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MICAH Z. KELLNER
65th Assembly District

January 6, 2009

Hon. Nancy Pelosi
Speaker
House of Representatives
H-232, The Capitol
Washington, DC 20515-6501

Dear Speaker Pelosi:

On behalf of the New York City Housing Authority (NYCHA), I am writing to urge the inclusion of \$5 billion in supplemental assistance in a federal stimulus package for the Public Housing Capital Fund.

NYCHA is the nation's largest housing authority, providing affordable housing for low- and moderate-income families throughout New York City. The Authority manages 178,000 apartments in 2,636 residential buildings, housing more than 403,000 individuals. My district is home to the Ira S. Robbins Plaza, a NYCHA facility which houses 161 seniors on the Upper East Side.

The Ira S. Robbins Plaza and the rest of the NYCHA facilities in New York City depend on the Public Housing Capital Fund. However, this program has gone seriously under funded for the last seven years, dropping from an appropriation of \$2.933 billion in Fiscal Year 2001 to \$2.439 billion in Fiscal Year 2008. This drop in funding has led to NYCHA losing \$502 million in critically needed capital assistance alone. A recent study by Parsons Brinkerhoff, one of the world's leading planning, engineering, and construction management firms, estimates that NYCHA's backlog of unfunded capital needs is just under \$6 billion, which is only part of the \$22 to \$32 billion needed in public housing capital funding across the country.

Investment in public housing stimulates additional economic activity across the board. A recent study by Econsult Corporation determined that for every dollar spent on capital and maintenance projects, \$2.12 in economy activity is generated in the surrounding community. NYCHA has identified \$500 million in capital projects that they were able to quickly bid and award contracts to commence work—this \$500 million could result in \$3.174 billion in economic activity in the New York City metro area.

Additionally, investment in public housing can also create employment opportunities for those working on the projects and the residents of the facilities. According to the New York City

□ 834 Legislative Office Building, Albany, NY 12248 • (518) 455-5676, FAX (518) 455-5282

□ 315 East 65 Street, New York, NY 10065 • (212) 860-4906, FAX (917) 432-2983

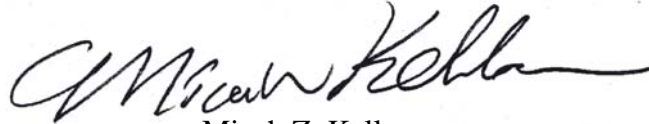
E-mail: KellnerM@assembly.state.ny.us

Building & Construction Trades Council, \$500 million in new capital spending would result in an estimated 3,500 new jobs.

Finally, a stimulus package which adequately addresses the needs of public housing funding will allow NYCHA to move forward with much needed elevator upgrades in its facilities. NYCHA recently announced a \$107 million elevator modernization program, addressing 500-550 elevators at more than 30 developments. However, this work can only be accomplished by deferring other necessary capital work or shifting dollars targeted to other important renovations in order to increase the number of elevator modernization that can be undertaken. Enacting a well-funded stimulus package would provide NYCHA with the capacity to address both needs.

I urge Congress to move swiftly to approve a stimulus package that includes \$5 billion in supplemental funding for the Public Housing Capital Fund. Thank you for your time and attention to this important matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "Micah Z. Kellner". The signature is fluid and cursive, written over a light blue horizontal line.

Micah Z. Kellner
Assembly Member

MZK/aer

cc: Ricardo Elías Morales, Chairman, New York City Housing Authority
Brian Honan, Director, Office of Intergovernmental Relations, New York City Housing Authority