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Center for Independence of the Disabled, NY

**Testimony on Finding Solutions and Identifying
Alternatives for New York's Section 8 Problem**

**To the Senate Standing Committee on Social Services
and Senate Standing Committee on Housing,
Construction, and Community Development
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Testimony by:
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The Center for Independence of the Disabled, NY (CIDNY) is a leading advocate for New Yorkers with disabilities. For the past thirty years, we have helped to break down social, physical and perceptual barriers that can prevent people with disabilities from participating fully in mainstream life.

Thank you for holding today's hearing on a problem that is very important to our community. Housing is the issue that most often brings people to CIDNY for help in finding, keeping, and paying for it. Our consumers are overwhelmingly poor, living on public assistance or disability benefits.

Section 8 vouchers are the lifeline that people with disabilities depend on to get them out of homeless shelters, to keep them from entering the homeless system, and to get out of overcrowded and sometimes dangerous housing situations.

It is painful, isolating, and frightening for anyone to be homeless. Being homeless while having a disability is even worse. For many of our consumers, there are only two ways out:

- 1) To get a Section 8 voucher and find a landlord who will take it
 - 2) To get the Fixed Advantage housing subsidy and find a landlord who will take it.
- These subsidies are supposed to expire after a year when they are replaced by a Section 8 voucher.

For someone who needs an accessible apartment, a Section 8 voucher has even more value. Any federally subsidized housing built in recent decades must have units that are designed to be accessible to people with mobility limitations (5% of total units) or sensory impairments (2% of total units). Most applicants for new subsidized housing in New York City have to apply for it through a lottery system. People who are deaf, blind or users of wheelchairs go to the top of the list until that 7% share of apartments is filled.

However, these apartments have minimum income requirements. For 99% of units, the minimum income is over \$17,000 a year, far above poverty level. Many people on disability benefits and all of those on public assistance have income below poverty level. The maximum Supplemental Security Income benefit is currently about \$9,000 for the year.

It is extraordinarily frustrating for our consumers to be homeless, to see advertisements in the paper for new housing aimed at "low-income" households, and to be too poor to be eligible to apply for the apartments. It is even more frustrating that some of the accessible apartments go to non-disabled tenants because the building managers cannot recruit disabled people who are eligible for the apartments.

The Section 8 voucher has been the magic wand that makes poor people eligible for affordable housing, no matter how little income they have. If their voucher is enough to cover the expected rent, their income does not matter.

In late December, CIDNY began receiving calls about Section 8 vouchers being withdrawn or invalid. Each call is from a person who has just had their plans and hopes wiped out, and whose life will remain on hold, and possibly unmanageable, for as far as they can see ahead. For example:

- Philip found an apartment where he could use his Section 8 voucher in November 2009. Section 8 delayed and then postponed the inspection, scheduling it for January 2010. Philip paid a realtor's fee and signed a lease on November 18, 2009. Now his voucher is worthless. He is afraid he will have to go back to a homeless shelter, where he was for 9 months.

~~Re: NYCHA, CIDNY~~

- Sarah was in a shelter for 7 months before she got an apartment using a Fixed Advantage subsidy. She believes she would have had her voucher before the cut off if the Section 8 office has properly notified her that they were missing documents needed for her application. Her Fixed Advantage subsidy has been extended for another year and we hope that a voucher will become available to her during this year.
- Isabel, who had gotten a voucher after a lengthy period on the waiting list, found an apartment in November, was told to wait until December to finish the paperwork, and then suddenly the voucher was worthless when existing vouchers were revoked.

We have also heard from CIDNY consumers who already rely on Section 8 vouchers about what this subsidy means to them:

- Karen went through several years of severe mental illness triggered by eviction from an apartment due to foreclosure on her landlord, who defaulted on his mortgage. She tried to live in an SRO, but was forced out when the Department of Buildings shut it down for violations. Then she slept on a friend's couch for three years. The instability prevented her from recovering from her illness until she finally received a Section 8 voucher and moved to the apartment where she lives today.
- Robert used to share an apartment with three other men, all of whom smoked and took drugs. Robert uses an oxygen tank and needs a lung transplant. He was not able to get on the transplant waiting list until he received a Section 8 voucher and could move to his own studio apartment. Although he has not yet received a transplant, his health is already improved by living in an apartment without second-hand smoke.
- Ellen is 61 years old and has multiple disabilities, including osteoporosis and severe asthma. She wrote to me when she received the invitation to this hearing, and asked me to share her words: "I am a clergy person, an architectural designer and a holistic practitioner. I am also a disabled person, and if it weren't for my [Section 8] voucher, I would be living in my car or so ill, [I would] not [be] living at all."

