



**Joint Budget Hearing Hearing on Housing**  
**February 27, 2025**  
Urban Homesteading Assistance Board (UHAB)

Honorable Chair Rosenthal and Chair Kavanaugh, Members of the Committee,

Thank you for having me. My name is Arielle Hersh and I am the Director of Policy at UHAB. Since 1973, UHAB has been helping residents take control of their housing through strong tenant associations and lasting affordable co-ops. I'd like to use my time to discuss funding for essential affordable housing preservation and express my strong support for the Tenant Opportunity to Purchase Act or TOPA.

In addition to adding housing supply, we must prioritize stabilizing and transforming New York State's multifamily housing. For this kind of comprehensive preservation, we need funding to support cooperatives and nonprofits, and create new programs like TOPA. Preservation is the most cost effective way to create and sustain homeownership on a large scale and is also the most impactful approach, reaching deeper levels of affordability and ensuring that low-income New Yorkers have access to the security, empowerment, and intergenerational wealth building that homeownership provides.

HDFC cooperatives and Mitchell Lamas provide critical affordable homeownership to low income New Yorkers. HDFC co-ops form a key bloc of stable, affordable homeownership for 25,000 New Yorkers across 1,200 buildings in New York City—the majority of shareholders are Black and Hispanic New Yorkers systematically excluded from traditional homeownership opportunities. Many HDFC co-ops were created from the abandonment and disinvestment of New York City's fiscal crisis, and received limited building repairs and training when they converted. For the last 30 years, shareholders have stewarded their buildings through deferred maintenance, fiscal uncertainty, and maintained their buildings despite too little investment from the City. Moreover, HDFCs have received a mere fraction of the investment similar programs financed with tax credits and other subsidies have. Resident owners are struggling to pay their bills and maintain quality housing amidst rising building maintenance costs and an escalating insurance crisis. They are also on the front lines of the effort to decarbonize our state, but they cannot do so without funds and support.

UHAB is currently assisting over 50 HDFC co-ops moving through City preservation programs to upgrade major building systems and address capital repair needs. In order to meet this demand, HDFCs need dedicated funding to address this critical capital needs gap. We are calling on the Legislature to fund **\$100 million in grants and capital repairs for HDFC co-ops and Mitchell Lamas** to preserve this essential stock of affordable housing.

We would also like to amplify ANHD's request for **\$250 million to support Community Development Corporations (CDCs) like ours** struggling under the same pressures. Nonprofit affordable housing



providers do some of the hardest housing work in the state—they take on the most difficult projects, make barely enough to break even, and struggle to keep their own staff paid. We cannot rely blindly that they will continue to shore up the bedrock of our affordable housing system without support. Plans this committee is discussing rest on their shoulders to implement, and CDCs should be valued like the essential partners they are.

To truly meet the scale of this housing crisis, we must also enact new levers like the TOPA, which would allow tenants whose buildings go up for sale to make the first offer to buy their building, and give them the opportunity to transform their homes into permanently affordable housing. Based on her [FY2026 Executive Budget](#) proposal for a 75-day waiting period on the sale of single family homes, Governor Hochul understands that private equity is encroaching on crucial housing stock for New York families. But private equity speculation has run rampant in multifamily housing for nearly two decades, leading to bank collapse and a looming foreclosure crisis.

Over the last two years, UHAB has received outreach from over 150 tenant associations across the City who are interested in purchasing their rental buildings and transforming them into cooperative homeownership. Increasingly, we are also hearing from building owners looking to sell unprofitable rental housing through tenant purchases. The collapse of Signature Bank in 2023 has left over 1,000 rent-stabilized buildings at risk of foreclosure, with owners unable to address mortgage arrears and deteriorating conditions. The buildings we work with are suffering from extreme physical neglect and financial mismanagement, often as a result of the predatory loans that squeeze buildings while denying critical services. To intervene and stabilize buildings, we need more than the traditional preservation tools available—we need TOPA.

**We are calling on the Legislature to include \$250 million in the 2025 State budget for TOPA**, which would help tenants purchase their buildings and stem the tide of speculation and disinvestment fueling our housing crisis. With sustained funding for a total of 4 years and \$1 billion investment, **these funds could preserve nearly 7,000 homes statewide** and would constitute a meaningful intervention in the multifamily distress we encounter in our work. I urge members of the committee to fight for this legislation alongside your colleagues in the Black, Puerto Rican, Hispanic, & Asian Legislative Caucus, who listed TOPA as a top priority in its [Empower Black New York Agenda](#).

We know through our work that it is possible to stabilize and transform New York's multifamily housing through comprehensive preservation. To do this, we need the essential support for HDFCs and Mitchell Lamas, ensure CDCs continue to provide critical affordable housing, and enact TOPA to chart the path forward.

Thank you for your time.