



Legislation Text

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Res. No. 720

Resolution calling on the United States Congress to pass and the President to sign the Public Housing Equal Treatment Act of 2007 to allow for the full transition of 21 developments built by the City and State of New York into the Federal public housing program for funding purposes.

By Council Members Mendez, Barron, Brewer, Dickens, Foster, Gerson, Gonzalez, Jackson, James, Liu, Mark-Viverito, Recchia Jr., Reyna, Arroyo, Avella and Gentile

Whereas, The New York City Housing Authority (NYCHA) is a public housing agency organized and funded primarily through Federal programs; and

Whereas, All NYCHA developments are included in the Federal public housing program except for 21 developments, originally financed with State or City funding, that are not included in the count determining NYCHA's operating or capital subsidies; and

Whereas, During the 1970's fiscal crisis the Carter Administration proposed federalizing all of NYCHA's City and State developments; and

Whereas, At that time 59 developments, originally financed by the City and State, were moved into the Federal public housing program; and

Whereas, During the Reagan administration, the Department of Housing and Urban Development (HUD) ordered the transfer program to cease with respect to any development where HUD was not firmly committed to federalizing the development; and

Whereas, At the time 26 NYCHA developments remained outside the Federal public housing program; and

Whereas, In July 1995, NYCHA and HUD signed Amendment 180 to the Authority's Annual Contributions Contract allowing five City and State developments, Auburn, Butler, Chelsea Addition, Coney

Island and Hyland, to be admitted to the Federal public housing program for all purposes; and

Whereas, The remaining 21 City and State developments, housing approximately 21,150 households, were admitted to the Federal public housing program, but are not included in the formula that determines the level of NYCHA's operating or capital subsidies; and

Whereas, Funding for the Federal public housing program has declined substantially over the past several years; and

Whereas, Housing agencies are prohibited from increasing the rents paid by low-income public housing residents to more than 30% of adjusted family income; and

Whereas, Although operating subsidy is provided to fill the gap between the rents paid by public housing families and the costs of operating public housing it has remained basically flat over the past several years; and

Whereas, NYCHA has an FY2006 operating deficit of \$168 million arising from reduced Federal assistance, the substantial increase in non-discretionary operating costs and program restrictions that constrict the Authority's ability to utilize its funding in a manner that is best suited to address the needs of the families served; and

Whereas, NYCHA is additionally burdened by its operation of 21,000 apartments for which it has no dedicated stream of government subsidy; and

Whereas, The aforementioned 21 developments are a viable source of affordable housing currently providing accommodations to nearly 21,000 low-income households, nearly 35% of which are headed by individuals who are elderly or disabled; and

Whereas, In FY2006 the 21 developments are expected to incur an estimated operating deficit of approximately \$87.9 million; and

Whereas, The \$87.9 million deficit is more than half of NYCHA's total operating deficit of \$168 million for FY2006; and

Whereas, Without an assured stream of governmental assistance to cover the difference between the operating costs of the 21 developments and the rents paid by the resident families, it will be exceedingly difficult for NYCHA to continue the future operation of the 21 developments, now, therefore, be it

Resolved, That the Council of the City of New York calls upon Congress to pass and the President to sign the Public Housing Equal Treatment Act of 2007 to allow for the full transition of 21 developments built by the City and State of New York into the Federal public housing program for funding purposes.

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BJG
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