up many newly eligible New Yorkers, but also to strengthen outreach to increase participation among those who have already been eligible, but haven't enrolled. Admittedly, effective outreach and increased participation will increase the direct costs of the program, but if the City intends to protect its existing affordable housing stock, this program is a very useful means toward that end, and it avoids the many indirect financial costs of people being displaced from their homes, as well as the direct human cost.

In the Spring, the City Department of Finance testified before the City Council that the City would add staff members to handle new SCRIE applications and annual renewals, and would develop new outreach methods to publicize the program, including a plan to send letters to all applicants who were rejected in the last several years for having annual incomes higher than the program's threshold. My office has been working closely with Finance on implementation of the SCRIE increase, and I'll be encouraging the Department to take a similarly active approach to reach out to currently and newly eligible candidates for DRIE.

Thank you again for inviting me to testify at this important hearing. I would be happy to answer any questions you may have.



Council of New York Cooperatives & Condominiums
INFORMATION, EDUCATION AND ADVOCACY

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**TESTIMONY BEFORE THE COMMITTEE ON MENTAL
HEALTH, DEVELOPMENTAL DISABILITIES, ALCOHOLISM,
SUBSTANCE ABUSE AND DISABILITY SERVICES**

Tuesday, July 22, 2014

IN SUPPORT OF DRIE ELIGIBILITY CHANGES

Good afternoon Chair Cohen and members of the committee.

My name is Mary Ann Rothman and I am executive director of the Council of New York Cooperatives & Condominiums, a membership organization comprised of housing cooperatives and condominiums located throughout the five boroughs of New York City and beyond. More than 170,000 New York families make their homes in our member buildings, which span the full economic spectrum from very modest housing to some very upscale dwellings.

CNYC offers strong support for the legislation before you, which raises to \$50,000 the eligibility cap on family income for seniors with disabilities to qualify for DRIE, a program which appropriately provides government relief from rent increases to those who qualify.

Many of our member cooperatives and condominiums house seniors who opted to remain in their homes when the buildings where they lived were converted to cooperatives or condominiums. In a number of instances, the sponsors who owned these units defaulted or walked away, leaving the cooperatives with the responsibility of administering these units. Higher DRIE thresholds will help rent regulated seniors with disabilities in some of these cooperatives and condominiums to continue to live on in their homes affordably.

I would respectfully suggest that consideration be given to extending the concept of DRIE to disabled seniors in cooperative and condominium housing as well, to shield those seniors from increases in their carrying charges. The legislation allows for very limited eligibility for certain disabled seniors who are long term residents of cooperatives developed under the 213 program. This should be expanded to include disabled seniors in HDFC cooperatives, in Mitchell Lama cooperatives, Mutual Redevelopment Housing and similar home ownership programs focused New Yorkers of low and moderate income.

Thank you for this opportunity to express our views.



Disabled In Action of Metropolitan New York, Inc.

Mental Health, Mental Retardation, Alcoholism, Drug Abuse & Disability Services Committees Hearing

Intro 2014-1522 A Local Law to amend the administrative code of the city of New York, in relation to increasing the maximum income level qualifying for exemption from rent increases granted to certain persons with disabilities.

07/22/2014

I'm Edith M Prentiss, the Vice-President of Legislative Affairs of Disabled In Action. I'm glad to have an opportunity to testify today in support of increasing the Disabled Rent Increase Exemption (DRIE) Program's maximum income eligibility to be in parity with the increase the State Legislature granted to the senior Citizen Rent Increase Exemption Program (SCRIE) while ignoring DRIE in the last legislative session.

I must first thank the City Council for how supportive it has been to disability services and programs. You have taken the lead in supporting programs and benefits vital to keeping New Yorkers with disabilities in our homes and communities.

In case you don't know me or didn't happen to notice, I use a power wheelchair. I am one of the 90,000 New Yorkers with a mobility disability; one of the 800,000, 10% of NYC residents with a disability. Since 1980, I was a geriatric case worker in a DFTA funded Community Services for the Elderly program. As a case worker, I completed many SCRIE application and renewals. Those were the easy day with a single page form and minimal documentation. Daily, I saw the importance of freezing seniors' rents and how import is was to maintain them in their community.

