

Testimony Regarding Priorities for the New York State Executive Budget for Housing, Fiscal Year 2026-2027

February 25, 2026

The Association for Neighborhood and Housing Development (ANHD) thanks Committee Chairs Liz Krueger, Gary Pretlow, Brian Kavanagh, and Linda Rosenthal, and members of the Committees, for the opportunity to testify on housing-related proposals for the Fiscal Year 2026-2027 Executive Budget. My name is Emily Goldstein, and I am ANHD's Director of Organizing and Advocacy.

About the Association for Neighborhood and Housing Development

ANHD is one of New York City's lead policy, advocacy, and technical assistance and capacity-building organizations. We maintain a membership of 80+ neighborhood-based and citywide nonprofit organizations that have affordable housing and/or equitable economic development as a central component of their mission. We are an essential voice, bridging the power and impact of our member groups to build community power and ensure the right to affordable housing and thriving, equitable neighborhoods for all New Yorkers. We value justice, equity and opportunity, and we believe in the importance of movement building that centers marginalized communities in our work. Across 5 decades and 5 boroughs we have consistently focused on addressing New York's housing affordability crisis, displacement, and economic inequity to build community power.

ANHD's work directly supports the needs of our members who develop, manage, and organize to preserve affordable housing, and who fight to bring equity into low-wealth communities in New York City—especially communities of color. Our groups rely on us for technical assistance and capacity-building resources that allow them to maximize their resources, skills and impact. The support services, research, analysis, public education, and coalition building we do helps to identify patterns of local neighborhood experiences and uplift citywide priorities and needs. Our work translates into the capacity to win new programs, policies and systems that ensure the creation and preservation of deeply and permanently affordable housing, and economic justice.

Renewal of discretionary funding for the Displacement Alert Project

ANHD sincerely thanks the Senate and Assembly for your critical ongoing support of our Displacement Alert Project (DAP) the past seven years. DAP (portal.displacementalert.org) is a data tool that allows elected officials, staff, and community organizations to understand where tenants and small homeowners are at the greatest risk of displacement and intervene with strategies to stop displacement.

Thanks to your support, DAP has been able to adapt to remain useful in a changing housing landscape. Whether it is used to highlight eviction threats, alarming numbers of housing maintenance violations, or rapid building sales, DAP offers nuanced insight into the displacement risk in each New York City neighborhood and district.

Your support has allowed us to expand our impact. DAP has provided tailored individual and group assistance to community groups and elected officials. We have produced original analysis and reports with DAP's housing and displacement data to reveal changing housing needs and threats. Through these efforts, we gained over 450 new registered users in 2025, bringing the total to 1,842 users. Additionally, the spike in DAP engagement from 2023 to 2024 (when the total number of users doubled from 20,000 to 40,000) was sustained over the past year, with over 40,000 total users in 2025. Importantly, DAP users are using the site more consistently as well, rising from 76 active users per day in 2023 to nearly 150 in 2025.

ANHD respectfully requests a renewed \$250,000 budget allocation of operating support to expand and enhance DAP Portal and sustain ANHD's anti-displacement data and research. Renewed support will allow us to add new datasets and ensure that existing DAP data is as up to date and accurate as possible, redesign DAP Portal in response to user experiences, develop tutorials and training materials, increase the frequency of training, and continue to produce original analyses and research.

Specifically, renewed funding will allow us to:

- Ensure data is refreshed regularly, maintaining integrity and accuracy
- Explore and, as possible, secure new data sets related to affordable housing displacement, which will strengthen the utility of the tool and its equity impacts
- Leverage data collected to analyze and produce timely analyses, visualizations, and research products to support anti-displacement policy and advocacy, such as our Housing Risk Chart and AMI Cheat Sheet
- Increase the frequency and reach of hands-on training workshops and develop tutorials and training materials to ensure that State Senators and Assembly Members, government agencies, community-based organizations, advocates, legal services providers, and other stakeholders have the information needed to use this powerful affordable housing resource.
- Offer individual capacity building and technical assistance support to organizations and users as needed, related to their specific uses of the DAP portal.
- Continue to redesign and update the DAP Portal data tool based on user feedback and experience

Our response to Governor Hochul’s housing-related proposals in the FY27 Executive Budget

The Governor’s proposed FY27 Executive Budget has a few laudable initiatives: an additional \$250 million in capital funding for affordable housing development, expanded enforcement mechanisms for tenant harassment, and expanding SCRIE and DRIE to reach more households, among others. Notably, however, the Governor’s proposal falls short in addressing the preservation crisis in affordable housing and proactively addressing homelessness with increased funding for vouchers.

