



THE CITY OF NEW YORK  
OFFICE OF THE MAYOR  
NEW YORK, N.Y. 10007

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February 29, 2008

Honorable Hector L. Diaz  
City Clerk and Clerk of the Council  
Municipal Building, 2<sup>nd</sup> Floor  
New York, NY 10007

Dear Mr. Diaz:

Pursuant to Section 37 of the New York City Charter, I hereby disapprove of Introductory Number 61-A ("Intro. 61-A"), which would amend the Administrative Code to prohibit housing discrimination based on a person's "lawful source of income." "Lawful source of income" is defined in the bill to include Section 8 vouchers (federally-funded rental assistance for low-income individuals) and other types of public assistance.

The City of New York has an obligation to protect the rights and expand opportunities for all of its citizens. My administration has launched numerous initiatives benefiting low income New Yorkers including the recent announcement of thirty-one anti-poverty initiatives based on the recommendations of my Commission on Economic Opportunity, and raising millions of dollars along with other forms of support for these initiatives from the private sector. The City Council's effort to protect tenants from "source of income discrimination" while well-intentioned, would force private landlords to participate in a public program even at a cost to their bottom lines and has the potential to result in increased rents in our most affordable housing stock. Intro. 61-A fails to recognize that the onus should be on government to make the program more attractive for private sector participation, not the other way around. Furthermore, Intro. 61-A fails to address the City's housing crisis; it is a solution in search of a problem. Instead, we should continue efforts to build affordable housing, lobby the federal government for more Section 8 vouchers, and build on my administration's track record of improving interagency coordination and efficiency in the existing Section 8 program.

My administration has lobbied aggressively to maintain and expand the number of Section 8 vouchers in New York City and has worked diligently to reform what is now the most extensive and successful public assistance program in the nation. The Section 8 voucher program is a key component of our public assistance program. The two main administrators of Section 8 vouchers in the City are the New York City Housing

Authority (NYCHA) which serves over 270,000 New Yorkers and the Department of Housing Preservation and Development (HPD), which serves over 59,000 New Yorkers. Through focused management attention and interagency coordination spearheaded by my administration, technical improvements have been made to both NYCHA's and HPD's programs to make the system easier to navigate. Increased outreach, case management, direct deposit of rental payments, and a streamlined computerized inspection process have made the programs more attractive to landlords. Increased communication between the administrating agencies and tenants through regular newsletters, increased web access, and listings of available units has made the program more user-friendly for voucher holders. Voucher utilization rates are now at an all time high, and my administration has committed to building 150,000 new affordable housing units throughout the five boroughs.

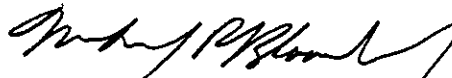
While we are seeing improvements to the Section 8 program, we must recognize that landlords participating in the program may incur costs for which they are not compensated. Even with the improvements that my administration is implementing, once a landlord agrees to accept a Section 8 voucher for a particular unit, the unit is taken off of the market while the necessary inspections and paperwork are completed. While HPD and NYCHA have made great efforts to reduce this time period, it is still an average of three months. Rent is not collected on the unit during this time. The City must respect a landlord's decision not to forsake multiple months of rent by participating in the Section 8 program. In addition, once in the program, housing units are subject to annual inspections and subsidy payments may be suspended until violations are rectified.

The Section 8 program should work for both tenants and landlords. While there is no shortage of interest from voucher holders, efforts need to be made to attract more landlords to the program. Even with additional improvements to the program there will always be some measure of delay in getting Section 8 tenants into apartments. Intro. 61-A prohibits private owners from making sound business decisions regarding the disposition of their own property and mandates them to enter into a contract with a government agency they would otherwise never have had to engage. Moreover, Intro. 61-A may have the unintended consequence of encouraging landlords to raise their rents to prices over program limits which would reduce the stock of available affordable housing for all New Yorkers.

Intro. 61-A essentially makes a voluntary government program involuntary and while we all can agree we need to do all we can within the confines of Federal law to connect more Section 8 voucher holders with apartments, depriving landlords of rental income is not the answer.

Accordingly, I hereby disapprove Introductory Number 61-A.

Sincerely,




Michael R. Bloomberg  
Mayor


sell, rent or lease or approve the sale, rental or lease of at least one housing accommodation within New York City that contains six or more housing units, constructed or to be constructed, or an interest therein.

§7. This local law shall take effect immediately upon its enactment into law.

I hereby certify that the above bill was passed by the Council of the City of New York on January 30 2008 receiving the following votes:

Affirmative... 39 .....  
Negative... 8 .....  
Not Voting... 1 .....

  
Michael McSweeney, First Deputy City Clerk  
Acting City Clerk of the Council

**DISAPPROVED**  
ON THE 29th DAY OF February 2008  
 MAYOR