I have been disabled for most of my adult life and graduated to being a wheelchair user in 1991 and stopped working (or rather getting paid) in the late 1990s. Like most New Yorkers my rent was never the mystical 1/3 of my income but with scrimping and living near my job (so as to not face the cost and avoiding the problem of NYCT's relative inaccessibility) I managed to balance my budget. My rent and SSDI

payment are roughly equal with my rent increasing faster than my SSDI check. When DRIE was enacted, the income disparity was a severe blow to the many younger than sixty two year old New Yorkers with disabilities.

We have testified so often about the vital need for the establishment of DRIE (twenty years of discussion within the State legislature) that preparing disability testimony only requires cutting and pasting previous testimony!

The disability community only accepted a second rate DRIE benefit in 2005 with the affirmed promise of a future DRIE "clean-up" bill that would increase DRIE income eligibility and eventual SCRIE parity. In the most recent legislative season, we saw another example of the legislature total disregard for the disability community when SCRIE was increased to \$50,000 and DRIE was left unchanged. At the same time, the legislature increased to EPIC (annual income below \$75,000 if single or \$100,000 if married) without considering adding disabled New Yorkers under the age of sixty-five. The most frustrating thing was the number of legislators who sincerely believe the disability community had not been dissed! Okay, its 2014 (FY 15) and we're finally getting DRIE parity, isn't this an embarrassment?

In 2006 Manhattan Borough President Scott Stringer wrote to Mayor Bloomberg "People with disabilities are more likely to be on fixed incomes, to have high medical expenses, and to have a harder time managing increases in housing expenses". He further stated that supporting the then parity bill would "mean even more New Yorkers will be able to stay in their homes and in their communities. Affording people with disabilities a rent increase exemption will also mean less use of high cost programs like nursing homes for this population." Unfortunately, those of us who were not eligible over the past 30 years have seen our rents grow and are still facing potential housing loss.

Younger New Yorkers with disabilities continue to be treated as second (third, fourth or fifth) class citizens. Most people do not realize or understand the disparities and inequities. Why are programs for people with disabilities only considered when there is extra money? Just yesterday, I had a conversation with NYS Senator Kemp Hannon about the expansion of EPIC for younger disabled New Yorkers to protect us from falling into the Medicare Part D Donut Hole. He told me that after 2020 when the Donut Hole is filled in,

there will be money available to expand EPIC for younger disabled New Yorkers. Isn't it amazing they don't see we need it now not in six years!

To complicate matters, I turned sixty-two in February but my SCRIE eligibility will be with my next lease in April 2015. Hopefully, DHCR will not approve my landlord's multiple MCI requests until I'm eligible.



MAKING THE CASE FOR HUMANITY

TESTIMONY OF THE LEGAL AID SOCIETY AT THE CITY COUNCIL
HEARING OF THE MENTAL HEALTH, DEVELOPMENT DISABILITY,
SUBSTANCE ABUSE AND DISABILITY SERVICES COMMITTEE
CONCERNING EXPANSION OF THE DISABILITY RENT INCREASE
EXEMPTION PROGRAM

July 22, 2014

The Legal Aid Society is the oldest and largest provider of legal assistance to low income families and individuals in the United States. Operating from 26 locations in New York City with a full-time staff of more than 1,800, the Society handles more than 300,000 individual cases and legal matters each year. The Society operates three major practices: the Criminal Practice, which serves as the primary provider of indigent defense services in New York City; the Juvenile Rights Practice, which represents virtually all of the children who appear in Family Court as victims of abuse or neglect or as young people facing charges of misconduct; and the Civil Practice, which improves the lives of low-income New Yorkers by helping families and individuals obtain and maintain the basic necessities of life - housing, health care, food, and subsistence income or self-sufficiency.

With a focus on enhancing family stability and security, through a network of neighborhood offices and city-wide special projects in all five boroughs of the City, the Civil Practice helps vulnerable families and individuals with these legal problems: housing, foreclosure and homelessness; family law and domestic violence; income and economic security assistance (such as unemployment insurance benefits, federal disability benefits, food stamps, and public assistance); health law; immigration; HIV/AIDS and chronic diseases; elder law for senior citizens; low-wage worker problems; tax law for low-income workers; consumer law; education law; community development opportunities to help clients move out of poverty; and reentry and reintegration matters for clients returning to the community from correctional facilities. Typically, clients seek assistance from the Civil Practice after exhausting all other avenues for assistance. The Society's Civil Practice is the safety net when all other safety nets fail. During the past year, our Civil Practice completed work on more than 43,000 individual cases and legal matters, benefiting more than 114,000 low-income children and adults, with an additional two million low-income New Yorkers benefiting from our law reform and class action litigation.

