



News

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ASSEMBLY MEMBER VITO LOPEZ INTRODUCES STATE HOUSING INVESTMENT FUND BILL AND REQUESTS \$500 MILLION 2010-2011 BUDGET FOR AFFORDABLE HOMES

Advocates throughout New York State rally at NYC City Hall for a stronger investment in affordable housing, spurring job creation and stabilizing communities statewide

New York, NY (August 19, 2009) – **State Assembly Member Vito Lopez** announced today that he will:

- **Introduce a bill to create an [Empire State Housing Investment Fund](#) with a dedicated revenue stream aimed at preserving and developing affordable homes; and**
- **Request [\\$500 million in 2010-2011 capital funding](#), through 30-year bonds, for affordable housing programs.**

He was joined by representatives of affordable housing groups throughout New York State – marking the first time a widely diverse group of New York housing advocates have united across regional and constituent lines. They included Habitat for Humanity – New York City, the Empire State Housing Alliance, Housing First!, New York State Rural Housing Coalition, PUSH Buffalo, New York State Association for Affordable Housing, Supportive Housing Network of New York and the Association for Neighborhood and Housing Development, among many others.

Assembly Member Lopez said, “New York State is facing an unprecedented affordable housing crisis. The State has an obligation to help create units for those most in need, be it seniors or returning veterans. I stand here today to ask Governor Paterson to include \$500 million in the 2010-11 budget for affordable housing. This program would create thousands of units and put many unemployed New Yorkers back to work.”

In addition to the funding, Lopez will introduce a proposal to create an Empire State Housing Investment Fund, mirroring a similar [NY State Senate Bill 5727](#) introduced by **State Senator Pedro Espada Jr.**

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“The Housing Investment Fund will provide a permanent stream to fund affordable housing units. This fund is critical due to its flexibility, income targeting, and ability to support the creation of local housing trust funds,” Lopez added.

“Investing in affordable housing stimulates local economies, creates jobs and provides a platform for hardworking families to prosper,” said **Josh Lockwood, Executive Director of Habitat for Humanity – New York City**. “According to a [National Association of Home Builders report](#), 1.51 jobs are created for every new multifamily apartment and 3.24 jobs are created for every single-family home,” Lockwood said.

Habitat-NYC Director of Advocacy Paige Bellenbaum said, “As he has for many years, Assembly Member Lopez is again demonstrating leadership in highlighting the return-on-investment that New York State realizes from constructing new affordable homes for families that need them.”

Senator Pedro Espada Jr., Senate Majority Leader, said: “As Chair of the Senate Housing Committee, I was pleased to introduce Senate Bill 5727 creating a New York State Housing Investment Fund earlier this session. Providing additional capital funds for housing is an essential component of our efforts to not only provide much needed affordable housing for low income and working families, but it is also a proven economic development stimulus for creating local jobs and rebuilding communities.”

Espada added, “This past session Chairman Lopez and I built a strong affordable housing record by enacting important legislation to increase the bonding authority of city and state housing agencies and continuing successful and creating new programs to build and restore affordable housing and communities throughout New York City and State. I look forward to continuing this successful partnership in the years ahead.”

Empire State Housing Investment Fund

This fund would be financed by:

- Excess reserves from the Mortgage Insurance Fund, which currently are diverted to the general fund; and
- Federal housing trust fund dollars.

Forty-three states currently operate similar housing trust funds, which are widely considered to be the best mechanism for creating and preserving affordable housing. This Empire State Housing Investment Fund would include the following characteristics:

- Dedicated revenue stream
- Flexibility, with the ability to address a range of housing needs;
- Target people of low- to poverty-level incomes.

In addition, the Investment Fund will help foster the creation of local housing trust funds that would address housing needs on a community level.

Details are available [here](#).

\$500 Million 2010-2011 Capital Funding Proposal

Lopez will be requesting \$500 million in new capital funding, with an annual cost of \$33.5 million. According to Housing First!, a statewide affordable housing coalition that developed the proposal, the immediate cost \$33.5 million cost would represent the annual debt service on the 30-year bonds, offset by taxes and fees the state receives during the construction period and from future residents/owners.

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This funding would create, from construction through residency, approximately:

- 16,000 units of affordable and supportive housing;
- 9,300 new and/or rehabilitated multifamily units
- 625 new and/or rehabilitated single-family houses;
- 5,900 small homes that would be renovated, repaired and/or made accessible.

The economic stimulus would yield:

- \$1.6 billion in taxes and other revenue local governments;
- \$1.4 billion in taxes and other revenue for state government;
- 168,000 jobs; and
- \$9.7 billion in wages and business income.

Details are available [here](#).

