



Habitat for Humanity - New York City Advocacy E-Newsletter
April - May - June 2009 Issue No. 31

In This Issue:

1. **Habitat-NYC News**
 2. **City Housing News**
 3. **State Housing News**
 4. **Federal Housing News**
 5. **Housing Research**
-

1. Habitat-NYC News

Habitat-NYC hosts kickoff of Obama's United We Serve program

Habitat for Humanity - New York City took part June 22 in the national kick-off of United We Serve, an effort launched by President Barack Obama to engage more Americans in serving their communities this summer.

Habitat-NYC hosted Transportation Secretary Ray LaHood, who built alongside volunteers and National Service members at our 41-unit, multi-family condominium project in Ocean Hill-Brownsville, Brooklyn. "I was thrilled to have the opportunity today to work at the revolutionary Atlantic Avenue complex alongside Habitat for Humanity volunteers who are making the dream of affordable housing a reality for so many people," said LaHood.

"Transportation Secretary LaHood Helps Habitat Kick Off 'United We Serve'"

June 23, 2009

New York Nonprofit Press

<http://www.nynp.biz/index.php/breaking-news/1058-transportation-secretary-laheed-helps-habitat-kick-off-united-we-serve->

Habitat-NYC and sister NYS affiliates win NYSAFAH Not-for-Profit Partner of the Year

On May 6, the New York State Association for Affordable Housing (NYSAFAH) named Habitat-NYC, our sister affiliates and our statewide support organization, Habitat-NYS, as its Not-for-Profit Partner of the Year. Our congratulations to Habitat affiliates across the state and to Habitat-NYS for the recognition of their hard work!

In "NYSAFAH Names nyhomes 2008 Innovator of the Year"

Press release

May 6, 2009

nyhomes.com

<http://www.nyhomes.org/index.aspx?recordid=1024&page=9>

2. City Housing News

Council and Bloomberg reach budget agreement; cuts less severe than expected

In May, Mayor Bloomberg's executive budget proposed about \$3.4 billion in cuts for city agencies, including a reduction of about \$1 billion - almost 18% - for the capital budget of the New York City Department of Housing Preservation and Development (HPD).

But the final budget agreed to on June 19 is less severe in its reductions, with only \$3.0 billion in cuts. The restoration of funding includes \$42 million for HPD capital expenses.

Analysts caution that elected officials did not want to make deep cuts in advance of November elections and that budgets in years ahead will need to be significantly reduced to match revenue predictions.

"Band-Aid Budget"

by Courtney Gross

June 22, 2009

Gotham Gazette

<http://www.gothamgazette.com/article/issueoftheweek/20090622/200/2947>

"Mayor Announces Bleak FY 2010 Budget"

May 8, 2009

ANHD Reader

Subscription available at:

<http://www.anhd.org/resources/resourcesmain.html>

Executive budget details available at: http://www.nyc.gov/html/omb/html/publications/finplan05_09.shtml

Final budget changes available at:

http://council.nyc.gov/html/budget/PDFs/fy_2010_changes_exec_budget_top.pdf

Some DAs ambivalent about prosecution of foreclosure rescue scams

Recently enacted laws give New York homeowners strong defenses against foreclosure rescue scams - but consumer advocates say that some of New York City's five district attorneys' offices have been slow to prosecute fraudsters.

Nationwide, mortgage fraud and deed theft cost homeowners about \$4 to \$6 billion per year. The impact in New York City is estimated to be in the tens of millions of dollars annually.

"Prosecutions Lag as N.Y. Foreclosure Frauds Surge."

by Michael Powell

April 14, 2009

The New York Times

http://www.nytimes.com/2009/04/15/nyregion/15prosecutors.html?_r=2&ref=nyregion

NEDAP wins NYTimes Nonprofit Excellence Award

Congratulations to our friends at the Neighborhood Economic Development Advocacy Project, who won the New York Times Nonprofit Excellence Award in Communications for 2009. The award is a high honor, but omits recognition for NEDAP's many other successes this year, notably in coalition leadership and advocacy.

See <http://www.npcny.org/info/awards.htm> for details.

