



The Honorable Sandra Thompson
Federal Housing Finance Agency
Washington, D.C.

Dear Director Thompson:

Thank you for the opportunity to provide feedback on the Federal Housing Finance Agency (FHFA) Request for Information on tenant protections. We write as members of the Policy and Advocacy Committee of the Open Hearts Initiative, a New York City-based organization made up of housed residents acting in solidarity with homeless neighbors. By mobilizing material resources through donation-based events, organizing in support of particular shelter and other social services sites in our neighborhoods, and by learning about and prioritizing legislation that prevents homelessness, protects our homeless neighbors' rights, and helps them access permanent housing, we fight for a city that is safer and healthier for all of us. In our work, we have had the opportunity to build deep and lasting relationships with our homeless neighbors—from those who live unsheltered, to those staying in temporary housing, to those who have been able to access permanent housing through rental subsidies—and have learned about their needs and experiences.

Over the last few years, homelessness in New York City has grown significantly: city shelters now house over 100,000 individuals, of whom around half are children. While the events that trigger a household's entrance into the shelter system may differ, one thing is abundantly clear: homelessness is the result of inadequate access to affordable housing. When rents are unaffordable and incomes do not keep pace, New Yorkers too often end up in the shelter system and on the streets, worsening the City's burgeoning homelessness crisis. Homelessness is a traumatic experience that results in negative physical and mental health, employment, and economic outcomes for our neighbors. From the frustrations of dealing with bureaucracy to individual-level stigma, homelessness is destabilizing for everyone who experiences it—and, in turn, for the communities of which they are a part.

Housing is the solution to homelessness, and tenant protections are a crucial tool to prevent people from entering homelessness. It is critical that government agencies responsible for providing loans to landlords establish clear and strict requirements of those receiving public funding to protect tenants' rights. Like the rest of us, the most vulnerable Americans have worked and contributed to our communities, and they deserve to be treated with respect and enjoy protections that would allow them to feel secure in their homes. We see the need for these protections each day. In New York City, non-low income rental housing often offers renters 60-90 day notifications of rent increases or rent non-extensions. There is no reason why this courtesy should not be extended to all renters living in housing where loans are provided by the



government. It would be unthinkable to have utilities offline in a luxury building, but many of our housing-insecure and formerly homeless neighbors have no gas for 6+ months for no apparent reason other than lack of will on the part of their landlord. It is especially galling for our neighbors to suffer such conditions in dwellings funded in part by public money.

We urge FHFA to take bold action to create clear, strong, and enforceable renter protections for households living in rental properties with federally backed mortgages. Given the broad reach of FHFA's work, any renter protections created by FHFA should cover a significant share of renters across the nation and put America on a pathway towards stronger protections for all renters.

Federal renter protections are critically needed to address the power imbalance between landlords and renters that puts renters at greater risk of housing instability, harassment, and homelessness and fuels racial and gender inequity.

To help ensure greater housing stability, FHFA should create new renter protections for households living in properties with federally backed mortgages, including:

1. Source of income protections to prohibit landlords from discriminating against households receiving rental housing assistance such as Section 8 Housing Choice Vouchers; or Supplemental Security Income (SSI); or local rental assistance programs, such as New York's Family Homelessness and Eviction Prevention Supplement (FHEPS) and CityFHEPS vouchers, so that families can have greater choice about where to live.
2. "Just cause" eviction standards, which limit the causes for which a landlord can evict a tenant or refuse to renew a tenant's lease when the tenant is not at fault or in violation of any law, such as for the non-payment of rent, violations of substantial obligations of the lease, committing or permitting a nuisance or damaging the property, using the property for illegal purposes, unreasonable refusal of access for repairs, or a good-faith recovery of possession for the landlord or a member of the landlord's family.
3. Rent gouging protections to stop landlords from dramatically and unreasonably raising rents.
4. Requirements to ensure housing is safe, decent, accessible, and healthy for renters and their families.

While advancing these renter protections, the FHFA should be careful not to pre-empt stronger regulations by states or their political subdivisions. For instance, any just cause eviction protections and anti-rent gouging provisions should not preempt rent stabilization and rent control laws enjoyed by residents in downstate New York. In addition, any protections should not preempt broader protections built into state and local landlord-tenant law than what the FHFA promulgates by rule, such as New York's lease renewal requirements (at least sixty days' notice



of either non-renewal or a rental increase of greater than five percent for tenants who have lived in a rental unit for at least a year, and ninety days' notice for tenants who have lived in a rental unit for at least two years), as well as notice and other related procedural requirements in landlord-tenant court. Lastly, to the extent applicable, the FHFA should exempt properties subject to regulatory agreements with states and/or their political subdivisions when those agreements already include stronger tenant protections.

We urge FHFA to take bold action to implement mandatory, standardized protections – paired with strong enforcement – for all households living in properties with federally-backed mortgages, including larger developments and smaller properties. Enacting these protections would build on the actions the Biden-Harris administration recently announced to take on junk fees for renters and extend deeper protections for tenants.

FHFA must continue to engage tenants and directly impacted people throughout its process of establishing and implementing renter protections, and protections must be centered on racial and social equity as explicit goals. These protections– along with large-scale, sustained investments and anti-racist reforms – are necessary to ensure that everyone, including the lowest-income and most marginalized renters, have a safe, quality, affordable, and accessible place to call home.

Sincerely,

Open Hearts Initiative Policy and Advocacy Committee