

PRESS RELEASE

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FOR IMMEDIATE RELEASE

NYCHA Chairman Asks Congress to Fully Fund Section 8 Leased Housing Program

Tino Hernandez, Chairman of the New York City Housing Authority (NYCHA), today asked Congress to fully fund the Section 8 Program preserving housing for 110,000 low-income New Yorkers who receive vouchers from either NYCHA or the Department of Housing Preservation and Development. Testifying before the VA-HUD Appropriations Subcommittee on President Bush's FY2005 funding proposals, Hernandez asked that Congress preserve the program's long-standing commitment to provide housing for the neediest New Yorkers while ensuring that program participants' rent remains unchanged.

"The outcome (of the Subcommittee's deliberations) will have a significant impact not only on voucher holders and their families, but on the City's overall housing market. It will have a direct impact on the ability of NYCHA to operate a strong and effective program," Hernandez emphasized. Under the proposal, funding for New York City's Section 8 Program would be cut by \$125 million dollars, representing a loss of 15,000 affordable housing units.

Hernandez also told the subcommittee that NYCHA remains deeply distressed by the cuts proposed for virtually every housing program that serves low-income residents. He drew their attention to the under-funding of the public housing operating and capital programs, which places NYCHA's ability to maintain its conventional public housing portfolio at serious risk. "Public housing is challenged by an aging stock, limited revenue and declining public resources that do not fully fund operating and capital needs," Hernandez pointed out.

Though strongly against funding reductions, the Chairman voiced support for many of the administrative reforms contained in the Administration's Flexible Voucher Proposal.

NYCHA, along with other public housing agencies across the nation, has been seeking federal regulatory relief from several bureaucratic requirements that burden agencies, landlord and tenants alike. The proposed administrative reforms, for example, would simplify the income certification process and provide for more reasonable inspection schedules of rental units.

“We do not support a lessening of the Federal government’s commitment to the needs of families with incomes below 30 percent of the area median,” Hernandez emphasized. He added that NYCHA believes that these households should not have to contribute more than 30 percent of their family income towards rent. Hernandez pointed out that, “at the same time, we do support provisions that would permit a modest amount of Section 8 assistance to be used in support of New Yorkers, with incomes up to 80 percent of area median, mirroring the income limits of the public housing program”.

Hernandez also urged Congress to reject the proposed modification of the Enhanced Voucher program that would reduce rent subsidies for tenants in buildings where the owner has opted to discontinue project-based assistance.

NYCHA, currently celebrating its 70th year, is the largest provider of low- and moderate-income housing in the United States. It manages 181,000 public housing apartments providing accommodations to approximately 419,000 New Yorkers. Through both conventional public housing and the Section 8 program, NYCHA provides housing to one out of twelve New Yorkers. It has an enduring commitment to the long-term viability of affordable housing for current and future New York City residents, including those with special needs, such as homeless families and victims of domestic violence.

NYCHA administers the nation’s largest Section 8 rental assistance program serving nearly 90,000 households that assists an estimated 220,000 residents through 29,000 participating private owners. After three years of vigorous rental activity, the program is approaching a 99 percent utilization rate. NYCHA’s sister agency, the New York City Department of Housing, Preservation and Development (HPD) administers an additional 21,000 vouchers with a similar high utilization rate.