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Gale A. Brewer, Borough President

May 14, 2014

Vicki Been
Commissioner
NYC Department of Housing Preservation & Development
100 Gold Street
New York, NY 10038

Dear Commissioner Been,

Thank you for your letter on April 28, 2014 in response to our inquiries regarding the recent policy changes made to HPD's Section 8 program. We are pleased that HPD will extend the relocation decision period for regular housing choice voucher holders from 30 days to one year. We look forward to a continued partnership with HPD to implement further safeguards to ensure the City's HPD Section 8 voucher holders can remain in and/or move to a unit of their choice.

It is heartening to know that despite a 2013 budgetary shortfall, HPD was able to draw on its reserves along with federal-level set-aside funding to prevent the termination of Section 8 voucher holders, and that reprieve from the Sequestration will enable HPD to operate through 2015 with sufficient funds to sustain its current number of Section 8 households.

We recognize HPD's commitment to sustainability in light of potential budgetary shortfalls in 2016 and beyond, but we believe there may be other ways for HPD to replenish its reserves without resorting to downsizing families to smaller units. Rebuilding a reserve is a medium-term challenge that can be overcome via prudent cost-saving mechanisms and the development and implementation of innovative ideas. We are committed to working with you in the upcoming year to explore potential solutions.

For the immediate term, we urge HPD to first address the more pressing issue of halting the implementation of Section 8 downsizing as a result of the most recent changes in Section 8 subsidy and payment standards.

Downsizing as it is currently being carried out affects mostly the elderly and those with physical and mental health needs. These are some of the most vulnerable Section 8 residents who should not have their lives unfairly disrupted. The disruption stems in part from HPD's changed policy of removing all considerations such as gender, relationship, and age when determining new subsidy standards. Disruption is also caused by HPD's blanket application of this new standard. The initiative as it currently stands places the onus of appealing to remain in an apartment on those who are being downsized. This includes households that are already in right-sized apartments due to family members' existing medical conditions and other living needs already documented by HPD—families that should not have been identified for downsizing to begin with. These vulnerable households are very likely to experience undue hardship and stress during their efforts to file for an appeal.

Now that we have a clearer understanding of HPD's long-term sustainability plan and its current budgetary status until the end of 2015, we once again request HPD to place a hold on all downsizing resulting from the revised subsidy and payment standards. We believe this request is consistent with HPD's goal to maintain its fiscal stability, since additional support from HUD's set-aside fund and release of Sequestration money will provide the agency with sufficient resources to operate without any cuts to Section 8 vouchers through 2015.

We understand that you have raised the possibility of unforeseen fiscal deficit in 2015 due to increased Section 8 program costs and other factors. Should this be the case and there is no other option but to reinstate downsizing prior to the end of 2015, we request that all downsizing decisions be made on a case-by-case basis that takes into consideration factors that are already allowable for exemptions such as age and medical needs. We also request that HPD improve procedures for providing notice to households that may be downsized and provide moving assistance.

During the time of the moratorium, we propose forming a working group to explore additional solutions for HPD to rebuild its reserves. From the April 9 hearing and your letter, it is clear that having a sufficient reserve is both a necessary and prudent decision. A working group would be an ideal mechanism for exploring ways to rebuild HPD's reserves other than through downsizing.

Finally, we would like to follow up on several questions and issues that were raised at the April 9 City Council hearing. We would also welcome additional information, statistics, and progress reports that HPD may have concerning its current downsizing efforts.

- At the April 9 hearing, HPD mentioned that 88 enhanced voucher households have been or are in the process of being downsized, and 2,925 regular voucher households have either moved or had their payment standards changed.
 - How much has HPD saved from this downsizing to date?
 - Is the money saved consistent with HPD's projected savings on each downsizing relocation? Is HPD on target to save between \$9 and \$10 million annually through downsizing?
- At the April 9 hearing, HPD estimated the number of households that will be affected by the downsizing to be 5,561 regular housing choice voucher holders and 3,026 enhanced housing choice voucher holders.
 - What is the breakdown of these households' current apartment sizes for each category? In particular, how many of those identified for downsizing are currently living in one-bedroom units?
 - For enhanced housing choice voucher downsizing in former Mitchell-Lama developments, what is the current number of studios available for households identified for downsizing?
 - If the number of studios in former Mitchell-Lama developments is not sufficient for accommodating those in the pipeline for downsizing, what is HPD's plan for creating more units? Will studios become available at the rate that is needed to attain the \$9 and \$10 million projected annual cost savings?
- At the April 9 hearing, HPD stated that its cost-savings plan, which includes downsizing as a Cost Saving Measure, was enacted based on a shortened timeframe of less than 45 days for notification as required for Public Housing Agencies under HUD guidelines 24CFR paragraph 903.17.
 - What was the reasoning behind HUD's approval to waive the notice process, if any?
 - We would like HPD to provide proof of HUD's waiver and any public hearing notices sent out during the shortened timeframe, as was requested at the April 9 hearing.

