



**Fifth Avenue Committee**  
Our Community. Our Future.

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## **Testimony of Michlle de la Uz, Fifth Avenue Committee**

**Before the New York State Senate Standing Committee on Housing, Construction, and Community Development, and the Senate Standing Committees on Social Services and Aging, regarding rental assistance programs in New York.**

February 18, 2025

Thank you to Committee Chairs Kavanagh, Cleare, and Persaud, and to all the committee members, for the opportunity to testify today. My name is Michelle de la Uz, and I am the Executive Director at Fifth Avenue Committee. I am here to discuss the urgent need for residential rental assistance in New York and how we can prevent evictions, homelessness, housing instability, and excessive rent burdens through the proposed Housing Access Voucher Program (HAVP) and other rental subsidies in New York.

### **About Fifth Avenue Committee**

Fifth Avenue Committee (FAC) is an award-winning nonprofit comprehensive community development corporation with 47 years of experience building and managing affordable housing, providing transformative services, and organizing residents to advance policy reforms that make New York City more livable, inclusive, sustainable, and just. FAC is committed to serving low-and moderate-income residents throughout the city. Through our advocacy and organizing work as well as our development and management of affordable housing, FAC is deeply familiar with and concerned by the urgent need for further government action to alleviate the housing affordability crisis in New York.

### **The Affordable Housing Crisis**

New York's affordable housing crisis continues to escalate, leaving thousands of residents struggling to keep up with rising rents and facing the threat of displacement. In early 2024, homelessness saw a [sharp rise](#), reflecting the growing instability among low-income households. At the same time, nearly [four in ten](#) households are cost-burdened, spending over 30% of their income on housing, while about one in five devote more than half of their earnings

to rent. Eviction filings have [surged](#), placing even more families at risk. This crisis has left many New Yorkers vulnerable, with escalating housing costs pushing families to the brink and fueling the homelessness epidemic across the state. The need for affordable housing and effective support systems has never been more urgent.

### **The Essential Role of HAVP in Preventing Homelessness and Supporting Affordable Housing**

Given the scale of the housing crisis, immediate action is crucial to ensure that New Yorkers have access to safe and affordable homes. HAVP has and continues to play an important role in ensuring that nonprofit partners are provided with the essential subsidy to support low-to-moderate income tenants. This long-term rental subsidy will not only help reduce homelessness and housing instability, but also provide nonprofit owners with a reliable funding source to manage rising operational and arrears costs.

Modeled after Section 8, HAVP will offer rental assistance to both homeless New Yorkers and those at risk of losing their housing, preventing them from entering the shelter system and further straining resources. Importantly, HAVP will be available to all New Yorkers, regardless of immigration status or criminal record, providing housing opportunities to groups that have long been excluded and are often chronically homeless or housing insecure. **Funding HAVP at \$250 million would help an estimated 20,000 households and 50,000 people avoid homelessness.<sup>1</sup>**

With homelessness escalating—New York City’s shelter population has surged from 80,000 two years ago to over [150,000](#) today—HAVP has become more necessary than ever. This subsidy represents a practical solution to address the housing crisis, benefiting both tenants and nonprofit owners. It’s a critical step toward preserving affordable housing and stabilizing the organizations that manage it.

### **Strengthening Community Development Corporations (CDCs): The Need for Rental Assistance to Sustain Affordable Housing**

Like Fifth Avenue Committee, many of ANHD’s members are mission-driven, nonprofit housing developers (CDCs) that often offer rents below \$1,000. These organizations are essential to New York City’s affordable housing ecosystem, providing stable homes for low-income residents who would otherwise struggle to secure housing. However, rising operational costs, coupled with significant tenant delinquencies from the pandemic, have created severe cash flow challenges, making it increasingly difficult to manage properties effectively.

CDCs rely on rental income to cover essential expenses, including mortgage payments, utilities, payroll, and regulatory compliance. However, with surging costs—particularly in utilities and insurance—many are struggling to meet these obligations. Operating on tight margins and with little flexibility to absorb financial losses, CDCs risk deferring critical property maintenance, which can lead to deteriorating housing conditions. In the worst cases, they may be forced to

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<sup>1</sup> Cost estimate by Community Service Society

sell properties or shut down operations entirely, displacing tenants and further reducing the city's already scarce affordable housing supply.

Subsidies like HAVP and other state-level rental assistance programs are critical to helping CDCs maintain and preserve deeply affordable housing. These programs help bridge the gap between limited rental income and rising operational costs, providing much-needed financial stability. Without this support, CDCs will struggle to cover expenses, leading to property deterioration and increased displacement of vulnerable tenants. Expanding and strengthening these programs is essential to ensuring CDCs can continue their vital role in providing stable, affordable housing for New Yorkers in need.

### **Advocating for a Housing Access and Preservation Fund to Support CDCs**

To fully support CDCs, rental subsidies like HAVP must be complemented by immediate debt relief and additional operating subsidies to bridge the gap between pandemic-era rent collection levels and rising operational costs. ANHD and its members are advocating for the creation of a dedicated fund within New York State Housing and Community Renewal's (HCR) Low-Income Housing Trust Fund to provide these critical resources. Establishing and funding a Housing Access and Preservation Initiative (HAPI) Fund within this current Fund, would help stabilize CDC portfolios, sustain affordable housing, prevent displacement, and ensure long-term housing quality for low-income residents.

If New York State does not act now, we risk losing affordable housing units, and many of the state's lowest-income tenants will face displacement and homelessness. Mission-driven providers are doing everything possible to avoid evictions despite significant portfolio debt and negative cash flow, but they are running out of options.

The state must intervene to stabilize our affordable housing stock and prevent further exacerbating the already dire homelessness crisis. We urge the Legislature to include \$250 million in the HAPI Fund for Fiscal Year 2026. This investment is crucial to maintaining safe housing conditions and ensuring that our most vulnerable tenants remain housed.

### **Closing**

Thank you for the opportunity to submit this testimony and for your commitment to addressing New York's housing crisis. As we have outlined, HAVP, along with expanded rental assistance and additional operating subsidies, are critical tools to prevent evictions, reduce homelessness, and stabilize mission-driven nonprofit housing providers. Without immediate investment, we risk losing deeply affordable housing and forcing thousands of New Yorkers into instability.

Please feel free to contact William Yates, Director of Housing Development at Fifth Avenue Committee, at [wyates@fifthave.org](mailto:w Yates@fifthave.org), with any follow-up questions.