

NYHC's 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. Working towards achieving this mission, in 2024 we are prioritizing:

- **Increasing New York's housing supply**
 - Reduce Private Activity Bond 50% test for federal Low-Income Tax Credits
 - Enact "City of Yes" for Housing Opportunity zoning text amendment in NYC
 - Increase housing supply through State zoning and tax policy reforms
 - Protect and expand affordable housing funding
- **Helping New Yorkers afford rent & stay stably housed**
 - Establish a new State Housing Assistance Voucher Program
 - Ensure one-shot emergency assistance helps tenants with arrears in affordable housing
 - Make insurance affordable in order to prevent operating deficits putting buildings at financial risk

NEW YORK CITY

New York City's affordable housing and homeless crisis can only be addressed by adding housing supply, including increasing affordable housing production, while providing more assistance and stability for renters and affordable housing providers.

Specifically, the NYHC will advocate to:

- **Expand Housing Capital Budget:** Inflation and rising interest rates are greatly increasing the cost of building affordable housing, requiring more public subsidies. In order to build the same amount of affordable housing, the city will need to spend more in subsidies. We are calling on the city to allocate at least \$4 billion for housing capital per year.
- **Oppose Housing Budget Cuts and Fight for Full Staffing:** In September 2023, Mayor Adams instructed agencies to propose 15% cuts to their budgets (5% each at the November, Preliminary, and Executive budgets) and called for a hiring freeze. The mayor has since reversed some cuts and also relaxed the hiring freeze but housing staffing remains low, particularly at DHS and HRA. We will fight for full funding and full staffing.
- **Support Affordable Housing Providers Facing Tenant Arrears:** Affordable housing providers – both for-profit and nonprofit – are facing reduced rental income and growing costs that threaten their viability. For the past two years, providers have seen record amounts of tenant arrears.
 - To address arrears and protect both tenants and affordable housing providers, the city's Human Resources Administration must create a dedicated processing unit for One-Shots for affordable housing to ensure timely assistance. HRA has a processing backlog for public benefits, including one-shot payments. Without a dedicated processing unit, One-Shots will continue to be delayed, putting tenants and providers at risk.
- **Increase Housing Supply in Every Neighborhood:** New York City has a housing affordability and supply crisis and new housing, including affordable housing, is not distributed equitably across the city. New York

City must increase the production of housing, especially affordable housing, in all neighborhoods. As such, every City Councilmember must support affordable housing development in their district, especially neighborhoods that are predominantly white, wealthy, and high opportunity, where there has been less affordable housing development in the past.

- **“City of Yes” Zoning Text Amendment:** We support Mayor Eric Adams’ City of Yes for Housing Opportunity, which would add housing in more neighborhoods and support increasing affordable housing. The proposed text amendment includes an affordable housing zoning bonus, changes to support modest density increases in business districts in lower zoned neighborhoods, elimination of minimum parking requirements citywide, facilitates conversions to residential housing, support accessory dwelling units and other zoning changes that will make it easier to build and preserve housing in every neighborhood.
- **Target Deep Affordability in Housing Plan:** As the Department of Housing Preservation and Development seeks to revise its term sheets for affordable housing to reflect rising costs, we encourage the city to also seek deeper affordability in each project. The City’s affordable housing crisis is greatest for households with the lowest incomes. The city needs to target its plan where the need is greatest. Rental housing should be built for households earning under \$50,000, and stronger deep affordability targets should be adopted – striving for 8,000 deeply affordable units per year, as laid out in the [United for Housing report](#).

NEW YORK STATE

New York State continues to experience an affordable housing crisis driven by a housing supply shortage driving up rents and home prices. New York Housing Conference calls for comprehensive state action on housing.

