

Testimony of the New York City Department of Housing Preservation and Development

Regarding Introduction 70

February 25, 2022

Thank you, Housing and Buildings Committee Chair Sanchez, for the opportunity to submit testimony regarding Intro 70. I am Lucy Joffe, Assistant Commissioner of Housing Policy at New York City's Department of Housing Preservation and Development (HPD).

As the Committee is well aware, rent stabilization and rent control are critical protections for the City of New York, which has been in a state of continued housing crisis since at least the 1960s. This housing crisis has stubbornly persisted over the decades through many economic cycles.

Periodically, New York City must conduct a survey of the supply of housing accommodations and related data. The survey provides the basis for determining the net rental vacancy rate, as well as critical information relating to housing inventory, rent-income ratio (i.e. rent burden), housing and neighborhood conditions and crowding, which are relevant to the continuation of rent regulation pursuant to the Emergency Tenant Protection Act of 1974.

For decades, the New York City Housing and Vacancy Survey (NYCHVS) has been the primary source for calculating these critical data relating to the state of housing in the City. It has been conducted since 1965 and provides reliable, citywide representative data. The most recent NYCHVS was conducted in 2017, and the determination of a housing emergency was made by the City Council in 2018. We believe that the conditions that underlie the housing crisis in New York City continue unabated. The severe shortage of low-cost units has persisted for decades despite significant new capital investment in the creation and preservation of affordable housing and increasing expenditures to address the challenge of homelessness. This is demonstrated by the fact that the number of applicants in our affordable housing lotteries continues to greatly exceed the number of available units. In addition, as of the last NYCHVS, most New Yorkers were paying more than 30 percent of their income toward rent and one third of New Yorkers were paying as much as 50 percent of their income toward rent. Rent burdens are especially severe for the lowest income New Yorkers. It also seems clear that the COVID-19 pandemic has only exacerbated these conditions. According to the New York State Office of Temporary and Disability Assistance, who is administering the Emergency Rental Assistance Program, an overwhelming number of New York City residents applied for the program. As of early February 2022, almost 250,000 New York City households applied for emergency rental assistance. Roughly 90,000 households have received relief, totaling \$1.2 billion. Based on the state's request for an additional \$1 billion in rental assistance, many more New York City residents in need have not received any rental assistance. The unemployment rate remains high, at roughly 8 percent.

The Census Bureau has performed the data collection for the NYCHVS since 1965. It not only has a unique capacity to conduct such a large survey (thousands of interviews) over a short period (less than 9 months), but also provides unique data protections that protect the privacy of occupants. The NYCHVS collects data specific to New York City that is not found in other data

sources. Unique features include the ability to: identify units that are vacant but not available for rent for various reasons; measure the vacancy rate within a narrower reference period; estimate the net rental vacancy rate at a high level of accuracy; provide double verification of each sampled unit identified as vacant; and parse out different types of housing, such as public housing, among others. No other Census Bureau survey has these features, which are necessary and appropriate for evaluating New York City's unique housing market.

Due to the 2020 decennial census, we needed a one-year extension from the State Legislature and the Council allowing us to conduct the NYCHVS in 2021 not 2020. Unfortunately, the Census Bureau experienced delays due to Covid-19 and staffing to conduct the survey. The Census Bureau has completed field work and the data should be ready within the next few months. In anticipation of the delay, however, the State Legislature extended by three months the deadline for any declaration of a housing emergency under the Local Emergency Housing Rent Control Act (LEHRCA). Consistent with the State Legislature's action, Intro 70 adjusts the present expiration date of the Rent Stabilization Law of 1969 so as to enable the City to gather the findings which would allow the Council to assess whether there is a continued state of emergency in 2022 based on the updated NYCHVS findings.

Because the NYCHVS continues to be the most accurate and comprehensive source of information on the state of New York City's housing stock, the administration continues to believe that this information is important for the Council to consider.

The Administration therefore supports this legislation to extend the expiration date of rent stabilization by three months, thereby conforming to the State Legislature's adjustment of the date by which the formal determination of a housing emergency may be made following a survey.



NEW YORK STATE ASSOCIATION FOR AFFORDABLE HOUSING

**NYSFAH Testimony to the New York City Council
Housing and Buildings Committee on The Impact of
Covid-19 on NYC Housing Vacancies and Assessing the
Ongoing Need for Emergency Rental Assistance Program**

February 25, 2022

Thank you, Chairperson Sanchez and members of the Housing and Buildings Committee, for the opportunity to testify on the continuing need for additional funding for the Emergency Rental Assistance Program. My name is Chris Widelo and I am the director of external affairs at the New York State Association for Affordable Housing (NYSFAH).

NYSFAH is the trade association for New York's affordable housing industry, with nearly 400 members, including developers, lenders, investors, attorneys, contractors, architects and others active in the financing, construction, and operation of affordable housing.

While New York State took a challenged initial ERAP launch and turned it into a nation-best commitment of funding, for which we applaud the State's efforts, this only benefited those who successfully applied. It is our understanding that far more tenants were left out and that demand is not and cannot be reflected in the application statistics. Owners and operators of affordable housing—defined by us as buildings with restricted rents under regulatory agreement, largely Low-Income Housing Tax Credit (LIHTC) and Section 8 properties—have informed us of many instances of tenant non-participation, representing significant percentages of individual buildings and entire portfolios.

In many ways, this non-participation is understandable. For affordable housing properties, tenants are already subject to a greater obligation of documentation through the recertification process, and owners already have access to income and other information due to the various subsidy programs and programmatic requirements of the properties. Additionally, many owners were very active with Project Parachute, an industry-initiated philanthropic effort to assist tenants at the outset of the pandemic. Many tenants in affordable housing buildings expressed frustration with having to provide the documentation and undertake the time necessary to complete an application. There is a strong sense of "You [the owner] have all of this information already" and "I don't want to be part of another government program."

While a \$125 million dollar hardship relief fund was set up to address this exact scenario, the funding was not enough. Affordable housing owners were in competition for those funds from other categories of arrears including apartment units at 150% of Fair Market Rent (FMR).



NEW YORK STATE ASSOCIATION FOR AFFORDABLE HOUSING

Accordingly, we recommend several important steps that will greatly improve coverage of affordable housing tenant's mounting rental arrears and protect low-income New Yorkers statewide from eviction before the eviction moratorium expired in January 2022:

- Operators of LIHTC, Section 8 and other affordable housing under regulatory agreement should have the same simplified process that the State announced for NYCHA. The same justification and reasonings why this is a sensible policy for the City's public housing portfolio carries over to the rest of the City's highly regulated stock.
- If additional rent relief funding for New York should materialize, a significant portion should be used to bolster the funding for owner-only applications.
- A process should be in place for building-wide applications without the need for individual apartment leases and other needless bureaucracy. If an affordable housing owner could submit their rent roll for the tenants who have fallen behind, along with their income documentation, the funds could easily make those tenants whole and protect the affordable housing asset in one fell swoop.

We applaud Governor Hochul's persistence in requesting additional ERAP funding but unfortunately only a small fraction of her most recent \$1.6 billion request was met and thousands of ERAP applications remain unaddressed.

Additionally, more federal funding is also needed to aid small New York City landlords through the state's Landlord Rental Assistance Program, also known as LRAP. This program ensures small-scale landlords, whose tenants have declined to participate in tenant rental assistance programs (ERAP) or who vacated the residence with arrears (unpaid rent), are able to receive assistance. Landlords eligible for LRAP, were unable to qualify for assistance through the Emergency Rental Assistance Program (ERAP and ERA2) funding in either round. The LRAP program application process is far less burdensome for both landlords and tenants, particularly for affordable housing projects with regulatory agreements where resident income has already been certified. It should also be noted that no citizenship or immigration status requirements are necessary for LRAP.

In closing we need the continued support of the NYC Council to advocate for additional state and federal dollars to address the unmet need of the ERAP and LRAP programs. While we are hopeful that the worst of the pandemic is behind us, we cannot forget that tenants and landlords alike continue to struggle with rent arrears and this is a problem that will not go away any time soon.

Thank you for the opportunity to testify.



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Homeless Services United's Testimony before the NYC Council Housing and Buildings Committee on

February 25, 2022

My name is Eric Lee and I'm the director of policy and planning at Homeless Services United. Homeless Services United (HSU) is a coalition representing mission-driven, homeless service providers in New York City. HSU advocates for expansion of affordable housing and prevention services and for immediate access to safe, decent, emergency and transitional housing, outreach and drop-in services for homeless New Yorkers. Thank you, Chair Sanchez and members of the Housing and Buildings Committee, for holding this hearing today and for allowing us to testify. We look forward to working with Chair Sanchez and members of the Committee on ensuring equitable access to housing for all New Yorkers.

Homeless Services United is grateful to the Committee for calling this hearing today to explore the need for the Emergency Rental Assistance Program (ERAP). This pandemic starkly demonstrated the adage of homeless and housing advocates, that housing is healthcare. While recovery from the pandemic is well underway, there are still housing measures and resources which the City and State must put in place to ensure that precariously housed New Yorkers can firmly regain their footing.

The Need for Rental Arrears:

HSU urges the Council to call upon Governor Hochul to fund ERAP with \$2 billion in currently unallocated Federal pandemic relief funds. As the Committee is well aware, the ERAP program served as a lifeline keeping New York renters safe in their homes during a global health and economic crisis. But with the end of the eviction moratoriums and ERAP facing a complete lapse in funding since November, hundreds of thousands of New Yorkers are at risk of losing their homes and becoming homeless.

