



**Habitat for Humanity - New York City Advocacy E-Newsletter
February - March 2009 Issue No. 30**

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

"Advocacy in Albany 2009" a blockbuster success

From March 7-10, Habitat for Humanity of New York State hosted its third annual Advocacy in Albany event. Students, affiliate staff and members from the faith community came together from across the state to learn about affordable housing policy, effective advocacy, tips on how to meet with legislators and more.

On Tuesday, March 10, Habitat-NYS held a press conference on the steps of the Capitol Building, calling on Governor Paterson's to support the creation of a true Affordable Housing Trust Fund and to baseline the state's 2008-09 capital investment in affordable housing. We were joined by Senator Steven Bonacic and Assemblymembers Karim Camara and Linda Rosenthal.

For the rest of the day, groups split up and attended visits with key legislators. Most importantly, they hand-delivered 3,273 signed postcards supporting our legislative agenda to Gov. Paterson's chief housing aide.

Thank you once again to all of you who signed a postcard calling for more affordable housing in New York State! The 2009-10 state budget has been printed, and the legislature and Governor are expected to enact it shortly. See "State Housing News" below for details.

Follow Habitat-NYC on Twitter

Keep in touch! You can get the latest Habitat-NYC news at <http://twitter.com/HabitatNYC>.

2. City Housing News

Rally to save Battery Park City funds draws a crowd

On February 20, New York City Comptroller William C. Thompson and a group of non-profit advocates (including Habitat-NYC) held a press conference to protest Governor Paterson's attempt to redirect Battery Park City funds away from affordable housing.

The Governor's budget includes a proposal to use the Battery Park City Authority fund, long intended to support affordable housing, to shore up the state's budget. In addition, the governor is seeking to borrow against the fund, which would cost about \$20 million in interest per year for decades.

"Albany and City Battle Over Fund Meant for Low-Cost Housing"

by Manny Fernandez

Jan. 29, 2009

The New York Times

http://www.nytimes.com/2009/01/30/nyregion/30housing.html?_r=1&scp=1&sq=albany%20and%20city%20battle%20over%20fund%20meant%20for%20low-cost%20housing&st=cse

Foreclosures rise in Manhattan

RealtyTrac's count of foreclosure filings in Manhattan rose to 331 in February. Until recently, foreclosures were almost entirely a phenomenon of the outer boroughs, where homeownership is more common.

Higher numbers of foreclosures persist in the outer boroughs. According to RealtyTrac, "Queens . . . ranks first citywide in total foreclosure activity, with 9,584 homes in some stage of foreclosure. Brooklyn is second with 7,415 homes; followed by the Bronx with 2,675 homes; then Staten Island with 2,335 homes."

"Foreclosures Surge in Manhattan"

by Sarah Riley

March 12, 2009

TheRealDeal.com

<http://ny.therrealdeal.com/articles/foreclosures-surge-in-manhattan>

3. State Housing News

Your voice made a difference for affordable housing in New York State

The final New York State 2009-10 budget has been printed, and the legislature and the Governor are expected to enact it shortly. It contains severe and disappointing cuts to affordable housing programs -- but, thanks to your emails, postcards, and letters, the reductions were not as steep as expected. The budget's affordable housing provisions include:

- \$10 million for Mitchell-Lama preservation, down from \$54 million last year
- \$29 million for the existing state Housing Trust Fund, down from \$60 million

- \$25 million for the Affordable Housing Corporation, down from \$45 million
- \$30 million for the Homeless Housing and Assistance Program, down from \$36.5 million
- \$12.8 million for Public Housing Modernization, down from \$17.8 million
- \$7 million for Homes for Working Families, down from \$17 million

We thank you for all your support, and we will call on you again to help us reverse these cuts in next year's budget. In the meantime, we will continue to work towards the creation of a true statewide affordable housing trust fund to provide reliable support for the housing needs of working New Yorkers.

The state budget also contains new regulations on refund anticipation loans, which are a type of high-cost fringe financial product marketed to working families. As part of our Loan Rangers outreach and education program, Habitat-NYC is pleased to offer New Yorkers more information about their financial options. To view our resources, or to get involved in our outreach campaign, please visit us online at <http://www.habitatnyc.org/advocate.html>.