Specifically, the NYHC will advocate to:

- **Establish a 10-year Statewide Housing Supply Plan:** For too long, too many localities have enacted restrictive zoning that prevents residential growth, severely limiting housing options for renters, low-income households and people of color. To ensure every community in the state is doing its fair share, New York State should play a role in requiring appropriate production targets for growth and provide funding to support local infrastructure and planning assistance needed to boost housing growth.
 - **Transit-Oriented Development (TOD):** New York has made major investments in public transportation infrastructure in communities surrounding New York City. However, many of these areas maintain restrictive or low-density zoning. New York State should establish a TOD policy to require a portion of localities with rail stations run by the MTA to allow higher-density development in close proximity to rail stations. This would create more diverse housing types at different price points while creating thriving, climate resilient and walkable communities and extending access to cultural and economic opportunities.
- **Give New York City Local Control to Advance Affordable Housing Agenda:** Current state law prevents New York City from taking steps to expand its housing supply. The state should:
 - **Pass a new tax incentive for mixed-income rental housing:** [Recent NYHC analysis](#) found that the expired 421-a program accounted for about 30 percent of all affordable housing production and was

the only tool available to produce affordable housing in high-income neighborhoods. However, many 421a affordable units are not affordable to low-income households. A new tax incentive program for rental housing construction must:

- be as-of-right
- create housing affordable to low-income renters
- complement New York City's Mandatory Inclusionary Housing Program

NOTE: NYHC supports the Governor's Executive Budget proposal to extend the deadline to complete 421-a projects already in the pipeline to June 15, 2031. Currently, projects must be completed by June 15, 2026. The Governor also proposed a 421-a replacement, the Affordable Neighborhoods for New Yorkers Tax Incentive program (ANNY), which would provide a full exemption during construction for up to three years; and then a 40-year full exemption for homeownership developments. Rentals would receive a 25-year full exemption, followed by 10 more years with the exemption percentage pegged to the percentage of units in the building that are affordable units. However, this proposal leaves affordability requirements to be set by NYC HPD and construction wage requirements to be established by a memorandum of understanding (MOU) negotiated between labor and the Real Estate Board of New York (REBNY).

*While NYHC is supportive of a tax incentive to support new affordable rental and homeownership development, **we cannot support a framework that leaves critical affordability targets undefined.***

- **Allow NYC to Legalize Basement Apartments:** NYC needs the authority to convert occupied illegal basement apartments to legal dwelling units that meet health and safety standards and provide amnesty to property owners who convert these units. *NYHC supports proposals in the Executive Budget to allow a basement apartment legalization program in NYC.*
- **Pass a Tax Incentive to Support Affordable Housing in Commercial-to-Residential Conversions** – NYHC supports the Affordable Housing from Commercial Conversion Tax Incentive Benefits (AHCC) proposed in the Executive Budget, which would provide a tax exemption for commercial-to-residential conversions that produce at least six rental units in NYC. It would require at least 20 percent of units to be affordable, with at least 5 percent affordable to households at or below 40 percent AMI and all affordable units averaging at or below 80 percent AMI, with no units exceeding 100 percent AMI. The bill leaves the terms of the abatement to be determined by The Division of Housing and Community Renewal (HCR) and the NYC Department of Housing Preservation and Development (HPD). Affordable units would be rent-stabilized during the benefit period. The tax exemption would be subject to building service workers prevailing wages during the benefit period, except in buildings with fewer than 30 units or buildings that receive substantial government assistance or subsidy for the development of affordable housing.
- **Eliminate The State Law That Sets a Maximum Density of Residential Floor Area To 12 FAR In New York City.** This measure will allow greater residential density in New York City wherever City officials deem appropriate. NYHC supports the proposal in the Executive Budget to reform the 12 FAR cap.