The unemployment rate in New York City is double the National average, and women with children are nearly twice as likely to be unemployed as their male counterparts.¹ Families with children make up to 70% of the City's shelter population even before the pandemic², and last year nearly 30% of renters with children reported falling behind on their rent.³ While we are grateful to the State for reopening the ERAP portal in January to allow households to continue to avail themselves to the eviction protections available while their application is being considered, it is critical that the State commits the \$2 billion in unallocated stimulus resources to fund ERAP. These funds which are earmarked for pandemic relief could halt the State's eviction crisis and avert a surge in homelessness and swelling of the shelter

¹ Haag, M., McGeehan, P. (2021, December 14). "The 'Double Whammy' That Is Slowing New York City's Job Growth." *The New York Times*. Retrieved from: <https://www.nytimes.com/2021/12/14/nyregion/nyc-economy-jobless.html> ; (2021, November 09). CCC Analysis: Findings from the U.S. Census Bureau's Household Pulse Survey 2021. *Citizens' Committee for Children*. Retrieved from: <https://ccnewyork.org/data-publications/keeping-track-of-child-and-family-well-being-amid-the-pandemic/>

² June, 2017. Prioritizing Homeless Children and Their Families. *Citizens Committee for Children, Enterprise, New Destiny Housing*. Retrieved from: [FHTF-Full-Report-6-2017.pdf](https://www.newdestinyhousing.org/FHTF-Full-Report-6-2017.pdf) ([newdestinyhousing.org](https://www.newdestinyhousing.org))

³ (2021, November 09). CCC Analysis: Findings from the U.S. Census Bureau's Household Pulse Survey 2021. *Citizens' Committee for Children*. Retrieved from: <https://ccnewyork.org/data-publications/keeping-track-of-child-and-family-well-being-amid-the-pandemic/>



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system. In addition to preventing the immediate crisis, allocating the remaining Federal relief funds in this way would strengthen the State's case for future requests for aid from the Federal government.

While we want to see ERAP funding replenished in this very moment, renters cannot wait. **The City can and should take action to help renters in arrears, including expanding access to One Shot Deals.** One way the Council could accomplish this is to **reintroduce Int. 2172 to remove future ability to pay rent as an eligibility requirement for One Shots.** While rental assistance vouchers can often be used to meet the future ability requirement, many households in arrears do not qualify for a rental assistance voucher, and as a result would be found ineligible for a One Shot.

Fill vacancies at City agencies and providers to meet increased demand for services:

In order to ensure that New York City is well-prepared to help the tens and possibly hundreds of thousands of New Yorkers still with unpaid arrears, **the Council and the Mayor must make sure that both government agencies and City-contracted human services non-profit providers are well resourced to have enough hands to do the work.** Housing resources like One-Shot Deals and rental vouchers like CityFHEPS, FHEPS, and Emergency Housing Vouchers (EHV) are critical tools to keep people stably housed, but they are only effective if there are enough staff to help people quickly access them.

To ensure a strong recovery for the City, **the Council should exempt HPD, NYCHA, DHS, HRA, and DYCD Runaway and Homeless Youth from the 3% across-the-board budget cuts proposed by the Mayor's Preliminary Budget.** These cost savings were largely achieved by **eliminating vacant positions**, but in doing so it doesn't mean those positions weren't necessary. It just **means there will be less people to do the work.**

Robust staffing is necessary not only to help the growing numbers of tenants unable to pay their rent, but also to ensure the City can maximize the success of available housing resources, including CityFHEPS, State FHEPS, and Emergency Housing Vouchers (EHV), to significantly reduce the number of families and individuals experiencing homelessness in New York City.

HSU is extremely grateful to the Council for passing Intro 146 last session to raise CityFHEPS rent levels to Fair Market Rent (FMR), and the **Council must hold DHS and HRA budgets harmless to ensure both agencies are not short-handed and able to process the additional applications.** If DHS does not have sufficient staff, delays processing CityFHEPS applications could result in families and individuals losing viable units and languishing in shelter longer, and landlords losing money and interest in the program if an application takes longer than 30-days to process. (HRA removed signing bonuses for CityFHEPS "move" cases when implementing the higher rent amounts, so the only remaining financial incentives is a 30-day unit hold fee to compensate the landlord one month's rent while the application is in process, and a 15% broker's fee.) HRA budget cuts could also impact application processing times for State FHEPS, payment processing times for CityFHEPS and State FHEPS, and applications for Public Assistance, Cash Assistance, One-Shot Deals, SNAP, and food stamps.



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The Council should also direct additional funding to NYCHA and HPD departments responsible for processing Emergency Housing Vouchers, as low staffing levels at both agencies resulted in a slow rollout of these critical Section 8 vouchers. This once-in-a-lifetime infusion of Section 8 rental assistance is a game changer for reducing the number of people experiencing homelessness on the street and in shelter, but vouchers must be leased by 2023. Providers are making every effort to enroll clients, but to date, only a fraction of households who submitted applications have resulted in attaining permanent housing. HSU will continue to work with providers and government partners to workshop and improve the process, but sufficient personnel on both the agency and provider side are necessary to capitalize on this resource.

City-contracted human services organizations are currently struggling to hire and retain qualified staff because of extremely low wages set by their City contracts. Homeless services and eviction prevention providers in particular are struggling with staff vacancies that at some programs exceed 20- 25% including in critical roles like housing specialists. To address wage inadequacies, we urge the City to fund the requests of the Human Services Council's #JustPay Campaign⁴, including:

- Establish, fund, and enforce an automatic annual cost-of-living adjustment (COLA) on all human services contracts.
- Set a living wage floor of no less than \$21 an hour for all City and State funded human services workers.
- Create, fund, and incorporate a comprehensive wage and benefit schedule for government contracted human services workers comparable to the salaries made by City and State employees in the same field.

Improving Rental Assistance Resources:

With the implementation of higher CityFHEPS rent amounts, HRA implemented a rent reasonableness test and deductions for utility costs which are eroding the Council's efforts to substantially increase rent levels for these vouchers. **HSU and other advocates are urging the City to strike rent reasonableness and utility deductions requirements from the CityFHEPS rule** and other ways to reduce bureaucratic processes baked into the application to streamline access, widening eligibility requirements including increasing initial income limits to 50% of the Area Median Income, removing the 90-day residency requirement for people in shelters, and, allowing a rent demand letter in lieu of an active housing court case to prevent housing instability earlier on.

HSU also recommends that **the Council should support Senator Kavanagh's and the State Legislature's efforts to pass and fund the Housing Access Voucher Program in the FY22-23 State Budget**. The new Statewide rental assistance voucher would be another tool in New York's toolbox to address homelessness and housing instability, as it prioritizes half its vouchers for people experiencing housing instability in the community, as well as serving populations which don't qualify for other existing vouchers, such as working households are over income for other vouchers but don't earn enough to

⁴ <https://www.justpayny.org/>



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cover the rent, people who are disabled or cannot work, and people who lack legal status and thus are ineligible for Public Assistance which is necessary for Section 8 and TANF funded vouchers.

Additional Housing Investments:

Homeless Services United, as a member of the United For Housing (UFH) Coalition, was dismayed that the Mayor's Preliminary Budget did not include any additional investments for affordable housing or rental assistance. United For Housing estimates that a \$4 billion annual investment is necessary to preserve and create new affordable housing in the City, and we hope Chair Sanchez and members of the Committee will include these recommendations in the Council's Budget response:

- \$1.5 billion annual investment for NYCHA, matched by State funding, to fully restore NYC's public housing stock
- \$2.5 billion annual investment in affordable housing rental and home ownership investments
- \$200 million annual investment to cover enhanced rental assistance rents, matched by State funding

Thank you Chair Sanchez and members of the Housing Committee for holding this hearing today. While the pandemic has hit our City especially hard, there is light at the end of the tunnel through the numerous investments in housing resources and safety net assistance. It is through continued timely access to these critical resources that New Yorkers will regain and remain stably housed, and HSU looks forward to assisting the Council in those efforts.

Thank you for the opportunity to submit testimony. If you have any questions, please feel free to email me at elee@hsunited.org or call me at (646) 515-8053.

**Testimony of Rachel Fee, New York Housing Conference
Committee on Housing & Buildings – Oversight Hearing on
Vacancies and Assessing the Ongoing Need for Emergency
Rental Assistance Program.**

February 25, 2022

My name is Rachel Fee, I am the Executive Director of the New York Housing Conference (NYHC). I would like to thank the Committee Chair Councilmember Pierina Ana Sanchez as well as the other members of the Housing and Buildings Committee for the opportunity to comment on the ongoing need for emergency rental assistance.

NYHC is a nonprofit affordable housing policy and advocacy organization. As a broad-based coalition, our mission is to advance City, State and Federal policies and funding to support the development and preservation of decent and affordable housing for all New Yorkers.

The COVID-19 pandemic has caused large-scale health and economic hardships on millions of Americans, including putting many at risk of losing their housing.

The federal government provided funding for rental assistance to the states in response to the COVID-19 pandemic, funding New York's \$2.3 billion Emergency Rental Assistance Program (ERAP), which has been a lifeline to households across the state. But the current need is far greater than the available funding without a major injection of funds and tens of thousands of households will not be served.

