



NEW YORK STATE SENATOR

Michelle Hinchey

Senator Michelle Hinchey Announces Largest-Ever State Budget Investment in Rural and Upstate Housing

MICHELLE HINCHEY April 21, 2022

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ALBANY, NY – Senator Michelle Hinchey today announced that, due to her advocacy during FY’23 State Budget negotiations, over \$236 million in funding has been secured in this year’s budget to address the housing crisis in rural and upstate New York. This is the first-ever comprehensive state investment in upstate and rural housing — the likes of which have not been included in any previous budget or Capital Plan — and will be used to build more affordable and long-term housing for rent and homeownership.

“Upstate is consistently left out of the conversation when it comes to funding assistance for housing and, because of this inequity, we face a dire shortage that has made finding a safe, affordable place to live nearly impossible in our communities,” **said Senator Michelle Hinchey.**

“This year, I took a stand, rallied my colleagues, and created the first-ever comprehensive investment plan in upstate and rural housing, and I’m proud to say that we delivered. We’ve secured the largest upstate housing investment in New York’s history, which will dramatically improve and increase our local supply of rental housing and create pathways to homeownership that stays affordable for the long-term. This is a massive step forward to ensuring that young residents, seniors, and growing families have the stable, secure housing they need upstate, and we’ll continue working until everyone has a home they can safely and affordably call their own.”

Senator Hinchey secured the following housing investments through the FY’23 Budget.

To Help with Affordable Homeownership:

- \$36 million to create homeownership opportunities for low- and moderate-income families through the **Affordable Housing Corporation.**
- \$50 million to support the work of **New York State land banks**, including the transformation of vacant properties into affordable housing.
- \$35 million to provide homeowners facing foreclosure with legal services through the **Homeowner Protection Program.**
- \$3.4 million to assist low-income senior citizen homeowners and people with disabilities with the cost of addressing emergency home repairs and code violations through the

RESTORE/ACCESS to Home Programs.

- \$5.46 million to deliver affordable housing and services for families, including accessibility modifications and legal assistance through the **Rural Preservation Program**.

To Help with Rental Unit Supply:

- \$100 million to turn old hotels and motels into affordable rental housing through the **Housing our Neighbors with Dignity Act**. This funding was previously only available in NYC but has been expanded statewide due to Senator Hinchey's advocacy.
- \$7 million to create small-scale rental developments between 5 and 20 units through the **Small Rental Development Initiative**.

Blair Sebastian, Director of New York State Rural Advocates, said, "Rural affordable housing has long needed a real champion in the New York State Senate, and we thank Senator Hinchey for being that champion. For the first time, the State Budget delivers a serious commitment to rural housing needs. The funding secured by Senator Hinchey will help ensure that New York's innovative Rural Preservation Program has the resources it needs to provide locally tailored solutions to the rural affordable housing crisis and that the Rural Housing Coalition of New York State will be there to provide guidance and training to local organizations."

Christine Brady LaValle, Executive Director, Ulster County Habitat for Humanity, said, "Ulster Habitat is immensely grateful to Senator Hinchey for advocating for the successful increase in funding to the Affordable Housing Corporation. This funding is critical to Ulster Habitat's work, as well as the work of Habitat affiliates across the state, to help secure the opportunity

of homeownership for the local workforce in our communities. We are pleased to have Senator Hinchey as a champion in our efforts to build strength, stability, and self-reliance through homeownership.”

Mike Gilliard, Executive Director of the Kingston City Land Bank, said, "The Kingston City Land Bank could not continue to produce the most well-designed, affordable homes for our community without the support of Senator Hinchey. These funds come at an unprecedented and crucial time for current and future generations of New York families. We celebrate the Senator's tireless leadership to champion these important and necessary opportunities for all New Yorkers."

Kevin O’Connor, Chief Executive Officer of RUPCO, said, “Given the scorching housing crisis that we face in the Hudson River Valley, we appreciate Senator Hinchey’s strong leadership and support for affordable, rural and upstate housing initiatives! Senator Hinchey has listened to the needs of her constituents and has helped to deliver robust funding across several housing programs that will assist first-time homebuyers, create small rental housing development while funding programs to assist tenants and landlords through difficult times. As RUPCO is presently attempting to convert an old hotel into permanent, supportive housing for the homeless, we appreciate Senator Hinchey’s successful advocacy to expand the Housing Our Neighbors with Dignity Act (HONDA) statewide! We look forward to working with Senator Hinchey to meet the broad housing needs of her constituents!"

Adam Zaranko, President of the New York Land Bank Association and Executive Director of the Albany County Land Bank Corporation, said, “Thank you to Senator Hinchey and her colleagues for their leadership in securing funding for New York’s land banks in the state budget. New York has developed one of the most active and effective networks of land banks in the United States, and this investment enables us to continue to build upon the

tremendous success that our land bank program has achieved over the past decade. This funding, along with other funding provided in the state budget, ensures that communities across New York are equipped with the resources they need to transform vacant problem properties into assets that benefit communities such as affordable housing.”

Tolga Morawski, Executive Director of the Greater Mohawk Valley Land Bank, said, "We thank Senator Hinchey for her dedication to and focus on rural housing needs within the district not seen in nearly a decade. Through the pandemic the upstate housing market has faced multiple pressures including; large numbers of people moving to the area for the high quality of life and access to the outdoors, increases in market speculation and the proliferation of vacant and abandoned properties as costs for building materials has soared. These and other pressures have made it increasingly difficult for families across the region to find quality, affordable homes. Senator Hinchey and her colleagues have taken the time to really understand the many facets of the issue and have acted with Governor Hochul to ensure that combating the challenges to affordability across the state will be a top priority over the coming year."

Michael Borges, Executive Director of the Rural Housing Coalition, said, "The Rural Housing Coalition is very appreciative of the successful efforts of Senator Hinchey and other legislative supporters in obtaining funding for rural programs in the recently adopted state budget. Additional funding for the Rural Preservation Program to support technical assistance and training as well as new investments in the Small Rental Housing Development Initiative to build affordable housing in rural communities will both have a tremendous impact on the capacity of rural housing organizations to serve their communities.”

Senator Hinchey also worked with her colleagues to secure state budget funding for rental assistance and public housing authorities, including the following:

- **\$925 million for the Emergency Rental Assistance Program (ERAP)** to help low-and-moderate-income households at risk of experiencing homelessness or housing instability cover the cost of rent.
- **\$200 million in capital funding for Public Housing Authorities (PHAs) outside NYC** to rehabilitate and build new housing through projects administered by the New York State Division of Housing and Community Renewal. This is the most funding PHAs have received outside of NYC in a single budget since 2016.
- **\$125 million for the Landlord Rental Assistance Program (LRAP)** to provide rental assistance for landlords whose tenants did not apply for ERAP, including situations where the tenant has vacated the rental property.
- **\$35 million to create an Eviction Prevention Legal Assistance Program** for tenants facing eviction outside NYC.

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