- **Help New Yorkers Remain Stably Housed**

- **Housing Access Voucher Program (HAVP) [S568B/A4021\(Kavanagh/Rosenthal\)](#):** NYHC strongly urges the State to fund HAVP at \$250 million. Even as we address the supply shortage, it is crucial that we find ways to keep vulnerable New Yorkers in their homes. Funding HAVP will provide stability to tens of thousands of low-income renters and put New York on track to end the homelessness crisis in our state. After initial funding, we recommend that supplemental funds be made available to support new voucher issuance for pro-housing communities in a formula correlated to an increase in newly permitted residential units.
- **Continue Support for Existing HCR Programs:** NYHC supports increased funding to vital HCR programs to make sure we continue to support affordable housing production and preservation across the state and protect vulnerable homeowners, including:
 - Access to Home
 - Affordable Housing Corporation
 - Homeowner Protection Program (HOPP)
 - Mainstreet Program
 - Small Rental Development Initiative
 - Neighborhood Preservation Program
 - Rural Preservation Program

NOTE: The FY25 Executive Budget maintains funding for many HCR programs, but some important programs were left out or cut, including the Homeowner Protection Program (HOPP), Rural Rental Assistance and Neighborhood Preservation Programs. As these programs are critical to CNYCN's foreclosure prevention network, Rural Housing Coalition of NY members and nonprofit affordable housing organization led by the Neighborhood Preservation Coalition of NYS, NYHC will advocate for the funding necessary to continue serving communities across New York State.

- **Help Stabilize Affordable Housing**

- **Addressing Rising Insurance Costs for Affordable Housing:** The cost of insuring affordable housing developments has skyrocketed in recent years along with decreased market participation and outright refusal to cover buildings with subsidized units or tenants using vouchers. NYHC supports [S7298/A7910 \(Kavanagh/Wepripin\)](#), which would prohibit discrimination against affordable housing in the insurance market.

NOTE: In her Executive Budget, Governor Hochul proposed legislation to prohibit insurance companies from asking about or considering tenants' source of income, the existence of affordable units, or the receipt of governmental housing assistance in the decision to provide property insurance or increase insurance premiums.

- **Reform New York's, "Scaffold Law:"** Claims from New York's antiquated Scaffold Law, have contributed significantly to a dramatic increase in premiums.
- **Create Construction Defects Statue of Repose.** New York is also one of only two states that does not have a statute of repose for construction defects, which significantly increases insurance

- premiums. NYHC supports [S8213 /A4549 \(Cooney/Pretlow\)](#) which would create a 10-year statute of repose for construction defects.
- **Affordable Housing Relief Fund (\$250 million):** Many affordable buildings are in grave financial condition due to a convergence of post-COVID-19 pandemic factors - non-rent payment and rising expenses related to insurance, staffing, utilities, and maintenance that have depleted operating and capital reserves and now threaten the long-term sustainability of such buildings. NYHC supports NYSAFAH's proposal for a \$250 million Affordable Housing Relief Fund, which would provide funding to qualifying properties that have a regulatory agreement with one or more city, state, or federal housing agencies, to address capital needs and long-term affordability.
 - Despite assistance provided to eligible households through the NYS Emergency Rental Relief Program (ERAP), a significant amount of tenant rental arrears was carried forward. The accumulated debt continues to impact the long-term financial health of many developments.
 - The Affordable Housing Relief Fund would be used to support the recapitalization and stabilization of qualified properties and assist developments that are otherwise outside of the allowable refinancing term.
 - *Recommendation:* Appropriate \$250 million in the 2024 budget specifically to preserve at-risk affordable housing. These funds will allow the NYS Division of Homes and Community Renewal (HCR) to rescue troubled buildings and preserve vital units that New York cannot afford to let disappear.
 - **NYCHA Capital Funds:** NYHC supports NYCHA's request for \$500 million in capital funds to address compliance issues outlined in the 2019 HUD agreement.

Additional Priorities

- **Standardize Property Tax for Affordable Housing** outside NYC. NYHC supports the New York State Association for Affordable Housing (NYSAFAH) proposal to establish a standardized statewide property tax program outside of NYC for affordable housing with a tax reduction for rental buildings. The proposal is based on Erie County's policy of 5% of shelter rent for 60% Area Median Income (AMI) buildings and 3% of shelter rent for 50% AMI buildings.
 - For affordable homeownership statewide, NYHC supports [S6255/A6176](#) (Hinchey/Barrett), which would base the tax assessment on the subsidized sales price.
- **SEQRA Reform** [S688/A4990](#) (May/Kelles): The State Environmental Quality Review (SEQR) process is often used to block or detail housing development. Reforms can provide important protections for environmental review while limiting abuse of the process. This bill would streamline SEQRA for certain multifamily housing developments by requiring best practices for site testing and evaluation in appropriate infill areas that have access to sewers.