In December 2020, Congress provided \$25 billion for emergency rental assistance nationwide for Americans who lost income and fell behind on rental payments under the Consolidated Appropriations Act of 2021 (ERA1) and another \$21.55 billion under the American Rescue Plan Act in March 2021 (ERA2). **Because Treasury's allocation formula is based on total population, not based on a state's share of renters in arrears, New York has been shortchanged.**

The state is continuing to allocate federal ERAP funding. The state opened the emergency rental assistance portal last June and the Office of Temporary and Disability Assistance (OTDA) has received over 300,000 applications and obligated about \$2 billion in ERAP funding. The program has about an 85% approval rate, not including duplicates or subsidized tenants. When tenants are denied, it is usually due to incorrect paperwork and ineligibility. So far 116,968 applications have been paid out, worth about **\$1.5 billion** with an **average payment of \$12,500.**

There remain 42,524 households whose applications have been preliminarily approved and are waiting for landlord verification. When landlords whose tenants were provisionally approved don't respond to reasonable outreach efforts, the amount of rental assistance they would have received is set aside for 180 days. After that period, the assistance is recycled to another eligible applicant. Starting in November, about 31,000 180-day notices went out to landlords. No 180-day periods have been extinguished yet. About 13,000 notices received responses and applications are moving towards being resolved, leaving about 18,000 still outstanding. 15,500 applications from June, July & August have not been successfully matched to a landlord and until they do, OTDA cannot issue those payments. OTDA is working with community based organizations and landlord groups in addition to the contracted processing company, Guidehouse.

There is currently enough funding to pay out 165,000 applications received through the 21st of September. This leaves tens of thousands of households in New York state behind on their rent that will not be able to get assistance when the funding runs out unless the federal and state government act.

In the first round of reallocation of unspent funds, New York requested \$996 million but only received \$27 million. Last month, Governor Hochul requested another \$1.6 billion from the U.S. Treasury Department, including \$159 million for administrative costs. This includes about \$230 million in estimated need for about 80,000 subsidized housing tenants whose arrears cannot be addressed until all other applications have been considered. However, it is unlikely that New York will receive anywhere near enough to fulfill this request and the next opportunity for reallocations from Treasury will not come until the end of March.

New York state needs to find more funding for the ERAP program to help unassisted households. **We hope the City Council will support our ask that Governor Hochul and the Legislature use a portion of the \$2 billion of unused federal pandemic relief to support ERAP in this year's budget. The City Council should also support the proposed Housing Access Voucher Program (HAVP), which would provide rental assistance to homeless households and people facing eviction.**

There are actions the city can take to help households avoid evictions. The city can also fund additional rental assistance to keep people housed or leave homelessness. **United for Housing, a coalition of more than 90 organizations led by NYHC to develop consensus recommendations to fight the housing and homelessness crisis, called on the city to spend an additional \$200 million per year on rental assistance and we ask for the City Council's support.**

Many households will also benefit from short-term assistance, including one-shot deals to pay back rent. In order to help the greatest number of people, the city should remove the

requirement that households show a future ability to pay the rent, focusing instead on ensuring that people can stay in their homes.

We would also like to see the city continue to expedite the issuance and lease up of emergency housing vouchers (EHV). Included in the American Rescue Plan was an unprecedented \$5 billion investment in EHVs, enough for 70,000 vouchers nationwide. These vouchers are reserved for the most vulnerable households, those “(1) homeless; (2) at risk of homelessness; (3) fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking or human trafficking; or (4) recently homeless and for whom providing rental assistance will prevent the family’s homelessness or having high risk of housing instability.”

The New York City Housing Authority (NYCHA) and Department of Housing Preservation and Development (HPD) were allocated 5,738 and 2,050 vouchers respectively. **According to the Department of Housing and Urban Development’s (HUD) [EHV dashboard](#), as of February 23, 2022 NYCHA has only issued 1,479 and leased 304 vouchers and HPD has only issued 500 and leased 18 vouchers.**

Under ARP, if a PHA “fails to lease its authorized EHVs within a reasonable period of time, HUD may revoke and redistribute any unleased vouchers and associated funds to other public housing agencies.” As we quickly approach a year since ARP was passed, we are extremely worried that New York will be at risk of losing unused vouchers if lease ups do not ramp up soon. We cannot let this opportunity to place thousands of vulnerable New Yorkers in permanent housing pass us by.

Finally, the city must protect the budgets of agencies that will be involved in preventing evictions and homelessness with staff working on expanding affordable housing and providing and processing both current and expanded rental assistance. **We ask for Council support to ensure that budget cuts to HPD, NYCHA, Department of Homeless Services, and Human Resources Administration do not affect housing-related services.**

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TESTIMONY OF THE LEGAL AID SOCIETY

City Council Committee on
Housing and Buildings

Re: T2022-189: Oversight: The Impact of COVID-19 on New York City Housing Vacancies and
Assessing the On going Need for Emergency Rental Assistance Program

February 25, 2022

Thank you, Chair Sanchez and members of the New York City Council Committee on
Housing and Buildings for holding this very important hearing

The Legal Aid Society

The Legal Aid Society (Legal Aid) is the nation's oldest and largest not-for-profit legal services organization. Legal Aid provides comprehensive legal services in all five boroughs of New York City for people who cannot afford to pay for private counsel. Since 1876, Legal Aid has advocated for low-income families and individuals and has fought for legal reform in City, State, and federal courts across a variety of civil, criminal and juvenile rights matters. Legal Aid takes on 300,000 cases annually, including thousands of cases in which we fight for the rights of tenants in regulated and unregulated apartments across the city. Legal Aid also takes on law reform and

Justice in Every Borough.

appellate cases, the results of which benefit more than 1.7 million low-income New Yorkers; the landmark rulings in many of these cases have a state-wide and national impact.

The Housing Crisis in New York

As you know, New York City was the epicenter of the country’s COVID-19 pandemic. As of February 21, 2022, there have been at least 2,272,601 cases in New York City since the beginning of the pandemic.¹ Brooklyn, Queens and the Bronx are fourth, fifth and eighth counties with the highest death rate in the United States². New York City lost 39,517 people to COVID-19, as of February 21, 2022³.

The disproportionate impact of COVID-19 on our client communities is well-documented. COVID-19 has exposed the long-standing racial and social inequities that have led to vulnerable populations bearing the brunt of this crisis. Throughout the crisis, Black and Latinx New Yorkers have died of COVID-19 at twice the rate of white people and have a hospitalization rate that is almost three times that of white people⁴. The CDC and others have attributed those rates to lack of access to health care and exposure to the virus related to occupation, including frontline, essential, and critical infrastructure workers. “[A]s more data becomes available, one thing is clear: COVID-19 has only magnified the systemic inequalities that persist in the United States. And nonwhite Americans, especially African Americans, have been hit hard on nearly every front⁵.” Low-income workers have also faced higher job losses during the pandemic. In the first month of the pandemic,

¹ <https://www.nytimes.com/interactive/2021/us/covid-cases-deaths-tracker.html>

² See [Johns Hopkins University, Coronavirus Resource Center](#) (last updated January 3, 2022). This website notes that New York City’s data does not include probable COVID-19 deaths as this data is not reported.

³ <https://www.nytimes.com/interactive/2021/us/covid-cases-deaths-tracker.html>

⁴ Centers for Disease Control and Prevention, COVID-19 Hospitalization and Death by Race/Ethnicity, *available at* <https://www.cdc.gov/coronavirus/2019-ncov/covid-data/investigations-discovery/hospitalization-death-by-race-ethnicity.html> (Updated September 9, 2021).

⁵ Harmeet Kaur, *The coronavirus pandemic is hitting black and brown Americans especially hard on all fronts*, CNN (May 8, 2020), <https://www.cnn.com/2020/05/08/us/coronavirus-pandemic-race-impact-trnd/index.html>.

employment for workers in the bottom quintile dropped 35% as compared to a 9% drop in employment for the highest quintile of earners⁶.

Although the economy is starting to rebound, COVID has had a devastating financial impact on millions of New Yorkers, caused by death, disability, loss of work, and a range of increased expenses. Many New Yorkers struggled to pay their rent prior to the pandemic, and the COVID-caused financial crisis exacerbated the instability. Prior to COVID, New York City's unemployment rate was 3.8 percent, after COVID it shot up to 20 percent and has slowly decreased but as of December 2021, it is still an alarming 7.9 percent⁷. To put this in perspective, New York State DOL has a monthly record of the unemployment rate starting January 1, 1976. For decades, the highest unemployment rate recorded in New York City was 11.5 percent which was the rate from August through November 1992. However since March 2020, New York City has seen eleven months with rates higher than the highest rate previously recorded.

Moreover, unemployment insurance claim numbers do not capture the full extent of the financial hardship caused by COVID-19, because they exclude workers who have lost work but do not qualify for unemployment, including people without sufficient prior earnings or work history, undocumented immigrants, and those whose hours have been cut but who still work part-time. New York City is in the midst of a financial crisis that was caused by the health crisis. The only way to combat these dual crises is to keep people in their homes where they can avoid COVID, where they can seek employment opportunities and remain employed.

New York City's Affordability Crisis

New York City has an enduring affordability crisis. Over 50 percent of New York City low income renters are rent burdened, paying more than 30 percent of their income toward their rent. 30 percent are severely rent burdened, paying more than 50 percent of their income toward their rent. A 2018 report found that communities where people spend more than 32 percent of their income on

⁶ Tamaz Cajner, *et al.*, *The U.S. Labor Market During the Beginning of the Pandemic Recession*, Nat'l Bureau of Econ. Research, <https://www.nber.org/papers/w27159.pdf>.

