



City Council Committee on Aging

*Jointly with the Committee on Mental Health, Developmental
Disability, Alcoholism, Substance Abuse, and Disability
Services, and the Committee on Finance Hearing on Intro 1309*

New York City Department of Finance

Testimony of Michael Hyman, First Deputy Commissioner

January 12th, 2017

Good afternoon, Chairwoman Chin, Chairman Cohen, Chairwoman Ferreras-Copeland and members of the Committees on Aging; Mental Health, Developmental Disability, Alcoholism, Substance Abuse, Disability Services; and Committee on Finance. I am Michael Hyman, First Deputy Commissioner at the New York City Department of Finance (DOF). I am joined by Samara Karasyk, Assistant Commissioner for External Affairs and Julie Walpert, Assistant Commissioner for Housing Supervision for the Department of Housing Preservation and Development. Thank you for the opportunity to testify on Intro 1309, legislation authorizing the City to extend to 2020 the increase in the amount of income a household can receive from \$29,000 to \$50,000—and still be eligible for the Senior Citizen Rent Increase (SCRIE) and Disability Rent Increase Exemption (DRIE)— the Rent Freeze Program. We support its enactment and are committed to making sure that every eligible New Yorker knows about the program and receives this important benefit.

From July 1, 2014 to the present, 15,779 new seniors enrolled in SCRIE. During that same period, HPD enrolled 1,821 new participants in SCRIE. Thus, in total, 17,600 new households enrolled. City outreach efforts, as well as the new income ceiling, contributed to the enrollment increases. Currently, there are approximately 60,400 seniors in the Rent Freeze program (53,688-DOF; 6,721-HPD) and 11,416 people with disabilities enrolled in the program. Please see chart below for breakdown of total enrollment for those who met the new income ceiling:

DOF—CURRENT RENT FREEZE NUMBERS

SCRIE	
Total Current Active Participants	53,688
Current Active Participants > \$29K	7,553
DRIE	
Total Current Active Participants	11,146
Total Current Active Participants > \$29K	600

HPD CURRENT ENROLLEES

Total Current Active Participants	6,721
Total Active Participants >\$29K	481

For the past year, DOF has amplified its outreach through partnerships with elected officials, community boards, and community-based organizations to raise awareness about these programs so that more people may enroll. We have taken a strategic approach to outreach, focused on the neighborhoods where we have the highest levels of under enrollment. We feel that this method of outreach will yield a continued increase in enrollment numbers for these vital programs. We have also made a number of improvements to the application process, including a complete renovation of our NYC Rent Freeze Walk-In Center and totally redesigned applications.

We wholeheartedly support the enactment of Intro 1309 to ensure the income limits set forth in Local Law 19 of 2014 are extended to June 30th, 2020. DOF projects a savings to eligible recipients for the Rent Freeze FY'17 of \$14 million and for FY '18, \$17 million.

We are harnessing every tool that we have to increase enrollment and retain current program participants. We know there is more work to do, and are pleased to be partnering with so many advocates for seniors and people with disabilities to make sure that all qualified households take advantage of this vital benefit.

Thank you for the opportunity to testify today. We are happy to answer any questions the Committee may have.



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Center for Independence of the Disabled, NY

January 12, 2017

New York City's Council Committee on Aging, Mental Health, Developmental Disability, Alcoholism, Substance Abuse and Disability Services and the Committee on Finance

RE: To amend Local Law number 39 for the year 2014, amending the Administrative Code of the City of New York in relating to increasing the maximum income level qualifying for exemption for rent increases granted to certain persons with disabilities.

Lourdes I. Rosa-Carrasquillo, Esq.
Director of Advocacy



A United Way Agency

Re:

I would like to thank the Council for permitting me to testify on this matter.

Disability Rent Increase Exemption (DRIE) is a very important law that helps peoples with disability who are head of household to freeze their rent if they live in a rent regulated or rent stabilized apartment and meet the income requirement of \$50,000.

DRIE exists for the purpose of insuring that low-income residents can remain in their apartments. It acknowledges that people with disabilities are on fixed incomes and is a major tool in preventing homelessness them.

