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## NY To Curb Rent Relief Application Process As Funds Dwindle

By [Emma Whitford](#)

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Law360 (November 12, 2021, 2:58 PM EST) -- New York's pandemic rental assistance program will stop considering new applications across much of the state on Sunday night, a state agency said Friday, as it requests nearly \$1 billion in additional federal funding to cover coronavirus arrears.

Most New Yorkers can only apply to the Emergency Rental Assistance Program, or ERAP, up until 10:00 p.m. ET on Sunday in order to be considered, with limited regional and household income exceptions, according to the announcement from New York's Office of Temporary and Disability Assistance.

"As of November 14, 2021 at 10:00 p.m. applications for ERAP are only being accepted in the two categories listed below," the program's website states. "Funding is not guaranteed."

The suspension of application processing, which covers New York City, comes as the state runs low on funds to cover arrears, having paid out or set aside about \$2.1 billion of its roughly \$2.4 billion pot as of Nov. 9, according to data posted by OTDA.

New York's request for an additional \$996 million is directed to the [U.S. Treasury Department](#), which [has said](#) it will reallocate certain unused funds from the federal government's first \$25 billion allocation of emergency rental assistance, known as ERA1. The Treasury Department did not immediately reply to a comment request.

New York Gov. Kathy Hochul [warned](#) that funds were running low in late September, indicating that she planned to seek more money.

"New York has demonstrated both a need for this funding and an ability to distribute it, which is why we believe New York is well positioned to receive any additional assistance that may come available through the Treasury's forthcoming reallocation," Hochul stated Friday.

The requested funding would cover the "projected need over the next four months" and would serve some tenants in subsidized housing, Hochul's office said, emphasizing that "many" pending requests will go unfulfilled without more resources.

About 278,700 households have applied to New York's rental assistance program since its June launch, according to OTDA.

Of the \$2.1 billion currently accounted for, \$1.02 billion has been issued to landlords, in the form of 81,209 individual payments.

Another \$1.09 billion is still being held in the wings while OTDA works to match nearly 86,900 approved tenant applications with the corresponding landlord file — a prerequisite for cutting the check.

Although exactly how many New York households are behind on rent is difficult to pin down, experts agree that the shortfall in the state is substantial. The National Equity Atlas, drawing on U.S. Census data, pegs the number at 591,000.

Exceptions to the impending ERAP application suspension include a few regions where funds have yet to be exhausted — Dutchess County, most of Nassau County, Niagara County, Oneida County, Saratoga County, most of Suffolk County and Westchester County, excluding the city of Yonkers.

Renters across the state who make between 80% and 120% of the area median income can also apply for assistance beyond Sunday. They will be tapping state, rather than federal, funds.

Landlords whose tenants moved out during the pandemic, or whose tenants are declining to apply for rental assistance, can continue to apply for state funding through the Landlord Rental Assistance Program, or LRAP.

New York Sen. Brian Kavanagh, who sponsored the legislation that set parameters for the ERAP program, told Law360 on Friday afternoon that he had encouraged OTDA to continue accepting applications across the board, as a way to understand the full scope of the need.

"The best way to reliably document that need is to accept applications, review and process them, and determine that they are eligible for relief," he said. "The primary goal has to be to get the federal government to fully fund this."

Tenants who apply for ERAP also benefit from a stay in any eviction case while their application is pending. Those who don't apply by Sunday night will not get that extra assurance, the governor's office confirmed.

Ellen Davidson, an attorney with the Legal Aid Society, said the state could have performed more robust outreach.

"There are tenants who did not know about this program through no fault of their own," she said. "The state's decision means denying them the protections the legislature included as part of the application process."

ERAP came under [intense scrutiny](#) following its June 1 launch. Not only did New York begin accepting applications later than other states across the country, but its online portal proved [glitchy and onerous](#). The first trickle of payments didn't reach landlords until mid-July, though processing has sped up considerably since.

Jay Martin, director of the Community Housing Improvement Program, a landlord trade group, told Law360 on Friday that the decision to curtail ERAP applications is concerning in

light of a "slow moving avalanche of rent debt."

"The [federal government], and if need be the state, must step up to fill the gap," Martin said.

A state law curtailing most residential evictions in New York state is currently set to **expire** on Jan. 15.

--Editing by Alyssa Miller.

*Update: This story has been updated with more details about the rental assistance program and with comments from Brian Kavanagh, Jay Martin and Ellen Davidson.*

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