

**New York State Division of Housing and Community Renewal (DHCR)
New York State Housing Finance Agency (HFA)
State of New York Mortgage Agency (SONYMA)**

**Annual Awards for Program Excellence
State Legislative Campaign
Historic Gains for Affordable Housing**

“Governor Paterson and the Legislature tripled the State’s housing budget.”

Through a collaborative effort DHCR, HFA and SONYMA streamlined operations, made greater use of technology and increased interagency coordination making our agencies and programs more efficient, cost-effective and customer-friendly.

This effort positioned our agencies to join forces and embark upon a successful campaign to increase funding in the 2008-09 budget for the construction and preservation of affordable housing. The State’s housing budget had remained flat and, when adjusted for inflation, had actually decreased over a decade. Stagnant funding, coupled with dramatic increases in land and construction costs, exacerbated an already critical shortage of affordable housing.

Under the leadership of Governor David A. Paterson, who has made affordable housing a high priority of his administration, we led a housing campaign that was built upon transparency, interagency collaboration, legislative engagement, stakeholder support and effective communication.

Transparency

We recognized that good government practice requires us to inform taxpayers, policy makers, political leaders, advocates and developers as to how efficiently and effectively the State manages its existing housing resources. Together we produced the "New York State Housing Report," which for the first time gave New Yorkers the entire picture of where the State’s housing money comes from, where it is spent and the value we get in return. By bringing together information from multiple agencies, we were able to ensure greater accountability and transparency, make certain our State’s dollars go further, as well as build a foundation on which to advocate for more resources.

In addition to capital funding for the construction or preservation of affordable housing, service dollars are critical to providing housing for special need populations or very low-income households. As a result, the Housing Report extended beyond the State’s traditional housing agencies and required collaboration with the NYS Office of Mental Health, Office of Temporary and Disability Assistance and the Division of Budget to help develop our story.

Building a Campaign

Governor Paterson has repeatedly emphasized that, “Affordable housing is critically important for the health and vibrancy of our State. It is an engine for economic development and job creation, helps strengthen families and communities and improves the quality of life for working families, senior citizens and people living with disabilities.” This message was embodied in the Governor’s proposed 2008-09 Executive Budget to the State Legislature, which proposed record funding for affordable housing and set the stage for an unprecedented housing campaign led by the State’s Housing Agencies.

Interagency Collaboration

It was important that all appropriate State agencies shared a commitment to increased funding for affordable housing and community development. This began with DHCR and HFA/SONYMA working together to realign the State's housing agencies to ensure they were working together cooperatively for greater efficiency. A strong indication of New York's success in cultivating a new spirit of collaboration and coordination, for the first time the Commissioner of DHCR and President of HFA/SONYA jointly testified before the New York State Legislative Fiscal Committees in support of the Governor's proposed Executive Budget. This was a direct reflection of how our agencies worked side-by-side, strategizing on ways to improve program efficiency and effectively address the housing needs of the State.

Legislative Engagement

Housing Leaders appeared before the Senate and Assembly Housing Committees to engage lawmakers on the Governor's proposed housing budget. We followed up by meeting with individual lawmakers particularly members of the Legislative Committees on Housing, Ways and Means, and Finance. In addition to advocating for adoption of the Governor's budget, our meetings focused on needs in the Member's district and we provided briefing materials that included maps to illustrate the State's record of success in investing in affordable housing. We seized every opportunity to deliver our message on the critical need for additional resources for affordable housing and community development.

Stakeholder Support

An important facet of our Housing Campaign was building public support for a dramatic increase in funding for affordable housing. New York is fortunate to have the most innovative, experienced and comprehensive affordable housing network in the country, including local governments, developers, housing advocates, lenders and investors, universities and think tanks, foundations, and community development organizations. We realized that by expanding our relationships and mobilizing efforts among State agencies, we had the potential to further advance our effort. We also focused our outreach to business, financial and other community leaders who have not traditionally been involved in advocating for affordable housing. The message was simple – affordable housing is a wise investment.

Effective Communication

A variety of communication techniques were employed during the campaign designed to focus attention on the critical shortage of affordable housing; build an awareness that the shortage has community-wide consequences; identify a dramatic increase in State funding as an appropriate response to this shortage; and, ensure that broad public support for an increase in funding was communicated directly to key legislators. To accomplish these tasks, background materials and talking points were prepared and circulated, sign-on letters and call-ins were organized, press releases, letters to the editor and legislative visits were coordinated.

Historic Gains for Affordable Housing

Governor Paterson and the State Legislature tripled the State's housing budget to include over \$300 million in funding for New York's housing programs. These resources will help build and preserve affordable housing all across the State and increase the effectiveness of important State programs that provide a wide variety of services. Funding for individual housing programs included:

- \$60 million for the **Housing Trust Fund Corporation** for the rehabilitation of existing vacant or underutilized housing and new construction.

- \$54 million for the **Mitchell-Lama Rehabilitation and Preservation** and **All Affordable** programs to provide flexible, low-cost financing to owners of State-financed Mitchell Lama developments who, in return, keep rents affordable and rehabilitate their properties, as well as to owners who build 100% affordable housing projects.
- \$45 million for the **NYS Affordable Housing Corporation** to create homeownership opportunities by offsetting construction and renovation costs.
- \$36.5 million for the **Homeless Housing Assistance Program** to provide capital grants and loans for housing and support services for the homeless.
- \$25 million to fund **Homeownership Counseling** for families facing the crisis of possible foreclosure.
- \$17 Million for the **Homes for Working Families** program to facilitate bond financing for the new construction or rehabilitation of family or senior rental projects.
- \$17.8 million for the **Public Housing Modernization** program for grants to housing authorities for capital improvements and repairs.
- \$15 million for a **Flood Relief Program** to assist homeowners in certain counties affected by repeat flooding.
- \$4 million for the **Access to Home** program for accessibility modifications to assist people with disabilities.
- \$4.4 million for the **HOPE/RESTORE** program to assist elderly residents make emergency home repairs.
- \$6 million for the **Rural Area Revitalization Program** to assist with the improvement of housing, commercial areas and public/community facilities in rural communities.
- \$5 million for the **Main Street Program** for mixed-use downtown revitalization.
- \$5 million for the **Infrastructure Development Demonstration Program** for infrastructure improvements in association with development of affordable housing.
- \$6 million for the **Homeownership and Economic Stabilization for Long Island Program (HELP)** to provide certain employees financial assistance to purchase and rehabilitate a home on Long Island.
- \$4 million for the **State Low Income Housing Tax Credit Program** to provide tax reductions that encourage the development of affordable housing.
- \$3.5 million for **Urban Initiatives** to assist communities with the improvement of housing, commercial areas and public/community facilities in urban neighborhoods.

Despite a severe economic downturn these new resources allowed the State to address a critical shortage of affordable housing. In 2008 DHCR awarded over \$200 million in resources, compared to \$103 million in the previous year, to build or improve more than 6,800 units of affordable housing, nearly twice the units built or improved in 2007. Awards to Local Program Administrators more than doubled from 92 in 2007 to 187 awards in 2008. This includes over \$15 million in funds awarded in a special funding round that also assisted projects with funding gaps due to the economic downturn.

New York State became a national leader in addressing the subprime foreclosure crisis by developing a program and awarding funds to not-for-profits just four months after enactment of the 2008-09 budget. Over \$21 million has been awarded in grants for training, homeownership counseling and legal services to 115 not-for-profit agencies in nearly every county within the State. Resources are assisting thousands of families facing foreclosure to keep their homes.