According to Economic News Release, in 2014-2015 there was an annual average of 29,752 individuals with disabilities from ages 16 and above in New York City. Of those, 5,813 are employed. Although the average median income of households of people with disabilities is \$41,300 there was a significant number of the 5,813 who were making over \$50,000.

The rate of full-time employment of people with disabilities is increasing. With that comes the likelihood of increased income. Although many people with disabilities are in public housing, shelters or the street, we cannot forget the working lower and middle class people with disabilities. Rapid rent increases throughout New York City have affected everyone, but for those who are living with fixed or lower incomes, the possibility of being priced out of their own homes is very real. For those with disabilities, the hard won stability that they worked so hard for can be easily lost when rent far surpasses their income.

With a program such as DRIE this lower income and middle-class people with disabilities will have the opportunity to remain in their home at an affordable rates. Rent-regulated apartments are key components that give the people with disabilities who are working an opportunity to be housed. DRIE is a major factor in maintaining housing for people with disabilities and protects against homelessness caused by rapid and substantial rent increases.

People with disabilities come for assistance to CIDNY for all types of services; housing in New York City is a primary issue. CIDNY, and other ILCs, have relied on DRIE to help people with disabilities stay in their homes and maintain their independence. In order to keep this tool and make housing affordable for many New Yorkers with disabilities, the City needs to have DRIE keep pace with rising rents. We urge you to amend Local Law 39 of 2014 to allow for an increase of the maximum income levels for DRIE eligibility.

Again, I wish to thank the City Council for its foresight. CIDNY just asks that City Council not be short sighted when it comes to DRIE.

For more than 35 years, CIDNY has provided assistance to people with all kinds of disabilities, most of whom live independently in the community. We are part of the Independent Living Centers movement – a national network of grassroots, community-based, cross disability organizations that enhance opportunities for people with disabilities to direct their own lives. In 2015, CIDNY provided assistance and resources to over 15,000 New Yorkers with disabilities, their families and service providers.



Making New York a better place to age

**New York City Council
Committees on Aging, Finance and Mental Health, Developmental Disability, Alcoholism, Substance Abuse
and Disability Services
Council Member Chin, Chair
January 12, 2017**

LiveOn NY respectfully submits the following testimony on Intro 1309.

LiveOn NY thanks Committee Chairs Ferreras-Copeland, Chin, and Cohen for holding a hearing on the pragmatic changes needed within the administrative code in regards to SCRIE, the Senior Citizen Rent Increase Exemption. LiveOn NY also thanks the numerous sponsors of this bill, Intro 1309. The administrative changes and income eligibility extension granted through this bill ensure continued prioritization of SCRIE in the upcoming years and are technicalities supported by LiveOn NY.

During this hearing, however, we would like to highlight an opportunity to further strengthen SCRIE through two concrete and practical policy efforts which would assist in the prevention of homelessness, preservation of affordable housing, and in putting more money in the pockets of seniors to spend locally.

First, LiveOn NY thanks the Department of Finance for their continued efforts to promote SCRIE, and create awareness for this underutilized program. Due to the chronically low utilization rates, which estimate that only 43% of eligible seniors are enrolled in SCRIE, we implore City Council to bolster DOF's effort with a more robust and sustained citywide outreach campaign. Not only should seniors above age 62 be aware of SCRIE, but New Yorkers age 60-61 should know so they will apply as soon as they are eligible. A major reason 60% of seniors on SCRIE still pay over 50% of their income in rent is because they didn't know about the program at an earlier age. After decades of its existence, SCRIE (or the New York "Rent Freeze" program) should already be a household name. This outreach campaign represents the first of our two recommendations and is a logical approach in ensuring that New York City remains affordable to those who have lived and invested in their communities for so many years.

Second, it is important to highlight the everyday reality for thousands of seniors enrolled in SCRIE. The program eligibility necessitates that a senior must pay more than 1/3 of their income on rent, among other qualifications, to become eligible for the rent "freeze". This is deemed the affordable level. However, it is important to note that due to a confluence of factors including lack of awareness leading to later enrollment, and declining income often experienced in later-life, almost 1/3 of SCRIE participants pay more than 70% of their income on rent. This is neither affordable nor sustainable.

