



**Testimony of Erin Burns-Maine
Chief of Staff and Vice President, Director of Policy and Advocacy
The Community Preservation Corporation**

**New York State Senate and Assembly Joint Hearing on FY23 Housing Budget
January 31, 2022**

Thank you, Chair Cymbrowitz, Chair Kavanagh, and other distinguished members of the New York State Legislature, for the opportunity to speak today. My name is Erin Burns-Maine, and I am the Chief of Staff and Vice President of Policy at the Community Preservation Corporation (CPC).

There is a housing crisis in New York. Over half of renters spend more than 30% of their income on rent, and the housing shortage continues to rise; a recent study found that New York City alone needs to produce 560,000 units of housing by 2030, with the known development pipeline only covering 14% of that need.¹ In broader New York State, the problem persists, especially for low-income households: there are only 87 affordable homes available for every 100 households earning up to 80% of the Area Median Income and for extremely low incomes, there is a 600,000 unit housing shortage.²

The core solution to the housing crisis is simple: build and preserve as much quality, affordable housing as possible. The governor's budget takes important steps towards this goal and CPC looks forward to continue our work with the state to build and preserve New York's housing stock.

Small buildings – those with less than 50 units – account for 70% of affordable housing in New York State and are a critical source of quality affordable housing stock. To date, CPC has invested \$47 million through HCR's Small Buildings Participation Loan Program, creating 172 new affordable units, and we applaud the continued investment into this program.

Small rental building owners have been disproportionately impacted by the pandemic; a recent survey of CPC's building owners showed that small buildings have higher rates of tenants in significant arrears, and those tenants are less likely to have applied for rental relief through the Emergency Rental Assistance Program (ERAP) than those in large buildings.³ The Landlord Rental Assistance Program (LRAP), created by the state and funded at \$100 million in FY 2022, was more accessible to small landlords and affordable housing providers, effectively preventing evictions and keeping landlords and tenants out of court. The initial pool of money was spent far too quickly – which is indicative of the need. The State

¹ AKRF, "New York City Housing Production Needs Study" Brief.

² <https://nlihc.org/housing-needs-by-state/new-york>

³ Community Preservation Corporation, "CPC Rental Assistance Survey Data Brief" 2021.



should allocate significant funding to continue to pull tenants and building owners out of pandemic-related hardship and prevent evictions, prioritizing streamlined, accessible programs like LRAP.

With the new Affordable Neighborhoods for New Yorkers legislation, the Administration is recognizing the critical role that small, affordable rental buildings play as the backbone of our communities, and the unique challenges faced in funding their development. We are glad to see affordability requirements for buildings with 30 or fewer units, which balances the financing needs of small buildings with the goal of requiring deeper affordability to more households.

More broadly, we cannot address the affordable housing crisis without addressing land use. The new Transit-Oriented Development Act is a step in the right direction for the State to strengthen its role in local zoning. Allowing dense multifamily near transit, without opt-out, will make a significant impact on the creation of new housing in high opportunity neighborhoods.

We are excited to see a new \$220 million investment in weatherization and electrification for homes. It is important that any State decarbonization strategy prioritize affordable and workforce housing to ensure these populations are not left behind to bear the cost of continuing to support fossil fuels. While this is a step in the right direction, we would also encourage the State to explore tax credit programs and utility incentives that would help building owners finance sustainability upgrades and electrify their buildings.

CPC is the State's partner in implementing the Legacy Cities program, which provides affordable ownership opportunities to first-time buyers of color and prioritizes working with M/WBE developers to help grow their businesses. CPC hopes for the continued investment in and expansion of this program and other programs that help address racial equity.

Finally, any budget passed by the state cannot overlook the urgent needs of New York City Housing Authority (NYCHA) residents. NYCHA has been waiting for decades for the Federal government to act to address the capital needs of its public housing stock. With the Build Back Better legislation stalled indefinitely, New York needs to act. The State and City must step in to provide funding for capital repairs along with legislative solutions to ensure NYCHA's long-term financial sustainability. The FY 22 enacted budget allocated a total of \$325 million in both capital and weatherization funding; in the absence of Federal support, New York State and City must go further and allocate \$1.5 billion each to NYCHA for capital repairs.

Thank you for your time and consideration. I would be happy to answer any questions you may have.