⁷ <https://statistics.labor.ny.gov/lslaus.shtm>

rent can expect a more rapid increase in homelessness⁸. The end of the eviction moratorium has exacerbated this crisis. As COVID struck in March and April, 2020, hundreds of thousands of families across New York City lost their main source of income. Across the city, one in four renters have missed at least one rent payment since March 2020, according to new data from Robin Hood and Columbia University.⁹ Among New Yorkers who lost work or income during the pandemic, more than 40 percent have fallen behind on rent.¹⁰ The Emergency Rental Assistance Program (ERAP) has paid some tenants' rent debt but cannot address the real problem, low-income tenants who were struggling to pay their rent before COVID, now cannot afford their apartments and without help, hundred of thousands of New Yorkers will become homeless.

The solution to the affordability crisis is obvious: ongoing rental assistance is needed. The country's largest mechanism for providing long-term rental assistance, Housing Choice Vouchers, has proven this: reducing the poverty rate for those housed through the program by 43 percent¹¹ and providing long-term benefits¹² to households that were previously homeless. Unfortunately, these federal vouchers are not available to those who need them – the Federal Government has not responded to the massive affordability crisis. We cannot wait for the Federal Government's failed promise to provide vouchers to those who need them.

New York City must expand CityFHEPS to address both needs related to pandemic arrears and longer-term issues of housing affordability. The Council should act to increase the number of CityFHEPS vouchers to forestall evictions and expand eligibility for CityFHEPS to all rent burdened New Yorkers with income below 200% of the federal poverty line. Under current rules, CityFHEPS

⁸ <https://www.zillow.com/research/homelessness-rent-affordability-22247/>

⁹ . S.Collyer et. al., Spotlight on Housing: The looming eviction crisis is likely to exacerbate racial and economic inequity in New York City and requires bold policy action, January 2022 https://robinhoodorg-wp-production.s3.amazonaws.com/uploads/2022/01/PT_2022_housing_report_FINAL.pdf

¹⁰ Id.

¹¹

<https://static1.squarespace.com/static/5743308460b5e922a25a6dc7/t/5f7dd00e12dfe51e169a7e83/1602080783936/Housing-Vouchers-Proposal-Poverty-Impacts-CPSP-2020.pdf>

¹² https://www.huduser.gov/portal/family_options_study.html

is mainly designed to move people out of homelessness but it should be expanded to keep people housed, especially seniors and people with disabilities.

The State Emergency Rental Assistance Program

New York State received 2.6 billion dollars in Emergency Rental Assistance (ERA) from the United State Treasury. Of that, 2.4 billion dollars went into the Emergency Rental Assistance Program (ERAP)¹³. To be eligible for ERAP, tenants must be under 80 percent of AMI, have a rental obligation in their current apartment and must have either lost income during COVID or have significant increased costs. Tenants can apply for up to 12 months of back rent, three months of prospective rent and utility arrears¹⁴. Additionally, in September, the State provided 125 million dollars for households with incomes between 80 percent of area median income and 120 percent of area median income and 125 million dollars for landlords whose tenants moved out or did not apply for ERAP. As of February 8, 2022, 1.5 billion dollars has been disbursed to landlords¹⁵. Another 531 million is in a separate bank account being held for landlords of provisionally approved tenants to cooperate. No application submitted after September 21, 2022 can be paid out as the ERAP program has run out of money. However, tenants can still apply as the agency, which shut the application portal down in November, has reopened the portal after a court order. The United States Treasury Department has the authority to reallocate money from jurisdictions that have not spent their allocations to jurisdictions that have run out of money. New York State has applied for an additional 1.6 billion. Thus far New York State has received 27 million dollars in reallocated funds. As of December 31, 2021, there is over 25 billion in unspent ERA funds that could be potentially reallocated. Additionally, Governor Hochul is considering using federal COVID relief funds to replenish ERAP.

¹³ The remaining money was kept by localities who decided not to opt into the State program. New York City did opt in and provided its direct allocation to the State. New York City's direct allocation was about 645 million dollars.

¹⁴ Tenants are eligible for prospective rent if they are rent burdened. Additionally, tenants must have rent arrears to be eligible for prospective rent or utility arrears.

¹⁵ Data from ERAP is published on the Office of Temporary and Disability Assistance website and can be found here. <https://otda.ny.gov/programs/emergency-rental-assistance/program-reports.asp>

To date, ERAP has disbursed 1.2 billion dollars for New York City residents. We do not have data about the provisionally approved tenants but we do for the tenants whose landlords have received payments. We do not have data on the state program for tenants over 80 percent of area median income though we know that the State could not spend the 125 million dollars allocated for that population. The money left over was added to the fund for landlords. We have data on applicant demographics. In New York City, 71 percent of applicants were extremely low income, another 19 percent were very low income. The Bronx received 347,979,038.76 dollars on behalf of 30,356 tenants. Brooklyn received 374,328,715.57 dollars on behalf of 26,875 tenants. Manhattan received 197,632,196.36 dollars on behalf of 13,923 tenants. Queen received 273,372,761.16 dollars on behalf of 17,761 tenants. Staten Island received 28,032,133.78 dollars on behalf of 1942 tenants.

ERAP Left Out NYCHA Residents

The Emergency Rent Assistance Program was designed to put subsidized housing tenants at the back of the line. The State's program paid the arrears of moderate and middle income tenants before they paid public housing tenants' arrears. NYCHA residents are among the poorest New Yorkers. Even with properly set rents, the amount of money they have left over to pay expenses is extremely small. The ERAP program recognized that many tenants have struggled to pay rent because their expenses increased during COVID, yet NYCHA residents, among the poorest New Yorkers have been locked out of this program. From March 2020 through January 2022, NYCHA residents owe 224.5 million dollars to the Housing Authority. That money is used to pay NYCHA's bills including money to ensure that the Housing Authority can keep the lights on. New York City must step up and use the some of billions in federal relief funds to clear NYCHA residents debt and allow NYCHA to cover its operating costs. NYCHA has announced that it does not intend to bring nonpayment proceedings against residents with COVID arrears. Unfortunately, we understand that if NYCHA does not receive funds from the City or State to address these arrears, HUD will force NYCHA to bring eviction cases against the residents.

Conclusion

Thank you for the opportunity to submit this testimony today and for your leadership in helping New Yorkers get through the current crisis. We look forward to working with you to help tenants throughout New York City.

Respectfully Submitted:

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TESTIMONY OF:

**Erin Sternlieb, Affordable Housing Specialist
Civil Justice Practice**

BROOKLYN DEFENDER SERVICES

Presented before

**The New York City Council
Committee on Housing and Buildings**

**Oversight Hearing on the Impact of COVID-19 on NYC Housing Vacancies and Assessing the
Ongoing Need for Emergency Rental Assistance Program**

February 25, 2022

I. Introduction

My name is Erin Sternlieb, and I am the Affordable Housing Specialist in the Civil Justice Practice at Brooklyn Defender Services. I want to thank the Committee on Housing and Buildings and Chair Sanchez for allowing us to testify today. I would like to take this opportunity to speak in support of expanding access to Emergency Rental Assistance and removing barriers to accessing and using housing vouchers.

Brooklyn Defender Services (BDS) is a public defense office whose mission is to provide outstanding representation and advocacy free of cost to people facing loss of freedom, family separation and other serious legal harms by the government. We represent approximately 25,000 people each year who are accused of a crime, facing loss of liberty, their home, their children, or deportation. BDS' Civil Justice Practice (CJP) aims to reduce the civil collateral consequences for our clients who have interacted with the criminal, family or immigration justice systems. We also serve our clients with additional civil legal needs; we know that even a minor housing or benefits issue, if unaddressed, can have insurmountable repercussions, especially for our clients who are already dealing with serious problems in other forums.

The people we serve experience housing instability in a variety of forms: we defend people from eviction in Housing Court, provide proactive relocation assistance and benefits advocacy, and guide clients through the shelter system. In my role as affordable housing specialist, I work with clients who are coming from the shelter system or facing eviction from their current housing to secure stable housing. Through this work I have seen how difficult it is for New Yorkers to access rental assistance and use vouchers to secure safe, affordable, and permanent housing.

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II. Lack of Affordable Housing During the COVID-19 Pandemic

Over the last two years, the COVID-19 pandemic has had serious consequences on affordable housing access and homelessness in New York City. Although the various eviction moratoriums and tenant protections passed during the pandemic saved lives and forestalled homelessness for many low-income New Yorkers, the unpredictable housing landscape has made it increasingly difficult for New Yorkers already experiencing homelessness and those with pending evictions to secure stable permanent housing and plan for the future.

During the early days of the pandemic, we heard about a mass exodus of people moving out of the city, leaving a trove of vacancies. However, it quickly became clear that this pattern did not affect the city's most affordable housing. Although there was an increase in vacancies in higher rent units, these units were not accessible to low-income New Yorkers who needed them most and especially those attempting to rent with housing vouchers with strict rent caps. In fact, what we have observed and what reporting has borne out is that because of the eviction moratorium and the uncertainty of the pandemic, there was less movement out of the lowest rent units in the city, making it even more difficult for New Yorkers experiencing housing insecurity to find apartments.

As part of my role as Affordable Housing Specialist, I use various online listing sites (Trulia, Street Easy, etc.) to compile a list of "affordable" vacancies for my clients every week. During most of the pandemic, it was impossible to find more than a handful of listings that fell under voucher rental amounts or with rents my clients could afford. While some higher-income New Yorkers benefited from "pandemic rents" or special deals and incentives from their landlords, many of our clients have had a completely different experience during the last two years. Securing affordable housing has remained a nearly impossible feat.

III. Source of Income Discrimination

In September 2021, our office testified in front of the Human Resource Administration in support of proposed increases to the CityFHEPS rental amounts and to advocate for crucial improvements to the city's rental assistance program. BDS supports the increases of both CityFHEPS and FHEPS rental amounts to meet fair market rents that have gone into effect over the last year. We have also been excited to see clients benefit from the Emergency Housing Voucher (EHV) program, which has made new Section 8 vouchers available for the first time in years. However, these changes alone are insufficient to fix the city's voucher programs, and many of our clients still struggle to access and use this vital assistance.

