

FEDERAL APPROPRIATIONS

➤ Ensure Decent, Safe and Healthy Standards of Living in Public Housing

- **Fully Fund Public Housing Capital**- Ensure decent living conditions for public housing residents by funding essential capital repairs. Provide targeted capital for “*Repairs For Healthy Homes*” to address mold and other health hazards.
- **Fully Fund Public Housing Operating**- Financial neglect of ongoing maintenance of public housing directly impacts residents’ health, safety and well-being.
- **Raise the Rental Assistance Demonstration Cap**- Raise the 185,000 unit limit on RAD to enable further use of this important preservation finance tool that supports public housing preservation.

➤ Expand Section 8 Housing Choice Voucher Program to Combat Homelessness

Rental assistance is essential to extremely low-income households, especially elderly and disabled households who make up about half of NY beneficiaries. Rental assistance is a critical tool in combatting homelessness in New York where more than 80,000 residents sleep in shelters, including 24,000 children who suffer adverse outcomes from housing instability. In addition to providing support to tenants in the private rental market, project-based Section 8 is also used to attract long-term financing to develop supportive and senior housing.

➤ Protect Community Development Block Grant (CDBG) and HOME Funds

CDBG and HOME are important to code enforcement and affordable housing development in communities.

➤ Support Affordable Homeownership

Sustain and improve proven programs to prevent foreclosures and create pathways to homeownership.

FEDERAL TAX REFORM

➤ Preserve & Strengthen Low Income Housing Tax Credit (LIHTC)

LIHTC is the nation’s most successful affordable housing finance program, producing more than 3 million units by leveraging private investment. The Affordable Housing Credit Improvement Act of 2016, a bipartisan bill introduced in May by Senators Cantwell and Hatch expands the credit and improves the basis boost for projects serving extremely low-income households. The legislation also permits Income Averaging.

- **Income Averaging**- Enables LIHTC projects to serve households earning up to 80% Area Median Income (AMI) in projects where the average income does not exceed 60% AMI. This cost-neutral and flexible option serves extremely low-income households through cross subsidization without additional subsidies.

➤ Protect Tax-Exempt Bonds For Affordable Rental Housing

Tax-exempt bonds generate as-of-right 4% Low Income Housing Tax Credits when used to build affordable housing. This is a critical program for community revitalization and job creation which should be preserved in tax reform. In NYC, nearly half of new construction of affordable housing or nearly 4,000 units are financed with tax-exempt bonds annually, creating jobs and economic spending in neighborhoods in need of investment.

➤ Create Volume Cap Reallocation Pool to Preserve Public Housing

Modify IRS code Section 146 to permit the creation of a re-allocation pool for unused tax-exempt bonds. The IRS may redeploy volume cap to states by request and base the program on the LIHTC rules for the purposes of applying revenues to finance improvements addressing deferred maintenance in public housing.

➤ Expand Definition of Eligible Use for More Efficient Use of Recycled Bonds by State Government

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 States can dedicate recycled bonds to these uses that do not utilize Low Income Tax Credits, they can free up non-recycled private activity bonds which generate as-of-right 4% Low Income Tax Credits for multifamily housing.

NEW YORK STATE

➤ Enact Executive FY2018 Budget Request to Support Statewide 5-Year Plan Affordable Housing Plan

- **Supportive Housing**- \$950 million for the construction of 6,000 supportive housing units;
- **New Construction**- \$601 million for new construction or adaptive reuse of low-income rental housing;
- **Senior Housing**- \$125 million for developing or rehabilitating affordable housing for low-income seniors (55+);
- **Rural and Urban Community Investment Fund (CIF)** - \$45 million for mixed-use affordable housing developments that may include retail, commercial or community development components;
- **Middle Income Housing**- \$150 million for new construction, adaptive reuse, or reconstruction of rental housing affordable to households that earn up to 130 percent of AMI;
- **Affordable Housing Preservation**- \$177 million for rehabilitation of affordable multi-family rental;
- **Mitchell-Lama Rehabilitation**- \$100 million to preserve and improve Mitchell-Lama properties;
- **Public Housing**- \$125 million for rehabilitation and/or demolition and replacement (outside NYC);
- **Small Building Construction**- \$62.5 million for rehabilitation and/or demolition and replacement (5- 40 units);
- **Home Ownership**- \$41.5 million for promoting home ownership among families of low and moderate income;
- **Mobile and Manufactured Homes**- \$13 million for mobile and manufactured home programs;
- **Main Street Programs**- \$10 million for stimulating reinvestment in properties located within mixed-use commercial districts located in urban, small town, and rural areas of the State;
- **New York City Housing Authority (NYCHA)**- \$100 million for strategic capital improvements.

➤ Allocate \$100 Million in Annual Capital Funding for NYCHA for Strategic Roof Replacement

In addition to the \$100 million allocated in the statewide housing plan, NYCHA should receive ongoing annual support for strategic capital needs in a 5 year commitment. Funding may be provided by unallocated \$1.7 billion in settlement funds.

➤ Fund New Resident Service Coordinator Program

Allocate \$10 million to provide resident service coordinators in all newly developed senior housing, and make competitively available for existing senior housing. Service coordination is a cost-effective measure to allow seniors to age-in-place and avoid expensive nursing homes.

➤ Home Stability Support

Establish Home Stability Support (HSS)- a new 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.

➤ Promote Homeownership

- **Fund Homeownership Counseling**- Proven to help homebuyers make sound financial decisions and prepare for owning a home, homeownership counseling is a proven program that should continue to be funded.
- **Fund Foreclosure Counseling**- Similarly, foreclosure counseling helps improve outcomes for homeowners. New York has the second highest foreclosure inventory in the country and while filings are down from a 2009 high of 47,823, new foreclosure filings remain above 40,000 a year.
- **Update NYS Law To Protect Homeowners with Reverse Mortgages**- New York State law should be modified to include reverse mortgages as "home loans" under CPLR 3408, which would require lenders to engage in good faith efforts in loss mitigation and to participate in mandatory settlement conferences before foreclosing, bringing the mandates in line with standard mortgage foreclosure requirements.

NEW YORK CITY

- **Allocate \$100 Million in New Capital Funding for NYCHA Annually**
As per the Mayor's Preliminary Capital Budget, at least \$100 million should be dedicated to NYCHA's capital backlog annually to ensure safe decent living conditions for public housing residents by funding capital repairs to correct mold issues related to roof replacement, façade pointing and other critical system upgrades.

- **Achieve Deeper Affordability in Housing Plan Where Feasible**
NYC has made great strides in achieving greater income diversity in a 10-year housing plan. Efforts should be made to continue this progress through the allocation of additional resources and/or adaptation of term sheets in response to community calls for deeper affordability in gentrifying neighborhoods, where rents are rapidly rising.

- **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.