

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

Joint Legislative Budget Hearing February 27, 2025

Good afternoon, Chairs Kreuger and Pretlow, and members of the Legislature.

I am RuthAnne Visnauskas, Commissioner and CEO of New York State Homes and Community Renewal. It's an honor to testify today on Governor Hochul's 2025-26 Executive Budget.

As we continue to address the housing crisis in New York State, Governor Hochul has once again put forth a series of proposals that demonstrate her commitment to addressing this problem and giving more New Yorkers the chance to succeed and to concentrate on doing more than just making ends meet.

This year's proposals build upon last year's momentous achievements when we passed a Budget and a package of reforms that included new property tax incentives to stimulate housing production across the State; \$500 million to build up to 15,000 new homes on State-owned land; and an enhanced Pro-Housing Communities Program to help ensure municipalities that share our housing goals were given exclusive access to more than \$600 million in State discretionary funding.

And in New York City—even before they became the “City of Yes” — the State's efforts to spur affordable housing development in the five boroughs were boosted by last year's budget. This included approval of the 421a extension, which resulted in 71,000 units in stalled projects applying for the benefit, and creation of the new 485-x property tax abatement.

Before I get into the details of the Governor's 2026 plan, I want to provide updates on some of HCR's programs that address the need for housing and community investment.

I am pleased to report the Governor's five-year Housing Plan has surpassed the halfway point – we have created and preserved more 55,000 affordable homes toward our goal of 100,000. Included in this number are 4,200 homes with support services so that vulnerable individuals can live independently. It also includes 5,700 mortgages that we made to low-income first-time homebuyers.

We made our first awards under the Vacant Rental Improvement Program – which will provide \$40 million to help restore vacant units and underutilized buildings into affordable housing outside of New York City.

We expanded our Resilient Retrofit Program by making an additional \$17 million available to homeowners so they could make proactive flood mitigation and energy-efficiency improvements. This nearly doubled the program’s initial \$10 million allocation as part of a pilot phase in 2023.

And as of today, our Pro-Housing Communities Program includes 277 certified municipalities across the State. Last month, the Governor announced more than \$100 million in State investments for projects located in certified Pro-Housing Communities, part of a total \$123 million allocated through the latest round of the State’s Regional Economic Development Council initiative.

Thanks to you and our partners, I could spend a significant amount of my allotted time celebrating what we have accomplished over the past year – and I am proud to talk about that – but for today, I will put the focus on looking forward and how to keep up our momentum.

Governor Hochul’s 2026 budget proposals build upon her commitment to increase affordability by addressing the housing shortage. She is proposing new tax incentives to put homeownership opportunities within reach of many more people and taking strong actions to increase housing security and ensure affordability for more New Yorkers.

Embedded within the Governor’s budget are creative new ideas to spur home development including additional funding for Pro-Housing Communities; new models to drive down costs in home construction; and down payment assistance for first-time homebuyers.

I’m excited about enabling more development upstate with a new, revolving loan fund for mixed income rental housing, and expanding the availability of the State Low Income Housing Tax Credit to help us fund thousands of additional homes.

To protect New Yorkers from economic abuse, we’re proposing legislation to ban rent-fixing collusion; extending security deposit protections to rent regulated tenants; reducing the tax burden for Mitchell-Lamas; promoting reduced insurance costs for affordable housing landlords; and expanding programs that help homeowners impacted by storms.

And we must ensure that homes for sale will be available for everyday New Yorkers.

Owning a home has long been the foundation of the American Dream – providing stability, opportunity and the chance to build a better future for generations. But for too many people, that dream is out of reach.

We have seen examples of large investors making instant cash offers that yank homes off the market before anyone else has a chance to bid. The Governor's proposals will level the playing field by instituting a 75-day waiting period before institutional investors can make offers to buy one- and two-family homes.

I believe we are primed for growth and are prepared to battle the headwinds to come. People are feeling anxious about what lies ahead. I want to assure the members of this Committee that despite the turbulence, we are not making changes to our day-to-day services and operations or abandoning our work.

Should any Federal action impact our vital mission, we will take our cues from the Governor and the Attorney General. They are front and center defending New York's funding streams, laws, and programs.

In closing, I can confidently say the Governor's initiatives, as expressed in her Executive Budget, cover our next generation ideas for meeting the housing needs of New Yorkers.

I am fortunate to travel the State listening to what New Yorkers have to say, attending meetings, seeing our work first-hand, and best of all welcoming people to their new homes. Each encounter makes an indelible impression, and I take heart in what we continue to accomplish.

I'm grateful to work with a Governor, a team at HCR, and members of the Legislature who recognize that housing is a basic human right. By continuing to work together, we can transform lives by increasing the supply of quality apartments, developing new pathways to homeownership, and investing in the types of programs that benefit individuals, families, and entire communities far into the future.

Thank you, and I am ready to take your questions.

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