This is why LiveOn NY in collaboration with other organizations has initiated the "Off the Fiscal Cliff Campaign," an advocacy effort around these two policy recommendations. It is the responsibility of NYC to bring these seniors off the fiscal cliff. LiveOn NY recommends that city and state officials take action to cap rents for all seniors enrolled in SCRIE at the affordable level of 1/3 their income. Capping rents at one-third of income would also address the increasing "preferred rent" problem as all rents for eligible seniors in rent regulated buildings would be capped at one-third.

For elderly residents, this policy change could not be of greater necessity, as rent burden often leads to adverse life choices. A recent study by LiveOn NY has shown that 10-15% of seniors on SCRIE are forced to skip meals, forego doctor's appointments, miss medications, or fall behind on other bills due to high rent.



Making New York a better place to age

It is time that City and State officials reaffirm their commitment to older New Yorkers by instituting these two policy changes: an investment in increased outreach and the capping of rents to 1/3 of a senior's income.

We thank you for the opportunity to testify not only on the bill at hand, but on the broader implications of SCRIE and the ways in which it can be strengthened.

LiveOn NY is dedicated to making New York a better place to age. Founded in 1979, with a membership base of more than 100 organizations ranging from individual community-based centers to large multi-service organizations, LiveOn NY is recognized as a leader in aging. LiveOn NY's membership serves over 300,000 older New Yorkers annually and is comprised of organizations providing an array of community based services including elder abuse prevention and victims' services, case management for homebound seniors, multi-service senior centers, congregate and home-delivered meals, affordable senior housing with services, transportation, NORCs and other services intended to support older New Yorkers. LiveOn NY connects resources, advocates for positive change, and builds, supports and fosters innovation. Our goal is to help all New Yorkers age with confidence, grace and vitality.



**Testimony of Elizabeth Strojan
Program Director, Public Policy & External Affairs
Enterprise Community Partners, Inc.**

**To the New York City Council
Committee on Aging
Public Hearing on Legislation Related to
The Senior Citizen Rent Increase Exemption Program**

January 12th, 2017

Good afternoon, my name is Elizabeth Strojan, and I direct public policy for the New York office of Enterprise Community Partners, a non-profit affordable housing organization that has worked to create and preserve affordable housing here and nationwide for 30 years. Thank you, Chairs Ferreras-Copeland, Chin, and Cohen for the opportunity to provide testimony on the Senior Citizen Rent Increase Exemption (SCRIE) program.

We believe it is critical that we work to preserve the ability of seniors to remain in the communities they helped build, and with stagnant incomes and increased pressure on the housing market, we must utilize every tool we have to support low-income tenants. As such, Enterprise supports measures by the Council to improve SCRIE through Intro 1309. However, we would like to focus our testimony today on further improvements needed in the city's programs to freeze rents for seniors and other vulnerable populations.

SCRIE is an incredibly important tool that allows low-income, rent burdened seniors living in rent-regulated units to freeze their rents and remain in their community. Although an immensely valuable program, there are ways in which SCRIE can be improved.

After hearing anecdotally from our non-profit housing and service provider partners on the ground that seniors were increasingly vulnerable to severe rent burden, Enterprise analyzed data on SCRIE participation rates, incomes, and rent burden from the Department of Finance. We found that SCRIE is grossly underutilized with a 43% utilization rate among those eligible for the program. The average income of SCRIE participants is under \$17,000, and a shocking one-third of households enrolled in the program pay more than 70% of their income on rent.

For elderly residents on fixed incomes, paying too much on rent leads to unhealthy outcomes, like skipping meals or doctor visits, and not filling prescriptions. In the most extreme cases, severe rent burden can lead to eviction, which is extremely traumatizing for the household and potentially very costly for the city. These are among the many reasons we recommend capping rents for all seniors enrolled in SCRIE at 1/3 of their income.

While the Department of Finance's recent efforts on targeted enrollment and outreach strategies are laudable, we join other advocates here today in calling for a more robust public

awareness campaign as well as a rent cap for low-income seniors in SCRIE to prevent rent burden and to curb the loss of rent stabilized apartments.

