

**Testimony for Rachel Fee, New York Housing Conference**  
**Joint Legislative Budget Hearing: Housing**  
February 27, 2025

My name is Rachel Fee. I am Executive Director of the New York Housing Conference (NYHC). I would like to thank the Housing Committee Chairs Senator Brian Kavanagh, Assemblymember Linda Rosenthal and Senate Finance Committee Chair Liz Krueger and Assembly Ways and Means Committee Chair, Gary Pretlow as well as the other members of the Legislature for the opportunity to testify today.

NYHC is a nonprofit affordable housing policy and advocacy organization. As a broad-based coalition, our mission is to advance City, State and Federal policies and funding to support the development and preservation of decent and affordable housing for *all* New Yorkers

Last year, we praised Albany for passing a budget that included significant policy change to increase housing supply and addresses other housing issues such as affordable housing insurance discrimination, deed theft and tenant protections. However, New York has a stubborn housing supply shortage and an affordability crisis that was decades in the making and in face of a crisis of this scale, every year must be a housing year.

New York City took bold action last year to address its deepening housing crisis by passing the City of Yes for Housing Opportunity. But without real investment, these reforms won't deliver the relief New Yorkers desperately need. Governor Hochul's \$1 billion commitment in the Executive Budget was essential to securing this deal—but spread over five years and broadly allocated, it risks being diluted at a time when the crisis is accelerating.

Right now, crushing costs are pushing families to the brink, housing insecurity is rising, and supply shortages are locking New Yorkers out of affordable homes. Meanwhile, the threat of federal funding cuts looms large, making it even more critical for New York State to step up. NYCHA and Mitchell-Lamas—two of the city's most vital sources of permanent affordable housing—could easily absorb the full \$1 billion allocation and still fall short of their capital needs. Without dedicated funding for these programs, City of Yes dollars will be stretched too thin, leaving too many New Yorkers without options.

The Legislature must act now. We need targeted investment to increase supply and ensure that the most vulnerable New Yorkers can afford rent. Without it, the housing crisis will only get worse.

We strongly support several proposals in the Executive budget to support housing supply including:

- \$110 million for infrastructure needs and technical assistance for Pro-Housing Communities.
- \$50 million for a mixed-income revolving loan fund similar to the bill proposed by Senator May.
- Doubling the New York State Low Income Housing Credits (SLIHC) from \$15M to \$30M per year through 2029.
- Expansion of the New York State Historic Tax Credit by decoupling from the Federal credit and removing census tract eligibility requirements for affordable housing with at least a 30-year regulatory agreement. This would remove barriers to affordable housing development and allow this tool to be used to bring affordable housing in higher income neighborhoods.

We were very pleased to see \$40 million included in the Executive budget for the Homeowner Protection Program (HOPP) and strongly support the new proposals to expand and strengthen homeownership including:

- \$50 Million for Starter Home Innovation Funding
- \$50 Million for First-Time Homebuyers' Down Payment Assistance
- The creation of an Affordable Homebuyer Tax Incentive between 25 and 50 percent of the assessed value of a real property that is sold to a low-income buyer and subject to a regulatory agreement with a governmental entity, nonprofit, land bank, or community land trust
- Disincentivizing Bulk Purchases of Homes by Institutional Investors by creating a 75-day waiting period in which they cannot bid on single- and two-family homes.
- And making discrimination based on protected classes unlawful in real estate appraisals

It is also now more important than ever to address the urgent and ongoing needs of vulnerable low-income renters. There were almost 200,000 residential eviction filings in New York last year and Comptroller DiNapoli recently reported the number of New Yorkers experiencing homelessness more than doubled to almost 160,000 in just two years. Over 50,000 of them were children. While this increase was largely driven by an influx of asylum seekers in NYC, homelessness increased in many parts of the state and continues to be fueled by evictions, lack of affordable housing and increased rents. [Eighty six percent](#) of extremely low-income households in New York are cost burdened and almost three-quarters pay more than half their income on rent.

If the first few weeks are any indication, the Trump administration has shown that not only can we not expect increased support from the federal government, but we may also see dramatic cuts to existing resources or at least major disruptions. We urge the Legislature to provide \$250 million for the Housing Access Voucher Program (HAVP), which will provide rental assistance to families and individuals who are at risk of or are already experiencing homelessness. Funding HAVP will provide stability to tens of thousands of low-income renters and put New York on track to end the homelessness crisis in our state, with or without federal support. We also continue to support a statewide program to provide emergency housing assistance to prevent evictions due to nonpayment.

We continue to support linking HAVP to efforts to increase housing supply. For example, rewarding Pro-Housing Communities that add housing with a formula that increases their HAVP budget by a factor related to increases in residential building permits or added zoning capacity. This will allow communities that are adding housing to also get state support to ensure their lowest-income renters have access to those new units.

In addition, we recommend \$50 million in funding for the Shelter Arrears Eviction Forestallment Program. At this time of low vacancy rates and record high homelessness, it is critical that New York supports eviction prevention programs across the state. In NYC, the one-shot emergency cash assistance program has helped thousands of renters remain stably housed. The Shelter Arrears Eviction Forestallment Program can help renters address housing security in the rest of the state.

There are also several HCR programs that are underfunded in the executive budget. The Legislature must maintain strong funding levels for existing HCR programs to support programs that protect homeowners and make affordable housing production and preservation across the state possible. We support:

- \$4 million for Access to Home
- Small Rental Development Initiative
- \$10 million for the Mainstreet Program
- \$18.8 million for Neighborhood Preservation Program
- \$8.05 million for Rural Preservation Program
- \$10 million for USDA 515 Rental Properties Preservation

We strongly support the Governor’s proposal to increase funding for supportive housing programs, particularly increasing the current rates for the Empire State Supportive Housing Initiative (ESSHI) to \$34,000 per unit per year in the New York City metropolitan area and \$31,000 in the rest of the state. We are pleased to see increased funding for the Homeless Housing Assistance Program to \$156 million and support the Supportive Housing Network of New York’s request to increase this to \$256 million. We also support their request to include \$32 million for the New York State Supportive Housing Program (NYSSHP) and pass the Supportive Housing Modernization Act (Senate 136/Assembly 2134), which would create a five-year plan to save the state’s most underfunded NYSSHP programs, funded at \$32 million in year one.

Several additional bills have been introduced that would further support increasing housing supply and we encourage the Legislature to include them in your one-house budgets:

- **Amendments to the Martin Act S1354 (Cleare/Epstein) to Preserve and Expand Affordable Housing:** This legislation would permit owners to convert market-rate units in rental buildings to condominium ownership at the 15% threshold in exchange for adding or expanding affordable units in the building and allowing a non-profit to be the owner and steward of the affordable units. We think this bill can provide an important preservation pathway for expiring affordable units.
- **Faith-Based Affordable Housing Act [S3397/A3647](#) (Gounardes /Cunningham):** Many houses of worship and other faith-based organizations want to develop affordable housing on their own land, but the land use process is lengthy, expensive, and highly uncertain. The Faith-Based Affordable Housing Act, would provide land use regulatory relief for faith-based organizations for affordable housing development. We hope the Legislature will also include \$2,500,000 for LISC NY’s New York Land Opportunity Program (NYLOP), which supports Faith-Based Organizations that want to develop desperately needed affordable housing on their properties. This program ensures Faith-Based Organizations both have the technical assistance needed to pursue these opportunities and are not taken advantage of by bad actors.

Thank you again for this opportunity to testify.