



April 9, 2020

Chairman Brian Kavanagh  
NYS Senate  
Committee on Housing, Construction  
and Community Development  
LOB Room 512  
Albany, NY 12247

Chairman Steven Cymbrowitz  
NYS Assembly  
Committee on Housing  
LOB Room 943  
Albany, NY 12248

**Re: NYS S.8140A – COVID-19 Rental Assistance Program**

Dear Chairmen Kavanagh & Cymbrowitz:

The Association For A Better Long Island and Long Island Builders Institute, the leading advocates of the region's economic development community, strongly support this legislation.

Covid-19 has had a significant impact on residents as well as various industries, ranging from small to large businesses, and has posed a threat to the safety and public health on Long Island. The economic impact of COVID19 is yet to be fully known. Each day, property owners are receiving notification from tenants regarding their inability to pay rent. While property owners are making necessary accommodations during this crisis, a COVID-19 emergency rental assistance program would act as a critical bridge to assist residents and businesses.

While Senators have proposed alternative options toward assisting tenants, steering federal, state & local funding directly to the tenants is the only appropriate and economically sound option when trying to help those impacted by the pandemic. In a March 30<sup>th</sup> [City & State article](#), economist Josh Mason, of the progressive nonprofit Housing Justice for All, an organization our community rarely agrees with, said directly providing tenants funding to make rent payments is "much better, for all sorts of reasons, rather than to have a sort of disorderly wave of rents not being paid and mortgages going into default and the financial institutions are in distress." We stand in agreement with Mr. Mason's statement. If all tenants halt rental payments, property owners will fail to make mortgage and property tax payments, pay utility bills and maintain properties. We only need to review the wreckage of 2008 where mortgage payments ceased, causing loan servers to default on investor payments, and that in turn led to economic ruin that took years to right. In sum, alternative options do not focus on those individuals, families and

businesses adversely impacted by COVID-19, rather blindly give assistance to everyone, regardless if they are continuing to receive a paycheck and capable of paying rent.

Furthermore, the nonpayment of rent by commercial and residential tenants would lead to a devastating effect on local municipalities. Commercial and residential landlords, many of which are very small companies, use such rental payments for their real property taxes. The inability to pay such payments to our state and local governments, will substantially reduce the revenues being used by our municipalities to provide much needed health and safety programs for our residents. Only through a program of continued support for both the tenant and the landlord will our economy be able to continue to operate, even in these very difficult times.

**The Association For a Better Long Island and Long Island Builders Institute strongly support S.8140A, establishing a COVID-19 Emergency Rental Assistance Program.**

Sincerely,



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Kyle Strober, Executive Director  
*Association for a Better Long Island*



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Mitch Pally, CEO  
*Long Island Builders Institute*

cc: Governor Andrew Cuomo  
LI NYS Assembly Delegation  
LI NYS Senate Delegation