Speaking in support of the two initiatives, **Assembly Member Jonathan Bing** said: "The preservation of affordable housing must be a top priority for legislators in Albany. We must act quickly to establish a dedicated revenue stream for affordable housing so that we can create and preserve low- and middle-income housing in every community in New York State. I will continue to work on funding and legislation that achieve these goals."

Manhattan Borough President Scott M. Stringer said: "In Manhattan we need affordable housing now more than ever to ensure that the social, cultural and economic backbone of this borough isn't priced out. Not only will the construction of affordable housing enabled by the proposed Empire State Housing Investment Fund create jobs, it will put vacant and underutilized land to productive use and stabilize neighborhoods."

David Muchnick, Coordinator of Housing First!, a statewide advocacy organization, hailed the \$500 million initiative. "This is emblematic of Assemblyman Lopez's leadership and vision of affordable housing as the cost-effective keystone of an economic development strategy that will create thousands of jobs, leverage billions of dollars in new private investment and help thousands of New Yorkers find apartments and homes they can afford," he said.

Blair Sebastian, Executive Director of the New York State Rural Housing Coalition, said: "Upstate's rural communities know about recession. Our region really didn't benefit from the last decade's great prosperity. Now we need help to rehabilitate and replace our aging stock of housing and to stimulate much needed economic development. The \$500 million dollar housing capital proposal put forward by Assemblyman Lopez is an important step in that effort."

Aaron Bartley, Executive Director of PUSH Buffalo, said: "It's hard to believe Buffalo has an affordable housing problem, but it's true. We're the third poorest city in the country, with the second oldest housing stock, and one of the most expensive cities to heat during the winter. If that doesn't spell 'affordability problem,' I don't know what does. We need the Housing Investment Fund in Buffalo to make sure that safe, well maintained and energy-efficient housing isn't a luxury. It has to be available to everyone."

"The Empire State Housing Investment Fund will help finance housing projects across the state, creating jobs and providing stability in our neighborhoods and rural communities. By introducing this legislation, Assemblyman Lopez helps New York State join the 43 other states which already have dedicated funds for affordable housing development and preservation," said **Joan Roby-Davison, Coordinator for the Empire State Housing Alliance**.

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Ted Houghton, Executive Director of the Supportive Housing Network of New York, said: "New York's government, private sector and nonprofit community have reduced homelessness by working together to build permanent supportive and affordable housing for our most vulnerable citizens. Just as important, we have proven that this investment saves the public money, by reducing the use of costly emergency shelters, hospitals and jails. But there is still much to do. With over 60,000 men, women and children across the state sleeping in shelters or on the streets each night, it is time to invest in supportive and affordable housing on a scale that will end homelessness once and for all. This bill is a giant step forward toward this goal.

Benjamin Dulchin, Executive Director of the Association for Neighborhood and Housing Development, said: "Now more than ever, Albany must recognize that investing in affordable housing is good for residents, communities, and the economy. By providing \$500 million in capital programs, New York State would simultaneously stabilize neighborhoods and create jobs".

Habitat for Humanity – New York City

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. With the help of thousands of volunteers every year, Habitat-NYC has built more than 180 affordable homes in the five boroughs of New York City. For more information, visit www.habitatnyc.org.

Empire State Housing Alliance

The Empire State Housing Alliance is a newly established coalition uniting upstate and downstate organizing groups in a coordinated effort to call on New York State to devote greater funding to affordable housing and smart growth solutions.

Housing First!

Housing First! is a broad alliance of more than 300 diverse organizations who are united by their dedication to developing and sustaining affordable housing for all New Yorkers. For additional information, email David Muchnick, Coordinator, at dmmuch@aol.com

The New York State Rural Housing Coalition

The New York State Rural Housing Coalition is based in Albany and provides training and technical assistance to not for profits housing development organizations and communities in support of their efforts to revitalize small towns and rural communities throughout our state.

The Association for Neighborhood and Housing Development

The Association for Neighborhood and Housing Development is a membership organization of 98 New York City non-profit neighborhood housing groups. Our mission is to ensure flourishing neighborhoods and decent, affordable housing for all New Yorkers. We pursue this mission by supporting the programs and advancing the priorities of our member organizations engaged in community development and community organizing in low-and moderate-income neighborhoods throughout the city.

PUSH Buffalo

PUSH Buffalo is a grassroots community organization working to rebuild the West Side of Buffalo. By involving neighborhood residents in creating solutions to chronic problems where they live, we allow people to become policy makers and develop powerful leaders for change.

Supportive Housing Network of New York

The Supportive Housing Network of New York is a statewide member organization that represents over 180 nonprofit organizations that develop and operate supportive housing - permanent, affordable housing linked to social services for formerly homeless, low-income and disabled individuals and families. With offices in New York City and Albany, the Network is the only supportive housing membership organization in New York State. It is the voice of the provider community that has created by far the largest, best-managed and most innovative supportive housing stock in the nation.

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