While the increase of the city and state rental assistance programs to fair market rental rates should have dramatically expanded the pool of vacant apartments available to voucher holders, in reality it remains incredibly difficult for voucher holders to actually secure apartments. Vacancy rates are not an accurate representation of the ease of relocation, especially for renters moving with vouchers. Voucher holders continue to experience rampant source of income discrimination with little recourse. Over the last two years, I have worked with hundreds of voucher holders looking for apartments. Many of my clients have been searching for apartments for several years without luck. Every single one of these clients has been told by a landlord or broker at some point that they do not accept vouchers. Most have heard this response dozens of times, or have simply been ignored or

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hung up on after they mention their voucher. This is extremely demoralizing and, beyond keeping people trapped in homelessness and housing insecurity, has serious collateral consequences. Inability to secure housing with vouchers, despite our clients' diligent and committed efforts, can seriously impede their ability to reunite with children removed by ACS, resolve their criminal case, and pursue educational and employment opportunities.

The city has made ambitious commitments to enforce source of income discrimination and make more apartments accessible to voucher holders, including through the new "I Vouch for Vouchers" campaign. In practice, however, we have seen long delays in getting complaints processed by the NYC Commission on Human Rights. It can take months for complaints to get an initial follow up from the commission, and longer to investigate and resolve. New Yorkers facing eviction and experiencing homelessness do not have months to wait. Despite directing dozens of clients to the commission to report source of income discrimination, I have yet to see a complaint result in a client being able to rent an apartment.

Permanent affordable housing is the foundation many New Yorkers, including the people we serve, need to find stability in their lives. Increased voucher rent limits remains a necessary but incomplete part of the solution to our homelessness and housing insecurity crisis. The city must commit additional resources to connect voucher holders with landlords and to help tenants overcome source of income discrimination.

IV. Ongoing Need for Rental Assistance and Housing Vouchers

With the end of the eviction moratorium last month, hundreds of thousands of New Yorkers are suddenly facing the threat of eviction. Many of the people we serve have faced employment insecurity for nearly two years and are now facing eviction over rent that accumulated during the pandemic. The Emergency Rental Assistance Program (ERAP) has been a vital resource to help tenants pay those arrears and remain in their homes. The influx of new applications upon OTDA reopening the ERAP application in January demonstrates tenants' ongoing need, made emergent by the end of the moratorium.

Beyond ERAP, rental assistance vouchers are an important tool in ensuring low-income and homeless families have access to stable, permanent housing. Many of the people we serve have not benefited from the recent economic recovery and continue to struggle to pay rent and other expenses. Those tenants face barriers, exacerbated by the pandemic, to accessing the vouchers they need. For example, Homebase is the only organization that can screen for voucher eligibility and issue shopping letters. Homebase offices in Brooklyn are severely understaffed and have an alarming backlog of cases to screen and process. I have many clients who have been waiting months for an initial screening call from Homebase and even longer to receive a voucher if they are eligible. For clients in DHS shelters eligible for vouchers, clients routinely wait much longer than the 90-day statutory requirement to be screened for and issued vouchers.

Once people get through the months-long waiting-period for a voucher, overcome source of income discrimination, and found a landlord willing to work with them, they face additional barriers. For people working with Homebase, often by the time they have actually found an apartment, their case has been closed and they have to be re-assigned a new caseworker and be re-screened for voucher



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eligibility which can take weeks or longer. Clients in shelter also can have trouble getting overburdened shelter staff to submit housing packets to DHS in a timely manner. We often also see paperwork getting sent back from HRA and DHS to homebase and shelter staff because of missing paperwork or clerical errors, causing further delays.

One of my clients Ms. J found an apartment and signed a lease to start on November 1st. Homebase could not finish the approval in time, and told the landlord the lease had to be changed to the 15th of the month. The landlord and client met and re-signed the lease, only to be told leases had to start on the first of the next month. In total Ms. J waited more than two months after finding an apartment to move in and was unable to reunite with her son who was in foster care during this time. Unfortunately, this timeline is typical. Landlords often get frustrated with the wait and lack of clear communication, so they move on to applicants without vouchers who can move more quickly.

The small number of my clients who have been able to find an apartment with their vouchers and complete the approval process have *all* had issues getting checks sent to their new landlords. Checks often go missing or are never processed. To get checks issued often requires follow up from our office. For tenants without advocates to troubleshoot these issues for them, this becomes an insurmountable obstacle. This process must be streamlined. The city must work to strengthen communication between key agencies including DHS, HRA, and Homebase and voucher holders, landlords, and advocates so the approval process runs smoothly and quickly and essential steps are not missed.

V. Conclusion

Despite the lower rate of COVID-19 cases, the availability of vaccines, and promising signs of economic recovery, the people we serve continue to feel the impact of the pandemic on their housing security and ability to afford rising rents. Given the difficulty of accessing and using housing vouchers to secure housing as outlined in our testimony, we strongly urge the Council to pursue all available funding and invest in rental assistance designed to keep tenants in their homes. The City Council must take concrete steps ensure housing stability for the most vulnerable New Yorkers by strengthening source of income discrimination enforcement, streamlining the voucher approval processes, and making sure CCHR, HRA, DHS, and contracted Homebase providers are fully funded and staffed to run these programs.

Thank you for your time and consideration of our comments. We look forward to further discussing these and other issues that impact the people and communities we serve. If you have any additional questions, please contact Alexandra Dougherty, Senior Attorney and Policy Counsel, at adougherty@bds.org.



Testimony of Baaba K. Halm

Vice President and New York Market Leader

Enterprise Community Partners, Inc.

To the New York City Council

Committee on Housing and Buildings

Oversight: The Impact of Covid-19 on NYC Housing Vacancies and Assessing the Ongoing Need for Emergency Rental Assistance Program.

February 25th, 2022

My name is Baaba Halm and I am the Vice President and Market Leader for the New York office of Enterprise Community Partners, a national nonprofit on a mission to make home and community places of pride, power and belonging, and platforms for resilience and upward mobility for all. Since our New York office opened in 1987, we have committed more than \$3.9 billion in equity, loans and grants to affordable housing and community to create or preserve over 73,000 affordable homes across New York State.

On behalf of Enterprise, I would like to thank Chair Pierina Ana Sanchez and the Committee on Housing and Buildings for the opportunity to testify today on the ongoing need for emergency rental assistance. As you well know, New York City faced an affordable housing crisis prior to Covid-19. Now, nearly two years after the virus first hit New York, we continue to face an unprecedented crisis of housing insecurity and homelessness. With temporary protections from the State's moratorium now gone, we are extremely concerned with the lack of long-term solutions to keep low-income tenants in stable housing, and help homeless New Yorkers secure permanent housing. It is critical that New York City bolster and improve existing forms of rental assistance, effectively implement emergency rental assistance, and advocate for more State and Federal resources whenever possible.

Improvements to CityFHEPS

Enterprise convenes the New York City Eviction Prevention Roundtable, a diverse group of property owners, tenant advocates, and service providers who seek to develop upstream policy solutions to prevent evictions. The roundtable created a set of recommendations outlined in our report [*Preventing Eviction for New Yorkers Amid Covid-19*](#), to expand eligibility for and streamline existing assistance programs, align them more closely with the cost of housing, and address growing economic need.

Last year, the New York City Council took a major step in the fight against housing instability by passing Intro 146, which raised the value of the CityFHEPS voucher to Fair Market Rent. New York State also raised the value of the FHEPS voucher to Fair Market Rent, both major policy priorities for our roundtable.

While New Yorkers are already beginning to feel the impact of this policy victory, adjustments still need to be made to make the CityFHEPS voucher more effective. We ask the City Council to make the following improvements:

- For CityFHEPS in shelter, remove barriers to eligibility including burdensome work requirements and the income cliff, which can abruptly make recipients ineligible. One currently must earn less than 200% of the federal poverty level, reside in shelter for 90 days or more, and work at least 30 hours per week, which is difficult for many people to achieve.
- For CityFHEPS in community:
 - Remove barriers to eligibility including the requirement of DHS shelter history, or membership in a narrow special needs group such as rent controlled apartment resident or APS case status – anyone at imminent risk of eviction should be eligible for assistance.
 - Prevent eviction further upstream by allowing tenants to show risk of eviction with a rent demand letter in order to be eligible, as opposed to forcing people to wait until the point of eviction
- HRA should reduce the frequency with which they demand income reverification documents from tenants and rely more on documentation HRA already has in its welfare management system.

Emergency Housing Vouchers

New York City has the opportunity to dramatically reduce housing instability and homelessness by effectively deploying the nearly 8,000 emergency housing vouchers (EHVs) that it received through the American Rescue Plan. However, we remain concerned by the slow rollout of the vouchers, which need to be deployed by July 2022. The rollout is hampered in large part by low staffing and funding at both HPD and at partnering nonprofits. We ask the City to direct additional funding to HPD's Division of Tenant Resources to increase staffing to administer the vouchers.

Additionally, the City must provide resources to bolster the staff capacity at nonprofits who have been tasked with assisting EHV administration. We urge the City to fund the requests of the *Just Pay* campaign, including:

- Establish, fund, and enforce an automatic annual cost-of-living adjustment (COLA) on all human services contracts.
- Set a living wage floor of no less than \$21 an hour for all City and State funded human services workers.
- Create, fund, and incorporate a comprehensive wage and benefit schedule for government contracted human services workers comparable to the salaries made by City and State employees in the same field.