Enterprise applauds the New York City Council's leadership in its efforts to improve the SCRIE program. This is an important step not just in preserving affordable housing, but also ensuring that we all work together to make New York a better city for the growing number of elderly New Yorkers. We look forward to working with the City Council and the Administration on finding the best ways to use our resources to keep vulnerable seniors in their communities.

Thank you for the opportunity to present testimony before the Committee.



New York City

**Testimony of
Nino Costanzo, AARP NY Volunteer**

**New York City Council
Committees on Aging, Finance and
Mental Health, Developmental
Disability, Alcoholism, Substance
Abuse and Disability Services**

**Hearing on Intro 1309
January 12, 2017**

**City Hall
New York, New York**

Contact: Chris Widelo (212) 407-3737 | cwidelo@aarp.org

Good afternoon Chairs Ferreras-Copeland, Chin, and Cohen, and members of the Committees. My name is Nino Costanzo, and I am a volunteer with AARP New York. On behalf of our 800,000 members age 50 and older in New York City, I want to thank you for the opportunity to talk about Intro 1309. AARP New York has long held housing affordability as a top priority, and we support the efforts of this bill to increase the maximum income level qualifying for rent increases and make other administrative changes to the Senior Citizen Rent Increase Exemption (SCRIE).

However, AARP New York feels there are other policy changes that can be made to help further strengthen SCRIE and help older New Yorkers, such as raising awareness of the program, and to cap rents under SCRIE relative to participant income.

In 2015, an AARP New York report titled *High Anxiety: Gen X and Boomers Struggle with Stress, Savings and Security* found that more than half of New York City Boomers (59%) are concerned about their ability to pay rent in the future. These numbers increase among the African American/ Black population, with 73% showing concern, and the Hispanic/Latino community, with 70% showing concern.

A 2016 survey by AARP New York and the Siena Research Institute, *Countdown: New York's Vanishing Middle Class*, sheds additional light on this issue. Housing was cited by both lower class (those making less than \$40,000) and middle class (those making \$40,000-\$120,000) Boomers as the expense that has the most serious impact on their household finances, more so than food, utilities, transportation, medical costs or health insurance.

It is clear that housing affordability is an issue, but perhaps even more troubling is the number of older New Yorkers who are unaware that help exists. According to a report from LiveOn NY, *Reducing Rent Burden for Elderly New Yorkers*, only

43% of eligible New Yorkers are enrolled in SCRIE. AARP New York recommends that the Council empower the Department of Finance to run a more robust promotional and outreach campaign to raise awareness of this vital program.

It is important to note that even for SCRIE participants, rent payments can still be a burden for program participants. The current eligibility requirements state that in order to receive a rent freeze, more than 1/3 of the household income must be spent on rent. However, the reality is that a large portion of SCRIE participants are paying far above that – the same LiveOn NY report found that more than half of the participants are spending over 50% of their income on rent, with nearly one third paying over 70% of their income on rent.

AARP New York recommends that policy is out forth to cap rents for participants enrolled in SCRIE at 1/3 of their income. This will help to make housing more affordable for older New Yorkers, easing what many consider to be a major burden.

Chairs Ferreras-Copeland, Chin, and Cohen, and members of the Committees, thank you for the opportunity to speak to the importance of SCRIE for older New Yorkers. Intro 1309, coupled with increased outreach and a rent cap relative to income, will provide relief to the many older New Yorkers.

New York City Council

Joint Committee Hearing

Committee on Aging, Council Member Margaret Chin, Chair

Committee on Mental Health, Developmental Disability, Alcoholism, Substance
Abuse and Disability Services, Council Member Andrew Cohen, Chair

Committee on Finance, Council Member Julissa Ferreras-Copland, Chair

January 12, 2017

Testimony from Jed A. Levine, Executive Vice President

CaringKind, The Heart of Alzheimer's Caregiving

formerly known as the Alzheimer's Association, NYC Chapter

Testimony by Jed A. Levine, Executive Vice President, Director of Programs and Services,
CaringKind, The Heart of Alzheimer's Caregiving