To view the Governor's press release about the enacted budget, go to http://www.ny.gov/governor/press/press_0329094.html.

Is repeal of vacancy decontrol on the way?

The State Senate continues deliberation on legislation designed to eliminate vacancy decontrol, which removes apartments from rent regulation when vacant and worth \$2,000 per month or more. Twenty-three senators have signed on as sponsors; eight more would be necessary to send the bill to the Governor. The Assembly passed it in February.

"Priced Out: Council Looks to Keep Apartments Affordable"

by Courtney Gross

March 18, 2009

Gotham Gazette

<http://www.gothamgazette.com/article/searchlight/20090318/203/2857>

4. Federal Housing News

Serve America Act passes Senate

The \$5.7 billion Serve America Act, which would expand the AmeriCorps program to 250,000 volunteers, passed the Senate by 79-19 on March 26. The House of Representatives has passed companion legislation, and after differences between the two bills are resolved, the President is expected to sign the Act into law.

Habitat affiliates throughout the country stand to benefit from the service of additional AmeriCorps volunteers.

"\$5.7 Billion Service Legislation Passes Senate"

by Mark Hrywna

March 27, 2009

The NonProfit Times

<http://www.nptimes.com/09Mar/npt-bnews090327-1.html>

Weak laws, weak enforcement mean boom time for scam artists in some states

Complaints about foreclosure rescue scams are flooding the offices of district attorneys and attorneys general throughout the country -- but only a few prosecutors have the laws, resources or willingness to pursue criminal charges.

Scammers often take homeowners' money, deeds, or both.

"It's boom time for foreclosure scam artists"

by Marlon Walker and Kathleen Hennessey

March 14, 2009

The Seattle Times

http://seattletimes.nwsourc.com/html/realstate/2008854411_foreclosurescams15.html

Unexpected rise in housing starts cheers the market

Housing starts were up 22% month-over-month in February, led by multifamily developments. But despite the near-term increase, analysts cited by *The New York Times* warn that this is not the bottom of the market: starts were still down 47% year-over-year.

"Housing starts unexpectedly surge"

by Ben Rooney

March 17, 2009

CNN Money

http://money.cnn.com/2009/03/17/real_estate/housing_starts/index.htm

"Economic Data Offers a Balm as Fed Meets"

by Jack Healy

March 17, 2009

The New York Times

<http://www.nytimes.com/2009/03/18/business/economy/18econ.html?scp=7&sq=housing&st=cse>

Great expectations for a new era at HUD

Shaun Donovan, President Obama's Secretary of Housing and Urban Development, has drawn widespread praise for his work in New York as Commissioner of the Department of Housing Preservation and Development (HPD). *The Washington Post* contemplates a new, innovative HUD modeled on his successes, below.

"Affordable-Housing Efforts in NYC Could Spread Nationwide"

by Robin Schulman

March 15, 2009

The Washington Post

<http://www.washingtonpost.com/wp-dyn/content/article/2009/03/14/AR2009031400632.html?hpid=moreheadlines>

Pre-paid credit cards gain market share

A number of pre-paid card companies say that business is booming in a weakened credit marketplace.

Habitat-NYC offers consumers valuable information about their financial options. See our resources on credit cards and debt, online at <http://www.habitatnyc.org/advocate.html>.

"As Credit Cards Falter, the Cash Variety Gains Popularity"

by James Flanigan

March 18, 2009

The New York Times

<http://www.nytimes.com/2009/03/19/business/smallbusiness/19edge.html?ref=business>

5. Housing Research

REO recommendations for community development corporations

The Harvard Joint Center for Housing Studies and NeighborWorks America have published a masters thesis on strategic approaches to buying and rehabilitating REO ("real-estate owned" - lender-owned, foreclosed) properties.

The rehabilitation of foreclosed properties is a major new focus for Habitat affiliates nationwide. Habitat-NYC has completed many multifamily rehabilitation projects in the past, and we expect that REO properties will be a source of opportunity for us in 2010-11.

"Non-Profit Strategies for 1- to 4-Unit REO Properties: An Analytical Framework"

by Daniel Fleischman

February 2009

Harvard Joint Center for Housing Studies

http://www.jchs.harvard.edu/publications/communitydevelopment/w09-2_fleischman.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 go to <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.