NOTE: NYHC supports efforts included in the Executive Budget that require the Department of Environmental Conservation (DEC) to begin its process to identify efficiencies in SEQR regulations, including promoting environmentally friendly housing growth.

- **Faith-Based Affordable Housing Act [S7791/A8386](#) (Gounardes /Cunningham):** Many houses of worship and other faith-based organizations want to develop affordable housing on their own land, but the land use process is lengthy, expensive, and highly uncertain. NYHC supports the Faith-Based Affordable Housing Act, which would provide land use regulatory relief for faith-based organizations that want to develop affordable housing on their own land. In NYC, this would allow the development of at least R6B density (and allow the use of another zoning within 800 feet), providing at least MIH-level affordability (excluding workforce option). Outside NYC, it will allow the development of at least 3 or 5 stories, depending on the size of the municipality, but only on infill sites connected to sewers, and the building must include at least 20% affordable housing at 80% AMI.
- **Pass Legislation Amending the Martin Act [S3566A/A6921A](#) (Cleare/Epstein) to Preserve and Expand Affordable Housing:** Legislation passed in 2019 increased the threshold to convert rental housing to require that 51% of units to be sold to tenants in place, up from 15%. This legislation would permit owners to convert market-rate units in rental buildings to condominium ownership at the 15% threshold in exchange for adding or expanding affordable units in the building and allowing a non-profit to be the owner and steward of the affordable units.
- **Additional Executive Budget Actions:** NYHC also supports the following proposals in the FY25 Executive Budget:
 - **Prioritize State Funding to Pro-Housing Certified Communities:** To incentivize local governments to be active partners in the State’s efforts to address the housing crisis last summer, Governor Hochul directed State agencies and authorities to prioritize communities who have taken steps to be pro-housing for certain discretionary funding that cumulatively represents \$650 million in competitive programming. The Executive Budget further encourages participation by making the pro-housing designation a requirement to receive such discretionary funding, including through the Downtown Revitalization Initiative (DRI), the NY Forward program, the Regional Council Capital Fund, capital projects from the Market New York program, the New York Main Street program, the Long Island Investment Fund (LIIF), and the Public Transportation Modernization Enhancement Program (MEP).
 - **Develop Housing on State Property:** Last summer, the Governor directed state agencies to review state-owned land for opportunities to develop or support new housing and indicated in her State of the State that they found publicly owned sites that could accommodate up to 15,000 new units of housing. The FY 2025 Executive Budget authorizes SUNY Trustees to make land available at SUNY Stony Brook and SUNY Farmingdale for the purposes of “developing, constructing, maintaining and operating multi-purpose facilities to support housing needs and related amenities.” It also authorizes the Commissioner of Transportation to transfer and convey two parcels of State-owned land in the Town of Babylon, Suffolk County. It also makes \$250 million available as the first installment of \$500 million dedicated capital under the management of ESD to support such improvements.
 - **Source of Income Enforcement:** The Division of Human Rights will strengthen efforts to enforce State law prohibiting a housing provider or a real estate professional from discriminating against an individual seeking housing because of their use of a Section 8 Housing Choice Voucher. A new enforcement unit is to be established in partnership with HCR.

- **Heirs Property Protection and Deed Theft Prevention Act of 2024** - The bill would define deed theft as a crime for any person who intentionally alters, falsifies, forges, or misrepresents property documents; or intentionally misrepresents themselves as the owner or authorized representative of property to induce others to rely on such false information to obtain possession of the property; or intentionally takes, obtains, steals, or transfers title or ownership of real property by fraud, forgery, larceny or other deceptive practice. The bill would also make changes to the Real Property Actions and Proceedings Law (RPAPL) to protect from predatory individuals who jointly inherit property after a homeowner dies without a will.