Housing Access Voucher Program (HAVP)

The Emergency Rental Assistance Program (ERAP) was a critical short term response, but New York's housing affordability crisis predates the Covid pandemic and, as such, requires a long-term solution. HAVP would provide a rental voucher to nearly 85,000 households that are homeless or at risk of becoming homeless. It would allow voucher recipients to pay 30 percent of their income towards rent, with the rest covered by the voucher, up to 110 percent of Fair Market Rent. As with any solution that allows families to remain in permanent housing, it would generate savings from reduced shelter costs. It would also ensure that families who struggle to pay rent are not forced to go through the traumatic and costly housing court process and shelter system. Additionally, immediate, temporary relief that benefits small building owners and tenants, like the Emergency Rental Assistance Program and the Landlord Rental Assistance Program (LRAP), remain critical.

We urge New York City to work with Statewide partners to ensure that the HAVP program is funded in this year's State budget, and that pending additional resources, that ERAP and LRAP are funded as well.

Source of Income Discrimination

Even the most robust rental assistance program cannot be effective if property owners unlawfully refuse to accept it. For this reason, enforcing New York State's source of income (SOI) protections are a crucial component in any voucher improvement. In 2019, the Statewide Source of Income Coalition, which was started by ERASE Racism and is now co-led by Enterprise, successfully advocated to amend the State's Human Rights Law to expand the protected class list to include 'lawful source of income', effectively banning housing discrimination based on a tenant using non-wage income, like vouchers, to pay rent. However, legislation is not enough and our fair housing partners in New York City indicate that this kind of discrimination remains pervasive, and encountered often by voucher holders. We urge the New York City Commission on Human Rights



to ramp up education and enforcement on source of income discrimination, and work with the State to ensure adequate resources for local fair housing organizations.

Housing Supply

New York City cannot solve its housing insecurity and homelessness crisis without addressing its shortage of affordable housing. New York City has had a vacancy rate below 5% for decades, the threshold for defining a housing emergency under state law. The vacancy rates for affordable housing are even lower, with only 1.15% of units renting for less than \$800/month being vacant. It is critical that the New York City council promote policies to develop new affordable housing, and that all councilmembers encourage new affordable housing in their districts. Statewide, there are several policies to combat exclusionary zoning that Enterprise is advocating for, including the expansion of accessory dwelling units, and a streamlined application and development process for new affordable housing in communities with a dearth of it. Both of these proposals would further fair and equitable housing in New York City, opening up exclusive neighborhoods to more affordable housing options. We encourage the City to work with Statewide partners to continue to develop these proposals.

In closing, we would like to thank you again for the opportunity to testify here today and for your continued leadership to address housing issues in New York City. Enterprise looks forward to continued partnership with you to ensure a robust and equitable recovery.

Dear Councilmember Sanchez and members of the Committee on Housing and Buildings. My name is Johnny Hui Cheng Yong and I want to thank you so much for asking HPD [Lucy Joffe] about apartment warehousing vis-a-vis HPD's Housing Vacancy Survey vis-a-vis the state's law on Rent Stabilization during the 2/25/2022 Oversight Hearing. I learned some new important HPD/HVS terminology based on Ms. Joffe's answers to your questions, such as "vacant/not available".

I am part of the Coalition To End Apartment Warehousing. While my message today is rushed (I am trying to beat the 1pm Monday 2/28/2022 deadline for written testimony), and for the rush reason, my message represents my view and not necessarily the views of the Coalition, I want to repeat a comment made in an internal Coalition message:

Tens of thousands of NYC apartment vacancies (some estimates range between 48,000 and 70,000) are self-inflicted by landlords themselves, and should not be used as a ploy to undo rent regulations.

In a way, I cringe to send any message to an elected with the word 'ploy', but in this situation, my colleague brings up a crucial point worthy of repeating. We can't rule out the possibility that landlords collude to outfox the state and city. In the building I live in, more than 100 apartments are being warehoused on purpose. For my specific building, located in CD3, the blame rests on **a 5-way intersection of:**

- 421a (for its lack of oversight),
- new-fangled apps made in Silicon Valley,
- HPD and DHCR (both agencies are culpable for not understanding these new apps),
- AirBnB (AirBnB being the ringleader of these new apps and [marketing them to landlords](#)),
- and landlords who have fallen madly in love with these new apps because these apps fly under the radar.

Many forms of warehousing don't involve the 5-way intersection listed above. But **warehousing nowadays is appearing in various formats, sometimes without renovation, sometimes with renovation** ([Blueground being one example](#)). As such, I will attach a white paper to showcase how some ambiguous types of warehousing can tragically confuse HPD's HVS survey findings. (You can skip straight to [bullet 7](#) of the white paper; as well as [bullet 8](#))

==== WHITE PAPER ON THE INTERSECTION OF APARTMENT WAREHOUSING,
[EVIL MATHEMATICS](#), AND ABUSES OF THE 421-a PROGRAM ====

“Abuses of 421-a”, as seen from a 421-a tenant perspective

This white paper was finalized on Jan. 10, 2022, eight days before Governor Kathy Hochul made official announcements about 421-a and ANNY a.k.a. 485-w. The original title was “Why 421-a is atrocious”, and that title would still be true.

*Here is the original abstract: This white paper contains 11 bullet points and it is meant to **complement** any fiscal research showing why the 421-a tax abatement program isn’t worthy of continuation. Most of these bullet points **are not** fiscal in nature but rather written as first-hand lived experience. **Bullets 7 and 8 are probably the most shocking points of abuse, and great for any arsenal which seeks to fully end 421-a.** These bullets pertain to the foul practice of **landlords warehousing apartments to hurt New York** (bullet 7) as well as to **hurt tenant unions** (bullet 8).*

=== Introduction ===

As a tenant who personally lives in a 421-a unit, you’d think I’d be “for” the 421-a program to continue. The opposite is true: **I’d like to see a total end to 421-a for several reasons but mostly because landlords abuse it in non-obvious ways** as well as obvious ways. In early 2021, I began a learning journey with HCC (Housing Conservation Coordinators) plus a few tenants who also live in active 421-a as well as expired 421-a buildings.

The most salient points HPD revealed to us are that protections are convoluted, building-specific, and most importantly that there are multiple active versions of 421-a, where the rules in each one dictate what the tenant protections are, in each building. The multiple versions have created 3 major “types” of 421a tenant, outlined hereafter in 3 colors (green, pink and yellow) corresponding to each of the 3 types.

- ❖ 1. 421-a BUILDINGS BUILT BEFORE JULY 1, 2008: We've learned that 421-a tenant protections are confusing and as you'll see (by the use of 3 colors below, yellow, pink (both built before 7/1/2008), and green (built after 6/30/2008)) the rules are **divisive** and unfair. In a somewhat helpful October 2021 fact sheet produced by HPD (nyc.gov/assets/hpd/downloads/pdfs/services/421-a-tenant-fact-sheet.pdf), on page 3 of the HPD fact sheet, it says, verbatim:
 - In buildings that started construction before July 1, 2008, 421-a income-restricted units that were built without governmental assistance **cannot be deregulated until the first vacancy after the expiration of the 421-a benefit period.**
 - In buildings *with* governmental assistance (in other words, they are subject to a regulatory agreement prohibiting deregulation after the benefit period), 421-a income-restricted units also remain rent stabilized **until the expiration of the regulatory agreement period.**

- ❖ 2. 421-a BUILDINGS BUILT AFTER JUNE 30, 2008: This same fact sheet further goes on to say, verbatim again:
 - In buildings that started construction on or after July 1, 2008, and on or before December 31, 2015, 421-a income-restricted units must remain both affordable and rent stabilized for at least 35 years from the building's completion of construction, and tenants holding a lease and living in a 421-a income-restricted units at the expiration of the 35-year period have the right to remain as rent stabilized tenants for as long as they live there.
 - Therefore, tenants in these types of units (highlighted in **yellow** and especially **green** above) are sadly **unlikely** to support S. 3082 also known as Good Cause Eviction (also known as Right To Remain nysenate.gov/legislation/bills/2021/s3082)
 - They would maybe support Good Cause if they have a heart and care about other tenants. The reason? They (green and yellow) already have protections that are equal to or possibly even better than the proposals in Good Cause. Personally, because my protections are much weaker (I'm in the **pink** category above), naturally I am inclined to support Good Cause/Right To Remain, and will do what I can to spread the word about it, because per my own interpretation I am Rent Stabilized only until the year 2038 which can arrive quickly. When I first moved into this building, I "felt" 2020 was far-off-in-the-future, but we're already in 2022 and I remember my first few years here pretty clearly.

- ❖ 3. SPECULATORS VS. ACTUAL BUILDERS: Not all landlords are developers so let's be highly critical of the narrative which says developers "deserve" the 421-a tax credits for building buildings. My current landlord simply bought this property upon the original landlord's divestment over 3 years ago, so yes the *original* landlord of this building was a true developer/builder; but this *current* landlord is a glorified property flipper, on a grand scale, **and HAS NOT BUILT anything for NYC**. Why are speculators inheriting 421-a tax breaks?

