



New York Communities Organizing Fund, Inc.

COVID-19 Relief Fund Report

April 2021

“I'm desperate. I don't have a job, I don't have money to pay my rent and my bills, and sometimes I don't have enough to buy food.”

– Ruth, a relief fund recipient



Overview

As New York awaits over \$100 billion in federal relief assistance and expands its vaccination program, the State's path to recovery in the wake of the coronavirus pandemic is still on life support. After two stimulus packages, and over one year since the beginning of the pandemic, the toll of this crisis is still inescapable for New York's low income communities of color. Job losses in New York City, specifically, have concentrated on the sectors that are primarily occupied by low-income workers: restaurants, hotels, transportation and building services. In New York City alone, over 1 million people are out of work and thousands more continue to file for unemployment benefits on a weekly basis.

While the coming stimulus will provide New York State with much needed federal relief, those who are most desperately in need of aid will continue to be left behind. Undocumented families, many of whom are on the frontlines of the coronavirus pandemic, will receive none of those benefits. In addition, people recently released from incarceration or immigrant detention with no hope of getting work will not receive benefits; and businesses or the self-employed who lack documentation to apply for small business relief and are barred from unemployment and pandemic unemployment assistance will also not receive benefits.

In response to the dire need facing low income and immigrant communities of color during the coronavirus pandemic, New York Communities for Change (NYCC), in partnership with New York Communities Organizing Fund (NYCOFI), launched an emergency fund to provide direct relief to those most impacted by this crisis on April 13th, 2020. After six rounds of distributing \$126,425 in funds to roughly 409 households in the course of one year, the need for assistance among low income New Yorkers continues unabated.

This report examines the extent of economic hardship felt by low-income immigrant communities in New York one year into the pandemic. As discussed below, NYCOFI's fund received an overwhelming response from undocumented New Yorkers. The roughly 305 out of 409 families who responded to the survey are a small, but representative sample of the financial devastation that continues to be felt by undocumented immigrants, whose jobs and incomes have been destroyed by COVID-19, and who are not eligible for stimulus payments.

An equitable #RecoveryforAll cannot happen until the State Legislature addresses the financial crisis among low-income immigrant communities in New York, particularly the crisis affecting undocumented people. That's why we call on New York State to enact the \$3.5 billion Excluded Workers Emergency Income Replacement Fund, and to cancel rent, mortgages and utilities until our communities can recover from the upheaval caused by the COVID-19 pandemic. These measures can be financed through the passage of the Invest in Our New York Act, a series of measures to increase taxes on the wealthiest New Yorkers and corporations.

Our communities are in desperate need of relief. It is long overdue to make the ultra-rich pay and invest in our New York.

Key Findings

- One year after the beginning of the pandemic, New York's low income immigrant communities are still suffering from the economic, social and health effects of COVID-19.
- Half of those who received emergency assistance through NYCOFI, have not returned to work. Of those who have returned to work, most are in the service industry. Recipients of the second round of funds, or 86% of the initial 409 households, all reported that they were ineligible for unemployment insurance or any government stimulus plan. Of the 7 in 10 fund recipients with children, 70% reported that child care and distance learning is affecting their ability to return to work. 83% of all recipients, including those who received government assistance, reported difficulty in paying rent.
- Most recipients were undocumented immigrants working in the industries hardest hit by the virus: the service sector cleaning houses, delivering food or cooking at restaurants. Others work in construction, beauty salons and child care.
- 23% reported having a family member who has died from COVID-19, compared to 11% from one year ago. This highlights the disproportionate rates of COVID deaths among low-income immigrant communities.

Undocumented New Yorkers will have no path to recovery as long as the New York State legislature refuses to act. Any relief plan to help undocumented New Yorkers needs to be a much larger investment to address the scope and severity of the financial crisis facing them. To ensure an equitable recovery, New York State must immediately do the following:

Pass the Invest in Our New York Act and utilize the revenue to create a \$3.5 billion Excluded Workers Emergency Income Replacement Fund for excluded workers.

Cancel rent, mortgage and utility payments.

Urgently and permanently rehouse all New Yorkers experiencing homelessness and invest in public and social housing across New York State.

Background

“I have no papers, no social security number and can’t find another job. I’m afraid and don’t know where to turn for help.”

Similar to states across the country, COVID-19 has exposed New York’s fatal divides. New York’s estimated 775,000 undocumented immigrants, many of whom work in the hardest hit industries of restaurants, retail, domestic work and hospitality, are the forgotten victims of the shutdown. Half of them have experienced COVID-19 job losses and have little financial recourse. According to the Center for NYC Affairs, New York City alone already has an estimated 169,000 displaced undocumented workers.

In spite of paying \$11.74 billion in taxes each year, or the equivalent of 8% of their income (compared to the top 1% who pay an effective rate of 5.4%), undocumented workers in the United States are ineligible for unemployment assistance or federal stimulus payments. They are bearing the brunt of this epidemic and have been left with virtually no relief.

