



S. 5727: HOUSING INVESTMENT FUND (HIF) – FACT SHEET

The Housing Investment Fund (HIF) is based on the findings that:

- There is a serious shortage of decent affordable housing in the state for people with low- to poverty-level income; the cost to provide such housing is prohibitively high without public subsidy.
- Additionally, there are a significant number of vacant dwellings that create a serious threat to the health and safety of people who live near them.
- It is the policy of the State to preserve and create low-income housing and to provide for the aid, care and support of people in need, and
- New state resources are needed to alleviate the shortage of affordable housing.

The legislation calls for the creation of the Empire State Housing Investment Fund to dedicate public resources to expand the supply of affordable housing and meet the needs of low-income households in the state of New York. Distribution of the funds will support the development of housing through:

- Supporting Local Housing Trust Funds (up to 60% of funds MAY be used for this purpose)
- Awarding the balance of the funds (at least 40% of available funds) shall be awarded directly to project applicants on a competitive basis.

HIF awards can be used:

- To make grants, mortgages, or other loans to acquire, construct, rehabilitate, develop, preserve and insure affordable single-family and multi-family housing;
- For site preparation, including demolition, for affordable housing projects;
- For operating and maintenance subsidies;
- To support development of mixed-income projects in a low income census tract;
- To provide grants for technical assistance, outreach and capacity-building for non-profit organizations.
- To give priority to projects serving the lowest-income residents.

Additional provisions call for the establishment of an Empire State Housing Investment Fund **Advisory Commission**. This commission will include 21 members who are state residents and reflect the demographics of the state with respect to geography, race, gender and urban-rural mix. The Commission also will include public officials, for-profit and non-profit developers, community organizers, tenants, advocates and representatives from the following: supportive housing community, disability rights advocate, homeless community, rural housing community, banking or financial services, homeowner and academic or affordable housing policy experts.

The HIF, with a dedicated revenue source, will help address the escalating housing needs throughout the state, with project and program flexibility and public oversight integrated throughout the legislation.

The establishment of the Empire State Housing Investment Fund would position New York State to receive and administer funds distributed through the National Housing Trust Fund, created by HERA in 2008 and funded in the 2010 proposed federal budget.