- ❖ 4. ALL TENANT REGULATIONS DESERVE A NAME: Regarding the **pink** category above, which I'm in, there's no name given to this type of rent regulation. As all New York tenant advocates know, our 2 major models of rent regulation are "Rent Stabilization" and its

predecessor, the far-less-relevant “Rent Control”. The pink category is, according to HPD’s fact sheet, only **Rent Stabilized for a finite period**, then, after 35 years it falls into a nebulous/nameless type when Rent Stabilization is removed. So the question becomes, if it’s regulated **and also NOT** Rent Stabilized, then what is it? It certainly isn’t Rent Controlled. And those are the 2 models every New Yorker cites and immediately knows when we hear “rent regulation”. Therefore, this third type’s nameless nuance is clumsy and lacks dignity, though in all likelihood, in housing court, the long codification seen in each agreement would probably be cited because it’s nameless. (Example, [Section 4.2\(b\)\(3\)\(A\), as well as \(b\)\(3\)\(B\) and Section 4.3\(b\) in my building’s regulatory agreement with NY State’s HFA](#) are about tenant protections) Issues will get confusing for tenants, advocates, lawyers, judges, etc. because each citation will differ on each regulatory agreement; for example the precise “Section 4.2(b)(3)(A)” is unlikely to exactly match up (or exist at all) on another building’s regulatory agreement, hence clumsy. So using a memorable label might be easier when referring to the third model/concept.

- Therefore, to combat this nameless nuance in the pink category/third model of regulated tenant, I propose the label: “SpRAIT” (rhymes with “sprite”), which is simply an acronym for: **Specific Regulatory Agreement Informs Tenancy**. **How can something as important as rent regulation not have a name?** History tells us that **Rent Stabilization** and **Rent Control** were so important to tenants and their electeds, both types were given official dignified names – and these two names are still in use today. Names are important in a rights fight – if a regulation doesn’t have a name, it could easily cause people to question its validity, especially deeper into the future. Having no name makes advocates’ work harder and organizers already have a tough career. The SpRAIT label will help advocates, tenants and others and it provides a shred of dignity to the regulation; furthermore it can be used regardless of how legislators cast their votes on 421-a’s dismantling or continuance.
- But just inventing a name doesn’t change a glaring injustice – **the green and yellow categories still have stronger protections compared to the pink category!** Don’t believe me? Then I encourage you to re-read bullets 1 and 2 while keeping in mind **the facts come directly from HPD**. See the facts directly via the nyc.gov link if you want double confirmation. Who thinks this type of divisiveness is okay?! It’s not okay; whether by accident or by design, tenants shouldn’t be pitted against each other.

- ❖ 5. LANDLORDS’ STRATEGIC SETTING OF FIRST RENTS: Using 421-a’s landlord-friendly rules, prior to HSTPA (enacted July 14, 2019) my type of landlord feasted on deregulation because it was extremely easy for rents to eventually exceed the high-rent dereg threshold because many rents were initially set pennies below the threshold, knowing that future deregulation was easy to do (all prior to HSTPA of course). 421-a is hurtful to New York’s revenue in literally the most passive-aggressive way, and if legislators close some loopholes, more loopholes will be found by landlords. ([See bullet 10 below for a loophole-fighting idea. It’s imperfect, but it’s a start](#)) The costs of 421-a’s administrative upkeep is a further hurtful blow.
- ❖ 6. FAKE FINANCIAL SOLVENCY: Landlords benefit when the money saved by not paying taxes also helps them show a veneer of financial solvency to creditors, even if they aren’t financially solvent. As such, opportunities for turning a property into social housing can

be hampered. Why? Because an owner's financial insolvency is very often a precursor to social housing. If the precursor doesn't happen, the likelihood for social housing is reduced.

- 7. APPS AS "TENANTS": A FOUL TREND: In large sized 421-a buildings, the larger the building, the more opportunities for a landlord to partner with high-tech apps to outfox NYC and NY State by saying the app itself is the "tenant." **An app can't be a tenant.** Saying that an app is a "tenant" is Orwellian doublespeak and insulting to anyone with a brain, because an app can't be a tenant. The specific nomenclature used by my landlord cohort for this type of app is: "furnished housing tenants" and I have audio proof of my landlord cohort using this exact nomenclature. This type of app outfoxes NYC and NY State by facilitating:
 - apartment warehousing (see bullet 8),
 - loud renovations and/or beautifications done with **deceptive DOB permits to shield the actual landlord** by creating confusing 'shell company' paper trails which don't contain the landlord's name nor the app's name and are meant to impede any investigation, legal discovery process, audit process, research, etc. In other words the apps can apply for construction permits through a subcontractor, and these apps even tout this unethical ability as a value: See an example here: <https://cloudup.com/c-XHXQLn58j> ,
 - third-party or possibly even fourth-party absentee "property management" done in bad faith similar to the MetroButler app/Makomi app ([see note b on page 8](#) for an important distinction),
 - elitist and borderline racist exclusion: <https://cloudup.com/c-XHXQLn58j> , and more jaw-dropping slick tactics **all while saying every apartment is Rent Stabilized**. Landlords love for you to believe apartments that've sat **EMPTY** for protracted lengths of time are rented/occupied. Oh really? Who's renting them?? Apps? Do landlords think we're fools? *If any legal eagles want to further discuss this, maybe there's a connection to [illusory tenants/fictitious tenants/Thornton fraud](#). Let's chat! My contact info is provided on page 7.*
 - These high-tech apps belong to a sector that's difficult to research, but to any legislator or anybody who wants to research, begin by being aware of the sector's loose name "proptech", then type in any specific proptech app's brand name. You can see **a partial list** of proptech brands in this graphic: <https://cloudup.com/cs98ZgloTMD> I want to point out: there are more apps than what's shown in the graphic, hence, partial list. **My suggestion is to google these words together:** makeover + property + the specific name of the proptech app. **Be warned: you will then see a lot of stomach-turning information, similar to the CloudUp screenshots above.** (Minor note: You could try to google "furnished housing tenants" or "furnished housing operators", though I doubt much info will come up. As stated earlier, "furnished housing tenants" is the phrase used by *my* landlord cohort when attempting to convince you that these apps are "tenants" (and let's be real, apps aren't tenants); and I have my landlord cohort on audio saying this. My landlord cohort and their counsel knew they were being recorded the entire time we met with them on Zoom (January 13, 2021) and they claimed the apps here are legal (because they're not short-term rentals), although one page in our State regulatory agreement says otherwise, which we discovered later: [see screenshot here which says even 31 days](#).

[or 2 months, or 3 months, etc. are a violation. The minimum for compliance is 12 months.](#) Note: As there's no standard nomenclature for these apps, the nomenclature will vary depending on which landlord and/or manager you speak with. But these "furnished housing tenants" apps definitely belong to the "proptech" sector. The "proptech" sector is very big, so not every proptech app is a "furnished housing tenants" app. "Proptech" is short for 'property technology'.)

- ❖ 8. PRE-TRAMPLING OF TENANTS' RIGHT TO DUE PROCESS: The larger the building, the more opportunities for landlords to do apartment warehousing (often via bulk lease-signings via "proptech" apps), while at the same time trying to convince various agencies (such as DHCR) that buildings are full with no empty apartments. This deception makes any signature-gathering petition (and therefore [math-dependent petition](#)) impossible to begin ([Example, a 7A petition](#) is one type of housing court petition where you need to gather signatures from tenants), because a tenant union would be completely confused as to how many total signatures are needed.
 - (In the 7A example, housing court stipulates 30 percent or more signatures must be gathered from tenants in a building to make the 7A petition viable and worthy of the court's time. How can tenants even begin to calculate what 30 percent of a total would be if there are tons of **mystery EMPTY apartments** being warehoused long-term and in such a large building? Please note: 7A petitions *are not the only type* of signature-gathering petition and math-dependent petition housing court sees; 7A is provided here just as an example.)
 - The easiest way to understand this is to imagine this: **Tenants can't approach an empty apartment and ask "Hey would you like to sign our petition?"** because there's no human inside a vacant unit. So [a false total tilts the math in a landlord's favor](#) and it helps landlords ensure 7A failure, and failure in any type of signature-gathering petition.
 - How false math ensures landlords hurt tenant unions: For every 3 empty apartments kept empty by the landlord but considered "rented" in DHCR's eyes, **it's a "win" for the landlord because a signature from 1 of the 3 empty apartments is required by housing court** for 7As and similar petitions. **Because empty apartments have no humans inside, even ONE tenant signature CAN'T be obtained.** In the 7A example (and in petitions similar to 7As) the court expects 30 signatures from every 100 tenants and would judge a shortage of signatures as a tenant union's "failure", when it's not the tenant union's fault that empty apartments exist which aren't disclosed by the landlords, which leads to confusion on how many total signatures are wanted by housing court. Therefore it's tragic that DHCR automatically trusts what landlords file, even if a landlord files fictitious tenants to hide empty apartments. It is also tragic that DHCR has not scrutinized the scheme described in bullet 7 (apps-as-tenants).
 - How false math harms the state and city: Just as easily as landlords can claim a warehoused apartment is rented by an app to ensure tenant unions fail in Housing Court, landlords can also say an apartment is empty to manipulate HPD's Housing Vacancy Survey and outfox New York State and New York City. So landlords can pick and choose "full" or "empty", with deception as the ultimate goal.

