

REBNY Testimony | August 10, 2021

The Real Estate Board of New York to The Assembly Standing Committees on Housing, Social Services, and Ways and Means

The Real Estate Board of New York (REBNY) is the City's leading real estate trade association representing commercial, residential, and institutional property owners, builders, managers, investors, brokers, salespeople, and other organizations and individuals active in New York City real estate. Thank you to Chairs Cymbrowitz, Rosenthal, and Weinstein for the opportunity to provide testimony on the Emergency Rental Assistance Program (ERAP).

REBNY is deeply committed to a collaborative approach for our collective health and well-being to weather the pandemic. REBNY members were the first owners to pledge a 90-day moratorium on evictions, enter into voluntary rent repayment plans, and in partnership with members from the New York Association for Affordable Housing (NYSFAFH), founded [Project Parachute](#), a philanthropic initiative, administered by [Enterprise Community Partners](#), that seeks to help the most vulnerable New York City renters remain in their homes during and in the aftermath of the Coronavirus crisis. The tenant facing portion of Project Parachute known as FASTEN (Funds and Services for Tenants Experiencing Need) through holistic case management has provided support to over 3,000 individuals, and over \$3.6 million in rental arrears has been disbursed.

As part of Project Parachute, REBNY has also joined with diverse stakeholders including representatives from Enterprise Community Partners, the Legal Aid Society, Homeless Services United (HSU), Court Appointed Special Advocates for Children (CASA), and NYSFAFH to develop upstream solutions to prevent evictions, issuing a set of [recommendations](#) to streamline and expand eligibility for existing assistance programs, align them more closely with the cost of housing, and address growing economic need.

Furthermore, REBNY members advocated at the federal level across both sides of the aisle on the importance of direct rental assistance and the need for federal funding during this crisis necessary to maintain the housing ecosystem.

REBNY continued that advocacy once billions were allocated to the State, calling for a program that would be accessible to any eligible renter and owner, regardless of documentation status, employment status, or the ownership structure of the dwelling in which they reside. This advocacy included joint industry letters supporting these program parameters, with requests that the program be as simple as possible to disburse money as quickly as possible. Unfortunately, as of early August, only \$20 million has been released to tenants and landlords – less than one percent of the \$2.7 billion total allocation.

REBNY is once again stressing the need for these precious dollars to be disbursed now, given both the eviction moratorium deadline and the federal recapture deadline at the end of September. The goal must be to spend the money we have, at minimum 65% of the original allocation, or risk losing that tranche of funds and future funds altogether.

When the monies were allocated, first through the CARES act and again through the HEROES act, REBNY shared the concerns of community based organizations that it might not be enough to meet the need of the city and state, and we needed to be in a position to advocate for more dollars when the time came, under the assumption that other states would not spend down their funds and more money would be available to New York. Unfortunately, today we find ourselves in a situation where New York could actually lose money to other states. REBNY had hoped to be in a position to advocate for additional funds this fall; now we are seriously concerned we may have to instead advocate for the retention of what we already have if the draw down deadlines are not met by the end of September.

Additional improvements can be made to the program. Firm believers in data informing public policy, REBNY knows that ensuring every tenant in need enrolled, and understanding the average rental arrears owed, would tell all of us whether more funds are needed. Unfortunately, this basic question remains out of reach. Zip code level reports on numbers of applications and rent owed would indicate if outreach efforts were sufficient or would need to be ramped up. Applications could also be increased with a point of portal entry for community-based organizations. The goal should be to increase tenant accessibility and applications, despite all real or perceived flaws in the program.

Thank you to the members of the Assembly Standing Committees on Housing, Social Services, and Ways and Means for consideration of these points.

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