



Legislation Text

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Res. No. 394-A

Resolution calling upon President Bush and the United States Congress to eliminate the shortfall in funding for Section 8 Housing Choice Vouchers and to restore full funding for Fiscal Year 2004.

By Council Members Katz, Foster, Reyna, Avella, Baez, Barron, Brewer, Clarke, Comrie, Dilan, Fidler, Gentile, Gerson, James, Liu, Lopez, McMahon, Monserrate, Nelson, Palma, Quinn, Recchia, Rivera, Sanders, Vann, Weprin, Jackson, Boyland, Gonzalez, Sears and The Speaker (Council Member Miller)

Whereas, The Section 8 Housing Choice Voucher program was established in 1976 and primarily helps families with income levels no greater than 50 percent of area median income; and

Whereas, Section 8 vouchers enable these low-income families to pay no more than 30% of their household income in rent, with the difference in rent covered by the Department of Housing and Urban Development (HUD), the agency that administers Section 8 vouchers; and

Whereas, The Associated Press reported that the Section 8 Housing Choice Vouchers help “nearly 2 million families through some 2,500 local agencies;” and

Whereas, There are more than 90,500 households that receive Section 8 vouchers in New York City, housing approximately 229,000 individuals; and

Whereas, In its Fiscal Year 2004 budget, Congress took measures to sustain full funding of Section 8 vouchers; and

Whereas, In a way inconsistent with Congressional intent, HUD changed the formula for funding allocations on April 22, 2004 in Notice PIH 2004-7, putting the Section 8 program in jeopardy of inadequate funding; and

Whereas, Public housing authorities across the nation, including the New York City Housing Authority, had allocated vouchers during Fiscal Year 2004 before Notice PIH 2004-7 changed the formula retroactively, thereby creating a shortfall; and

Whereas, Notice PIH 2004-7 notified public housing authorities that Section 8 vouchers would be funded at the level of August 1, 2003, adjusted for rental inflation according to a formula set by HUD; and

Whereas, In some areas, voucher costs have risen faster than inflation; and

Whereas, Existing vouchers have never before been cut in the almost thirty-year history of the Section 8 program; and

Whereas, Public Housing Authorities may be forced to resort to reducing the value of existing vouchers, restricting eligibility, or cutting the number of available vouchers, among other tactics; and

Whereas, The two agencies in New York City that administer Section 8 vouchers, the New York City Housing Authority and the Department of Housing Preservation and Development estimate their funding shortfalls for Fiscal Year 2004 at \$40 million and \$15.5 million, respectively; and

Whereas, The New York Times has called the cuts “ill-advised” and called HUD’s approach “hostile;” and

Whereas, H.R. 4263, introduced by Rep. Barney Frank, would rectify the immediate 2004 funding shortfall; now, therefore, be it

Resolved, That the Council of the City of New York calls upon President Bush and the United States Congress to eliminate the shortfall in funding for Section 8 Housing Choice Vouchers and to restore full funding for Fiscal Year 2004.

LS #1147/1165
SJM