



Homes and Community Renewal

**Oral Testimony of RuthAnne Visnauskas
Commissioner/CEO
New York State Homes and Community Renewal**

**Joint Budget Hearing of the Legislative Fiscal Committees
on the 2021-22 Executive Budget Proposal**

Good morning Chairs Krueger, Weinstein, Kavanaugh, Cymbrowitz, and distinguished members of the Legislature.

My name is RuthAnne Visnauskas and I'm Commissioner and CEO of New York State Homes and Community Renewal. I'm honored to testify before you today on the housing portion of Governor Andrew Cuomo's Executive Budget proposal for the 2021-2022 State Fiscal Year.

As proposed, the Executive Budget expands affordable housing opportunities across the State by continuing the investment in the \$20 billion Housing and Homelessness Plan to create and preserve more than 100,000 affordable and 6,000 supportive apartments.

I am happy to report today on our progress under the Governor's Housing Plan and to testify to the continuing impact of his – and your – ongoing commitment to this incredibly important undertaking.

As of December 2020, we have created or preserved more than 70,000 affordable and supportive housing units under the plan. This includes the preservation and new construction of multifamily housing, the creation of homeownership opportunities across the State, and our community development projects. I am proud of the progress we've made, especially given the challenges of the pandemic, and I am confident that our continued dedication will allow us to reach our target.

In terms of the day-to-day work of HCR, we have been fortunate that while COVID has caused us a slowdown, it hasn't stopped us in our tracks. Not by any means: right now, we have a strong pipeline of development projects and are looking forward to this final year of the Housing Plan. We remain committed to creating housing opportunities and strengthening communities, building and preserving homes for seniors and veterans, public housing residents and Mitchell-Lama residents, creating housing with critical supports for vulnerable populations, and providing the opportunity of homeownership for thousands of first-time homebuyers.

FIGHTING HOMELESSNESS IN THE COVID ECONOMY

Last March, when the pandemic forced us into lockdown, the effects on the economy were immediate. The Brookings Institute, joined by the Social Policy Institute at Washington University, was quick to draw attention to the fact that 60 percent of the U.S. population is low- and moderate-income and these individuals are especially vulnerable to eviction and foreclosure. Their study forecast a dire outlook for low- and moderate-income communities, and additional research showed in April that one in three tenants couldn't make rent and homeowners could not pay their mortgages, bills or maintenance costs.

We are deeply aware of the economic aftershock COVID has triggered in society as a whole and the devastation it can cause individuals and families.

That's why the Governor was quick to establish the eviction moratorium back in March 2020, to allow tenants to use their security deposit as rent and to eliminate late fees on rent payments. These efforts were recently extended through this coming May. And it's why my team at HCR has worked day and night to implement the Legislature's Emergency Rental Assistance Program adopted last year to provide a temporary lifeline for households who experienced an increased rent burden and who lost income because they did not receive enhanced unemployment benefits.

As you are aware, in the program's first round, we disbursed approximately \$40 million on behalf of more than 15,000 eligible applicants. In the second round, which was open through February 1, approximately 15,000 additional tenants applied online and we are re-evaluating over 90,000 applications from Round 1. We are working hard to process these latest applications so that eligible tenants can receive much-needed relief.

And I want to point out that our Office of Rent Administration and our dedicated Tenant Protection Unit employees have not only been on the job helping with this effort by staffing our call center and assisting in tenant and landlord outreach, but many have been in the office, as essential personnel, meeting with members of the public and helping to make a difference in the lives of vulnerable New Yorkers during this difficult time. I want to take this moment to thank them for their dedication and sacrifice.

CREATING OPPORTUNITY/FIGHTING INEQUITY

As much as COVID has skewed our economy, and changed life's course for so many, the virus was not the sole driver of social change in 2020. The nation is also reckoning with the systemic racism that plagues every aspect of our society.

We have long recognized the influence racist policies have had on our housing market for owners, would-be owners and renters. That's why we push to develop affordable properties in neighborhoods of choice; strengthen New York's rent laws and legal protections for tenants;

and it's why we are so committed to following, enforcing and affirmatively furthering the nation's Fair Housing Act – which has not been easy over the last four years.

But the fact remains: housing discrimination and systemic injustices like redlining and discriminatory zoning policies that exclude low-income people and people of color from specific neighborhoods are common throughout New York State and the country.

In his State of the State message last month, Governor Cuomo laid out a new strategy to address these injustices – a package of very exciting reforms and improvements that can help alleviate the racial divide in homeownership opportunities and barriers to wealth-building by expanding the State of New York Mortgage Agency's reach throughout the State and giving teeth to our fight against redlining.

The proposal will allow more community-based lenders to offer SONYMA loans in low-income communities, increase down payment assistance for borrowers in underserved areas of the State to \$7,500 from \$3,000, and grant SONYMA flexibility to make mortgage modifications in times of crisis so borrowers can remain in their homes.

These reforms, along with expanding SONYMA's Give Us Credit program beyond its Long Island and New York City pilot areas, will go a long way to increasing home ownership in historically underserved markets.

THE FUTURE

In closing, we have a historic opportunity to close the racial wealth gap in New York State and expand access to safe and affordable homes. As the COVID crisis has made even more clear—“home” is more important than ever and is the key to the future we share.

Together we can take on this challenge and reduce homelessness, housing insecurity, and the systemic injustices that impede our progress. I am truly grateful for the Legislature's support and I ask for your continued commitment to securing the resources and advancing the legislation we need to make a real difference in New Yorkers' lives and communities.

Thank you. I am happy to address your questions.

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