

FEDERAL

TAX CREDIT AND BOND REFORM

- **Strengthen Low Income Housing Tax Credit (LIHTC) and Offset Tax Reform-Induced Equity Loss**
LIHTC is the nation's most successful affordable housing finance program producing more than 3 million units by leveraging private investment. In NY, it has created more than 200,000 affordable units, which has helped about half a million households across the state. The Affordable Housing Credit Improvement Act legislative provisions would significantly strengthen the program and also provide a 50% increase in Housing Credit allocation authority to states. This needed expansion would allow 15,579 affordable housing units to be built in New York over the next ten years.
- **Permanently Fix 4% LIHTC**
Under current law, the 4 percent LIHTC rate floats and credit rates have been much lower than originally intended, resulting in less equity available to build affordable housing using the Housing Credit. Establishing a fixed 4 percent Housing Credit rate will bring \$300-350 million in additional annual investment in affordable housing projects in New York.
- **Expand Eligible Use Definition of Recycled Bonds**
Recycled bonds may only be used to finance multifamily housing. Broadening eligible use to include single family housing and economic development projects will allow for more efficient allocation of limited resources by States. If New York State can dedicate recycled bonds to these uses that do not utilize Low Income Tax Credits, it will free up \$245 million annually in non-recycled private activity bonds, which generate as-of-right 4% Low Income Tax Credits for multifamily housing.

APPROPRIATIONS / STATUTORY REGULATIONS

- **Protect and Fully Fund the HUD Budget**
Serving more than 600,000 households in New York, HUD programs are essential resources for elderly, disabled and low-income NY households. Cuts to the HUD budget put NY families at risk and cause a rise in homelessness, accelerate the decline of public housing buildings, decrease the health, safety and living standards of public housing residents and reduce the amount of new affordable housing that can be built. Thus, it is imperative that HUD program funds are safeguarded, including Rental Assistance programs, Public Housing Capital and Operating, and CDBG and HOME, etc.
- **Increase Public Housing Capital for Healthy Living Conditions**
Deteriorating building conditions can lead to environmental health hazards, impacting the health and lives of residents. In public housing, exposure to mold, lead and other environmental hazards can be eliminated with targeted capital for PHAs to correct deficiencies leading to adverse health impacts such as leaking roofs, failing plumbing systems and peeling paint etc. This would help NYCHA correct their pervasive lead and mold problems stemming from a \$32 billion dollar capital backlog.
- **Preserve USDA Rural Development Programs**
USDA's Rural Development and Housing and Community Facilities (RD) arm runs several rental housing programs through its Rural Housing Service. USDA 521 Rural Rental Assistance (RA), which provides project-based rental assistance to some of the properties it finances, needs to be fully funded. The affordability of expiring USDA-financed rentals must also be preserved. Many Section 515 and 514 mortgages are nearing the end of their terms. Since Section 521 RA is available only while USDA financing is in place, when a USDA mortgage is fully paid off the property it also loses its Rental Assistance. It is crucial that 521 tenant eligibility be expanded for USDA Section 542 vouchers (Rural Voucher Program) so tenants can use them when USDA mortgages expire and Section 521 RA becomes unavailable.

- **Expand Funding for New Section 202 Housing**
FY2018 marked the first appropriations for new Section 202 housing since 2011. It is critical that this funding for new senior housing continues and expands to meet growing demand.
- **Combat Homelessness**
Expand rental assistance and homeless assistance grants to combat homelessness. In 2018, 91,000 New Yorkers were homeless.
- **Expand Access to High Opportunity Neighborhoods**
The Housing Choice Voucher Mobility Act of 2019 would authorize the Secretary of HUD to carry out a housing choice voucher mobility demonstration enabling public housing agencies to administer housing choice voucher assistance in a manner designed to encourage families receiving that assistance to move to lower-poverty areas and expand access to opportunity areas.
- **Oppose Any Increase to 30% Tenant Rent Burden Standard**
NYHC opposes any increase to the tenant rent burden standard. Any increase would create a hardship for low-income, senior and disabled households across the country. If President's 2018 Executive Budget proposal to increase the tenant rent burden from 30% to 35% of tenant income would have been enacted, 98,700 households in Project-Based Rental Assistance, and 14,800 households residing in Section 202 and Section 811 properties in New York would have been affected.

HOUSING FINANCE

- **Ensure Housing Finance Reforms Benefit Affordable Multi-family Rental Housing and Low Income Communities**
Reform the nation's housing finance system to ensure that the role of the Government Sponsored Entities allows for accessible lending for both single family and multi-family housing, while maintaining affordable housing goals.
- **Support Equitable Community Reinvestment Act (CRA) Reforms**
CRA reforms should ensure continued targeted and equitable investment in underserved communities while also providing clarity for financial institutions in a changing banking landscape.

HUD REGULATIONS

- **Better Align Inspections and Compliance Requirements Across HUD Programs**
Amend HOME compliance regulations to align where there are Section 8 requirements already in effect and also sync with LIHTC rules where possible for both inspections and tenant income certification compliance.
- **Permit Biennial Inspection Standards in All Rental Assistance Programs to Align with Housing Choice Vouchers**
Allow biennial inspections in HOME TBRA, Shelter Plus Care and MOD SRO to decrease the administrative burden for PHAs.
- **Adopt Proactive Preservation Strategy for Project-Based Section 8 Opt Outs**
Ensure opportunities are explored to transfer PRAC contracts to new owners and avoid loss of project-based affordable housing in states.