We appreciate the opportunity to testify before the Committee on Mental Health, Development Disability, Substance Abuse and Disability Services and the leadership of Committee Chair Andrew Cohen on this issue. We thank Council members Helen Rosenthal, Jumaane Williams, Inez Dickens, Eric Ulrich and James Vacca for sponsoring this important legislation.

The Disability Rent Increase Exemption (DRIE) program was created in 2005 to provide exemptions from rent increases to tenants of rent-stabilized apartments who are living with disabilities, who have low incomes (currently annual incomes below \$20,412 for an

individual or \$29,484 for two or more people) and who are paying more than one third of their income towards rent. The program is modeled on the Senior Citizens Rent Increase Exemption (SCRIE) program, which exempts eligible senior citizen rent-stabilized apartment tenants from rent increases and provides a property tax benefit to landlords. As part of the recently adopted State budget, the New York State Legislature and Governor Andrew Cuomo passed and signed into law legislation to increase the maximum income level for the SCRIE program from \$29,000 annually to \$50,000. While the SCRIE program is established under State law, the program is administered locally and thus the Council had to amend various sections of the Administrative Code in order for the income threshold increase to take effect in the City, and this body did so this past May. Recently the New York State Assembly and New York State Senate passed legislation that would expand income eligibility for the DRIE program to assist tenants with annual incomes up to \$50,000. This legislation now awaits Governor Cuomo's signature. The City Council should take similar action to expand the maximum income eligibility for tenants living with disabilities, and continue in these major steps towards our goal to increase stable, affordable housing for some of our most vulnerable New Yorkers.

Low income, disabled New Yorkers that would benefit from corresponding changes to the DRIE program deserve the same relief that the recently passed legislation provided for those eligible for SCRIE relief. As with SCRIE, the DRIE program prevents homelessness and preserves housing affordability for a particularly vulnerable group of tenants. Annual cost-of-living increases for disability benefits are far smaller than annual rent increases for rent-stabilized apartments, increasing these tenants' rent burdens and placing them at severe risk of displacement and homelessness. The tenants that benefit from the DRIE program are typically those with fixed incomes and those receiving disability benefits such as Social Security

Disability Insurance (SSDI), Supplemental Security Income (SSI), or Veterans Administration disability benefits.

While the City will assume the costs of the program for, at least, the first year, an analysis by Coalition for the Homeless, based on U.S. Census Bureau data and an earlier fiscal analysis by the NYC Independent Budget Office, estimates that the cost of bringing the DRIE program into parity with the SCRIE program is extremely modest. Currently there are some 11,000 tenant households enrolled in the DRIE program in New York City at a total annual cost of \$18.6 million. (In comparison, some 53,000 tenant households are enrolled in the SCRIE program at an annual cost of \$135.7 million.). In the first year, the annual cost of expanding eligibility for the DRIE program would be between \$175,739 and \$217,147. By the fifth year, the annual cost of the expansion would be between \$383,431 and \$473,776. (The reason that the cost of expanding the program is so extremely modest is that there are relatively few tenants living with disabilities who earn between \$20,000 and \$50,000 annually and who pay more than one third of their income towards rent.). It should also be noted that the average monthly rent for a Rent Stabilized/Rent Control apartment in New York City is \$1,155¹ while the average cost to provide shelter for a homeless single adult is \$2,444² per month.

¹ “Profile of Rent Stabilized Units and Tenants in New York City,” NYU Furman Center Fact Brief June 2014.

² “Mayor’s Management Report, Preliminary Fiscal 2014,” City of New York. Monthly shelter costs for family facilities are \$102.74 per day or \$3,082.20 per month.

CONCLUSION

We urge the new York City Council to pass and Mayor Bill DeBlasio to sign T2014-1522 into law and expand the DRIE program as was done with the SCRIE program. The Legal Aid Society views the passing of Local Law 10 as an important measure in ensuring that every New York City resident has a place to call home. Thank you again for the opportunity to testify before the City Council Committee on Mental Health, Development Disability, Substance Abuse and Disability Services.

