

**Testimony for Rachel Fee, New York Housing Conference**  
**Joint Legislative Public Hearing on FY2021 Executive Budget Proposal for Housing**  
**February 5, 2020**

My name is Rachel Fee. I am Executive Director of the New York Housing Conference (NYHC). I would like to thank the Committee Chairs Kreuger, Weinstein, Kavanagh and Cymbrowitz as well as the other members of the Legislature for the opportunity to comment on the 2021 Budget.

NYHC is a nonprofit affordable housing policy and advocacy organization. As a broad-based coalition, our mission is to advance City, State and Federal policies and funding to support the development and preservation of decent and affordable housing for *all* New Yorkers.

The Governor's Executive Budget continues the 5-year affordable housing plan with \$407 million authorized for spending this year in addition to reappropriated funds. The budget also doubles Homeless Housing Assistance Program (\$128 million). We are supportive of this needed increase.

With an enormous need for affordable housing and the urgent need to preserve public housing, we recommend supplementing the final year funding of the 5-year housing plan as follows:

**Support Continuation of a Statewide Housing Plan**

As we approach the end of the Five-Year Housing Plan, New York faces the challenge of a production gap. The continuous availability of affordable housing financing resources from the State is necessary for affordable housing developers to continue building a pipeline of affordable housing sites and buildings. For supportive housing, the cornerstone of new construction in the current plan, nonprofit developers will be stalled in their efforts to acquire sites and advance deals without the guarantee of an ESSHI commitment for supportive services. The last awards under the current plan will be issued in the spring of 2020.

- *Authorize ESSHI Continuation.* It is critical that the 2020-21 enacted budget authorize the continuation of the ESSHI program by statutorily committing funding for the next five years, beginning in SFY 2021-22. The State's commitment will signal to investors, syndicators, service providers, and developers that it will finance the remaining 14,000 units of the ESSHI commitment over the next 10 years.
- *Codify a Five-Year Housing Plan requirement.* Enact a requirement that a statewide affordable housing plan be developed and funded at least every 5 years. Ensure this plan includes a five-year capital budget commitment and is targeted towards New York State's most pressing housing development and preservation needs with annual public reporting requirements.

## Preserve Public Housing

Public Housing is a critically important housing resource that requires federal, state and city resources. NYCHA's capital repairs needs were recently estimated to have reached \$40 billion<sup>i</sup>. This number will grow without immediate investment in repairs.

- We recommend \$1 billion for NYCHA; \$50 million for the rest of the state.

## Address Housing Poverty & Homelessness

As you know, New Yorkers across the state are struggling to afford rental housing. Nearly 900,000 severely rent-burdened families pay more than half their income in rent each month<sup>ii</sup>. In NYC, 1 in 10 public school children will experience homelessness during the year<sup>iii</sup>. Tonight, 92,000<sup>iv</sup> New Yorkers will sleep in a shelter or on the street. The solutions are more affordable housing and rental assistance supported by NY State.

- *Homeless Housing Assistance Program* (\$128 million) - Capital grants and loans for the acquisition, construction or rehabilitation of housing for persons who are homeless and are unable to secure adequate housing without special assistance.
- *Home Stability Support* (\$40 million) - 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.

We also support alternative state programs for housing vouchers for eligible individuals and families who are homeless or who face an imminent loss of housing such as the program described in Senate Bill S7628.

## Affordable Homeownership

Owning a home can increase a family's financial security. Minorities significantly lag in homeownership rates, a major factor contributing to the racial wealth gap. For example, in Albany the white homeownership rate is 68.9% compared to the black homeownership rate at 20.1%<sup>v</sup>. Modernizing and expanding the State's homeownership programs should be a priority.

- *Homeowner Protection Program (HOPP) Funding* (\$20 million) – Foreclosure prevention services.
- *Increase the Funding for the Affordable Housing Corporation (AHC program)* from \$18 million to \$40 million - for homeownership construction and rehabilitation funding reflecting increased construction costs over the last 35-years.

## Enforcing Fair Housing

The gap between income and rent is the primary cause of high rent burdens but access to housing is also an ongoing issue in many communities as shown in Newsday's report on housing discrimination<sup>vi</sup>. With a new source of income discrimination law on the books, efforts should be made to enforce this law. Current efforts are inadequate.

- *Enforcement of Source of Income Protections* (\$5 million) – Provide funding to public and private agencies for education and enforcement of the new income protection law.

## Prepare for An Aging Population

- *Senior Resident Assistant Program* (\$10 million) - Enhance resident assistance in existing and new senior housing to provide low-income seniors access to an array of services focusing on wellness and healthy aging so they may remain independent and avoid moving from their homes to a costlier level of care.

## Make Environmental Sustainability An Affordable Housing Priority

- *Sustainable Affordable Housing Program* (\$50 million) - Develop and fund sustainable building solutions and maintenance practices in affordable housing developments, including energy efficiency and construction.

Working in a coalition<sup>vii</sup> with 14 partner organizations, we have identified our top priorities for FY2021 and have also given consideration to the important role New York State has to play in addressing our state's affordable housing crisis and ever worsening homeless crisis going forward. We have developed draft budget and policy recommendations for the second phase of a statewide housing plan (FY2022-27) and we look forward to partnering with the Legislature on building on the current housing plan.

Thank you for this opportunity to testify.

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<sup>i</sup> <https://www.nbcnewyork.com/news/local/nycha-needs-40-billion-in-extra-capital-new-boss-says/2259520/>

<sup>ii</sup> <https://www.osc.state.ny.us/reports/housing/affordable-housing-2019.pdf>

<sup>iii</sup> [https://www.advocatesforchildren.org/sites/default/files/on\\_page/recs\\_improving\\_school\\_access\\_sth.pdf?pt=1](https://www.advocatesforchildren.org/sites/default/files/on_page/recs_improving_school_access_sth.pdf?pt=1)

<sup>iv</sup> [https://www.usich.gov/tools-for-action/map/#fn\[\]=1400&fn\[\]=2900&fn\[\]=6000&fn\[\]=9900&fn\[\]=13500](https://www.usich.gov/tools-for-action/map/#fn[]=1400&fn[]=2900&fn[]=6000&fn[]=9900&fn[]=13500)

<sup>v</sup> <https://www.urban.org/urban-wire/mapping-black-homeownership-gap>

<sup>vi</sup> <https://projects.newsday.com/long-island/real-estate-agents-investigation/>

<sup>vii</sup> AARP, Center for New York City Neighborhoods (CNYCN), CSH, Enterprise Community Partners Inc., Habitat for Humanity New York City, LeadingAge NY, LISC NYC, LiveOn NY, New York Housing Conference, New York State Association for Affordable Housing (NYSFAFH), New York State Public Housing Authority Directors Association (NYSPHADA), New York State Rural Advocates, Regional Plan Association, Supportive Housing Network of New York (SHNNY)