

TESTIMONY

CONGRESSMAN ADRIANO ESPAILLAT (NY-13)

House Committee on Appropriations

Subcommittee on Transportation, Housing and Urban Development, and Related Agencies

March 9, 2017

Thank you for allowing me to testify during today's subcommittee hearing to lay out my priorities as they relate to Transportation, Housing and Urban Development. It is my hope that Congress will enact regular full-year Fiscal Year 2018 appropriations for HUD programs prior to the end of Fiscal Year 2017. It is my understanding that none of the Fiscal Year 2017 regular appropriations bills were enacted before the end of Fiscal Year 2016 and Congress, instead, approved two continuing resolutions to provide temporary funding. This provides funding through April 28, 2017, which is just around the corner. When it comes to housing, this kind of insecurity is hardly acceptable.

I am submitting testimony because I am concerned with reports stating that domestic discretionary funding might suffer at a great cost. This is particularly concerning as it relates to already poor and struggling communities, like Washington Heights, Harlem, Inwood, and the Bronx.

Housing Choice Voucher Program, Section 8 Rental Assistance

My district has the most number of housing units in the city and therefore the nation; and has the second most residents in terms of population. Having been a tenant organizer, I understand the

effects of gentrification, the need to protect low-income renters from being displaced from their homes, and the importance of the growing needs for increased funding of Section 8 housing.

New York City's Housing Preservation and Development (HPD) and the New York Housing Authority (NYCHA) collectively administer over 123,000 vouchers that provide critical rental assistance to families across the City. These vouchers are a lifeline for more than 294,000 families in New York City. Since the 2009 sequestration, New York City families have lost nearly 13,000 vouchers.

Therefore, I urge the Committee to increase funding for the Housing Choice Voucher Program, Section 8 Rental Assistance.

Public Housing Capital Fund

New York City is home to the country's largest public housing authority (PHA) and its impact is monumental for low-income working families in a high cost city. Public housing is a valuable asset for more than 400,000 New Yorkers. This is an asset that needs to be fully funded to prevent the loss of even more public housing in our nation. Public housing operations and capital have been underfunded for many years, putting long-term viability of the units at risk and resulting in health impacts for residents, including asthma and respiratory illness, which are major public health concerns for public housing residents throughout the nation.

New York City has a five-year backlog of capital needs nearing \$17 billion. This is the largest unmet need in the nation and a significant portion of HUD's total capital backlog, assessed at \$26 billion in 2010. An increase in funding would be invested in capital repairs, which would tackle the intersectionality of public housing and health concerns.

Many of the public housing units in our country are in disarray, and with an added \$600 million, units could address mold remediation, including roof repairs, brick repairs, piping, and other issues that lead to increases in health concerns for low-income residents.

Therefore, I would urge the Committee increase Public Housing Capital Funding.

Rental Assistance Demonstration (RAD) Program

HUD's Rental Assistance Demonstration Program (RAD) has also been helpful in providing reliable funding sources to make much needed improvements to public housing units, such as repairs to elevators, heating systems, and façade. Put simply – it is a tool that public housing agencies are able to use to convert public housing units to project-based Section 8, and have since its first authorization in Fiscal Year 2012 imposed zero additional costs to taxpayers.

Conversion of these units, and having the Rental Assistance Demonstration Program as a tool, allows affordable housing units the ability to help keep homes affordable for tenants, and to fight against the creeping gentrification of nearby neighborhoods. This is especially important in one of the most expensive City's in the county.

Unfortunately, Congress has yet to allocate any funding to this program; therefore, limiting the program to projects that must be able to undergo a cost-neutral conversion. Congress has also capped the number of units that may go through a RAD conversion to 185,000. Unless and until Congress eliminates this cap and funds this program, housing agencies are put on a waiting list for new units. This is not an effective or smart implementation of a program that, even bare bones, has proven useful and effective.

Therefore, I would urge the Committee to fund the Rental Assistance Demonstration (RAD) Program and eliminate the RAD volume cap.

Capital Investment Grants

Finally, I would be remiss if I did not mention Capital Investment Grants, which provide critical resources for cities, regions, and states to improve and increase the capacity for public transportation systems. New York City depends on these grants.

For example, in my District, we have been pushing for a new transit line – the city’s first in over 60 years – and without funding, the Second Avenue Subway will fail to live up to its full potential.

As I mentioned earlier, East Harlem is a neighborhood that has the highest concentration of low-income housing in New York City, and residents have to walk almost twenty minutes to get to the nearest train on 116th and Lexington. Bringing additional subway service into this underserved area is expected to spur economic development and job creation.

Therefore, I would urge the Committee to increase funding for Capital Investment Grants.

Thank you so much for the opportunity to offer my concerns and priorities to the Committee.