Respectfully Submitted:

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Center for Independence of the Disabled, NY

July 21, 2014

**Hearing of the Committee on Mental Health,
Developmental Disabilities, Alcoholism, Substance
Abuse and Disability Services**

**Testimony of Susan M. Dooha, J.D.
Executive Director**

Concerning

**Proposed local law to amend the administrative code
of the city of New York, in relation to increasing the
maximum income level qualifying for exemption from
rent increases granted to certain persons with
disabilities.**

Re:

The Disability Rent Increase Exemption (DRIE) Program Expansion: Protection for Tenants Living with Disabilities from Homelessness and Unnecessary Institutionalization

Thank you for the opportunity to testify in relation to the maximum income level qualifying for exemption from rent increases granted to persons with disabilities in rent regulated housing. We strongly support this proposal.

Background on the DRIE Program

The DRIE program was created in 2005 to provide exemptions from rent increases to tenants of rent-stabilized apartments who are living with disabilities, who have low incomes (currently annual incomes below \$20,412 for an individual or \$29,484 for two or more people), and who are paying more than one third of their income on rent.

Currently there are some 11,000 tenant households enrolled in the DRIE program in New York City. The total annual cost of the program is \$18.6 million. In comparison, some 53,000 tenant households are enrolled in the SCRIE program at an annual cost of \$135.7 million.

The DRIE program is modeled on the equally-successful Senior Citizens Rent Increase Exemption (SCRIE) program, which exempts eligible tenants of rent-stabilized apartments from rent increases and provides a property tax benefit to landlords. The SCRIE program was recently expanded to assist tenants with annual incomes up to \$50,000.

Tenants assisted by the DRIE program have extremely low fixed incomes. They receive disability benefits such as Social Security Disability Insurance (SSDI), Supplemental Security Income (SSI), or Veterans Administration disability benefits.

The DRIE program prevents homelessness and preserves housing affordability for a particularly vulnerable group of tenants. Annual cost-of-living increases for disability benefits are far smaller than annual rent increases for rent-stabilized apartments, putting these tenants at severe risk of displacement and homelessness.

Why is the expansion of DRIE so important?

People with disabilities seek our help each day because their incomes are not increasing—but their rent is. As you know, this is a problem for extremely low income renters, such as those on SSI and SSDI who have no housing options apart from long waiting lists. Losing one's rent regulated apartment due to a rent increase is likely to lead to homelessness or institutionalization.

What many people do not know is that the "housing squeeze" and being "priced out" is also a fact of life for people with disabilities living at the Disability Median income in New York City. These are individuals who are disabled and receiving some disability-income but who have another small source of income. This group also includes

Re:

veterans. The median equivalized household income¹ of people with disabilities is \$38,334 in Manhattan. In Queens it is \$33,797, and in Staten Island it is \$43,038. But, the DRIE income cap is set at only \$20,412.

There are few housing opportunities for people with disabilities living at the Disability Median Household Income. We regularly check listings for housing and recently found that the New York State Affordable Housing Registry lists only one apartment that is affordable and accessible for someone living at or below the that level.

As a result, people with disabilities often come to CIDNY to get help in avoiding eviction. Unfortunately, there is little recourse for those who are priced out of their housing. For many people with disabilities, losing housing is a prelude to unnecessary institutionalization at the price of freedom and at great cost to taxpayers.

What would the expansion of the DRIE Program cost?

As part of the recently-adopted State budget, the New York State Legislature and Governor Cuomo expanded eligibility for the SCRIE program to assist tenant households with annual incomes up to \$50,000. In May the New York City Council passed legislation to enact those changes in New York City.

Legislation was passed by the New York State Assembly and Senate (A9744/ S7640) to permit the City of New York to bring the DRIE program into parity with the SCRIE program, by expanding eligibility to tenants with annual incomes up to \$50,000. The legislation would allow the City of New York to opt into the program and to assume the cost of expansion of the program for at least the first year.

An analysis by Coalition for the Homeless, based on U.S. Census Bureau data and an earlier fiscal analysis by the NYC Independent Budget Office, estimates that the cost of bringing the DRIE program into parity with the SCRIE program is extremely modest.

