

Testimony of the New York Housing Conference

New York City Council Committee on Environmental Protection and Waterfronts

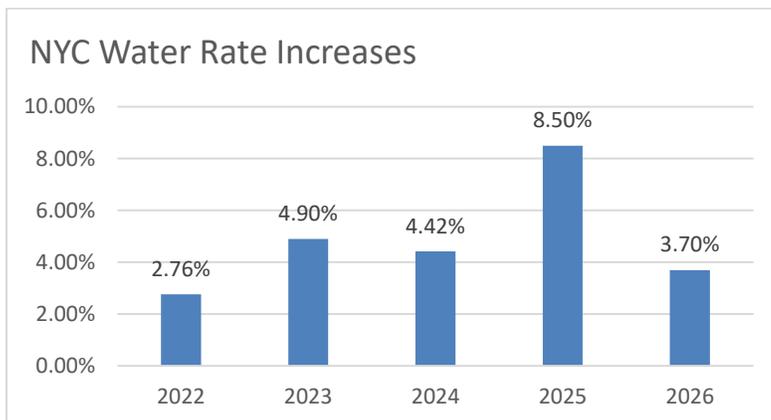
March 19, 2026

Good afternoon. My name is Brendan Cheney. I am Director of Policy and Operations at the New York Housing Conference (NYHC). I would like to thank the Committee for the opportunity to testify about the FY 2027 preliminary budget.

NYHC is a nonprofit affordable housing policy and advocacy organization. As a broad-based coalition, our mission is to advance City, State and Federal policies and funding to support the development and preservation of decent and affordable housing for all New Yorkers.

NYHC and many of our partners in affordable housing have been sounding the alarm about affordable housing properties facing distress – with costs rising faster than projected, and income slower than projected. A recent study by Enterprise Community Partners and LISC found that more than half of the 428 affordable housing projects in their portfolios (totaling 37,130 units) have negative cash flow with costs greater than income. There are multiple causes of the growing distress, and one of them is large increases in water rates. Affordable housing buildings are drowning in high water bills.

One solution to help affordable housing in distress therefore is to control increases in water rates. Over the past five years, water rates have increased by nearly 5 percent per year on average, including an 8.5 percent increase in 2025. [According to UNHP](#), who has been leading advocacy efforts about water rates for affordable housing for the past 30 years, estimates that without a change in policy, water payments will be \$2,000 per unit per year by 2030, leaving affordable housing buildings over their head in water costs.



One cause of high and increasing water rates has been the City’s decision to collect a rental payment from the Water Board. This effectively results in the water rate payers giving money to the City’s general fund, with nearly \$300 million

going to the City in FY 2026. Rate payers should not be subsidizing the City's general fund and the rental payment should stop.

In 2015, the City created the [Multi-Family Water Assistance Program](#) which provides \$250 per apartment per year credit towards an eligible building's water bill. In the most recent year, the City allocated \$16.25 million for the program, supporting up to 68,000 apartments. This program is a lifesaver for many.

Given the extent of the distress in affordable housing, the following steps are needed to help control water rates.

- Manage increases in water rates: We call on DEP and the Water Board to maintain minimal increases in water rates.
- The City should stop collecting a rental payment from the Water Board and rate-paying customers.
- Increase the Multi-Family Water Assistance Program per-apartment credit to \$500. The current \$250 credit has not increased since the start of the program over 10 years ago.
- Increase the Multi-Family Water Assistance Program budget to \$100 million to serve a total of 200,000 apartments in the program. The program is typically over-subscribed and eligible properties are turned away.
- Revise the regulatory agreement term to 3 years, the building must have a regulatory agreement with at least 15 years remaining. This program should be open to buildings with less time left in their regulatory agreement.
- Extend the renewal requirement from an annual to a multi-year period to reduce paperwork.

With these proposed changes, the City can take one of the many steps necessary to protect the city's affordable housing – protecting the City's investment and helping protect tenants and affordable housing buildings keep their head above water.

Thank you for the opportunity to testify and I am happy to answer any questions.