Formerly known as the Alzheimer's Association, NYC Chapter

Thank you for the opportunity to discuss **Int. No. 1309 - To amend local law number 19 for the year 2014, amending the administrative code of the city of New York relating to increasing the maximum income level qualifying for exemption for rent increases granted to certain senior citizens, and to amend local law number 39 for the year 2014, amending the administrative code of the city of New York relating to increasing the maximum income level qualifying for exemption for rent increases granted to certain persons with disabilities.**

I am Jed Levine, Executive Vice President and Director of Programs and Services at CaringKind. For over thirty years, we operated as the Alzheimer's Association, New York City Chapter. On December 1, 2015 we disaffiliated from the National Association and returned to our roots as an independent charity. Only our public name changed. We remain the only organization in New York City singularly focused on care and support for individuals with Alzheimer's and related disorders and their families and paid caregivers, with a full portfolio of programs and services.

Alzheimer's is a progressive and fatal brain disease, mostly affecting the elderly, which threatens to overwhelm the health care system, if we do not find a way of preventing, or hopefully curing it one day. Approximately 5.2 million people in the United States are living with Alzheimer's disease – 5% reside in New York City. That number is expected to grow to as many as 16 million by mid-century. Every 66 seconds a person in the United States is diagnosed with Alzheimer's disease and we expect by 2030 there will be 7.1 million people age 65 and older living with Alzheimer's. The financial ramifications of the disease are daunting and currently cost America \$236 billion annually. The out of pocket costs for caring for a relative with Alzheimer's is greater than that of non-Alzheimer's caregivers. This is the most costly disease in the United States.

SCRIE (Senior Citizens Rent Increase Exemption) has been an enormous help to elders living with Alzheimer's and related dementias to remain in the community and live in a familiar home, despite limited means. Many of the families we serve live on modest incomes and still fall outside the SCRIE criteria. Increasing the maximum income level for qualification would greatly

help these seniors remain in their own homes. Our Social Work Services and Helpline staff report an increase in callers who are facing homelessness as they cannot meet their rent payments, and as transportation, food, and other costs increase they are in danger of losing their homes. The \$50,000 head of household limit for eligibility for SCRIE is exceeding low in 2017.

However, Alzheimer's and related disorders not only affect seniors, approximately 4% of the population with Alzheimer's and related disorders are under the age of 65. This is called young-onset Alzheimer's and is devastating in its effect on families. Many of them have stopped working because of their cognitive impairment and had not done the appropriate retirement planning. The Social Security Administration has added several dementias to their list of "compassionate allowances" for fast-tracking social security disability applications. These include: Early Onset Alzheimer's, Mixed Dementias, Creutzfeldt – Jakob Disease, Frontotemporal Dementia(FTD) Picks Disease – Type A, Lewy Body Dementia, Primary Progressive Aphasia, Progressive Supranuclear Palsy, and the ALS/Parkinsonism Dementia Complex,

Many of these families have young children who might be in college, high school or younger grades. Alzheimer's and related disorders disrupt the normal life-span activities and the often rapidly increasing disability requires more and more support and assistance for the person with dementia and their family.

Many of the families we serve are living on very modest incomes. A survey done in 2013 with then Manhattan Borough President Scott Stringer's office: Caregivers in Crisis: Alzheimer's in New York City, showed that almost 24% of the respondents live with an income of \$49,999 or less, and that 16% of the respondents live an income of \$50,000 - \$74,999. Increasing the Rent Increase Exemption would be of enormous help to that segment that just exceeds the current regulation.

Today, an estimated 250,000 people in the New York City area, diagnosed with dementia or Alzheimer's disease, are living with losses that are unimaginable to those of us who do not suffer from this illness. This debilitating disease not only robs persons with dementia (PWD) of their memory but also causes problems with thinking and behavior severe enough to adversely impact nearly every aspect of their daily lives. The PWD is gradually no longer able to work, enjoy

lifelong hobbies or social life. It is an eventually terminal illness. The lives of their family members are profoundly affected as well. They become increasingly isolated as their caregiving responsibilities escalate. Alzheimer's and other dementias are one of the leading causes of dependency and disability in older adults.

The stress of caring for a relative with Alzheimer's is profound and well documented. If the City can help alleviate some of the stress from financial pressure it would be one less thing for already overburdened caregivers to worry about.