NEW YORK STATE

PUBLIC HOUSING

- **Immediately Release \$450 Million of Appropriated Funds to NYCHA**
It is critical that \$450 million in funds appropriated in fiscal year 2018 and 2019 are immediately deployed. This funding, which was held up this past year in expectation of a monitor agreement, should be swiftly released to address critical capital needs, especially related to heat and hot water.
- **Adopt City / State Long-Term Capital Funding Plan to Preserve Public Housing**
NY Governor Cuomo and NYC Mayor de Blasio should jointly invest in a new \$8 billion long-term capital funding plan over 10 years to meet the outstanding NYCHA capital backlog by committing to the allocation of at least \$500 million each from the City and the State starting this year to preserve public housing units which are not slated for conversion and therefore not eligible for private financing.
- **Reform NYC Condo/Coop Tax Abatement to Save Public Housing**
Reforming the Coop/Condo Abatement to exclude the top 10% of luxury coop/condo owners would save \$172 million annually which could be used to raise \$3.3 billion in bonded capital. With the abatement up for renewal in June, it is time to redirect housing resources where they are needed most and use it to help close the \$8 billion funding capital needs gap identified in the NYCHA 2.0 Plan.

SENIOR HOUSING

- **Allocate Funding for Senior Housing Resident Service Coordinator Program**
\$10 million should be appropriated for the Resident Service Coordinator Program, to enhance service coordination in existing and new senior housing that includes an array of services that assist residents to remain independent by emphasizing wellness and healthy aging.

FAIR HOUSING

- **Support a Statewide Source of Income Discrimination Protection Amendment**
Support an amendment to the New York State Human Rights Law to expand the protected classes to include lawful sources of income, such as wages, salaries and federal, state and local, corporate and nonprofit assistance payments or subsidies. This amendment would extend housing discrimination protections to individuals utilizing Housing Choice Vouchers, Social Security, SSI and unemployment insurance, alimony, veteran's benefits and the like to cover housing costs.

CENSUS 2020

- **Allocate Funding for Census Outreach and Education**
Support the allocation \$40 million (\$2.00 per person in NY State) for community-based groups to do the necessary outreach and education on Census participation, especially in the hardest-to-count areas of New York. Data from the 2020 Census will decide how much federal funding New Yorkers will receive for the next decade. Federal funding is essential to develop, rehab and operate affordable housing in New York. Moreover, an accurate count is critical to support New York's economy, housing, jobs, schools, medical services, infrastructure, political power, and the quality of life for everyone.

RENT STABILIZATION

➤ **Support Rent Reforms to Protect Tenants and Preserve Housing Stock**

Renew and revise New York State rent laws to eliminate vacancy decontrol and reform preferential rent policies to prevent the displacement of tenants, while providing incentives to owners to help recoup their investments in the maintenance and preservation of this critical rent stabilized housing stock.

PREVENT HOMELESSNESS

➤ **Home Stability Support**

Establish Home Stability Support (HSS), a proposed statewide rent supplement for families and individuals, who are eligible for public assistance benefits, and, who are facing eviction, homelessness, or loss of housing due to domestic violence or hazardous living conditions. The rent supplements will be a bridge between the current shelter allowance and 85% of the fair market rent determined by HUD. Local districts will have the option to further raise the supplement up to 100% of the fair market rent at local expense. Savings will be achieved in emergency shelter costs across New York State.

➤ **Increase HHAP Funding to Support Production of Supportive Housing**

OTDA's Homeless Housing Assistance Program (HHAP) has been an important gap filler for projects in HCR's pipeline. It is important to recognize that demand far exceeds available funding. \$64 million in HHAP funds should be appropriated to be used for projects in HCR's Empire State Supportive Housing Initiative (ESSHI) pipeline.

HOMEOWNERSHIP

➤ **Fund the Communities First Foreclosure Prevention Program**

By drawing on a statewide network of experienced advocates and counselors, Communities First will promote community stabilization and housing preservation by preventing foreclosures and blight, fighting the displacement of homeowners and their tenants from affordable housing, and reducing municipal tax delinquency. Current services are funded by one-time settlements and will expire in March 2019. The program will cost \$20 million annually.

➤ **Create CLT Tax Exemption on CLT Land and Assessment Caps for Permanently Affordable Housing**

Existing tax exemptions, abatements, and assessment practices are insufficient to ensure the long-term and permanent affordability of housing on Community Land Trusts throughout the State. The establishment of a tax-exemption for land owned by CLTs that maintain 99-year ground leases with permanent affordability restrictions is vital. The State must also direct tax-assessors to limit the taxable values of homes with restricted resale values to ensure affordability is maintained in accordance with deed restrictions / ground leases.

➤ **Increase Affordable Housing Corporation for Permanently Affordable Homeownership Projects in High Cost Communities**

Funding levels for rental housing has vastly outpaced homeownership programs which have not seen significant increases since 1985, leading to very limited resources for home builders at the City and State levels. NYHC will support legislation that will: increase per unit allocation for homeownership projects in high cost communities and mandate that projects accessing increased funds require permanent affordability restrictions, ensuring anyone who wants to sell their home in the future must sell to another low-income family.

➤ **Support Neighborhood and Rural Preservation Corporations**

Increase the funding of the Neighborhood and Rural Preservation program by \$10 million to fully fund existing Neighborhood and Rural Preservation corporations and expand the program in currently unserved areas.

NEW YORK CITY

PUBLIC HOUSING

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FAIR HOUSING

➤ **Maximize Impact of Mandatory Inclusionary Housing by Rezoning High Opportunity Neighborhoods**

In strong rental markets, MIH can achieve subsidy-free affordable housing. Often, strong rental markets offer community amenities, access to transit, jobs and higher performing schools than weak rental markets, typical of low-income neighborhoods. Neighborhoods of high-opportunity should be thoroughly explored for potential rezonings to benefit low-income households. This effort may also help to alleviate concentration of affordable housing in high-poverty neighborhoods.