

Testimony Before the New York State Senate Finance Committee and New York State Assembly Committee on Ways and Means Regarding Priorities for the New York State Executive Budget for Housing, Fiscal Year 2021-2022

February 2, 2021

Good Morning. My name is Emily Goldstein, and I am the Director of Organizing and Advocacy at the Association for Neighborhood and Housing Development (ANHD). I would like to thank Committee Chairs Krueger, Weinstein, Kavanagh and Cymbrowitz for holding today's hearing on the housing-related proposals in the Governor's Fiscal Year 2021-2022 Executive Budget.

About the Association for Neighborhood and Housing Development

Eight grassroot, local housing groups established the Association for Neighborhood and Housing Development (ANHD) in 1974 to support the development and preservation of affordable housing in New York City. Today, ANHD stands as one of the City's lead policy, advocacy, and technical assistance and capacity-building organizations. We maintain a membership of 80+ neighborhood-based and city-wide not-for-profit organizations that have affordable housing and/or equitable economic development as a central component of their mission. We are an essential citywide voice, bridging the power and impact of our member groups to build community power and ensure the right to affordable housing and thriving, equitable neighborhoods for all New Yorkers. We value justice, equity and opportunity, and we believe in the importance of movement building that centers marginalized communities in our work.

ANHD's work directly supports the needs of our members who develop, manage, and organize to preserve affordable housing, and who fight to bring equity into low-wealth communities in New York City—especially, black and brown communities. Our groups rely on us for technical assistance and capacity-building resources that allow them to maximize their resources, skills and impact. The support services, research, analysis, public education and coalition building we do helps to identify patterns of local neighborhood experiences and uplift citywide priorities and needs. Our work translates into the capacity to win new programs, policies and systems that ensure the creation and preservation of deeply and permanently affordable housing, and economic justice.



Covid-19 Rent Relief

Studies show as many as 1.2 million New York households owe up to \$2.2 billion in rent this month. Forty-six percent of New York State's renters are people of color, and as we see over and over, the health, economic, and housing impacts of COVID-19 hit those communities hardest. An analysis we released last week shows just how badly December's federal rent relief could fail to reach communities of color if the State legislature does not ensure an equitable distribution: although New York City houses 63% of the State's renters and three-quarters of the State's renters of color, less than 20% of relief is slated to go to the city. We ask that you ensure that the \$1.3 billion that New York is set to receive from the December federal relief package is distributed equitably across our state: it must be targeted to renter-dense areas and in particular to areas where communities are hardest hit by this pandemic.

We want to thank the NYS legislature for its leadership on the recent eviction protections passed in December 2020. This was a positive step forward, and we now need a comprehensive solution to the housing crisis New Yorkers are facing. Despite actions by the legislature, governor, and court system, ANHD's analysis of data from the New York State Office of Court Administration shows over 220,000 eviction cases have piled up in our courts. New York City renters have already been sued for an average of \$7,951.³ So far, rent relief has been insufficient and paired with complicated application requirements and terms, inaccessible to those who need it most. New Yorkers need the State to address the eviction crisis and mounting rent debt as the systematic problem it is, rather than assembling piecemeal solutions that partially assist some segments of renters. Any approach to rent relief must center and address the needs of vulnerable and marginalized populations, tenants in all types of housing, and diverse household structures. Relief must be swift, accessible, and directed to those who need it most. And the needs of renters, homeowners, and affordable housing providers must all be addressed, rather than pitted against each other.⁴

The Senate and Assembly can start by ensuring an equitable distribution of the \$1.3 billion the state is receiving from the federal government, and must continue its work to make sure all New Yorkers can be securely housed through the pandemic and beyond.

⁻

¹ https://www.ncsha.org/resource/stout-rental-and-eviction-live-data/

² https://anhd.org/blog/new-york-citys-unfair-share

³ ANHD analysis of court filings data from the New York State Office of Court Administration, public analysis forthcoming.

