

## FEDERAL

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### APPROPRIATIONS / STATUTORY REGULATIONS

- **Protect and Fully Fund the HUD Budget**  
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.
- **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.
- **Allow RAD Conversions for 202 Supportive Housing for the Elderly**  
Federal legislation is required to expand RAD eligibility to HUD 202s to enable preservation of senior housing.
- **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. In New York alone, if the 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.

### 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.
- **Amend and Expand Community Housing Development Organization (CHDO) Definition to Allow Broader Inclusion**  
CHDO eligibility criteria should be expanded to allow any organization with a track record of serving low-income communities through their stated missions and past actions, and who meet local requirements for community and neighborhood input and opportunities for residents to engage elected officials with their concerns.
- **Allow Biennial Inspection Standards in All Rental Assistance Programs to Align With Housing Choice Vouchers' Standard**  
Permit biennial inspections in HOME TBRA, Shelter Plus Care (SPC), and MOD SRO to decrease the administrative burden for PHAs.

## FEDERAL continued

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### 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. With the loss of LIHTC equity and value due to the reduction of the corporate tax rate, it is critical that Congress enact the Affordable Housing Credit Improvement Act this year. Its legislative provisions would significantly strengthen LIHTC. We also hope this enacted bill would include the Senate version's provision to expand LIHTC by increasing the annual Housing Credit allocation authority by 50 percent.

○ **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.

➤ **Adopt Provisions to Bolster the Efficient Usage of Private Activity Bonds**

○ **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.

○ **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.

## NEW YORK STATE

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### PUBLIC HOUSING

➤ **Appropriate Additional Public Housing Capital**

In addition to \$200 million allocated in the statewide housing plan to be distributed over 5 years, NYCHA should receive \$500 million in additional combined support from NY State and NYC annually for strategic capital needs.

### SENIOR HOUSING

➤ **Allocate Funding for Senior Housing Resident Service Coordinator Program**

Last year New York State created its first dedicated capital funding stream for affordable senior housing, allocating \$125 million over 5 years. However, the State also needs to fund the Resident Service Coordinator Program in order for senior housing to be properly implemented. We ask that \$10 million 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.

### RENTAL HOUSING

➤ **Lift State Cap on Residential Development**

New York State Law currently does not allow residential floor area on any site in the state to exceed 12 times the lot area. This is despite the fact that in New York City new commercial buildings and residential development in converted office buildings is often twice this density or more. This restriction keeps New York City from growing its housing stock in denser areas near transit and amenities. It also precludes the city from creating more affordable homes and economically integrated neighborhoods through the city's Inclusionary Housing program, which requires low and moderate-income homes in new housing developments on up-zoned parcels.

### PRESERVE STATE AFFORDABLE HOUSING CREDIT VALUE

➤ **Bifurcate State Low Income Housing Credit (SLIHC) to Increase Investor Pool and Raise Pricing**

SLIHC is an important program in NY leveraging private investment to build affordable housing. With recent changes in the federal corporate tax rate, now is the time to separate these state credits from the federal credits to broaden the investor pool and ultimately make pricing more competitive and bring more private investment into affordable housing projects.

➤ **Exclude Affordable Housing from Deferred Credits**

We recommend excluding credits used for affordable housing projects from the Governor's budget proposal to defer certain credits including the State Low-Income Housing Credit, Brownfields and the Historic credit. Long term or repeated deferrals can negatively impact pricing which would be especially damaging to SLIHC if credit deferral is repeated again in the near future. Deferral of Brownfields and Historic credits are problematic when used as permanent sources of financing. We recommend that used in affordable housing projects should be excluded from deferral.

## NEW YORK STATE continued

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### 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.

### HOMEOWNERSHIP

➤ **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.

## NEW YORK CITY

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### PUBLIC HOUSING

➤ **Appropriate Additional Public Housing Capital**

While New York City's Housing Plan is sufficiently funded for affordable housing development capital needs, its commitment to NYCHA is only \$100 million annually. This is not an adequate amount to appropriately manage NYCHA's growing capital repair costs, especially with potential 2019 HUD budget cuts to public housing. Together, NYC and NYS should provide an additional \$500 million annually to NYCHA for strategic capital needs.