



Neighborhood Preservation Coalition of New York State (NPCNYS) 2017/18 Legislative Agenda

Neighborhood Preservation Program (NPP): The NPP is a well-established and effective program that provides assistance to low-and moderate-income communities with demonstrated unmet housing needs. Funding for the NPP helps to finance a range of preservation and revitalization activities. The NPPCS are the local housing assistance providers, driving economic growth and expanding affordable housing options in their communities.

The executive budget proposes to fund the NPP at \$8,479,000 million, which is the same level of funding that was proposed in 2016/17. However, the Legislature added \$500,000 in 2016/17, which resulted in \$8,979,000 million - with an additional supplementation from JP Morgan Chase settlement funds - enacted for 2016/17. NPCNYS respectfully requests that this amount be added back or increased in this year's budget. It is crucial for funding to remain steady or improve, as even small decreases result in diminished capacity and a reduction in critical services.

Affordable Housing Corporation (AHC): AHC provides funding that supports homeowners, including: down payment and closing cost assistance and home repair grants. AHC funding helps create sustainable homeowners, and homeownership helps aid in wealth creation, which furthers economic development.

53% of all New York State residents are homeowners, and 37% of our homeowners are cost-burdened. The nationwide rate of homeownership is 63%, so New York State is well below the average at 53%. In fact, only Washington DC has a lower rate, 40.6%.

The executive budget proposes \$26 million in funding for 2017/18, which was the figure proposed in 2016/17. However, this figure is down from \$29 million in 2015/16, which represented roughly a 10% cut.

NPCNYS recommends increasing funding to the program by \$10 million in order to help low-and-moderate-income renters become homeowners, and help low-and-moderate-income homeowners make needed repairs to their homes.

New York State has the resources to invest in homeownership, but must do so in a strategic and sustainable manner. AHC has a proven track record of success and a funding increase would reflect this.



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ACCESS to Home: Access to Home supports the modification of individual housing units to meet the needs of households with a disabled member.

The executive budget proposes to fund Access to Home at \$1 million. NPCNYS is recommending a \$4 million addition for a total of \$5 million for Access to Home.

The program is well subscribed throughout the state and is therefore ripe for expansion.

Housing Opportunities Program for Elderly (HOPE RESTORE): HOPE RESTORE provides funding for the rapid response to emergency home repair needs of elderly homeowners.

The executive budget proposes to fund HOPE RESTORE at \$1.4 million. In 2015 – the last year for which awards have been reported - \$2.689 million in awards were made. NPCNYS is recommending a \$1 million addition for a total of \$2.4 million for HOPE RESTORE.

Rural and Urban Community Investment Fund (CIF): The CIF provides flexible funding source that can leverage other funds to meet diverse community needs. The CIF was established to empower locally based not-for-profits to address the unique needs of their communities.

The executive proposes to fund the Rural and Urban Community Fund at \$36 million. NPCNYS recommends a suballocation from Capital into Office of Community Renewal (OCR) of \$9 million (when Urban Initiatives and the Rural Area Revitalization Program were funded, N/RPCs typically leveraged 30% of those awards, so \$9 million achieves parity) to ensure that not-for-profit community-driven developers can be competitive within the CIF program now and into the future.

At present, large-scale developers have LIHC and SLIHC as vehicles to help them leverage CIF funding. There is no such vehicle available to locally-based, community-driven not-for-profits, which may contribute to the lack of smaller projects funded through the program and the undersubscription of the program by smaller locally-based not-for-profit organizations that are unable to utilize LIHC and SLIHC.



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Low Income Housing Trust Fund (HTF): HTF is New York's primary rental development program which helps communities stave off blight and promote the development of affordable rental housing.

The executive budget proposes that the Housing Trust Fund be funded at \$65.2 million. NPCNYS supports this funding level.

Main Street Program: Main Street allows areas that have substantial issues with physical deterioration to target commercial/residential revitalization through renovations and upgrades.

The executive budget proposes that the Main Street program be funded at \$4.2 million, the same rate as last year. NPCNYS supports this funding level.

Homeownership Protection Program (HOPP): At present, this program is funded by the New York Attorney General's office. 2017 represents the last year of funding through this program. It is critical that this program become permanently funded through NYSHCR.

New York State's foreclosure rate is still very high, at 5.31%, which means that nearly 100,000 households annually are affected by this crisis. The national average, by comparison, is 2.09%. New York has the second worst rate in the nation, behind New Jersey. New Jersey has, however, enacted permanent programs to address their foreclosure crisis, which includes a mediation program and a HomeSaver program.

NPCNYS therefore recommends that a foreclosure prevention program be permanently funded through NYSHCR at \$30 million: \$10 million for 2017/18, \$20 million for 2018/19.