We urge the New York State legislature and the Governor to prioritize the following investments to immediately stabilize our existing affordable housing stock and help New Yorkers experiencing homelessness access permanent housing.

The Housing Access and Preservation Initiative (HAPI): Stabilizing NYC's Affordable Housing

The Preservation Crisis of Nonprofit Affordable Housing Providers in NYC

Community Development Corporations (CDCs) – nonprofit, mission-oriented developers that often charge rents below \$1,000 – are a cornerstone of New York City's affordable housing ecosystem. They provide homes for low-income residents, and in many cases extend services and programming to the broader communities in which they are rooted.

While government-subsidized housing – subject to city, state, and federal regulatory agreements – is spread across the city, a recent ANHD report found that it is concentrated in community districts already facing significant instability — communities that are predominantly people of color and already experiencing high rent burden and severe overcrowding. The Bronx is the epicenter, with Central Harlem and East Brooklyn also heavily affected.

But rising operational costs are placing immense strain on these organizations, threatening their long-term viability. Utilities and insurance costs have risen 20–35%, squeezing budgets already stretched thin by mortgage payments, payroll, and regulatory compliance. Pandemic-era tenant delinquencies have worsened the problem, leaving many CDCs unable to adequately maintain their properties or meet basic financial obligations. Without meaningful relief, some will be forced to sell properties or shut down entirely, stripping communities of affordable housing and the services they depend on. And the loss of CDC-owned housing chips away at the city's affordable stock in ways that are difficult – often impossible – to replace. We will not be able to build our way out of this crisis.

An Effective Solution: The Housing Trust Fund

A Housing Trust Fund is a dedicated pool of funds designed specifically for the preservation of affordable housing. Unlike general funding sources, HTFs can be established with dedicated revenue streams to ensure a stable and consistent flow of resources — something we are actively working to incorporate into HCR's current Housing Trust Fund. The fund offers tailored support for the unique challenges CDCs face and creates a framework for attracting public-private partnerships that bring additional capital and resources to the table.

Proposed Investment: \$250 Million for HAPI

ANHD and our CDC members are proposing a \$250 million investment into our newly designed HAPI Fund within HCR's Low-Income Housing Trust Fund. Two priorities would guide how those funds are directed.

- **Debt relief:** Forgivable loans structured at the portfolio level rather than the unit level, with CDCs able to apply for flexible relief that lets them prioritize their most financially distressed properties.
- **Operating subsidies:** Bridging the gap between what CDCs earn in rent and what it actually costs to run their buildings.

Mission-driven providers are doing everything possible to avoid evictions despite significant portfolio debt and negative cash flow, but they are running out of options. If New York State does not act now, affordable units will be lost and many of the state's lowest-income tenants will face displacement and homelessness.

We urge the Legislature to include \$250 million in the HAPI Fund for Fiscal Year 2027. This investment is what it will take to stabilize our affordable housing stock, maintain safe housing conditions, and keep our most vulnerable tenants housed.

Housing Access Voucher Program (HAVP)

ANHD strongly supports enacting and fully funding HAVP (S72/A1704) at \$250 million, which would put New York on a pathway to ending the homelessness crisis in our state. We thank the legislature for supporting HAVP last year, which led to a pilot program of \$50 million dollars a year over the next 4 years. However, we urge the state legislature to fund the program at the original ask of \$250 million.