FEDERAL

Federal resources are critical to addressing our housing crisis. We will advocate for reforms to the Low-Income Housing Tax Credit that will expand federal tax-exempt bonds and tax credits, and we will support protecting and expanding the Department of Housing and Urban Development (HUD) programs.

Specifically, the NYHC will advocate to:

Relieve Affordable Housing Financing from a Restrictive Volume Cap to Boost Supply: Like many other states, NY’s main financing barrier to developing more affordable housing is the federal “volume cap” on tax-exempt private activity bonds. There are several tax-side proposals to allow more efficient uses of PABs that would produce meaningful increases in supply:

- **Exempt Affordable Housing from Volume Cap:** By [exempting affordable housing from the volume cap](#), as the federal government has already done for 14 other public priorities, states can begin to meet their affordable housing needs. Tying this benefit to zoning reforms can combat exclusionary zoning.
- **Strengthening LIHTC:** LIHTC is the nation’s most successful affordable housing finance program, producing more than 3 million units by leveraging private investment. In NY, LIHTC has created more than 243,600 affordable units, which has helped over half a million households across the state. We support the bipartisan Affordable Housing Credit Improvement Act ([S.1557 – Cantwell/H.R. 3238 LaHood](#)), which would significantly strengthen the program and make it a more effective tool by simplifying and aligning rules. It would provide a 50 percent increase in Housing Credit allocation authority to states over two years, permanently lower the threshold of Private Activity Bond financing – from 50 to 25 percent – required to trigger the maximum amount of 4 percent Housing Credits and provide up to a 50 percent basis boost (if needed for financial feasibility) for developments serving extremely low-income households in at least 20 percent of the apartments.

NOTE: This needed expansion could allow up to 119,890 affordable housing units to be built in New York over the next ten years. Lowering the 50 percent test alone could allow New York to help finance nearly [30,000 affordable homes](#) over the next decade. NYHC strongly supports including this provision in any broader must-pass tax bills or legislative packages.

- **Exempt Bonds Used for HUD-Assisted Housing from Volume Cap:** Congress should pass the [SAVE Federally Assisted Housing Act](#), which will allow funding for federally-assisted buildings to be exempt from the volume cap requirement for private activity bonds. Currently, federal law limits each state’s private activity bond issuance by a population-based formula to establish a state “volume cap,” but some public priorities, like

airports and public educational facilities, are not counted towards the volume cap. Preserving public housing should be a similar priority, and private activity bonds used in projects in HUD's RAD program should also be exempt from state volume caps. This will lead to greater private investment in public housing to finance capital repairs.

- **Protect and Expand Housing Resources in the Budget**

- **Protect Vital HUD Programs Facing Cuts:** The agreement to raise the debt ceiling in June 2023 placed limitations on domestic discretionary spending that threatens funding for HUD programs. FY24 funding is frozen at FY23 levels, and FY25 increases are limited to just 1 percent. Past deficit reduction efforts have led to steep cuts to programs like Public Housing Capital, HOME, which funds supportive and senior housing, and CDBG, which funds code enforcement. HUD programs serve low-income families with children, seniors and individuals with disabilities to keep them stably housed. We are especially concerned about the impact of cuts on over 300,000 public housing residents impacted by insufficient Capital & Operating budgets, over 480,000 individuals benefiting from Section 8 Housing Choice Vouchers and tenants in almost 110,000 units funded by Project-Based Section 8. NYHC will continue to make sure these vital programs are protected.
- **Tenant Protection Vouchers to Preserve Public Housing:** New York State has passed legislation to create the Public Housing Preservation Trust, which will create a mechanism to repair and modernize 25,000 units of NYCHA housing. Through the disposition of public housing units to the Trust, the units will be eligible for Tenant Protection Vouchers and allow bond issuance to finance repairs. The federal government must make the necessary Tenant Protection Vouchers available to NYCHA without diminishing overall Section 8 funding for New York City or the rest of the country.
- **End Homelessness & Housing Insecurity with Mandatory Funding of Section 8 & Section 9:** More than 580,000 people experienced homelessness on a single night in January 2020, prior to the COVID-19 pandemic, yet Section 8 Housing Choice Vouchers currently only serve 1 in 4 eligible households. Section 9 funding has been inadequate for decades. Deplorable conditions at NYCHA public housing predominately impact black and Latino residents. We call for the federal government to establish a housing safety net by moving Section 8 and Section 9 funding to the mandatory side of the budget and fully funding the programs to meet the urgent need.

