



# 2019 Assembly Housing Committee

## Hearing on Rental Housing & Tenant Protections

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Testimony Provided by

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## **Introduction**

On behalf of the membership of LeadingAge New York, thank you for the opportunity to submit testimony on rental housing and tenant protections. LeadingAge New York represents over 400 not-for-profit and public providers of aging services and senior housing, long-term and post-acute care, as well as provider-sponsored managed long-term care plans. The following testimony is provided in response to the Assembly's Hearings on Rental Housing and Tenant Protections.

## **Background**

New York is home to approximately 3 million residents age 65 and older, representing 15 percent of the population. By 2025, 18 percent of New York's population is projected to be age 65 or older, up from 14 percent in 2010. This growth will drive a corresponding increase in the number of New Yorkers requiring independent senior housing designed to suit their changing needs.

Across the State, Senior Retirement Communities are providing the growing senior population with the safe and independent housing that they are looking to as they age. This housing not only provides a home for seniors, but it advances the goals of improving the overall health and wellbeing of the State's growing elderly population and enables older New Yorkers to access services in the most integrated settings appropriate to their needs.

## **Protect Retirement Housing from Security Deposit Mandate**

LeadingAge New York is pleased that the Executive proposal to significantly limit security deposits to an amount or value not more than two months' rent, including the first month's rent, was not included in the SFY 2019-2020 final budget. While aimed at addressing the affordability of traditional rental housing, this proposal would have inadvertently, and negatively, impact senior retirement communities.

Senior communities offer all-inclusive, predictable monthly fees that cover a range of residents' monthly expenses, which may include utilities, dining, security, internet, Wi-Fi, cable, transportation, community and home maintenance, housekeeping services, and on-site activities. Most often, senior retirement communities require payment of entrance fees or deposits to defray the costs of this specialized service-enriched living option.

These communities allow seniors to utilize their assets to cover any entrance fees or deposits and any set monthly fees. In turn, those payments fund the services that relieve seniors of the hardships of being a homeowner that they are so often seeking to avoid. Senior retirement communities can thereby remove many of the barriers that can make living independently challenging for seniors.

Furthermore, this model of senior housing offers the privacy and independent living that aging adults are looking for in buildings that are safe and well maintained. Many such communities are architecturally designed to address the physical limitations that an aging population may face. For example, bathrooms may be equipped with handrails and grab bars or electrical outlets placed within easier reach. Some may have 24-hour emergency call systems and offer recreational activities and wellness programs in an on-site gym and pool. The provision of these amenities is made possible by the payment of an entrance fee.

There is an overwhelming need for these communities given the booming senior population. This desirable model would be unsustainable and future development would be hindered if the entrance fee was deemed a security deposit and limited to two months' rent.

**Conclusion**

Private-pay models that provide specialized services to our aging population allow New York's seniors to live full, healthy lives and age in place. It is important that we continue to protect these models from security deposit limitations or other unintentional restrictions that may be considered. Please help us ensure that seniors continue to have access to this innovative model.