We wholeheartedly support the legislation to increase the maximum income level qualifying for rent increase exemptions for certain senior citizens and for those under 65 with disabilities.

CaringKind deeply appreciates the commitment of the Committees on Aging, Mental Health, Disabilities and Finance to improving the lives of New York's seniors and adults with Alzheimer's and dementia. And we congratulate Council Members Chin, Cohen, Salamanca, Gentile, and Levin for their leadership in introducing Int. 1309 which would create more generous and realistic income levels to qualify for rent increase exemptions for those families living under modest financial circumstances. CaringKind stands ready to provide expert guidance and assistance in considering these matters.

CaringKind is on the front lines every day providing a wide variety of educational and support programs, including over 90 monthly support groups, a Wanderer's Safety Program, a 24-hour Helpline 646-744-2900 and social work services with professional counselors all designed to assist caregivers, family members and persons with dementia develop methods for successfully coping with this progressive and terminal illness. We also train family members, home care workers and other professionals to better care for persons with dementia. Connect2Culture is our program increasing access for persons with dementia and their families to New York's rich cultural and arts communities A major focus for our organization is outreach to the Latino, Chinese, African-American, Russian, LGBT, and Orthodox Jewish communities and other underserved and immigrant populations.



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**Testimony from Selfhelp Community Services, Inc.
Committee on Aging, Committee on Finance, Committee on Mental Health
SCRIE and DRIE, Intro 1309
January 12th, 2017**

My name is Sasha Kesler and I am the Government and External Relations Associate at Selfhelp Community Services. Thank you to Council Member Margaret Chin, Council Member Cohen, Council Member Ferreras-Copeland, and the Committees on Aging, Mental Health, and Finance for the opportunity to testify today.

Selfhelp was founded in 1936 to help those fleeing Nazi Germany maintain their independence and dignity as they struggled to forge new lives in America. Today, Selfhelp has grown into one of the largest not-for-profit human service agencies in the New York metropolitan area, with 27 sites throughout Manhattan, Brooklyn, Queens, the Bronx, and Nassau County. Selfhelp provides a broad set of important services to more than 20,000 elderly, frail, and vulnerable New Yorkers each year, while remaining the largest provider of comprehensive services to Holocaust survivors in North America. Selfhelp offers a complete network of community-based home care, social service, and senior housing programs with the overarching goal of helping clients to live with dignity and avoid institutionalization.

Our services are extensive and include: specialized programs for Holocaust Survivors; ten affordable senior housing complexes; services in four Naturally Occurring Retirement Community (NORC) programs; three case management programs; five senior centers including one of New York City's first Innovative Senior Centers; home health care; client centered technology programs including the Selfhelp's acclaimed Virtual Senior Center; court-appointed guardianship programs; and the Selfhelp Alzheimer's Resource Program (SHARP).

Thank you for holding a hearing on the changes needed within the administrative code for SCRIE, the Senior Citizen Rent Increase Exemption. The income eligibility extension and administrative changes implemented through this bill will support New Yorkers who rely on SCRIE to age in their communities with independence and dignity. Our social work staff regularly screen our clients for eligibility for SCRIE, and assist with enrollment paperwork when needed.

We are grateful that the Department of Finance has invested in a robust outreach campaign to raise awareness about this underutilized and critically important program. According to a

study conducted by LiveOn NY and Enterprise Community Partners, only 43% of eligible seniors are enrolled in SCRIE. We strongly urge the City Council to support the DOF's effort and create a more robust and sustained citywide outreach campaign. Every adult approaching 62 years should know about SCRIE so that they are able to apply immediately upon becoming eligible.

Sixty percent of seniors on SCRIE still pay over 50% of their income in rent and 1/3 of SCRIE recipients pay more than 70% of their income on rent because they did not know about the program at an earlier age. SCRIE must be a household name to ensure that older adults can live and age independently, and in housing that is affordable and sustainable.

New York City must help to bring seniors off the fiscal cliff and cap rents for all seniors enrolled in SCRIE at 1/3 of their annual income. The recent study cited above demonstrated that 10-15% of seniors on SCRIE are forced to skip meals, forego doctor's appointments, miss medications, or fall behind on other bills due to high rent.

