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NYS Homes and Community Renewal
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Good morning, Chairman Farrell, Chairman DeFrancisco, Chairwoman Young, Chairman Lopez, members of the Senate Finance and Assembly Ways and Means Committees, and other distinguished members of the Legislature.

After 18 years sitting on that side of the table, I am honored and privileged to sit before you today to offer testimony on Governor Cuomo's Executive Budget and Reform Plan for 2012-2013.

As you know, New York State Homes and Community Renewal oversees a variety of programs that support economic development and create jobs in communities around the state, build better neighborhoods, and help keep quality housing affordable for low and moderate-income families.

In his Executive Budget, Governor Cuomo put forward a visionary reform plan to transform the way State government operates and to allow us to move forward and build a *new* New York that works for the People again.

The Governor's message has been clear: the *status quo* is no longer an option. We must spend less, we must be more efficient, and we must re-imagine the way State government works in order to bring jobs and prosperity back to New York.

Over the past several weeks, I have had the opportunity to discuss the Governor's budget and reform plan with audiences around the state. And, uniformly across the board, I've heard strong support for the Governor's message with community organizations, local leaders, and interested citizens both downstate and upstate.

Working together in 2011, the Executive and Legislative branches accomplished a lot – including closing a \$10 billion budget deficit. Under Governor Cuomo’s leadership, HCR worked with you to pass the strongest rent laws in 40 years and renew our commitment to protecting tenants.

In December, the Governor announced \$141 million in HCR funding that is expected to create more than 2,600 jobs. Between our Unified Funding round and the new Consolidated Funding Application, HCR processed more than 800 applications, 217 of which were for multi-family projects. We made awards to 69 Capital projects in 2011, and total development costs for these projects produced \$1.2 billion in economic activity.

We also have had great success with our Weatherization Assistance Program. By the end of this fiscal year, we expect to have weatherized more than 70,000 homes and, in so doing, employed nearly 1,400 New Yorkers with WAP funds.

And, finally, last year under the leadership of the Governor, HCR’s Office of Community Renewal utilized funding from the Community Development Block Grant (CDBG) and Main Street programs to assist farmers and Main Street businesses in communities devastated by Hurricane Irene and Tropical Storm Lee. We will continue to lead the effort to direct \$71 million in additional federal CDBG disaster funding that has become available to assist those communities still struggling to recover.

This year, the Governor is asking us to keep moving New York forward. HCR will take a fresh look at and re-evaluate our programs, and we’ll continue to focus on the future. Our State resources under the Governor’s Budget and Reform plan include capital funding, which was maintained at 2010-2011 levels of \$74 million.

These appropriations include \$25 million for the Affordable Housing Corporation, \$32.2 million for the Low Income Housing Trust Fund, \$6.4 million for the Public Housing Modernization Program, \$1 million for Access to Home, \$2.2 million for the New York Main Street Program, \$7 million for Homes for Working families, and \$400,000 for the RESTORE program.

To advance the public/private partnerships that are critical to preserving and improving affordable housing and reinvigorating communities, and to help meet demand for resources, the Governor has expanded one of the state's most effective tools for incentivizing affordable housing development: the State's Low Income Housing Tax Credit Program (or SLIHC). The Executive Budget doubles the SLIHC allocation for projects to \$8 million for the next fiscal year, and commits to an \$8 million allocation annually for the next four years, making a total of \$32 million available through state fiscal year 2016.

Funding for the Rural Rental Assistance Program was increased by \$4.8 million and will fully fund existing Federal 515 rental units currently under contract for 2012-13.

In keeping with our commitment to protect the rights of tenants in rent-regulated apartments, the Governor's Budget and Reform Plan dedicates \$4.8 million to the Tenant Protection Unit (or TPU), which as you know will proactively enforce landlord obligations to tenants and impose strict penalties for failure to comply with HCR orders and New York's rent laws.

In closing, let me say that these are extraordinary times in New York State. Under the Governor's leadership, HCR stands ready to move our resources quickly and efficiently, to work with our public and private partners in new and creative ways, and to maximize the effectiveness of our programs in order to provide safe affordable

housing, create jobs and transform our State into a truly *new* New York. Your support is crucial, and I look forward to continuing to work with you as we move forward.

Thank you for allowing me to testify before you today. I look forward to your questions.