

# Congress of the United States

Washington, DC 20515

February 24, 2020

Honorable Dr. Benjamin S. Carson, Sr. M.D.  
Secretary  
United States Department of Housing and Urban Development  
451 7<sup>th</sup> Street S.W.  
Washington, D.C. 20410

Honorable Mick Mulvaney  
Director  
United States Office of Management and Budget  
725 17<sup>th</sup> Street, N.W.  
Washington, D.C. 20503

Dear Secretary Carson and Director Mulvaney:

We write to you on a matter of pressing concern for the future of affordable housing in New York City. The New York City Housing Authority (“NYCHA”) is the largest housing authority in the nation and provides safe and affordable housing to more than 400,000 individuals in 325 public housing developments across the City’s five boroughs. NYCHA residents are diverse. They include seniors, people with disabilities, those who were formerly homeless, as well as people with full time jobs.

In addition to being the nation’s largest public housing authority, NYCHA also administers the nation’s largest Section 8 Housing Choice Voucher (“Section 8”) program. NYCHA’s sister agency, the New York City Department of Housing Preservation and Development (“NYCHPD”)—the largest municipal housing preservation and development agency in the country, charged with promoting quality and affordable housing throughout New York City—also oversees a large Section 8 program. Combined, these two initiatives provide more than 125,000 vouchers, making New York City the largest concentration of Section 8 voucher holders anywhere in the United States.

President Donald Trump’s Fiscal Year (“FY”) 2021 proposed Budget Request for the U.S. Department of Housing and Urban Development (“HUD”) threatens the very future of the housing authority, the Section 8 program, and the more than half a million New Yorkers that rely on these programs as a reliable source for quality, affordable, housing.

Budget documents released by the White House last week, demonstrate the Trump Administration is again proposing to slash HUD’s overall budget. The President’s budget for FY 2021 would cut HUD spending by \$8.6 billion which represents a 15% decrease in spending for critical affordable and public housing programs compared to FY 2020 enacted funding levels. Further, the President’s proposed budget includes the complete elimination of proven, successful programs and insufficient funding for existing rental assistance vouchers.

The President's budget request completely eliminates funding for HUD's Public Housing Capital Fund, the primary funding source NYCHA and other public housing authorities rely on to address necessary infrastructure upgrades such as roofs, boilers, and elevators. Similarly, the President's budget request cuts the Public Housing Operating Fund to \$3.5 billion. If enacted, these cuts will mean residents will have to wait longer for basic services such as apartment repairs and will have an undoubtable impact on their safety and security.

These budget cuts threaten the very future of affordable housing in New York City. As applied to NYCHA, an overall funding reduction of the Operating Fund to \$3.5 billion represents a 10% loss of funding for the day-to-day operation and maintenance of NYCHA properties compared to current funding. This will result in fewer maintenance staff, longer response times for completing apartment repairs, and an acceleration of the deterioration of units. Worse, completely eliminating funding for the Public Housing Capital Fund will cause NYCHA to lose approximately \$549 million in key financing and would prevent NYCHA from keeping current on basic building upgrades, much less moving forward on the Authority's five-year capital plan. Cuts to HUD would also exacerbate NYCHA's \$31.8 billion capital needs backlog<sup>1</sup> and intensify the public health crisis facing its residents.

Due to years of underinvestment, recent estimates indicate that NYCHA has a \$31.8 billion backlog in needed major capital improvements and repairs. As a result, far too many residents residing in approximately 178,000 NYCHA apartments are struggling with substandard living conditions.

Excessive moisture in NYCHA buildings due to leaky roofs, crumbling bricks, and old piping have contributed to well publicized lead and mold issues in NYCHA units. This is particularly problematic for residents with asthma, as these conditions may aggravate symptoms, which have been found at a higher rate among public housing residents than among other populations of the city.

The President's Budget Request also reduces key funding for the Section 8 Program, requesting approximately \$18.8 billion, or \$5 billion less, than FY 2020 enacted levels. The President's Budget Request will cause New York City to lose approximately 9,000 existing Section 8 HCVs from NYCHA and NYCHPD and an additional 600-700 vouchers which are administered by New York State's Homes and Community Renewal Department. Not only would approximately 9,700 individuals and families lose their ability to pay rent, landlords would immediately lose income provided by the Section 8 program as well.

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<sup>1</sup> New York City Housing Authority. *Physical Needs Assessment 2017, Final Report*. March 25, 2018. Pg. 5. <https://www1.nyc.gov/assets/nycha/downloads/pdf/PNA%202017.pdf>.

But as devastating as these budget cuts appear to be, perhaps worse are the legislative reforms President Trump is proposing for these vital programs, including increasing rents and imposing work requirements on current and future tenants. Incorporating changes included in *the Making Affordable Housing Work Act* would lead to dramatic rent increases for some of the most vulnerable New Yorkers. For Public Housing residents who are non-elderly or disabled, this could lead to a 40% rent increase. Section 8 voucher holders who are non-elderly or disabled would see an average rent increase of 20%.

We urge you to reconsider these legislative reforms and not to cut funding to our nation's public and affordable housing programs, which would do irreparable harm to our city. Instead, we urge you to propose targeted increases to HUD's public housing programs in order to improve the lives and living conditions for NYCHA residents, Section 8 voucher holders, and all those who rely on HUD's affordable housing programs for their livelihoods.

Sincerely,

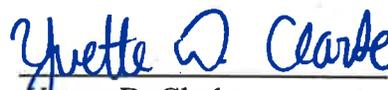
  
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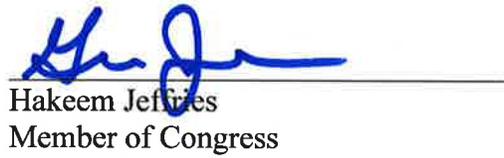
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