An undocumented applicant who received emergency funds through NYCOFI embodied the devastation and fear felt by those who are undocumented, stating:

“I have no papers, no social security number and can’t find another job. I’m afraid and don’t know where to turn for help.”

Impact

“The emergency payments helped us buy food and pay a heat bill.”

In spite of NYCOFI’s limited funds in per person allocation, many recipients cited the importance of receiving the emergency payments. “The funds were very helpful. I was able to pay my gas bills.”

One recipient who used to work as a house cleaner before the pandemic, explained that even though she has been unable to make rent payments, the emergency fund has helped her with other bills.

One other stated the importance of the funds to purchase medicine:

“It has helped me a lot to buy food and medicine, especially because my wife and I are both diabetics.”

Many others cited purchasing basic necessities such as diapers, toilet paper and wipes. These stories all have a single connecting thread highlighting that the funds dispersed were used to meet many families’ most basic needs, and although it was helpful, it is still not nearly sufficient.

“I just want and need help,” said one recipient.

“Thanks to this fund, I have been able to pay for basic things like my electric bill and to buy shoes for my children.”

Relief Fund Figures

In response to this crisis, New York Communities for Change, in partnership with New York Communities Organizing Fund, Inc. (NYCOFI) established the COVID-19 relief fund to provide direct relief to those who need it.

As of the Fund's launch on April 16th, 2020, NYCOFI has distributed \$126,425 in relief to 409 households. Due to the overwhelming need, NYCOFI reopened the application process twice to allow more applicants to apply, disbursing funds through multiple rounds of payments detailed in the chart below. This happened once in the spring and once in the summer, hence the three levels of round one and round two of distributions.

The first round of funds included applicants who were eligible for government relief, though they only represented 16% of the applicant pool. There were 409 households in total and the amount distributed was \$100 for each family that applied.

The second round included 315 families, a subset of the original 409, and was made up of the applicants who did not receive federal stimulus payments or unemployment. This included \$75 for one person, \$150 for households of two to four, and \$200 for households of five or more. The holiday payment of \$50 was distributed to every applicant. For the follow up survey that is the basis of this report, NYCOFI extended the invitation to all 409 recipients, but only 305 out of the 409 filled out the survey and received an additional \$50.



\$126,425

**Total Amount
Distributed**



409

**Total Number of
Households**

Fund Applicant Pool

Economic Impact of COVID-19

Of all NYCOFI emergency fund recipients, 86% have not received unemployment assistance or federal stimulus payments. 69% of applicants have children to provide for, with almost all of them stating they have been unable to pay for rent or purchase food. Most applicants work in the service industry cleaning houses, delivering food or cooking at restaurants. Others work in beauty salons or in the construction industry.

While one year ago, nearly all of those who applied for emergency assistance through NYCOFI had been laid off, today about half of the recipients still have been unable to find or return to work. Of those who have returned to work, most continue to be employed in the service industry, ranging from cleaning houses, to babysitting, to home health aide work to driving cars and selling flowers in the streets.

While over 90% of applicants in April of 2020 reported having difficulty in paying rent, one year later, 83% of recipients still cite an inability to pay rent. This includes those who have been eligible for federal stimulus payments. Citing the difficulties in staying afloat, one recipient stated, "Because my spouse and I lost our jobs, our rent payments and bills have accumulated to the point that we were forced to leave our apartment and are now living in one room."

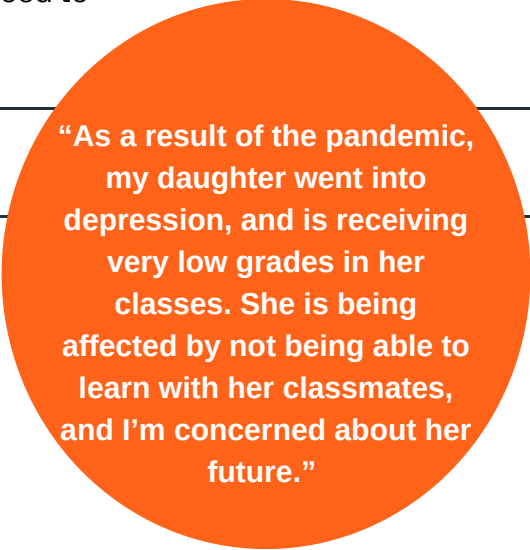
Food Insecurity

In September and October of 2020, nearly one third of New York City residents reported visiting a food pantry. Although updated figures are unavailable, the proportion of New Yorkers dealing with food hardship during the pandemic rose to a record high of 42%.

Predictably, food insecurity has been particularly virulent in low-income communities. Many of the fund recipients have been subsisting on food pantries, with one claiming, "We've only been able to feed our kids because of the food pantries. That is how we are surviving this crisis."