CIDNY's consumers do not care whose fault it is that NYCHA's Section 8 vouchers were withdrawn. We hope this hearing is an early step in a successful process in which the city, state, and federal governments cooperate with each other and with NYCHA to find funding to cover the cost of the 3,000 vouchers.

Part of the solution, in the long term, may be the return to circulation of all Section 8 vouchers that NYCHA diverted to subsidize apartments in 21 developments that receive no operating subsidy. As of November 2009, NYCHA reported using 2,047 Section 8 vouchers in these developments, which were built with state and city funds, and therefore are not eligible for federal funding.

We are pleased that HUD Secretary Shaun Donovan has approved NYCHA's proposal to take advantage of a one-time opportunity to use federal stimulus funds for a "mixed finance modernization plan" that has qualified the 21 developments for federal subsidies. We appreciate the role of the Senate in crafting the legislation that enabled NYCHA to qualify for this operating support.

We hope that NYCHA will discontinue the plan to use up to 12,000 Section 8 vouchers to subsidize those units so that they can be used by residents of apartments outside of NYCHA developments now that federal subsidy funding is supporting these 21 developments.

~~February 18, 2010~~

We also urge NYCHA to put in a strong application in response to the April 7 Notice of Funding Availability (NOFA) making \$40 m. available for 5,300 vouchers to be awarded on a competitive basis for people with disabilities under the age of 65 and people in institutions with disabilities who want to live in the community. We would urge that NYCHA use source of income (SSI/SSD) and age information to look beyond the check off box on the Section 8 application in identifying who might be eligible for these new vouchers. Many people with disabilities do not check off this box because they do not have a mobility impairment and they think that it relates to the need for accessible housing.

This problem is not going to disappear. The people who have lost Section 8 vouchers are going to remain alive, we hope, and in need of housing. All of them are in desperate situations, because only people whose cases are considered "emergencies" have been eligible for vouchers in recent years. The other 128,000 people on the waiting list are not progressing.

NYCHA's Section 8 program subsidized almost 100,000 apartments as of last September, the largest number in its history. The agency attributes its shortage of voucher funds to 3 causes: a shortfall in federal funding; a decline in the rate of tenants leaving the Section 8 program; and an increase in the percentage of tenants finding apartments where they could use their Section 8 vouchers.

We should not continue to be surprised by a growing need for Section 8 vouchers. Several ongoing factors contribute to this trend:

- Fewer tenants will have increased incomes that make them lose eligibility for the Section 8 program, as long as unemployment remains high, wages remain low, and a growing number of people depend on low, fixed incomes.
- More tenants with Section 8 vouchers will find apartments where vouchers can be used, because New York City now has a law banning discrimination against tenants based on source of income, and enforcement of that law is beginning to take effect.
- Fewer tenants will leave the Section 8 program as long as affordable housing developers build apartments that are out of reach for people poor enough to qualify for Section 8.
- Fewer tenants will leave the Section 8 program as long as the New York City Housing Authority's waiting list remains effectively closed to most people poor enough to qualify for Section 8.

It costs \$26,000 a year to keep someone in a homeless shelter, and \$11,000 a year to keep them in an apartment using a Section 8 voucher. It makes no economic sense to let 3,000 voucher holders become or remain homeless. We urge the Senate to continue to work with your counterparts on the City and federal level, and with the Mayor and Governor, to put together funding streams to replace the cancelled vouchers. Certainly the 1 year extension of the Fixed Advantage Program is a good stop gap, but we need a permanent solution.

In the long term, we hope that you will contribute to policies that stop the galloping rise in rent costs relative to income for fixed-income New Yorkers.

[Note: all names of consumers above have been changed to protect their privacy.]

