

February 6, 2021

Dear Members of the Assembly:

I appreciate the opportunity to testify before you at the Joint Legislative Budget Hearings on Human Services on February 9<sup>th</sup>.

We are, as we all know, on the verge of a generation-defining housing emergency, and relief dollars are being set aside to try to bring us back to “normal” before all this trouble started. Nationally, as of January, households are an estimated \$200 billion in debt, with the average delinquent renter an average of \$5,600 behind, for an estimated total of \$57 billion missed rent payments. The figures for New York State are proportional – some million and a half households are behind on rent, primarily among households of color, affecting nearly half of Latinx households and approximately 40% of Black households in New York State. Even this undercounts the depth of the problem, as tenants have already literally put their rent on their credit cards to keep up with payments that were already too high before the pandemic began.

And this is the context we have to keep in mind: before the pandemic, almost half of all renters spent at least 30% of their income on rent, while one in four renters gave over half of their paychecks to their landlords. We have to consider expediency, but also **making sure that our efforts at this time are in line with social justice principles that help move us closer to longer-term solutions.**

With this in mind, I make the following suggestions:

**Rent forgiveness should be immediate, and should not be means-tested for tenants.**

**Landlords should apply directly for aid, not tenants.** Means-testing for tenants will not work, and experience globally and in the recent pandemic clearly shows that the more vulnerable a person is, the less likely they are to produce paperwork and evidence. In the case of emergencies, means-testing introduces unnecessary bureaucracy, delays, and is likely to miss many truly needy tenants. This has clearly been the case during the pandemic, and municipal and state governments in California, Oregon, and Washington D.C. have developed or are developing landlord-based application processes.

**Relief to Landlords needs to operate in order of priority:** non-profits, owners of smaller buildings, and buildings in more vulnerable areas (or those serving vulnerable tenants) need to come first and receive more relief. Large-scale and corporate landlords, and landlords in the luxury market should absorb some costs.



**Any relief needs to be conditioned on maintaining habitability and the full protection of tenants.** The potential for mistreatment of tenants- particularly those in arrears - is very high at this moment. Landlords must not hold arrears against tenants in renewing leases, and must not violate just-cause eviction rules or habitability standards. State and local authorities must collaborate in proactively protecting tenants.

**Finally, we need to not lose sight of how to leverage this moment to begin to develop longer-term solutions.** We have proposed a Social Housing Development Authority to operate at the federal level and the idea has garnered some traction. That proposal is for the public sector to purchase distressed real estate and finance its transfer to the social housing sector – non-profits, land trusts, cooperatives, and the like. There is a very strong history, including in our state, of successful examples of resident-owned and managed cooperatives that provide permanently affordable and speculation-proof housing that empowers communities. I urge us to consider investing in such possibilities in New York State.

Respectfully,



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