



NEW YORK STATE SENATOR

Jeffrey D. Klein

Independent Democratic Conference Unveils Comprehensive Plan to Reinvest in Affordable and Public Housing in New York

JEFFREY D. KLEIN February 19, 2015

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Multifaceted vision outlines clear pathway to transforming housing for millions of New Yorkers

NEW YORK, NY - Independent Democratic Conference Leader **State Senator Jeff Klein (D-Bronx/Westchester)** unveiled the IDC's bold and comprehensive housing agenda to members of the New York Housing Conference at a luncheon event on Thursday.

Klein, joined by fellow IDC member Senator David Carlucci (D-Rockland), gave a thorough and engaging hour-long presentation which outlined the current state of housing in New York City and State and presented the IDC's policy proposals to preserve the nation's largest housing stock and increase the funding and construction of new affordable housing units for middle-income and low-income New Yorkers. The plan, presented to housing advocates, stakeholders and developers seeks to combat the high cost of living, deteriorating state of public housing and increased demand for middle class affordable housing. Highlights included the IDC's Mitchell Lama 2020 agenda, Middle Income Housing Tax Credit and Public Housing Revitalization Plan and Senior Housing Capital Investment.

The IDC's housing plan, which is the cornerstone of the IDC *Invest NY* 2015 legislative agenda, creates a roadmap to:

- Preserve current housing stock in new and tangible ways with targeted maintenance, repairs and upgrades
- Make smart capital funding investments to increase investments in construction
- Prioritize new construction that is affordable to New Yorkers
- Develop smart and sustainable construction

Independent Democratic Conference Leader Jeff Klein said: “This vision ensures that every New Yorker, regardless of income, can live safely and comfortably in an affordable apartment or home for many years to come. Our plan also revitalizes public housing with vital upgrades and repairs while holding NYCHA accountable, enhances funding for much-needed middle income housing and provides increased housing support for our seniors and other vulnerable populations. This plan charts a clear course for New York to demonstrate that we not only have the largest housing stock in the nation, but the strongest.”

Senator Diane Savino (D-Staten Island/Brooklyn) said: "This forward-thinking plan revitalizes and expands New York's much-needed affordable housing stock. Too many hardworking New Yorkers pay more than 30 percent — some more than 50 percent — of their incomes on rent. We recognize the need for more middle-income housing options so that these New Yorkers could afford to stay right here. Our vision also includes a major investment in NYCHA to finally cure the deplorable conditions that residents live with day in and day out."

Senator David Valesky (D-Oneida) said: "Housing, especially for our vulnerable populations, is a critical issue, and the IDC proposal ensures that funding will be available statewide."

The IDC housing plan three-pronged approach includes:

Enhanced funding for the Mitchell-Lama 2020 Agenda

The IDC plan invests an additional \$650 million in middle-income housing on top of the \$100 million already secured in the 2015-2016 Executive State Budget, for a total of \$750 million over five years. The \$100 million in the executive budget is dedicated to a Moderate Income Loan program for new construction (\$50 million) and for preserving existing Mitchell Lama developments (\$50 million). The IDC is calling for an additional \$650 million to be used for the Moderate Income Loan program.

In addition the IDC proposes using \$25 million for the Middle Income Housing Tax Credit which would provide tax credits for developers financing the construction of middle-class units.

NYCHA 2020 Public Housing Revitalization Plan

The IDC proposes a three-point plan that will provide much needed funds for NYCHA to repair and maintain current units while ensuring greater accountability and streamlining essential upgrades. This includes (1) \$500 million (\$250 million from the state & \$250 million from the city) through a Public Housing Revitalization Fund for repairs, rehabilitation and upgrades (2) a restoration of \$12 million in annual State operating subsidies for NYCHA, and (3) proposing the NYCHA Repair Certificate program – this program would allow private developers to obtain a zoning bonus (higher FAR) in areas being up-zoned in exchange for conducting expeditious repair work in NYCHA buildings.

The NYCHA 2020 plan creates accountable guidelines to reform the authority's management, streamline its procurement and repairs, improve its customer service, reduce its bureaucracy, and set NYCHA on a path to long-term financial sustainability.

Housing for Our Vulnerable Populations

In order to ensure that individuals with developmental disabilities and mental health issues, and our seniors have a safe and comfortable place to call home, the IDC calls for: (1) a \$40 million fund dedicated to providing a direct subsidy for developers to incentivize housing for middle- and low-income seniors; (2) a REPAIR 2015 tax credit of up to \$7,500 for repairs to seniors' homes where the resident cannot afford the cost of the project; (3) the creation of a \$25 million housing disability fund that would be used to leverage up to \$180 million in private financing to be used to develop or retrofit up to 1,400 housing units for people with mental or developmental disabilities. (4) setting aside \$10 million of existing Medicaid redesign team supportive housing funds for the upstate region (*Valesky S.625*).

NYC Councilmember Ritchie Torres, Chair of the Committee on Public Housing: "For too long the state has abdicated its responsibility to public housing and complacently accepted its rapid decline. I commend Senator Klein and the IDC for providing a long overdue roadmap for Albany's reinvestment in NYCHA and common sense reforms to ensure public housing is accessible to New York's most vulnerable populations."

Rachel Fee, Executive Director of the New York Housing Conference said: "The IDC pays special attention to seniors in need of affordable housing. With a growing senior population, it makes sense for the State to invest \$40 million in cost-effective housing opportunities for seniors to age in place with dignity. I applaud Senator Klein for his forward-thinking approach to planning for the housing needs of the State's aging population."

Jolie Milstein, President and CEO of NYS Association for Affordable Housing said: "Supportive housing is a proven cost-effective tool for enhancing stability and quality of life for New York's most vulnerable populations. Given the tremendous need for this type of housing, NYSFAFH supports an equitable allocation of MRT funds throughout the state to ensure that no community is left behind."

U.S. Census Bureau statistics show that between 2000-2012, New York State's housing stock grew by a mere 5.8%. Federal data also cites New York as having the oldest housing stock in the nation and a greater percentage of residents living in multi-family dwellings and buildings than anywhere else in the United States. According to the New York State Comptroller's Office 50% of state households pay more than 30% of their gross income on housing and more than a quarter of renters (28%) spend more than half their gross income on housing.