NYC DCA testifies in support of Consumer Financial Protection Agency

On June 24, Jonathan Mintz, Commissioner of the New York City Department of Consumer Affairs (DCA), testified in support of the Obama administration's proposal to create a Consumer Financial Protection Agency. In hearings before Congress. Commissioner Mintz highlighted DCA's research and experience in regulating financial products in low-income communities.

The proposed federal agency would oversee a wide range of consumer financial products and companies - but the idea is encountering stiff resistance from the banking industry.

To read Commissioner Mintz' comments, go to
http://www.nyc.gov/html/dca/html/pr2009/pr_062409.shtml

"Bank industry girds for fight over consumer agency"
by Daniel Wagner and Steven Jacobs
June 18, 2009
AP

<http://www.washingtonpost.com/wp-dyn/content/article/2009/06/18/AR2009061803404.html>

3. State Housing News

Empire State Housing Alliance's Housing Investment Fund introduced in State Senate

Our thanks to the thousands of you who signed our Hammer & Pen 2009 Campaign postcards! Thanks to your support, Senator Pedro Espada, Jr., President Pro Tempore of the State Senate, and Assemblyman Vito Lopez, Chair of the Assembly Housing Committee, have agreed to introduce a bill for a New York State Housing Investment Fund (S5727).

The bill is the product of years of work by the members of the Empire State Housing Alliance, a coalition of nonprofit housing services organizations throughout New York. If enacted, it would create an Investment Fund to serve as the repository for New York State's receipts from the National Housing Trust Fund, giving New York the flexibility to spend new affordable housing dollars where most needed.

The ongoing confrontation between Democrats and Republicans in the State Senate makes advocates wonder whether New York will see action this year on this and other vital housing legislation. But whether the Investment Fund passes in 2009 or 2010, its first introduction is a major step, and we couldn't have done it without you.

The bill text is available online at:
<http://assembly.state.ny.us/leg/?bn=S05727&sh=t>.

"NOT DEAD YET: HOPES FOR HOUSING BILLS"
by Rachel Nielsen
June 22, 2009
City Limits

http://www.citylimits.org/content/articles/viewarticle.cfm?article_id=3762&content_type=1&media_type=3

4. Federal Housing News

Secretary Donovan announces bold FY2010 budget

On May 7, HUD Secretary Shaun Donovan announced dramatic changes to the federal housing budget for FY2010, including:

- A \$1 billion appropriation to the new federal Affordable Housing Trust Fund.
- An increase in housing program discretionary funding of \$3.2 billion, including \$1 billion for the Section 8 voucher program and \$1 billion for the project-based Section 8 program.
- Additional funding of \$550 million for the Community Development Block Grant program.
- Investments in energy and technology intended to save money through efficiency.

Congress faces many competing demands for funding this year, and housing priorities need your support. The proposed budget addresses persistent historical under-funding for public housing and would directly benefit hundreds of thousands of New Yorkers. Act now make sure that your representatives know that Secretary Donovan's budget is a priority for New York City.

To take action on this and other issues, register as an advocate with Habitat for Humanity International at: http://www.habitat.org/gov/take_action/default.aspx

To see HUD's press release on the budget, go to <http://www.hud.gov/news/release.cfm?content=pr09-054.cfm>.

Serve America Act needs your support

On April 21, President Obama signed the Serve America Act, which will expand the AmeriCorps national service program from 75,000 to 250,000 members over several years - if Congress appropriates the necessary funds in the FY2010 budget. The Act needs your support if it is to be fully funded. Let your congressional representatives know that the Act is an important priority for your community.

Habitat for Humanity International and its United States affiliates collectively employ hundreds of AmeriCorps members, who provide volunteer leadership and back-office support for local, state and national initiatives.

To take action on this and other issues, register as an advocate with Habitat International at http://www.habitat.org/gov/take_action/default.aspx.

