



Legislation Text

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Res. No. 1231

Resolution calling on the U.S. Department of Housing and Urban Development to exclude New York City, and other cities with a housing vacancy rate below 5%, from the Proposed Rule on Small Area Fair Market Rents

By Council Members Torres, Williams, Barron, Palma, Lander, Dickens, Richards, Chin, Rosenthal, Treyger, Wills and Kallos

Whereas, On June 16, 2016, the U.S. Department of Housing and Urban Development (“HUD”) released a Notice of Proposed Rulemaking regarding the use of Small Area Fair Market Rents (“SAFMRs”) in certain metropolitan areas for the Housing Choice Voucher Program (the “Proposed Rule”); and

Whereas, The stated goals of the Proposed Rule are to establish a more effective means for voucher holders to move into areas of higher opportunity and lower poverty by providing the tenants with a subsidy adequate to make such areas accessible and, consequently, help reduce the number of voucher families that reside in areas of high poverty concentration; and

Whereas, The Proposed Rule would set the Fair Market Rent (“FMR”) for certain metropolitan areas at the zip code level as opposed to at the current metropolitan area-wide level, which would increase the FMR and subsidy for certain zip codes and decrease the FMR and subsidy for other zip codes; and

Whereas, New York City would be required to implement SAFMRs under the Proposed Rule; and

Whereas, New York City is home to the largest Housing Choice Voucher Program in the country, with approximately 120,000 vouchers collectively administered by the New York City Housing Authority (“NYCHA”) and the Department of Housing Preservation and Development (“HPD”); and

Whereas, New York City is in the midst of a housing crisis, with an overall housing vacancy rate of 3.45%; and

Whereas, Due to New York City's low vacancy rate, voucher holders will struggle to find housing in zip codes where the FMR and subsidy will increase under the Proposed Rule; and

Whereas, The Proposed Rule would instead exacerbate New York City's current housing crisis by increasing the rent burden for 55,000 voucher holders who live in zip codes where the FMR and subsidy will decrease; and

Whereas, If those 55,000 voucher holders are unable to shoulder the burden of paying additional rent, they could lose their vouchers, be evicted or end up homeless, adding strain to New York City's shelter system; now, therefore, be it

Resolved, That the Council of the City of New York calls on the U.S. Department of Housing and Urban Development to exclude New York City, and other cities with a housing vacancy rate below 5%, from the Proposed Rule on Small Area Fair Market Rents.

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