In the first year the annual cost of expanding eligibility for the DRIE program would be between \$175,739 and \$217,147. By the fifth year, the annual cost of the expansion would be between \$383,431 and \$473,776. (The reason that the cost of expanding the program is so extremely modest is that there are relatively few tenants living with disabilities who earn between \$20,000 and \$50,000 annually and who pay more than one third of their income towards rent.)

Action Needed to Help More Tenants Living with Disabilities

We urge the Council to pass an expansion of DRIE and to prevent people from disabilities from becoming homeless or being institutionalized as a result of loss of housing.

¹ Equivalized household income is household income divided by the square root of household size. It is similar to household per capita income but accounts for economies of scale in household population. This data is from the American Community Survey.



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www.CIDNY.org

Center for Independence of the Disabled, NY

July 22, 2014

DRIE Expansion Will Keep Diane in Her Home of 32 Years



After 32 years in her apartment, Diane is faced with losing her home. She is a 58-year-old woman living on Social Security Disability Income who has a psychiatric disability. Diane lived with her mother in the apartment until her mother's death last month.

As she mourns her mother, Diane juggles the rent and her other bills on her own now. Even though the apartment is rent regulated and she can just afford it. With the increase that will come with her next lease, she'll be priced out of her housing.

There is a housing crisis in New York City for people like Diane—who can live independently in the community but are at risk of homelessness or institutionalization. We see people like Diane every day who fall through the cracks.

But, this doesn't have to happen. If DRIE is expanded, Diane's SSDI benefit of \$1800 a month will no longer be over the DRIE income limit. She can stay in her home of 32 years.

CIDNY urges swift enactment of the DRIE Expansion.

- The name of this consumer has been changed to protect confidentiality. The photo is representative only.

Testimony by New York Legal Assistance Group (“NYLAG”)

before the NYC Council Committee on Mental Health, Developmental Disability, Alcoholism, Substance Abuse and Disability Services regarding:

A Local Law to amend the administrative code of the city of New York, in relation to increasing the maximum income level qualifying for exemption from rent increases granted to certain persons with disabilities.;

July 22, 2014

Chair Cohen, Council Members Rosenthal, Williams, Dickens, Ulrich and Vacca, and staff, good afternoon and thank you for the opportunity to speak about the Intro, to link income threshold increases for the DRIE exemption program to changes in the consumer price index, and general oversight of the DRIE program. My name is Elizabeth Esser-Stuart and I am the Special Projects Coordinator in LegalHealth, a division of the New York Legal Assistance Group (NYLAG). NYLAG is a nonprofit law office dedicated to providing free legal services in civil law matters to low-income New Yorkers. NYLAG serves immigrants, seniors, the homebound, families facing foreclosure, renters facing eviction, low-income consumers, those in need of government assistance, children in need of special education, domestic violence victims, persons with disabilities, patients with chronic illness or disease, low-wage workers, low-income members of the LGBT community, Holocaust survivors, as well as others in need of free legal services.

We commend all those who have worked on this law and strongly urge its passing. NYLAG has hundreds of clients who are disabled many of whom live in rent stabilized or otherwise subsidized apartments for whom this increase in the yearly income will be a great relief and for whom DRIE is the only means to remain in their affordable homes, often of decades. An increase to \$50,000 in annual income for DRIE eligibility will prevent vulnerable people with disabilities from facing eviction, becoming even more impoverished by ever-rising rents, or being forced into nursing homes (at much greater cost to taxpayers). This increase in the income for DRIE eligibility is a great stride towards keeping disabled persons housed, as well as maintaining New York City's dwindling affordable housing stock for a little longer.

LegalHealth provides free legal services in hospitals across the city, and we see how disabled persons are affected by the threat of or actual loss of housing on a daily basis. As this body is acutely aware, this problem is particularly severe for disabled, low-income people with serious health problems. Many disabled persons struggle to survive, to remain in their homes and pay their medical bills. Not only do they have to deal with the health problem itself, but the expense of the health problem. The stress and uncertainty of facing eviction exacerbates their conditions.