While the national poverty rates for seniors declined between 1990 and 2012 nationwide, the poverty rate among seniors grew by 15% during the same time period, largely attributed to the rising cost of rent and housing in the city.¹ We strongly urge city and state officials to:

- Invest in an expanded outreach program to ensure that all older adults are aware of SCRIE and able to enroll at 62 years
- Cap rents of SCRIE recipients at 1/3 of the senior's annual income.

Conclusion

Thank you for the opportunity to testify today. On behalf of the more than 20,000 clients we serve, I am grateful for your support on so many important programs.

¹ <http://citylimits.org/2015/06/25/nyc-wrestles-with-poverty-among-seniors/>



David R. Jones, Esq.
President & Chief Executive Officer

Steven L. Krause
Executive Vice President &
Chief Operating Officer

Community Service Society of New York
Testimony for the
New York City Council Committees on Aging, Finance, and Mental Health,
Developmental Disability, Alcoholism, Substance Abuse and Disability Services
January 12, 2017

Chairperson Chin, Chairperson Ferreras-Copeland, Chairperson Cohen and members of the NYC Council Committee on Aging, Finance and Mental Health, Developmental Disability, Alcoholism, Substance Abuse and Disability Services. My name is Rebecca Haase and I am the Program Director of the Community Service Society (CSS) Financial Advocacy Program. Thank you for this opportunity to provide testimony on the NYC Rent Freeze Program.

CSS is a 170 year-old nonprofit organization that seeks to address the root causes of economic disparity. Our mission is to promote policies and create programs that advance the economic security of low- and moderate-income New Yorkers. Since 1984, CSS has been a leader in providing public benefit counseling to low-income seniors and individuals with disabilities on a full range of benefits including Medicaid, Medicare, SNAP, SSI, SSDI, Cash Assistance, Access-a-Ride, HEAP, SCRIE, DRIE and others.

Through the CSS Financial Advocacy Program, we train older adult volunteers to provide public benefit counseling and financial coaching. The program places volunteers in agencies throughout NYC where they work one-on-one with clients in senior centers, workforce development agencies, hospitals and other

community-based organizations. The project has 90 volunteers who assist approximately 5,000 new clients each year. Last year, we received a grant from The New York Community Trust to conduct outreach specifically on SCRIE and DRIE (now known as the NYC Rent Freeze Program) through our Rent Freeze Outreach Project. The project's goal was to increase enrollment among the growing population of seniors and individuals who qualify for the benefit. In total, the project provided public benefit counseling on SCRIE and DRIE to 1,602 clients at 45 outreach events, fairs, and agency trainings as well as at various partner sites.

During our outreach campaign, we encountered many seniors who were learning about SCRIE or DRIE for the first time or were applying late for other reasons often related to problems with their landlord. We were able to help many new households apply and prevent future rent increases but we also encountered households that will continue to suffer an economic hardship even though their rent was frozen through the NYC Rent Freeze Program. This is due to the current rule that an eligible household's rent will be frozen at either the prior rent or one third of the monthly income, whichever is greater. In many cases, the greater amount is the client's prior rent so often the rent was frozen at 50% or more of their monthly income. This corresponds to the findings in a report conducted by Enterprise Community Partners, Inc. and LiveOn NY, *Reducing the Rent Burden for Elderly New Yorkers*, which concluded that almost one third of SCRIE participants pay more than 70% of their income on rent and over 50% of participants are paying over half of their income toward rent. Based on our experience, CSS is in strong support of LiveOn NY and Enterprise Community Partners, Inc. proposal to cap the rent at one third of monthly income (33%) for seniors eligible for the NYC Rent Freeze Program and we would also include individuals with disabilities. We believe that this would significantly improve the living situation for these households in addition to preventing evictions.

The NYC Rent Freeze Program is an extremely valuable public benefit that has provided a stable living situation for many New Yorkers. To improve its effectiveness, we encourage the City Council to make changes to the NYC Rent Freeze Program so that it is aligned with other low to moderate income affordable housing

programs, which use a generally recognized affordability standard of 30% of monthly income. Easing the rent burden on seniors and individuals with disabilities by capping rent at one third of monthly income (33%) in the NYC Rent Freeze Program is cost effective and easy to administer compared to other affordable housing proposals. It also allows these eligible individuals to stay in their home.

