



New York City General Welfare Committee Oversight Hearing  
Impact of the Expiration of the Eviction Moratoriums  
February 28, 2022

The Rent Stabilization Association of New York City represents 25,000 diverse owners and managers who collectively manage more than one million apartments in every neighborhood and community throughout the city. I want to thank the Chair Ayala and the other members of the General Welfare Committee for convening this hearing today and the Committee for giving RSA the opportunity to appear before you to speak about the Expiration of the Eviction Moratoriums.

Since the start of the pandemic, government has required landlords to bear the burden of the Covid housing crisis. Government allowed renters to defer rent payments by merely declaring hardship without proof of hardship, by enacting eviction moratoriums without recourse when abused, and forcing landlords to house tenants, even objectionable ones, without compensation or any recourse. The New York State Eviction Moratorium lasted 22-months and expired in January, but that was not the end, because other eviction moratoriums continue today.

Even with no formal Eviction Moratorium in place this crisis continues for landlords, as avenues to collect rent are sorely limited. While the courts technically have reopened, a quasi-moratorium still exists. Hardship declarations filed nearly two years ago still control because now they serve as a basis under the Tenant Safe Harbor Act to potentially foreclose landlord's ability to evict for any covid arrears, applications for rental assistance – even without funding or the prospect of funding- indefinitely discontinue all collection efforts, court operations remain limited and new court directives such as additional motions practice and other dilatory measures memorialize portions of the eviction moratorium into the administrative procedures of the housing court.

Nearly two years later, many owners still are not receiving rental payments. No one has provided owners any deferral or relief from the payment of property taxes or water bills. Insurance and mortgage payments still are due. And as costs for increased cleaning, maintenance, repairs and meeting unfunded legislative mandates continue to accrue.

Some much-needed rental assistance has been provided through Emergency Rental Assistance Program (ERAP), which assists tenants with rent payments while providing owners with much needed-income to address ongoing expenses. However, ERAP's limitations are well known.

First, it cannot fund all the applications currently pending before the program. There are over 307,000 ERAP applications pending in New York State, yet fewer than half have been paid. The state has obligated its full allotment of \$2.4 billion and has requested \$1.6 billion more from the federal government to fulfill current applications. Next, it only provides 12 months of rental assistance in most cases. For many renters only half their rental obligation has been satisfied, leaving up to 10 months of unpaid rent. Finally, it requires a tenant to initiate an application. If a tenant elects not to do so, a landlord has no recourse, beyond the already-depleted, meagerly-funded Landlord Rental Assistance Program (LRAP).

At this point additional actions are needed to begin to address the wake of the Eviction Moratoriums. There needs to be greater access to courts. It is through the court system that evictions are avoided. In the courts, with right to counsel and access to other funding sources such as One-Shots, CityFHEPS and state FHEPS, tenants are able to avail themselves of all the resources the city and state have to offer to address critical housing and related needs.

Courts need to be able to directly communicate with the OTDA application system so it can determine who has applied and the status of applications when a court case is commenced and OTDA should immediately deny applications when they applicant does not qualify for ERAP so the courts could direct them to other resources.

State leaders must invest the \$2 billion set aside for pandemic relief to fund the various rent assistance programs to ensure that the thousands of households who cannot make rent can do so and landlords timely can receive the critical funding needed to operate their buildings.

The city and state must continue to advocate for additional ERAP funds as the federal government reallocates both tranches of emergency rental assistance funding.

There should be a targeted tax credit of limited duration to provide owners - particularly small owners - with an offset for the losses in rental income caused by the eviction moratorium and the continuing delays in ERAP payments.

As we can now see, the expiration of the federal and State Eviction Moratoriums did not yield the predicted eviction tsunami nationwide or in New York State. New York City has seen fewer than 150 residential evictions since its lapse. But the impact of the moratoriums on property owners and their ability to operate and maintain the city's rental housing stock has been dire. Increased funding and greater access to assistance programs will better position New York as it emerges from its Covid housing crisis. RSA urges the Council and the city to continue its efforts to remedy the impacts of the Eviction Moratoriums.