For example, NYLAG recently assisted Marco, a 53 year-old disabled patient at Elmhurst Hospital, who will struggle to afford his apartment after a major capital improvement allowed the landlord to raise the rent by 15% from \$1,400 to \$1,610. He receives \$1,740 in social security disability and \$540 from his pension. He is currently over-income for DRIE, and under the age requirements for SCRIE. Marco cannot get a job due to his disability and will be unable to afford his apartment with the rent increase.

We realize that this may have to be addressed by the State and not the Council, however, we strongly urge a slight amendment to this law to allow for anyone who had DRIE in the past but who was no longer eligible because his/her income was too high to be able to obtain the benefit again at the rate at which their rents were previously frozen, perhaps by making this law, once passed, effective retroactively.

Similar to our testimony in support of the recent increase to the SCRIE income limit, we also urge the following immediate changes:

1. That DRIE applications, letters, and notices be available and sent out in a diversity of languages and not just in English;
2. That all DRIE forms regardless of which agency administers the application process be available online;
3. That DRIE recipients receive automated phone reminders about their renewal due dates because the letters are not enough and sometimes get lost; and
4. That the DRIE 'specialist' at 311 either truly be knowledgeable about DRIE or that there be a community liaison at the agency that administers DRIE that advocates and recipients can reach directly to ask questions and/or resolve minor issues informally.

We would be happy to discuss our proposals further with the Council or other advocates and work together to make this program even better than it is. Again, we commend all those who have already worked on placing this program in existence, as well as improving it, and strongly urge its passing.

Thank you for the opportunity to testify today. This testimony was prepared with the assistance of Kamilla Sjödin¹, Associate Director, Housing Law in NYLAG's General Legal Services division.

Respectfully submitted,

Elizabeth Esser-Stuart, Special Projects Coordinator, LegalHealth

Kamilla Sjödin, Associate Director, Housing Law

¹ For full disclosure, Kamilla is a former employee of the New York City Council where at one time, she served as counsel to the Committee on Housing and Buildings, as well as counsel to the (at that time) Subcommittee on Public Housing.

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THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Mary Ann Rothman

Address: 110 RSD NY 10024

I represent: Council of NY Cooperatives

Address: 250 W 97 St # 700 ConDOMINIUMS

NYC 10027

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Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Edith P...

Address: _____

I represent: _____

Address: _____

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(PLEASE PRINT)

Name: Moses (Rote)

Address: 50 Broad

I represent: AMHD

Address: 50 Broad

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Appearance Card

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in favor in opposition

Date: _____

Name: Ally Brian Kavanaugh (PLEASE PRINT)

Address: AD 74

I represent: _____

Address: _____

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THE CITY OF NEW YORK**

Appearance Card

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I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

Name: Debra Greif (PLEASE PRINT)

Address: 2245 Ocean Pkwy Apt 6E

I represent: Person with Developmental Disability

Address: _____

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Appearance Card

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I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

Name: Elizabeth Esser-Stuart (PLEASE PRINT)

Address: NYLAG

I represent: _____

Address: _____

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Appearance Card

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I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 7-22-14

(PLEASE PRINT)

Name: Susan Doona
Address: 841 BROADWAY #301
I represent: CENTER FOR INDEPENDENCE
Address: OF THE DISABLED, NY

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Appearance Card

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I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 7/22/14

(PLEASE PRINT)

Name: Samara Kazasyk
Address: NYC Dept of Finance
I represent: _____
Address: _____

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I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 7/22/14

(PLEASE PRINT)

Name: Sara Meyers
Address: 59 Maiden Lane, 22 floor
I represent: NYC Dept of Finance
Address: _____

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Appearance Card

I intend to appear and speak on Int. No. PRE-CONS. Res. No. _____

in favor in opposition

Date: 7/22/14

(PLEASE PRINT)

Name: MICHAEL GRINTHAL

Address: 299 BROADWAY 4TH FL, 10007

I represent: MFV LEGAL SVCS

Address: SAME

Please complete this card and return to the Sergeant-at-Arms

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Appearance Card

I intend to appear and speak on Int. No. DRIE expansion Res. No. _____

in favor in opposition

Date: _____

Name: Robert Desir - Legal Aid Society

Address: 109 Water Street NY NY 10038

I represent: _____

Address: _____

Please complete this card and return to the Sergeant-at-Arms