Testimony before the Joint Legislative Budget Committee

2022 New York State Budget Housing Priorities and Funding

January 31, 2022

Good afternoon, Chairs Krueger, Weinstein, Kavanagh, and Cymbrowitz, and members of this joint legislative budget committee. On behalf of Habitat for Humanity’s 40 affiliates throughout the state of New York, thank you for the opportunity to participate in today’s hearing regarding this year’s New York State housing budget and to share the need for greater investment in homeownership opportunities for low-income New Yorkers.

My name is Mary Robinson, and I’m the CEO of Habitat for Humanity of New York State, an organization that supports the efforts of the state’s affiliates. Habitat for Humanity affiliates work in urban and rural areas, upstate and downstate, building and rehabilitating homes for low-income residents, ensuring homebuyers pay no more than 30% of their income for their homes. Homeownership is an oft-forgotten piece among solutions to the affordable housing problems our state faces, and we are thrilled that the proposed budget includes such significant investment in the equity-building opportunities homeownership provides.

Since 2012, we have built 593 homes, rehabilitated 292 homes, and repaired 496 homes. Habitat affiliates build homes, in part, using volunteer labor and public donations, but with rising costs, those funds are often not enough to meet the need. Each home represents long-term housing stability for a hard-working family. Our homeowners are teachers’ aids, home health care workers, administrative workers, janitors, bus drivers – the people who turn our cities’ lights on in the morning and lock up at the end of the night.

The primary state funding source that Habitat for Humanity affiliates in NY utilize is the Affordable Housing Corporation, with 25 of our affiliates, from Buffalo to Suffolk County, accessing this funding at some point. Since its establishment in 1985, AHC’s budget has only increased from $25 million per year to $26 million per year. Funding levels and unit allocation amounts have not kept up with increased construction and rehabilitation costs over the last 35 years.

Last month Governor Hochul signed a bill (A6277a/S1824b Bailey-Walker) that would increase AHC’s per unit allocation from $40,000 to $75,000 in high-cost areas and from $35,000 to $50,000 in other areas. We are thankful for all of your support in updating these funding levels to better reflect existing costs and needs, but without a corresponding increase in allocations to the program, this bill will produce fewer subsidized homes for New Yorkers in need. We are requesting an overall budget increase for the Affordable Housing Corporation from $26 million to $50 million, which will support critical affordable housing projects and aid us in our goal to expand affordable homeownership options for New Yorkers across the state.
While AHC, is the primary existing program we have used with regards to state funding, we are very supportive of adding additional programs for acquisition and construction to promote our work and affordable home ownership throughout the state. We would like to see funding devoted towards lead and asbestos abatement. Our aging housing stock has presented an opportunity for Habitat affiliates to rehabilitate vacant abandoned homes, putting them back onto the tax rolls. Unfortunately, the cost to remediate the lead and asbestos in these properties makes many of the projects impossible for us to take on, even if the property is donated. Funding to help with these costs would allow us to take on more rehabilitation projects, putting more New Yorkers into safe, stable, affordable homes, and aid in increasing property tax revenue for municipalities.

Finally, Habitat for Humanity supports efforts to keep homes affordable and promote sustainable, permanent affordable homeownership opportunities across the state. Thereby we support:

- Community Land Trust Tax Relief S6326A (Brouk)/ A7930 (Davila) that will provide fair and stable tax treatment for homes on CLTs.
- Affordable Homes Enabling Act S4547A (Harchham)/ A4854A (Epstein) to provide the right for homeowners to build accessory dwelling units in and on their properties.
- $400M in additional capital resources to fund the creation, rehabilitation, and repair of homes for ownership equitably distributed across the state.

Thank you again for the opportunity to testify today and for your consideration of Habitat for Humanity’s positions. Our network and I are available to all of you for follow-up questions and information on our work and priorities.