

Dear Member of the New York Congressional Delegation,

We, the undersigned organizations, urge you to unequivocally oppose the severe and destabilizing housing cuts proposed in President Trump's FY2026 discretionary funding request and we ask you instead to fully fund federal housing programs through appropriations bills this year. If enacted, the President's budget would dismantle federal housing programs by 1) cutting nearly \$33.6 billion, a staggering 44%, from the U.S. Department of Housing and Urban Development (HUD) budget and ending emergency housing vouchers; 2) block granting rental assistance and homeless programs to states with full elimination of other key HUD programs; and 3) setting harsh and impractical time limits for HUD assistance.

Major Budget Cuts to HUD

Under President Trump's proposal, **New York could lose more than \$4.4 billion or nearly half of its federal housing funds.** If enacted by Congress, this budget would **jeopardize the housing safety net for over a million people across New York State**, lead to an increase in evictions and mortgage defaults in low-income neighborhoods, creating serious financial consequences for tenants, landlords and lenders. The proposed budget eliminates all funding for Public Housing Capital, HOME, Community Development Block Grants (CDBG) and the Fair Housing Initiatives Program. These programs support important preservation work to maintain livable housing conditions, including code enforcement and emergency repairs; new construction of affordable and senior housing; and civil rights enforcement efforts.

In addition, the Trump administration also proposes to end the Emergency Housing Voucher Program (EHV) in 2026 rather than in 2030, the statutory deadline. New York State will prematurely and abruptly lose funding for 9,400 vouchers housing over 20,000 people across the state. This program provides rental assistance to those at risk of or experiencing homelessness; domestic violence survivors; and survivors of human trafficking.

Block Granting Rental Assistance & Homeless Grants

The President's budget proposal shifts the federal housing safety net to states' responsibility by combining current rental programs into a single block grant including Section 8 (tenant-based and project-based vouchers), Public Housing, Section 811 and 202 housing and cutting them by over \$30 billion. This would undermine existing contracts with building owners and the drastic cuts would threaten financing for thousands of multifamily properties.

In 2024, New York received almost \$8.8 billion for these programs but under block grant funding this could drop to \$4.8 billion or less. These programs currently provide stable homes to 243,000 Section 8 voucher households, 100,000 households in project-based Section 8 units, and 164,000 public housing residents across the state. The mass displacement of these residents would destabilize not only families, but also the private housing sector, upend rental income for building owners, and put lenders and investors at risk of widespread loan defaults.

The budget also proposes to block grant homeless assistance programs, including Continuum of Care (CoC) and Housing Opportunities for Persons with AIDS in the more limited, short-term Emergency Solutions Grant (ESG) framework. In New York, these programs fund long-term solutions like supportive housing. Replacing these with time-limited, emergency-only assistance will force vulnerable populations back into instability, and it will put supportive housing and their lenders at risk. For example, New York received \$326 million in CoC funding in FY24 and \$146 million - almost half - went to fund rental

assistance to keep 8,700 households permanently housed according to the Supportive Housing Network of NY.

2-Year Term Limits for Non-Elderly & Non-Disabled

The President's budget proposes limiting federal housing assistance to two years for all HUD-assisted households that do not have an elderly or disabled household member.

Up to 200,000 New York households may be subject to term limits if this proposal is enacted into law. In NY's tight housing market with a shortage of affordable rental homes, this policy would cause mass evictions, homelessness and widespread default on multifamily mortgages in areas with the highest concentration of Section 8 voucher use.

The ripple effects will extend to banks, CDFIs, and investors who have underwritten billions in loans backed by HUD-funded properties. In communities where public-private partnerships have preserved affordable housing for decades, this budget would undo years of coordinated investment. Landlords across New York, including 26,933 property owners in NYCHA's Section 8 program, depend on consistent HUD payments to operate sustainably and service debt obligations.

We urge you to oppose President Trump's budget cuts; oppose block granting crucial housing programs to states; and oppose harmful time limits. Your leadership is critical to fully fund HUD programs in FY2026 appropriations and to protect the homes and futures of the people and communities you represent. We stand ready to work alongside you to protect and expand federal investment in housing that keeps New Yorkers safe, stable, and secure.

Sincerely,