"President Signs Serve Act"
 NLIHC Memo to Members
 April 24, 2009
NLIHC
http://www.nlihc.org/detail/article.cfm?article_id=5997

Making Home Affordable difficult for homeowners to navigate

Anecdotal evidence suggests widespread frustration with the administration of the Making Home Affordable modification program, which provides incentives for servicers to decrease costs of borrowing for distressed mortgagees. The *Huffington Post* reports complaints of lost paperwork, bureaucratic hurdles and government / corporate relationships both too new and too complex for homeowners to easily navigate.

"Homeowners Seeking 'Making Home Affordable' Loan Modifications Frustrated By Inefficiency"
 by Margo Irvin
 June 22, 2009
Huffington Post
http://www.huffingtonpost.com/2009/06/22/homeowners-seeking-making_n_218992.html

HUD announces second round of Neighborhood Stabilization Program funding

On May 3, the Federal Department of Housing and Urban Development announced guidelines and application materials for the second round of Neighborhood Stabilization Program funding. The \$1.93 billion in funding, part of the latest economic stimulus package, will be allocated by national competition

and must be spent within three years on the reuse of abandoned or foreclosed properties.

For full details, see HUD's Fact Sheet online at:

<http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/arrafactsheet.cfm>

5. Housing Research

NYU Furman Center releases guide to 2008 NYC Housing & Vacancy Survey

The NYU Furman Center for Real Estate and Urban Policy has released a summary of key data from the 2008 New York City Housing & Vacancy Survey, the triennial U.S. Census Bureau survey of housing in the five boroughs. Findings include:

- A 0.2% decline in the rental vacancy rate from 2002 to 2008.
- A 0.4% decline in the homeownership rate from 2005 to 2008.
- A sharp increase in the percentage of renters paying more than 30% of their income for housing - from 46.9% in 2002 to 52.7% in 2008.

"Key Findings on the Affordability of Rental Housing from New York City's Housing and Vacancy Survey 2008"

June 2009

NYU Furman Center for Real Estate & Urban Policy

http://furmancenter.org/files/Key_Findings_HVS_2008.pdf

State of Nation's Housing 2009 finds affordability issues on the rise

This year's Harvard Joint Center for Housing Studies State of the Nation's Housing report finds affordability issues increasing for some sectors of the population, despite recent price declines for both rental and ownership. Notably, a majority of cities recently surveyed by the US Council of Mayors reported an increase in homelessness, probably correlated with high unemployment rates.

"State of the Nation's Housing 2009"

June 2009

Harvard Joint Center for Housing Studies

<http://www.jchs.harvard.edu/son/index.htm>

New joint report finds CRA regulation correlated with low-cost loans

The Neighborhood Economic Development Advocacy Project has coauthored a report detailing the correlation between Community Reinvestment Act oversight and mortgage loan terms at lending institutions in seven large cities. The report confirms earlier research showing that depository institutions covered by the CRA were responsible for a very small portion of the market in high-cost, risky mortgage products in CRA assessment areas prior to the credit market crash.

"Paying More for the American Dream III: Promoting Responsible Lending to Lower-Income Communities and Communities of Color"

April 2009

California Reinvestment Coalition; Community Reinvestment Association of North Carolina; Empire Justice Center; Massachusetts Affordable Housing Alliance; Neighborhood Economic Development Advocacy Project; Ohio Fair Lending Coalition; Woodstock Institute

http://www.nedap.org/resources/documents/PayingMoreFortheAmericanDreamIII_Final.pdf

See also "The Community Reinvestment Act and the Recent Mortgage Crisis" by Randall Kroszner, page 8 of "Revisiting the CRA: Perspectives on the Future of the Community Reinvestment Act." February 2009

Federal Reserve Banks of San Francisco and Boston

http://www.frbsf.org/publications/community/cra/revisiting_cra.pdf

Habitat for Humanity - New York City transforms lives and our city by building quality homes for families in need and by uniting all New Yorkers around the cause of affordable housing.

This message was sent to members of Habitat for Humanity - New York City's Housing Justice Action Network. If you were forwarded this e-mail and would like to join our mailing list, please click here!

<http://capwiz.com/habitatnyc/mlm/signup/>

If you share the mission of Habitat-NYC and would like to support our work with a financial contribution, please go to <http://www.habitatnyc.org/donate.html> to find out how you can help us help others.