Modeled on the federal Section 8 program, HAVP offers rental assistance to homeless New Yorkers as well as those at imminent risk of losing their housing, keeping them from entering the shelter system and straining it further. HAVP will be available to New Yorkers regardless of immigration status or criminal record, making it a source of housing opportunity to community members that have been perpetually excluded and therefore chronically homeless or housing insecure. Funding HAVP at \$250 million would help an estimated 20,000 households and 50,000 people avoid homelessness.¹

We need immediate solutions to address our housing and homelessness crises. Homelessness has skyrocketed in the last decade and HAVP is more necessary than ever.² This problem is not specific to New York City – various upstate counties have seen some of the most dramatic increases in homelessness rates over the past decade.³ Alarming, the majority of people experiencing homelessness in our state are families with children. During the 2023-24 school year, 148,000 children were homeless, 39,000 of them living outside of NYC.⁴

Vouchers make a monumental difference in housing stability. A 2023 mayoral report showed 16% of families with children who exited shelter without a subsidy returned within one year,

¹ Cost estimate by Community Service Society

² <https://www.cssny.org/publications/entry/new-yorkers-agree-expand-havp-survey>

³ https://smhttp-ssl-58547.nexcesscdn.net/nycss/images/uploads/pubs/011324_HAVP_Statewide_V5.pdf

⁴ [The New York State Technical and Educational Assistance Center for Homeless Students](#)

compared to less than 1% of families who exited with a subsidy.⁵ We continue to hemorrhage money on shelters and services that could be spent much more efficiently on housing vouchers, while stabilizing families who desperately need it. Long-term rent subsidies, like those offered by HAVP, are proven to reduce homelessness, increase housing stability, and promote beneficial outcomes for family well-being, including reductions in adult psychological distress, experiences of intimate partner violence, school mobility among children, food insecurity, and sleep and behavior problems in children.⁶

HAVP is a straightforward and sensible measure to immediately start helping New Yorkers in shelters access permanent housing, and prevent evictions that would further crowd our shelter system – as well as doing significant long term harm to the lives and futures of families throughout the state. An annual survey conducted by the Community Service Society in 2025 to thousands of people across the state found that over 90 percent of respondents supported expanding the initial pilot program.⁷ With widespread support across the political spectrum, from grassroots groups to real estate, we strongly urge the legislature to prioritize its passage this year, and to use all of the tools available to you in the budget negotiation process to ensure it is enacted and funded in the F27 budget. With the reality of Federal disinvestment and destructive policies threatening our communities, it is imperative now more than ever that our state takes action to address this crisis.

Protect Rent Stabilized Tenants

In 2019, the Housing Stability and Tenant Protection Act (HSTPA) transformed New York's housing landscape, and the lives of millions of rent-stabilized tenants. This legislation was the culmination of decades of organizing by tenants who faced widespread harassment in a variety of forms. This came from not just individual bad actors, but from perverse profit incentives baked directly into the structure of the old rent stabilization laws – baked in over the course of decades by a landlord lobby that had managed to steadily erode a previously robust system for ensuring affordability, stability, and basic rights for tenants.

Prior to the 2019 reforms, a combination of loopholes enabled landlords of rent stabilized apartments to raise rents and, ultimately, deregulate apartments. Vacancy bonuses allowed 20% rent hikes when a tenant left, and Individual Apartment Improvements (IAIs) provided for further rent increases based on the stated cost of apartment upgrades for which little to no documentation or proof was required, leading to rampant abuse. Landlords used these processes, among others, to bring unit rents high enough that they could be deregulated and removed from rent stabilization entirely. Together, these incentivized landlords to drive out existing tenants – especially longtime tenants whose rents were often lower – in order to increase profits. Over the 25 years that the loopholes were in place, more than 300,000 units were deregulated.⁸ Supercharged by a flush of private equity funds, landlords built entire business models predicated on displacing existing tenants – business models which are now failing.

While we disagreed with the modifications to IAI's made in 2024, we understand the reasons and perspective that led the legislature to agree to them, and we appreciated that they were limited in scope. However, we strongly encourage you to reject any further attempts to create

⁵ https://www.nyc.gov/assets/operations/downloads/pdf/pmmr2023/2023_pmmr.pdf

⁶ <https://www.huduser.gov/portal/sites/default/files/pdf/Family-Options-Study-Full-Report.pdf>

⁷ https://smhttp-ssl-58547.nexcesscdn.net/nycss/images/uploads/pubs/2025_Annual_Survey_HAVP_Fact_Sheet.pdf

⁸ <https://rentguidelinesboard.cityofnewyork.us/wp-content/uploads/2025/05/2025-Changes-Report.pdf>

loopholes in the HSTPA that will undermine its purpose — to ensure stability, affordability, and protected rights for millions of New Yorkers in the midst of a housing affordability crisis even more severe than when the law was passed in 2019.

