



Testimony before Joint State and Assembly Housing

Good afternoon, my name is Saul Porter and I am the Housing Project Manager at Northfield LDC, and today I am speaking on behalf of the Coalition for Affordable Homes. I want to thank Senator Kavanagh and Assembly Member Weinstein, as well as for the Senate and Assembly leadership for holding this hearing.

About the Coalition for Affordable Homes

The Coalition for Affordable Homes works to uphold and strengthen homeownership among middle- and working-class families across New York City so our communities and its people continue to thrive. With members from 28 housing counseling and legal services organizations in the City, the Coalition is centered around the belief that safe and affordable housing is a fundamental right, and our multi-layered approach to homeownership advocacy is guided by community members and supported by a network of policy experts, legal service providers, and grassroots advocacy organizations.

Our core policy agenda includes preventing the displacement of low- and moderate-income (LMI) homeowners; enhancing and expanding opportunities for affordable homeownership; implementing Community Land Trusts (CLTs) in New York City; and increasing funding and protections for the creation and preservation of affordable homeownership.

We know that accessible and affordable homeownership is the bedrock to New York's diverse and robust communities. In these neighborhoods, working families have had the opportunity to invest in their futures by purchasing homes of their own. They have set down roots, raised children, and formed lifelong community bonds. Preserving these properties must be a top priority so families can continue to live safely in their homes and New York City can remain equitable.

NY Needs Robust, Racially Equitable Housing Investment

For these reasons, we want to thank Governor Kathy Hochul for the ambitious and unprecedented attention paid to affordable homeownership in the executive budget.

While we applaud the Governor's leadership, clarity regarding these investments is needed to determine the impact this budget will have on LMI homeowners specifically. We want to ensure



that this funding prioritizes programs and models that have been shown to maximize homeownership affordability, community advancement, and racial equity. We urge our elected leaders to take this vital opportunity for New York State to lead not only in the preservation of existing homeowners, but also in the expansion of access to truly affordable, sustainable, and racially equitable homeownership.

Keep Homeowners in their Homes

We are delighted that Homeowner Protection Program (HOPP) funding has been included in the executive budget for the first time since the program's creation. The Homeowner Protection Program, powered by the work of 90 organizations across the state, provides foreclosure prevention services to keep homeowners in their homes.

We ask the legislature to not only support the Governor's inclusion of \$20 million for HOPP in the executive budget, but to provide the network with an additional \$15 million. Two years after the start of the pandemic, mortgage delinquency rates remain high and dwarf even those seen during the height of the 2008 foreclosure crisis. Today, we estimate that the cost of the program should be \$35 million next year, and \$40 million for the two years after that. Thus, we are asking the legislature to accept the Governor's \$20 million proposal but to include an additional \$15 million to reach our estimated need of \$35 million for fiscal year 2023.

Advancing Homeownership & the Need for New Construction

We are thrilled that Governor Hochul's budget includes much-needed funding for production and preservation of affordable homeownership opportunities, and in particular for investments in permanently affordable homeownership models that maximize public benefit for public dollars.

CLT Acquisition & Development Funding - \$50m for FY 23

The Coalition for Affordable Homes has supported the development of community land trusts in New York City, and Coalition partners have led in the creation of permanently affordable homeownership options. The dramatic rise in home prices across New York State demonstrates the immediate need to provide low- and middle-income homeowners access to continuously affordable, safe, and community-controlled housing. Community land trusts across the state have done the hard work of developing the on-the-ground infrastructure to create successful community land trusts.



Now, we are asking that \$50 million be allocated for land acquisition and development in fiscal year 2023 to empower these organizations to expand their reach. This funding will provide organizations with the capacity to acquire land and development opportunities to expand the State's growing community land trust network.

Invest an additional \$24m into AHC for a total of \$50m

The Affordable Housing Corporation (AHC) offers New York's sole subsidy for the development of for-sale affordable homes. First, we want to thank the Governor and the legislature for passing and signing legislation increasing the per-unit subsidy from \$40,000 to \$75,000 in high-cost markets. The increase will make this effective program that much more impactful--but also needs a higher overall allocation amount. We recommend that an additional \$24 million in funding be allocated to AHC, bringing the total to \$50 million for FY23.

Accessory Dwelling Units

While the Coalition is thrilled at the \$85 million figure promised for the creation or rehabilitation of Accessory Dwelling Units throughout New York State, we implore Governor Hochul to ensure that the funding is applied to both existing tenants, as well as to new constructions. Furthermore, we have concerns about how the State's Multiple-Dwelling Law (MDL) could either inhibit homeowners from pursuing renovations (in fear of being in direct violation of the MDL), or altogether closes the door for the creation of new ADUs, which are a vital resource for affordable homes, particularly for vulnerable populations.

In order to maximize the potential of this legislation, the Coalition suggests broadening the legislation so that it is compatible with the realities of building in NYC and other localities. This includes exempting NYC residences from the MDL. Second, please bring back the human rights provision from S4547/A4854A, which includes ADUs as a form of housing accommodation.

Expanding Access to Sustainable Homeownership

In addition to the initiatives outlined above, NYS homeowners and aspiring homeowners also need help protecting their investments from predatory actors and harassers, who are well-positioned to exploit homeowners who have been impacted by COVID-19 and who disproportionately target communities of color.



Pass the Covid-19 Community Protection Act

Passing the Covid-19 Community Protection Act would be a welcome relief to homeowners living in historically disenfranchised communities who are seeing homes across their communities bought under market value and flipped for skyrocketing profits. The law would impose a tax on the transfer of certain residential properties which are sold within two years of the prior conveyance of such property, exempt certain purchases of residential properties from mortgage recording taxes; and impose a tax on the transfer of certain properties in the city of New York which are sold for one million dollars or more. The passage of this bill would disincentivize developers and real estate speculators from attempting to drive out low- and moderate-income families, which upends the foundation of communities and perpetuates displacement for profit.

Thank you for the opportunity to speak with you today. We look forward to working with the legislature to maximize the impact of this investment.