NOTE: We estimate over [1.1 million households](#) in New York would ultimately be served by a universal voucher program and could more than double their residual income to cover other necessities. For NYCHA, full funding would bring \$40 billion in overdue investments to make capital improvements and apartment upgrades.

Federal Legislation to Expand Affordable Housing Opportunities

- **Section 8 Housing Choice Vouchers:** Research shows that expanding vouchers to all eligible households would lift an estimated 9.3 million families out of poverty and improve health and education outcomes. We support Chair Waters' legislation, the Ending Homelessness Act, to increase vouchers until the program becomes an entitlement that covers every low-income household in 2032. The bill also provides \$10.5 billion to build homes affordable to people most in need and bans discrimination based on sources of income.

- **Fully Fund Repairs for Public Housing Capital Backlog and Provide Sufficient Operating Funding:** The New York City Housing Authority is facing a \$78 billion capital backlog, which is causing unsafe and unhealthy conditions for tenants, including exposure to mold, lead and other environmental hazards. Robust federal funding through Section 18 Tenant Protection Vouchers and the public housing capital budget is needed to help NYCHA improve conditions for tenants. We fully support Rep. Nydia Velazquez’s legislation, the [Public Housing Emergency Response Act \(HR307\)](#), and Rep. Waters’ legislation, [Housing is Infrastructure \(H.R. 4497\)](#), to provide \$70 billion in capital funding to public housing authorities across the country
- **Neighborhood Homes Investment Act (NHIA) (S.657/H.R. 3940 – Cardin/Kelly):** We support calls for the creation of a new federal tax credit through the Neighborhood Homes Investment Act, which is modeled after LIHTC and will produce new equity investment dollars for the development and renovation of 1-4 family housing in distressed urban, suburban, and rural neighborhoods.
- **Decent, Affordable, Safe Housing for All Act (DASH Act) (S680 – Wyden):** We strongly support the DASH Act, a comprehensive affordable housing investment bill sponsored by Senator Ron Wyden, who chairs the influential Senate Finance Committee, signaling significant support for our housing priorities. The bill includes a combination of key provisions from The Affordable Housing Tax Credit Coalition including the Neighborhood Homes Investment Act (NHIA), a new federal tax credit modeled after the Housing Credit to promote homeownership in low-income communities, a massive expansion of vouchers, \$10 billion over ten years for HTF, incentives to address zoning barriers, and additional funding to build and preserve affordable housing.
- **Review Suitability of Federally-Owned Property for Infill Development or Disposition to Build Affordable Housing:** When federal property is no longer needed by any federal agencies, it is considered “surplus” and may be made available for other uses. Through public benefit conveyances (PBC), the General Services Administration (GSA) offers these properties to state and local governments and qualified nonprofits, which may acquire them at up to no cost if used for one of 12 public benefits, including homeless assistance. Congress should add affordable housing as a valid use for the disposition of federal land within the PBC program. Agencies should also be required to review their holdings for infill opportunities modeled after successful supportive housing development on Veteran Administration Campuses.
- **Lead-Safe Housing for Kids Act (LSHKA) of 2024-** The LSHKA protects children in the HCV program from lead poisoning and will make meaningful changes to federal law by 1) requiring pre-rental lead hazard risk assessments and remediation in pre-1978 federally assisted housing where children under age 6 will reside, 2) allowing families to relocate on an emergency basis when lead-based hazards are discovered and the landlord fails to remediate, and 3) providing necessary appropriations for implementation.