

NEW YORK STATE ASSEMBLY

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ASSEMBLYMEMBER BRIAN KAVANAGH

ASSEMBLYMEMBER YUH-LINE NIOU

February 16, 2017

Hon. Carl Heastie, Speaker 932 Legislative Office Building New York State Assembly Albany, NY 12248

Dear Speaker Heastie:

We write to seek your support for including \$500 million in the Fiscal 2017-2018 budget for capital improvements at New York City Housing Authority (NYCHA) developments and for allocating these funds to NYCHA directly, for projects identified in consultation with the Assemblymembers whose districts include NYCHA developments, rather than through the Dormitory Authority (DASNY).

As you know, due to systematic divestment, especially by the Federal government, NYCHA has struggled in recent years to provide many of its residents with apartments that meet basic standards of livability. NYCHA faces unmet capital needs of nearly \$17 billon and if steps are not taken to address NYCHA's rapidly deteriorating infrastructure, the situation will only worsen. Under the new presidential administration and a Republican Congress, there is cause for concern that federal divestment will continue or accelerate.

While NYCHA has committed to efficiencies to lower operating expenses and reduce the shortfall, and the City of New York has significantly increased funding since the beginning of the current mayoral administration, we must also continue to do our part to ensure that our constituents who are public housing residents are not forced to live in unacceptable conditions.

As a result of your leadership, the Fiscal 2015-2016 State budget included \$100 million of funding for capital improvements at NYCHA developments; the Assembly had proposed an additional \$100 million from the Fiscal 2016-2017 budget, but these funds were never budgeted because negotiations with the Executive and the Senate on the \$2 billion housing MOU were never completed. Prior to 2015, there had not been any substantial allocations for this purpose since 1998. We applaud the progress made on this issue under your leadership, but given the impact NYCHA's budgetary challenges have on our constituents, we believe that we must significantly increase the level of funding the State is committing.

Further, the funding for NYCHA included in Fiscal 2015-2016 has taken far too long to be obligated and spent on actual construction and renovation projects. The delay is principally the result of a process the Executive devised whereby projects were required to be approved by both DASNY and Homes and Community Renewal ("HCR"), in consultation with the NYCHA Chair. DASNY was then to contract, again in consultation with NYCHA, for the work to begin on the approved capital projects. As you know, capital projects were identified by members of the Assembly promptly after the passage of the budget in the spring of 2015, but stalled after that, as DASNY and HCR reviewed them. Much of this funding has yet to be obligated in spite of the best efforts of the staff of your office and Ways and Means to get DASNY and HCR to move the projects forward. It has become clear that the added layer of review, consultation, and approval by DASNY and HCR have delayed rather than expediting the work.

As you know, with approximately 400,000 residents, NYCHA is New York State's largest provider of affordable housing and also offers some of the deepest levels of affordability, with thousands of apartments occupied by very low-income households. Ongoing and efficient investment by all levels of government is needed to maintain acceptable living standards for New Yorkers who rely on this vital source of housing.

Sincerely,

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Steven H. Cymbrowitz

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