- ❖ 9. LANDLORDS' MENTAL GAMES TO DECEIVE THE STATE: Some landlords' legal counsel published propaganda to say landlords should be "against" 421-a, but they're trying to use reverse psychology on you. In the example of 421-a(17), legal counsel of some landlords said they're "against" 421-a(17), but truthfully they're for it, as long as 421-a remains as generous as it has been for decades, with no change. See webpage <https://www.rosenbergstis.com/industry-updates/2019-rent-stabilization-changes-and-implications-for-421-a-properties/> then scroll down; to spot it easily: they use a larger font than the rest of the page to promote this propaganda; and as I said it's near the bottom of the webpage.
 - In the propaganda, they publicly want to portray that they're "against" 421-a because **421-a(17)'s tax break isn't as generous as previous iterations!** They even say so, though in a polished way. So when a program asks landlords to pay their fair share of taxes, suddenly they're "against" it?!? No, landlords are not against 421-a; what they're really against is paying a fair share of tax.
 - (In short, 421-a(17) asks for 50% taxes, whereas previous iterations of 421-a asked for much much less money) See <https://www1.nyc.gov/site/hpd/services-and-information/tax-incentives-421-a.page> for more info on 421-a(17) and 2 other iterations of 421-a.

- ❖ 10. ANTI-BULLYING IDEA: If 421-a gets revamped into something different, or even if 421-a is abolished or stays somewhat the same, I deeply hope there can be some type of scoring system where tenants can rate their landlords (maybe quarterly) and then the ratings are reviewed by the state. The results might have great potential to help reveal non-obvious loopholes and foul schemes before they become trends (example: bullet 7), as well as provide a tangible record that anyone can research, for example: the work of JustFix.nyc, or the Furman Center for Real Estate and Urban Policy, etc. can be enhanced and informed by these survey scores. As I said earlier, a scoring system can be implemented whether 421-a is renewed, "changed", or dismantled.
 - True now and in the future: **If a landlord bullies tenants, and, overall they act in foul, intimidating and hard-to-prove ways to make tenants' lives miserable, etc., giving a tax break to *that* type of landlord makes even less sense.** Keep in mind that not every tenant is willing to complain to DHCR. Many tenants are unaware they even can!
 - Therefore, a smartly-designed scoring system can reveal trends in the way we're affected by our landlords' behaviors, both positive *and* negative. For example, here, I have proof that my new landlord tried to make me a month-to-month tenant (a violation of [Section 4.4 in my building's regulatory agreement with NY State's HFA](#)) and was evading my emails when I asked for transparency, forcing me to eventually file a DHCR RA-90 complaint form, which finally resolved the issue after the property manager and his team ignored me for 106 days (with no physical office I could visit at the time (summer of 2020)). In December 2021, one former on-site employee even sent me an email saying "Your feedback is not welcome." He was removed from here a few days later, and no, I did not get him fired, but some other tenant might've; you don't talk to people in that rude manner. These types of

landlords are in great abundance in NYC and getting the 421-a tax breaks, and

- there's almost no monitoring on how they treat us! Considering the size of the tax breaks they're getting, it would be wise to have a scoring system so New York City and State know tenants are being treated with dignity: Maybe a system inspired by HUD's REAC scoring system, I mean, not exactly the same, but it's a base to get ideas from. As of right now I'm thinking a non-anonymous system would be best, but I welcome all ideas. Example, here in this building, there's LIHTC annual recertification of income; a survey could piggyback on that. But the main premise of the survey is: Before you give rewards to landlords, no matter what the program, it's logical for the city/state to make sure landlords are not bullying us and/or behaving with fraudulent intent towards the city/state.
- 11. CONFLATION OF 421-a MARKET RATE TENANTS AND 421-a "LOW INCOME" TENANTS: A nefarious trend was noticed some years ago (and is still going on) where 421-a landlords were giving lease riders meant for 421-a market rate tenants to **all** the tenants. These riders say rent regulations end when the tax abatement ends. While this deregulation warning is true information for the market rate units, it is false for the income-restricted units, also known as the "low-income" units. By not parsing the lease riders with care (in other words, by giving the rider to *everyone*, regardless of unit type), landlords were and still are trying to conflate the 2 types of units, willfully and in bad faith, hoping the rider will cause the "low-income" tenants to be frightened and move out, their hearts filled with fear of a huge unaffordable rent hike which wasn't going to happen anyway. **Example: In this building, major rent hikes to "low-income" leases aren't allowed per our landlord's regulatory agreement with NY State's HFA.** But most 421-a landlords would love for everybody to be unaware of these type of tenant protections.
 - The trend of giving the inaccurate lease riders to all tenants is still going on and disgusting. As such, actual legislation had to be proposed! The bills in the New York State Legislature are [S. 76 \(in the NY State Senate\)](#), and its "same-as" [companion bill A. 641 \(in the NY State Assembly\)](#). If the bill numbers change, I will update this white paper; however right now they're S. 76 and A. 641. Please note: the bill hasn't fully passed in the NY State bicameral legislature, which it must before it can be forwarded to New York's Governor (currently Kathy Hochul) as the final step to become law. In other words:
 - S. 76 did pass in the Senate but as of February 23, 2022, the NY State Assembly still has not passed A. 641. For more info on these bills and/or to support them, you can reach out via email to: wsnainfo@hcc-nyc.org Put "S. 76/A. 641" in the subject line of your email. You can also email me.

Contact info: Johnny Hui Cheng Yong, a constituent of Assembly District 75 and City Council District 3
email: heuyjohn@gmail.com

Notes:

- a. A copy of this entire document will be sent to BuzzFeed News Investigations

- b. Most of the “furnished housing tenants” apps mentioned in bullet 7 differ slightly from the MetroButler/Makomi app in the sense that [MetroButler/Makomi](#) focuses on stays which are “less than 30 days” in length. The “furnished housing tenants” apps e.g. [Blueground](#), [Kasa](#), [Vrbo](#), [Corporate Habitat](#), [Luxe](#), [et. al.](#) focus on stays which are “longer than 30 days” in length, though **this greater-or-less-than-30-days difference does not make these longer-term rental apps “innocent”!** Many folks believe in this automatic innocence simply because of the 30-day brightline. This is a lazy/dangerous heuristic because *the “longer than 30 days apps” will, in time, prove to be even more problematic than the “less than 30 days short term rental apps”*. Why? Because **the “greater than 30 days apps” are giving landlords more loopholes to take advantage of, such as apartment warehousing.**

See [bullet 7](#) as an example of apps colluding with landlords to do bulk-leasing (sometimes bulk-leasing of entire floors) all via “longer than 30 days apps”, a.k.a. “furnished housing tenants” apps, all so apartment warehousing (and other unethical schemes) can flourish under the radar. It’s not in my nature to say “I told you so” but when these longer-term rental apps come to dominate NYC (and they will dominate if we continue to let them and their landlord clients be more savvy than everybody. Please note the date of this white paper: January 10, 2022), I likely will have no choice but to say “I told you so.” **These “furnished housing tenants” apps will also continue to outfox NYC unchecked if OSE [the Office for Special Enforcement] continues to solely focus on the “less than 30 days short term rental apps” when the “longer than 30 days apps” (e.g. the “furnished housing tenants” apps) are equally toxic.**

=== Conclusion ===

The 421-a tax abatement is a budget negative and should be opposed at every angle; 50 years ago it might’ve been healthy but now it is toxic. From the “lived experience” of someone whose landlord uses the 421-a program, I can talk about what I see as the root cause of the abuses: 421-a’s lack of oversight creates shocking, willy nilly, devil-may-care, wild west situations, and it’s time the improprieties and foul trends are exposed at the highest level. **Consider this combination: Why is New York extremely generous to 421-a landlords, while at the same time not holding them accountable?!? When you consider the very toxic combination, of course 421-a landlords will assume they’ve been put on a pedestal, which leads to landlords thinking they can do “whatever they want” to us tenants.** New York is being outfoxed. The real estate industry and their innovative partners are in love with 421-a and they’d love for everyone to believe that no reforms to it are necessary. For New York legislators to keep 421-a, especially without reforms, is financially stupid and a slap in the face to everyone who wants a home in New York.

Further resources/further reading:

Note: All bills mentioned below **are state-level**:

- Proposed legislation to force DHCR to audit 421-a every year while it exists: nysenate.gov/legislation/bills/2021/s6384 Better late than never! Upon 421-a's complete dismantling, one final report would be issued, according to what this bill proposes; the final report could **and should** inform any program which supersedes 421-a such as [Governor Hochuls' ANNY program \(Affordable Neighborhoods For New Yorkers, a.k.a. 485-w\)](#) **so that the same mistakes aren't repeated.**
- This proposed legislation is the one I'm most enthusiastic about: If passed, it would make many scenarios of 421-a Rent Stabilization permanent, not temporary: nysenate.gov/legislation/bills/2021/a8899 If this bill becomes law, then there's not a real need for "SpRAIT", so naturally I'm a supporter of this bill. The bill is also a *great equalizer* because it would provide the pink category with strong protections like the yellow category and green category. *Note: A8899 was introduced after State Senator Julia Salazar's S3082 'Good Cause' eviction bill, which I still support. I support both bills, because supporting both is the most sensible thing I can do for my personal situation.*
- Proposed legislation which would abolish 421-a entirely: nysenate.gov/legislation/bills/2021/s260 Want to create a "budget positive" in the easiest way? If we abolish 421-a, a "budget negative", doing so would create a budget positive and New York could then use that incoming tax revenue [to fund social housing, a better idea](#). The 421-a program focuses on luxury, despite the narrative which says 421a provides low-income housing... it does, but sadly, the opposite (luxury tenants) is the *real* focus, and has been for years: See: <https://www.newsweek.com/2015/04/24/hidden-costs-ghost-apartments-322264.html>
- Roundtable discussion on why 421-a is economically hurtful and must end: [This is a video replay of some of the WSTC 2021 conference \(Please start the video replay at point 24:55\)](#) This is an hour-long panel on what NY considers 'affordable housing', and 421-a is discussed in two presentations, one by Daniel Arnow and one by Sam Stein. *Note: You might need a Microsoft password to access this video.*