



NEW YORK STATE SENATOR

Brian Kavanagh

Senate Majority Budget Resolution Provides for Huge Investments in Housing and Homelessness Prevention

BRIAN KAVANAGH March 15, 2021

| ISSUE: HOUSING, RENT, HOMELESSNESS, HOMEOWNERS, COVID-19

| COMMITTEE: HOUSING, CONSTRUCTION AND COMMUNITY DEVELOPMENT



Senate Majority Budget Resolution Provides for Huge Investments in Housing and Homelessness Prevention

Total Capital Investment and Expenditures, Including State and Federal Funds, Would Exceed \$5.5 Billion for: COVID-19 Rental and Homeowner Relief, New Programs to House Homeless New Yorkers, Major Support for Public Housing, and New Housing Development, Including Hotel Conversions

(Albany, NY) Today, **Senator Brian Kavanagh, Chair of the Senate Committee on Housing, Construction and Community Development** announced details of the Senate one-house budget resolution, which would provide over \$5.5 billion in capital investments and other expenditures for housing and related services, benefitting renters, homeowners, and homeless New Yorkers.

The Senate Majority resolution includes:

-- **COVID-19 Emergency Rental Assistance Program (S2742C)**: Enactment of a new program to pay rent and utility arrears of tenants who have been experiencing financial hardship during the pandemic, with \$2.7 billion, including \$2.3 billion in federal funds and \$400 million in funds the Senate is adding to expand eligibility beyond those the federal funds will cover.

-- **Converting Under-Used Hotels to Housing**: Enacting the Housing Our Neighbors with Dignity Act (S5257), creating a new program and providing \$250 million for the Division of Housing and Community Renewal to acquire distressed hotel properties with fewer than 150 rooms in New York City and convert them into permanently affordable hous

-- **Permanent Housing for Homeless New Yorkers and Eviction Prevention:**

- **Housing Access Voucher Program (S2804A)**: Create a new State-funded program, similar to the Federal Section 8 program to provide a cash subsidy to eligible low-income individuals and families that are homeless or facing imminent loss of housing, with an initial allocation this year of \$200 million.
- Improve the Family Homelessness Eviction Prevention Supplement program, which provides rental subsidies to prevent homelessness, to ensure FHEPS can help pay the rent for homes up to the full fair market rent in each community, and add \$2.3 million for a total of \$627.3 million.

-- **Support for Public Housing:**

- \$750 million for New York City Housing Authority capital repairs and renovation.
- \$200 million for other public housing authorities statewide for capital repairs and renovation.
- A new \$199 million annual subsidy funded by a recording tax on mezzanine debt and preferred equity real estate investments in New York City.
- \$6.4 million for the Public Housing Modernization Program, for housing authorities statewide.

-- **Support for Homeowners:**

- Adding \$200 million for homeowner assistance.
- Home Owner Protection Program (HOPP): Restoring \$20 million to the Attorney General's office that the Executive Budget had eliminated for this critical program, which prevents homeowners from losing their homes by providing assistance with loan modifications, legal representation in court proceedings, and homeownership counseling.

-- **New Supportive Housing:** \$186 million in new capital funding this year to support the creation of 1,200 new supportive housing units.

-- **Neighborhood and Community Preservation in Urban and Rural Areas:**

- Increasing support for the **Neighborhood Preservation Program** to \$14.7 million, a \$1.9 million increase over the Executive proposal and the **Rural Preservation Program** to \$6.3 million, a

\$940,000 increase over the Executive proposal.

- \$15 million for new initiatives to support local **enforcement of housing, fire, and building safety codes**, pursuant to recommendations made last year based on an investigation by the Housing and Investigations Committees.

-- **Storm Recovery:** \$130 million in new capital funding to continue the State's efforts to support recovery in communities across the state from catastrophic storms.

-- **Low-Income Housing Trust Fund:** \$44.2 million for the HTF, which helps provide high-quality, affordable housing by funding new construction, rehabilitation of vacant, distressed or underutilized residential property, or conversion of vacant or underutilized non-residential property to housing.

-- **Small Cities Community Development Block Grant Program:** \$40 million for the CDBG program, which provides funding to eligible cities, towns, and villages with populations under 50,000 and counties with an area population under 200,000, for community development, affordable housing, and economic opportunities for New Yorkers with low and moderate incomes.

-- **Other Critical Housing and Community Development Programs, including:**

- \$1 million for the Access to Home Program, making homes accessible for people with disabilities;
- \$26 million for the Affordable Housing Corporation, creating homeownership opportunities;
- \$32.5 million for the Low Income Weatherization Program;
- \$14 million for the Homes for Working Families Program;

- \$15 million for the Housing Development Fund Program;
- \$4.2 million for the Main Street Program, which helps smaller communities strengthen the economic vitality of traditional Main Street downtown neighborhoods;
- \$5 million for the Manufactured Home Advantage Program; and
- \$21.6 million for the Rural Rental Assistance Program.

The Senate Majority expects to pass the resolution on Monday, March 15, 2021; negotiations among the Senate, the Assembly, and the Executive branch are ongoing, toward adopting a final State budget by March 31, for the fiscal year that begins April 1.

#