- Thank you for providing a table of HPD's cost-savings options and their implementation status in your reply. We would like HPD to further supply the actual dollar amount of savings that have been realized to date under each Cost Saving Measure as outlined in the document.
- Of those identified for downsizing, how many have filed for appeals? In what status are these appeals?
- If an enhanced housing choice voucher household is not granted an exemption but must remain in its current apartment due to existing needs, will its voucher be "downgraded" into a regular housing choice voucher? If so, will this household lose all Section 8 eligibility if its annual income is above the threshold for a regular housing choice voucher?
- A number of tenants are uncertain they are eligible to apply for an exemption for reasonable accommodation due to factors such as age or health status. Please provide a detailed description of the factors that are considered for exemptions to downsizing.

Thank you for your continued leadership to ensure as many of the City's housing stock remains affordable and available as possible to New Yorkers under the Housing New York, Five-Borough, Ten-Year Plan. We remain committed to exploring solutions to bolster HPD's fiscal sustainability in a way that will allow Housing Choice Section 8 Voucher holders, especially seniors and residents with special needs, to remain in their current homes now and in the future.

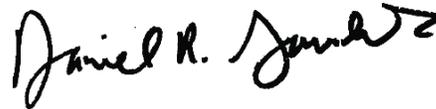
Sincerely,



Gale A. Brewer



Assembly Member Keith L. T. Wright
Housing Committee Chairman
NYS Assembly Member, 70th District



NYC Council Member Daniel R. Garodnick
4th District, Manhattan



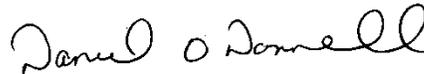
Assembly Member Dan Quart
NYS Assembly Member, 73rd District



Assembly Member Robert Rodriguez
NYS Assembly Member, 68th District



NYC Council Member Margaret S. Chin
District 1-Lower Manhattan



Assembly Member Daniel O'Donnell
NYS Assembly Member, 69th District



NYS Senator Brad Hoylman
27th Senate District



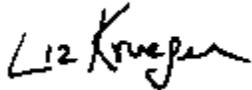
Assembly Member Brian Kavanagh
NYS Assembly Member, 74th District



Congressman Jerrold Nadler
10th Congressional District (NY)



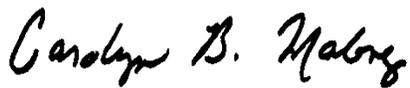
Assembly Member Micah Kellner
NYS Assembly Member, 76th District



NYS Senator Liz Krueger
28th Senate District



Council Member Rosie Mendez
2nd District, Manhattan



Congresswoman Carolyn B. Maloney
12th Congressional District (NY)



Council Member Helen Rosenthal
6th District, Manhattan



Assembly Member Gabriela Rosa
NYS Assembly Member, 72nd District



Council Member Mark Levine
7th District, Manhattan



NYS Senator Jose M. Serrano
29th Senate District



Assembly Member Linda B. Rosenthal
NYS Assembly Member, 67th District



City Council Member Ben Kallos
5th District



Assembly Member Richard N. Gottfried
NYS Assembly Member, 75th District



Assembly Member Deborah J. Glick
NYS Assembly Member, 66th District



Congressman Charles B. Rangel
13th Congressional District (NY)



Congressman Jose E. Serrano
15th Congressional District (NY)



Hon. Letitia James
NYC Public Advocate



NYS Senator Daniel Squadron
26th Senate District

cc: Mayor Bill de Blasio
All City Council members
All State Senators
All Assembly Members
All Community Boards