The estimated average Social Security Retirement Insurance monthly benefit amount for an individual retiree in 2017 will be \$1,360; and for disabled workers it is \$1,171. Many of the seniors and individuals with disabilities we work with have only Social Security income within that range and few resources. A typical client example was a 75 year old Brooklyn woman we helped apply who would have been eligible many years earlier but was not connected to any social service supports and was unaware of the public benefits she was entitled to which also included SNAP and the Medicare Savings Program. Her monthly Social Security Retirement income is \$1,182 per month and her rent is frozen at \$671 which is close to 57% of her monthly income. Her situation was greatly improved but she will continue to struggle with very little income left over to pay her gas, electric and phone bills in addition to buying food, other basic necessities including transportation and paying copays for healthcare. A small unexpected financial crisis could put her housing situation in jeopardy.

In order to reach NYC Rent Freeze applicants at the time they become eligible, the City should work to make the program well-known by everyone. By doing this, the City will reach more applicants and because New Yorkers will have a familiarity with the program it will ease the fear of some that applying for SCRIE or DRIE will negatively affect their relationship with their landlord.

CSS supports the City Council in your effort to pass legislation that would increase outreach and enrollment in this valuable program for seniors and people with disabilities. In addition, CSS supports the proposals Enterprise Community Partners, Inc. and LiveOn NY have introduced in their report, *Reducing Rent Burden for Elderly New Yorkers*. The report emphasizes how lowering the rent burden on seniors will improve

health outcomes, prevent housing insecurity and eviction, and prevent the weakening of rent regulated apartments, which would preserve affordable housing.

Recommendations:

- Cap rents for all seniors and individuals with disabilities enrolled in the NYC Rent Freeze Program at 1/3 of their monthly income (33%).
- Conduct a large-scale media campaign on the NYC Rent Freeze Program with information posted in subways, on buses and through television advertisements.
- Distribute NYC Rent Freeze Program information and eligibility guidelines to all New Yorkers living in rent regulated buildings either through landlords or agencies such as Division of Housing and Community Renewal (DHCR).
- Require that NYC employers share information on the NYC Rent Freeze Program with their retirees through their Human Resources (HR) Departments.
- Work with the local Social Security Administration offices on distributing information on the program to applicants for retirement and disability benefits.
- Invest City resources in programs like the CSS Financial Advocacy Program and other similar programs which are dedicated to finding and assisting potentially eligible seniors and individuals with disabilities.

Thank you for the opportunity to present testimony before these Committees.

Rebecca Haase
Program Director, Financial Advocacy Program
Community Service Society of New York
212-614-5482
rhaase@cssny.org

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 1/12/2017

(PLEASE PRINT)

Name: MONICA BARTLEY
Address: 1251 DEWALB AVE, #6E BROOKLYN, NY 11221
I represent: CENTER FOR INDEPENDENCE OF THE DISABLED,
Address: 841 BROADWAY, #301, NY, NY 10003 NY

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1309 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Samara Karasyle, AC - External Affairs
Address: One Centre St
I represent: NYC Dept. of Finance
Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1309 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Michael Hyman, 1st Deputy Commissioner
Address: One Centre Street
I represent: NYC Dept of Finance
Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 1/12/17

(PLEASE PRINT)

Name: Elizabeth Stojan

Address: _____

I represent: Enterprise Community Partners

Address: 1 Whitehall St.

◆ Please complete this card and return to the Sergeant-at-Arms ◆

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1309 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Nino Nannarone

Address: 687 E. 24th St

I represent: AARP

Address: _____

◆ Please complete this card and return to the Sergeant-at-Arms ◆

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 1/12/17

Name: Bobbie Sackman (PLEASE PRINT)

Address: Live On NY

I represent: _____

Address: 49 West 17th St NY 10036

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

SCRIE in favor in opposition

Date: 1-12-15

Name: Sasha Kester (PLEASE PRINT)

Address: _____

I represent: Selfhelp Community Services

Address: _____

Please complete this card and return to the Sergeant-at-Arms