



January 31, 2022

Re: Joint Legislative Hearing on 2022 Executive Budget Proposal:
Topic - Housing

Dear Chair Cymbrowitz, Chair Kavanagh, and all members of the Joint Housing Committee:

LISC NYC commends Governor Hochul's [\\$25 billion housing plan](#) and commitment to increasing New York's affordable housing stock. Throughout our network of community partners, we continuously hear the need for more housing and deeper affordability in the neighborhoods we serve. Many of these areas are seeing rapid gentrification and rising housing costs. Increased investment in growing the affordable housing stock and preserving existing units is key in creating communities that serve everyone – especially low to moderate income New Yorkers.

EQUITY AND INCLUSION IN REAL ESTATE must remain a priority for the state in creating any new housing supply and should also include a focused effort in increasing the participation of MWBE firms as prime contractors. The [program](#)ⁱⁱ created between DASNY – LISC NYC – the Cayemitte Group is supported by a \$10 million commitment from LISC's Black Economic Development Fund (BEDF), which is providing critical lines of credit to support qualified Minority- and Women-owned Business Enterprises (MWBEs) and Service-Disabled Veteran Owned Businesses (SDVOB). By increasing their capital access, these firms are able to successfully bid on and execute DASNY construction contracts as prime contractors.

The replicable structure of this initiative has already begun to appear in conversations amongst state divisions as they look to increase MWBE participation in their procurement processes. As the state looks to continue to buildout its affordable housing portfolio, equity and inclusion must be considered not only in the end-user market, but throughout the development process.

We also echo the same sentiment of focused equity and inclusion metrics for the expansion in affordable homeownership, with [\\$20 million for the Homeowner Protection Program \(HOPP\)](#), [\\$26 million for the Affordable Housing Corporation \(AHC\)](#), and [\\$400 million in affordable homeowner capital](#).ⁱⁱⁱ Ownership and asset building have been the backbone of wealth accumulation for centuries, and Black and Brown individuals have been neglected the opportunity to acquire ownership. It is critical that real pathways are created that help Black and Brown New Yorkers become homeowners to jumpstart the process of building [generational wealth](#)^{iv}.

Again, we applaud the proposed budget for including increased investment in affordable housing production and homeownership. LISC NYC supports these efforts and wants to see racial and economic equity inclusion throughout the implementation and future investment into these programs.

Thank you for your time.

Sincerely,

Valerie White, Executive Director

CC: Lashay Young, Senior Policy and Communication Officer

ⁱ New York Housing Conference Budget Analysis <https://thenyh.org/budget-analysis/>

ii DASNY Capital Management Plan <https://www.dasny.org/DASNY%20Capital%20Management%20Plan>

iii New York State Executive Budget Briefing Book
<https://www.budget.ny.gov/pubs/archive/fy23/ex/book/briefingbook.pdf>

iv Op-ed | How We Close the Racial Wealth Gap <https://www.amny.com/lifestyle/health/coronavirus/op-ed-how-we-close-the-racial-wealth-gap/>