

## **NYS 2022-23 Joint Legislative Budget Hearing on Housing**

### **Residents to Preserve Public Housing (RPPH) • January 31, 2021**

Greetings, Chairs Krueger, Weinstein, Kavanagh, and Cymbrowitz, and members of this joint legislative budget committee. My name is Marquis Jenkins. On behalf of the Residents to Preserve Public Housing (RPPH), thank you for the opportunity to submit testimony on the record for this year's New York State housing budget..

New York City Housing Authority residents are dealing with the greatest funding and management crisis yet, leading to horrifying and life-threatening conditions within NYCHA buildings. The decades of disinvestment and mismanagement in and by NYCHA became the preexisting condition for higher incidences of COVID-19 deaths within NYCHA communities. These conditions are well known and documented. And frankly, no one denies this unacceptable reality that NYCHA residents endure every day. However, the problem lies in how NYCHA gets the oversight and resources it needs to repair and modernize NYCHA communities according to green and sustainable standards.

NYCHA Chair and CEO Gregory Russ says over \$40 billion in funding is needed to repair our homes. His solution to the funding and management crisis (one that he shares responsibility for) is his Blueprint for Change proposal. Chairman Russ' proposal aims to transfer 110,000 public housing units (25,000 at a time) into a public benefit corporation, known as the Public Housing Preservation Trust or "Trust." The Trust would convert these units from Section 9 to Section 8 funding through the application of Tenant Protection Vouchers. In addition, the Trust would leverage Tenant Protection Vouchers and NYCHA property to take on private debt without strong protections and resident oversight to prevent foreclosure on NYCHA properties.

Furthermore, while Chairman Mr. Russ says the "[Blueprint for Change](#)" and the "Trust" will secure the necessary revenue to improve quality of life for NYCHA residents, we also know from history that measures that open up public housing to private investors always result in displacement and a loss of deep affordability over time.

NYCHA's Citywide Council of Presidents (CCOP) board and the Residents to Preserve Public Housing (RPPH) strongly disagrees with Mr. Russ' "[Blueprint for Change](#)" and "Trust" proposal. Alternatively, we are calling on all levels of government to adequately fund public housing. In the past, New York State budgets have failed to provide NYCHA with adequate funding and oversight. New York State stopped providing operating subsidies to 15 NYCHA developments in 1998, contributing to NYCHA's current funding shortfalls. Within a seven year time span, New York State only provided \$750 million in capital subsidies. While past legislative bodies have neglected to provide NYCHA with adequate funding and oversight, this is an opportunity for New York state legislators to do more for NYCHA residents.

Senator Krueger, Assemblywoman Weinstein, Senator Kavanagh, Assemblyman Cymbrowitz, and members of this joint legislative budget committee, the residents of public housing are urging you to include the following in the Fiscal Year 2023 State Budget:

1. **\$3.4 billion in Capital funds** for NYCHA in SFY 2023, baselined annually thereafter.
2. **\$2.8 billion in Operating funds** for NYCHA in SFY 2023, baselined annually thereafter. This funding is necessary in order to:
  - a. Address NYCHA's ongoing operating deficits of ~\$300m+ annually
  - b. Increase the size of the Capital Projects Division
    - i. *NYCHA currently spends less than 40% of its annual capital budget. This funding would allow NYCHA to commit 100% of currently allocated capital funds as well as additional capital funds requested above*
  - c. Provide startup funds for each Tenant Association that elects a governing board to start a Resident Management Corporation and fund a Department of Resident Management
  - d. Increase the size of the Operations Division to address the ~500,000 work order backlog  
Create an independent Auditing Department
3. Commission, an independent comprehensive forensic audit showing how and where funding received by NYCHA has been spent and publicly releases the audit findings and recommendations annually.

In closing, the protections built into public housing are what make it a unique and bold program. The fiscal challenges we currently face must not be used as an excuse to bulldoze these protections. Now is not the time to completely overhaul an institution that is essential to the housing of hundreds of thousands of New York residents, one that has not received state funding adequate to its needs for decades. Public housing tenants demand direct funding, not financialization schemes that could undermine our security and stability. We have a chance to create a positive legacy for public housing residents, charting a different course from every New York State legislative body in recent memory.

\* **The Residents to Preserve Public Housing** is a citywide, resident-led group of public housing resident leaders, including members of the NYCHA Citywide Council Of Presidents (CCOP) board. We aim to preserve public housing by advocating for adequate funding, improving quality of services and increasing residents' decision-making authority.