



**Testimony for William J. Simmons, President,
New York State Public Housing Authority Directors Association (NYSPHADA)
and Executive Director of the Syracuse Housing Authority**

**2023 Joint Legislative Budget Hearing
March 1, 2023**

Good afternoon. I come before you today to discuss a major crisis in public housing triggered by the issue of massive rental arrears in the last couple of years.

As you know, the Emergency Rental Assistance Program (ERAP) was designed to help provide rental relief for tenants who have experienced financial hardship during the COVID pandemic. For many tenants, this funding relief was well deserved and helpful. However, many tenants who could otherwise support their portion of the public housing rent simply chose not to pay rent. Many based their actions on the Eviction Moratorium that lasted until January 15, 2021 and the protections provided by the ERAP program that had an application portal open until January of 2023 despite having no money to pay claims. This has triggered a major problem for Public Housing Authorities across the state. The New York State Public Housing Authorities Directors Association (NYSPHADA) has surveyed their members and estimate that the total arrears for Public Housing Authorities, outside of New York City, is \$41 million. This is not sustainable and will affect our ability to continue to provide core services as we accumulate more debt and reserves continue to be spent

New York State received nearly \$2.5 Billion in ERAP funding from the federal government. Unfortunately, here in New York State as the program was originally conceived, residents of public housing authorities and all federally subsidized applicants received ERAP funding only after it served all other eligible applicants. As a result of the language contained in the NYS Program, PHA's have not received any rental relief for its Tenants. This has had a major deleterious impact on PHA's across the state. Senator Brian Kavanagh, Chair of the Senate Housing Committee, has introduced Bill (S. 1633) that will ensure residents of public housing or any other subsidized housing can apply for relief from New York's Covid 19 Emergency Rental

Assistance Program on the same basis as other tenants. I am urging you to support this bill. We are advocating that the Assembly adopt and pass this bill.

In addition, Public Housing Authorities across New York State are proposing a new ERAP/LRAP program that combines ERAP and LRAP to appropriate \$2 Billion in the apply for Tenant Fund for Affordable Housing (TFAH), to be accessible for qualified landlords including federally and state qualified public housing authorities. Senator Kavanagh's bill will ensure that public housing authorities be prioritized on an equal basis of eligibility as all other landlord groups that are part of this new program.

Predevelopment Costs for PHA's redeveloping public housing:

Over the last several years NYSPHADA has worked closely with our partners in state government (NYS HCR, Governor's Office and Legislature) to urge PHA's to rethink how they rehabilitate public housing stock in need of modernization. Many of our authorities are considering RAD projects and pursuing innovative alternatives to repurposing their facilities. One of the key first steps in this process is working with a consultant to develop a plan and implement a physical needs assessment. Many of our smaller to mid-size authorities are strapped for resources and simply cannot afford a basic physical needs assessment. We are asking the Executive and Legislature to set aside \$1,000,000 in this coming 2022/23 budget for public housing authorities who are pursuing major renovations or RAD programs and need funding for physical needs assessments to get the process going.

Continued funding for public housing authorities outside New York City:

NYSPHADA is very grateful to the legislature and executive for the incredible support in the past several budget cycles to help modernize and rehabilitate our aging facilities. We are expecting more housing authorities to pursue major upgrades and Rental Assistance Demonstration (RAD) projects in the coming year. Therefore, we respectfully request that the legislature and executive set aside \$125 million in this year's budget for public housing authorities outside of New York City for substantial or moderate rehabilitation and/or the demolition and replacement through new construction of public housing authority developments outside of New York City.

Funding for New York State owned public housing authorities:

New York state run public housing authorities did not receive any funding through the CARES ACT in 2020. NYSPHADA has been in contact with New York State Homes & Community Renewal . Unfortunately, these authorities have not received any funding for COVID 19 related costs they have incurred. We are asking New York State Housing & Community Renewal for funding on behalf of these housing atuthorities. NYSPHADA asks the Executive and Legislature to set aside \$150,000 in this upcoming budget for New York State owned public housing authorities.