⁴ For a full statement of ANHD and its members' principles and priorities for rent relief, see https://anhd.org/sites/default/files/anhd_rent_relief_principles_may2020.pdf.



Displacement Alert Project

We are grateful for the New York State Senate and Assembly's previous and current support of ANHD's Displacement Alert Project, or "DAP." DAP is an interactive website, accessible at displacementalert.org, and it is an invaluable resource for elected officials, our ANHD members, and partners committed to understanding how the pandemic has impacted our housing landscape and how we can rebuild. Over 60 people per day visit the DAP Portal⁵ tool, most of them return users, and over 11,400 users have visited the tool in the last year.

During the COVID-19 pandemic, ANHD has leveraged DAP to:

- Produce some of the first analyses of how COVID-19 relates to systemic racism and social and economic injustice and the inequitable history of planning and development in New York.
- Release analyses on rapidly accelerating foreclosure filings and housing conditions going uninvestigated.
- Support elected officials and their staff to answer specific questions about the displacement threats occurring in their community.
- Incorporate COVID-19 and related health risks into a digital version of our annual 2020 Housing Risk Chart

ANHD is also partnering with the Right to Counsel Coalition and the Housing Data Coalition to produce data visualizations and maps showing the scale of eviction cases and rent debt accumulating in New York State's courts, forthcoming in a series of blogs and visualizations.

ANHD respectfully requests that the State restore \$100,000 in this year's budget for the Displacement Alert Project, so we can continue supporting our housing movement with compiled data and unique analyses. Restored funding will allow us to continue to maintain, expand, and enhance DAP Portal, provide training to community-based organizations and elected officials, and use data to support tenant rights work and respond to displacement pressures.

Right of First Refusal

ANHD has been engaged with a unique court case that has potential wide-spread ramifications for non-profit affordable housing development in New York City and beyond. In the Riseboro v SunAmerica case, SunAmerica contends that a not-for-profit sponsor is not entitled to purchase an affordable housing project unless the investor partner (or equivalent) is willing to sell, and then, only at market rate prices.

-

⁵ www.portal.displacementalert.org



This case potentially has chilling effects on nonprofits exercising their Right of First Refusal (ROFR) option in Low Income Housing Tax Credit (LIHTC) deals. ANHD has worked and will continue to work closely with legal counsel, Riseboro (who is on ANHD's board), and affordable housing partners statewide. To be clear, this court case involves one project, but what is at jeopardy are thousands of affordable housing projects in New York City, New York State, and nationwide.

So far, the governor, mayor, attorney general, and city and state housing agencies have been unwilling to stand with us against seizure of these affordable housing units from our community-based mission-driven developers.

We cannot allow these affordable units to fall into the hand of market speculators. We are asking the Legislature to:

- 1. Stand with RiseBoro and affordable housing providers' efforts to preserve their right to maintain ownership of our communities affordable housing units,
- 2. Support our position by calling on the Attorney General and New York City and State housing agencies to file amicus briefs with the courts in support of RiseBoro's exercise of its right of first refusal, and
- 3. Enact clarifying right of first refusal language.

Resources for Enforcement of HSTPA

Despite the crisis for tenants across all types of housing in our state, we urge you to not lose sight of the great strides the legislature made in 2019 with the passage of the Housing Stability and Tenant Protection Act (HSTPA). As was the case last year, the strength of our rent regulation system and its reform depends on strong and consistent enforcement and timely processing. Given the expansion in rent regulation processes from HSTPA, we recommend an increase in the budgets of the Homes and Community Renewal Office of Rent Administration and Tenant Protection Units. ORA has long needed an infusion of funding for staffing and up-to-date technology to execute their responsibilities as an agency. On paper, HSTPA closed massive loopholes in our rent regulation system, but HCR needs the resources to fully enforce new tenant protections.

Thank you again for the opportunity to testify. For if you have any questions or for more information please contact Emily Goldstein, at Emily.g@anhd.org.
