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Joint Legislative Budget Hearing on Housing

March 1, 2023

Community Voices Heard (CVH) is a member-led, multi-racial organization principally composed of women of color and low-income families in New York State. CVH tackles tough issues and builds power to secure racial, social and economic justice for all New Yorkers. Through grassroots organizing, leadership development, policy changes, and creating new models of direct democracy CVH is creating a truly equitable New York State.

CVH was started in 1994 when eight New York City women became fed up with oppressive policies designed to keep them in poverty. They wanted to upend the existing power structures and transform the social safety net into a system that would enable low-income people to break out of poverty. Since then, CVH has evolved into an organization working to strengthen the power and civic engagement of people of color across New York State, with chapters in New York City and the Hudson Valley – in Yonkers, Newburgh, and Poughkeepsie.

New York State's eviction and housing affordability crisis will only get worse if the State fails to enact solutions that address looming evictions, housing costs, and strengthen tenants' rights. Community Voices Heard supports the following legislation and budget allocations to address the dire housing needs of our members.

Funding NYCHA Public Housing Rental Arrears

The State must provide \$538 million for rental arrears at NYCHA and \$51 million for Public Housing Authorities in Western New York, Upstate, and Long Island. Including rental assistance funds in this year's budget would protect the homes of more than 50,000 households statewide that were unjustly excluded from obtaining pandemic rental assistance. Overdue rents at public housing authorities in New York State total over \$500 million, most of which accrued during the pandemic. While tens of thousands of these households applied to the Emergency Rental Assistance Program (ERAP), the authorizing legislation deprioritized public housing tenants and others assisted households. More than 200,000 ERAP applications have been paid out to private landlords, totaling over \$3 billion, but no funds have gone to public housing applicants.

The point of the ERAP program was to buffer renters from the unforeseeable impact of a global pandemic. While 68% of NY ERAP funding has gone towards residents below 60% of AMI, ultimately, the program was atypical for its treatment of low-income families in assisted housing. For example, both Massachusetts and Maryland's ERA programs prioritized public housing tenants, with the understanding that public housing tenants only having to pay 30% of their incomes doesn't preclude them from financial struggles. This is especially true in New York City, where public housing residents live in the most expensive city in the world.

The median income for public housing residents in New York State is \$14,765. Even with subsidized rents, job loss and inflation at this income can mean necessary costs – like groceries, medical services, and childcare, which have jumped in price from 3-10 percent from 2021 to 2022 and make up exceedingly high percentages of a resident's income. Ultimately, the argument that because rents in assisted households change according to the respective income that public housing and Section 8 households should receive funds only "...to the extent funds are remaining after serving all other eligible populations." was misguided from both a policy and morality standpoint.

The State must fund rent arrears dedicated to public housing residents to ensure residents can stay in their homes. It will also secure the financial viability of NYCHA, which relies on rents for basic operating costs.

Good Cause Eviction (S305/A4454)

A strong housing plan for New York State must include action to protect 1.6 million tenants in New York from eviction and displacement. New York State has the highest percentage of renters nationwide. "Good Cause Eviction" would protect tenants against unreasonable evictions and unconscionable rent increases.

Good Cause requires landlords who are evicting tenants based on nonpayment of rent to justify rent hikes greater than 3% (or 150% of the Consumer Price Index). It also gives tenants the power to challenge evictions that are arbitrary, retaliatory, or discriminatory. In 2022, <u>2.15% of Westchester households</u>, <u>1.84% of Dutchess County households</u>, and <u>1.75% of Orange County households</u> had an eviction proceeding filed.

CVH fought for Good Cause Eviction protections in Poughkeepsie, Newburgh, and Beacon, alongside local legislators seeking to address displacement of renters in their communities caused by corporate profiteering and real estate speculation. But after lawsuits bankrolled by the real industry challenging these local laws, some courts have found that these protections

must be enacted at the state level. Hudson Valley renters and local elected officials need the State to act and pass common sense tenant protections.

Housing Access Voucher Program (S2804B/A9657B)

The Housing Access Voucher Program (HAVP) would create a statewide rental subsidy program for low-income New Yorkers who are homeless, facing eviction, or at risk of losing their housing because of domestic violence or hazardous living conditions. It is clear that Housing costs less than shelter and is unquantifiably better for the lives of residents, and the state as a whole.

With \$250 Million in funding for the first year, the legislation would create 20,320 vouchers, which would cap tenants' rent burden at 30%. Those with limited or no access to existing local and federal housing assistance – undocumented people, people without income, and people with felony convictions – would be eligible.

Statewide Right to Counsel (\$2721/A1493)

New York State's eviction crisis will only get worse if we don't enact solutions that strengthen tenants' rights and empower tenants to fight for their homes. Passing and funding statewide Right to Counsel would do just that. Right to Counsel is proven to prevent displacement – <u>84 percent of tenants in New York City who had a Right to Counsel lawyer won their case</u> and the seven U.S. cities that passed Right to Counsel as of 2021 have seen up to a 77 percent reduction in evictions.

Right to Counsel is critical to upholding ALL tenants' rights: without an attorney, it's much harder for tenants to raise available defenses, and ensure all their rights are respected in their homes and in the courts. Finally, we know that keeping people in their homes is vastly less expensive than the state having to pick up care for people who become homeless. In fact, Statewide Right to Counsel will save our state an estimated \$3-6 for every dollar invested.

To comprehensively transform our court system and keep New York tenants in their homes and in New York, New York renters need a fully funded Statewide Right to Counsel. This includes \$172 million that will enable the first year of Statewide Right to Counsel's implementation.

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