

NEW YORK
STATE
SENATE



SENATOR MICHAEL N. GIANARIS
12TH DISTRICT
DEPUTY MAJORITY LEADER

February 1, 2021

Hon. Andrew M. Cuomo, Governor
New York State Capitol
Albany, New York 12228

Dear Governor Cuomo,

Millions of our fellow New Yorkers are currently struggling to make ends meet and wondering how they will keep a roof over their heads. By January 2021, Stout estimates that the rent shortfall for New York tenants will be as much as \$2.2 billion. According to research released by the Federal Reserve, a third of tenants are not confident they can make their next rent payment. In New York, we have taken steps to safeguard tenants by enacting the nation's strongest eviction moratorium, but a more serious effort is needed to avoid a full-fledged housing catastrophe.

With a new administration in Washington, we should all work hard to advocate for such relief from the federal government, but should it fail to materialize, we must be prepared to do what is necessary ourselves as part of the state budget process. In the absence of sufficient federal aid, those who have thrived over the last year should be asked to contribute to New York's recovery, and our richest residents have certainly thrived, growing their wealth exponentially during the pandemic.

To solve this challenge before it becomes an eviction crisis, we must establish a Housing Stability Relief Fund in the state budget, using funds we have already received and anticipate to come from the federal government and/or revenue we generate ourselves from raising taxes on the wealthy. A fund of \$2.2 billion would allow eligible landlords to be paid to make up for rent arrears while forgiving the obligations of the 1.3 million renter households who are struggling to cover monthly rents throughout the COVID-19 pandemic. This system - a hardship fund for which landlords can apply - gets much needed aid out of the door fastest; allows hard-to-reach populations to get aid; and by prioritizing mom and pop and non-profit landlords, makes sure that our limited resources can go as far as possible. It gives tenants peace of mind, and landlords the monies needed to continue paying their bills.

This approach should be able to achieve consensus among tenant advocates and landlord representatives alike. Indeed, recent comments from the landlord advocacy organization Community Housing Improvement Program indicates agreement on the relevant amount of funds needed as well as the plan outlined above. We would be wise not to squander the possibility uniting tenant advocates and real estate interests behind a program that works for all.



A fund like this must center on equity, supporting small landlords, co-ops, non-profit affordable housing providers and higher-need communities first. Inherent in that equity is the fact tenants and small landlords were some of the hardest hit New Yorkers and were largely left behind by actions of the previous administration.

I believe our leaders in Washington can, and should, provide the full amount of this funding. However, if that money does not appear before the passage of the state budget, I believe we must raise taxes on the wealthiest New Yorkers to enact this program ourselves. New York more than any other state witnessed the infamous “K-shaped” recovery, with those in our state who were already doing well prospering and those on the edges of experiencing the bottom collapsing under them. When those who fare well support those in the greatest need, we will move through this difficult time with greater speed and unity.

I am not the only one who believes relief is needed – this model of clearing the back rent enjoys the support of both President Joe Biden and Vermont Senator Bernie Sanders, among many others. Proposals such as the one outlined above have been proffered by progressive groups, and property owner associations. This would go a long way to making New York’s renters and small landlords whole and helping our state’s recovery from this dreadful pandemic be less painful. I stand ready to work together to secure the revenue needed and implement this program.

Sincerely,

A handwritten signature in blue ink that reads "Michael Gianaris". The signature is fluid and cursive, with the first name being more prominent.

Senator Michael Gianaris
Deputy Majority Leader