Additional housing programs and policies supported by ANHD

Additional Preservation Tools

Beyond our proposed Housing Access Preservation Initiative discussed above, ANHD supports the following broader package of preservation tools and programs to ensure financial stability and long term affordability in our affordable and supportive housing stock:

Rising Operational Costs: Insurance and Utilities

We appreciate the Governor's efforts to address insurance costs in the Executive Budget — the reporting requirements, premium reduction incentives, and transparency measures are steps in the right direction. However, these provisions fall short of what's needed for multifamily affordable housing providers. Insurance premiums have more than doubled in recent years, compounded by discriminatory practices like redlining based on Section 8 concentrations — and the budget does not directly address these issues or allocate funding to bring costs down for mission-driven providers.

On the utility side, the state just approved a 9% electric and 6% gas rate increase for Con Edison — on top of costs that have already climbed significantly. CDCs are also contending with aggressive collection practices from Con Edison, including arbitrary deposits, ACH withdrawals without adequate notice, and shut-off notices posted directly in building lobbies. Together, these increases and practices are unsustainable for nonprofit providers already operating on razor-thin margins with no ability to pass costs on to tenants paying below-market rents.

We urge the Legislature to allocate funding toward insurance captives and other pooled risk models to lower premiums, and to address rising utility costs and predatory collection practices for mission-driven affordable housing providers — before these issues force owners to defer critical maintenance or close their doors entirely.

ESSHI

ANHD supports funding of \$82 million for the NYS Empire State Supportive Housing Initiative (ESSHI). ESSHI provides critical funding for supportive housing providers across the state.

Affordable Housing Stability Court Initiative

ANHD supports the funding for the Affordable Housing Stability Court Initiative for \$50 million. This would reduce housing instability and nonpayment in NYC.

Homeless Housing Assistance Program (HHAP)

ANHD supports funding for the Homeless Housing Assistance Program (HHAP). The program would provide capital to stabilize and preserve supportive housing

New York State Supportive Housing Program (NYSSHP)

ANHD supports funding for the New York State Supportive Housing Program (NYSSHP). NYSSHP is an important program to rescue first-generation supportive housing developments.

Reserve Replenishment Program

ANHD supports increasing the funding and expanding parameters for the Reserve Replenishment Program. The program is a tool to prevent the insolvency of distressed properties.

SCRIE/DRIE

ANHD supports the Governor's proposal to raise the income limits on SCRIE and DRIE. However, we recommend removing the sunset provision for this increase, and instead encourage the legislature to index the income cap with a yearly COLA to protect vulnerable tenants into the future. We also support proposals to provide language access services and conduct outreach to eligible individuals to increase participation in the program.

HOPP

We support the full funding proposed by Governor Hochul in her executive budget of the Homeowner Protection Program (HOPP), a vital measure supported by 80+ organizations across the state. Funded at \$40 million, HOPP partner organizations can continue to ensure that New York's homeowners have the support and protection they need to avoid losing their home due to deed theft, other predatory practices, or foreclosure.

Statewide RTC

ANHD supports enacting a Statewide Right to Counsel to ensure universal access to representation for tenants facing eviction in housing court and ensure they can access all possible options to remain housed. Without it, tenants are unnecessarily pushed out of their homes and into the shelter system. Only statewide action can ensure that the NYC right to counsel is properly enforceable in the courts, and extend protections to vulnerable tenants outside of the 5 boroughs.

TOPA

Throughout New York, tenants face horrific conditions in their buildings. The Tenant Opportunity to Purchase Act (TOPA) gives tenants in eligible buildings the right of first offer and the right of first refusal when a building is offered for sale, and to partner with mission-driven nonprofit affordable housing developers to change their conditions and create equity in their communities.

Thank you again for the opportunity to testify today. If you have any questions or for more information, please contact Emily Goldstein at Emily.g@anhd.org.