The shuttering of these same pantries is also having a detrimental effect on many of these communities:

"I am very worried because a few months ago, in the midst of this crisis, we were surviving because of the food pantries. That's the only way my three children and I were able to get by, but now we can't count on this. The centers that provided this help are no longer there and I don't know what we'll do without this food."



"As a result of the pandemic, my daughter went into depression, and is receiving very low grades in her classes. She is being affected by not being able to learn with her classmates, and I'm concerned about her future."

Fund Applicant Pool

Gender Impact of COVID-19

The pandemic's disproportionate impact on women has been widely documented. Single mothers in particular, have been bearing the brunt of the burden due to childcare. As reported above, of the 7 in 10 Fund recipients with children, 70% reported that child care and distance learning is affecting their ability to return to work.


This gender impact of caring for children during the pandemic is compounded for low-income families who, according to a report on the New York Times, "rely on both incomes to survive, and are also more likely to have jobs that must be done in-person rather than remotely. When schools and daycares close, there is no one to care for young children or supervise older ones' remote schooling if both parents work. But if one parent stays home, the family faces financial catastrophe."

For parents with small children and lost income due to COVID, digital equity has been an additional struggle. Fund recipients reported lacking money to pay for internet bills that would allow their children to have access to remote learning. According to some recipients, the NYCOFI fund has been helpful in his front: "The money has helped me pay for some internet services that at the moment are very indispensable for my daughters' long distance classes."

Health Impacts of COVID on Household

At this time last year, 11% of fund recipients reported having had a family member die from COVID-19. Although the current assessment is limited to the recipients who filled out the survey, our estimates indicate that over twice of that amount is true today, with 23% of recipients reporting a death in the family due to COVID-19. This shows the disproportionate impact that COVID-19 has had on low income communities of color.

One recipient noted:
"It is very difficult to pay rent because I lost my job. I was fighting for custody of my daughter and it's been very difficult. My daughter and I were both diagnosed with COVID-19."



"I lost my husband to the virus. He was the one who brought income home, and now I don't have that. I am 58 years old and I have my son who lives with me, but he is struggling with finding consistent work. We're alone, the government turned their backs on us. We work when we can and pay our taxes, but today we are abandoned. We need financial assistance to be able to pay rent, bills, and buy food and medicine."

Conclusion

Even the most determined and persistent efforts of community organizations and private charities can barely make a dent in the need for support that the federal and state governments have failed to provide the most vulnerable, particularly immigrant workers. New York City and State must act immediately to provide relief to those who continue to be hit the hardest— low income communities of color. We call for the following proposals to be enacted immediately:

Rent, Mortgage and Utility Suspension

No one should be displaced or go into debt because they can't pay their rent or their mortgage. An eviction moratorium is an urgent first step, but we need a suspension of rent and automatic forgiveness of any rent, mortgage, or utility payment owed or accumulated during the length of this crisis.

Landlords must not use this moment to price-gouge or displace any tenant who cannot pay the rent (commercial or residential.) All existing rents should be frozen at their current level, and all tenants should have the right to renew their leases.

Fund for Excluded Workers

New York has a responsibility to provide direct relief to those who have been excluded from receiving federal stimulus payments. We must pass revenue raisers to enable the state to create a \$3.5 billion New York State emergency fund to reach excluded workers and families. The fund would consist of flat monthly cash payments distributed directly to families that are similar in amount to what low wage workers receiving unemployment insurance are paid. Like unemployment insurance, it would continue at least through the end of the pandemic with triggers to continue the program thereafter.

The fund would be designated for immigrant workers excluded from unemployment and federal tax rebates, immigrant families who have lost their breadwinner and have no access to replacement income, and very small small businesses who lack the documentation to apply for small business relief and are barred from unemployment and pandemic unemployment assistance.

Reclaim Our Homes

Urgently and permanently rehouse all New Yorkers experiencing homelessness and invest in public and social housing across our state. We must immediately rehouse New Yorkers into permanent housing using all vacant property (public or private) and invest in rental assistance and permanent, high-quality public, and/or social housing. We must invest in public housing, subsidized housing, and housing owned by nonprofits.

Our public housing is dangerously unprepared for COVID-19, and the poor quality of the public housing stock puts residents at greater risk of contracting and spreading the virus. Subsidized housing/housing owned by nonprofits operates on thin margins, and these mission-oriented landlords must be able to secure hardship relief.



About the Author

New York Communities Organizing Fund, Inc. (NYCOFI) is a community-based nonprofit organization that seeks to empower low- and moderate-income New Yorkers to help themselves.

Through public education, advocacy, research, and direct services, NYCOFI works to improve the economic security and well-being of low-income and people of color communities throughout New York State.

NYCOFI was founded in 2010 and is part of a family of organizations that includes New York Communities for Change (NYCC), one of the premier community organizing institutions in New York State.