



NOTICE OF PUBLIC FORUM

SUBJECT: Creating and Implementing a True New York State Housing Trust Fund

PURPOSE: To investigate different methods and legislative proposals to create a true New York State housing trust for the creation and preservation of affordable housing.

Legislative Office Building, Hearing Room A
Wednesday, May 30, 2007
10 a.m. - 3 p.m.
Albany, NY 12247

Few problems facing our state are more critical than New York's severe shortage of safe, decent, and affordable homes. In recent decades, homeowners and renters in cities, towns, suburbs, and rural areas across New York have seen the state's affordable housing problems become a full-blown crisis. The median purchase price of a single-family home in New York increased by 131% during the last decade. According to the 2000 census, 40.5% of renters and 31.2% of homeowners statewide are burdened by extremely high housing costs. Many upstate municipalities are faced with dramatic declines in their population levels, often resulting in abandonment, decreased property values, and the destabilization of previously vibrant affordable communities. All across the state, seniors on fixed incomes are being squeezed out of their homes, and young adults are unable to afford to remain in the communities in which they grew up.

In addition to the tremendous human costs, New York's affordable housing crisis is jeopardizing the economic health and future of our state. The availability of safe, decent and affordable housing is a key factor in the ability of local economies to attract and retain businesses. Business leaders frequently cite the lack of quality affordable housing in many areas of New York as a serious impediment to the state's ability to grow and compete economically.

Throughout New York, local leaders have recognized the magnitude of the housing crisis and have begun to make substantial financial commitments to the development and preservation of affordable housing. In his budget address this year, Governor Spitzer declared that the State must become an equal partner with localities on housing issues once again, and announced the creation of a new \$50 million fund for housing production and conservation at the Housing Finance Agency.

It is now incumbent upon state government to develop a comprehensive state-wide plan to address the affordable housing crisis facing our state. We must ensure that we maximize the efficiency and benefits of current programs, and create new housing preservation and development programs. An essential part of this plan should be the creation of a true state housing trust fund—a fund to support the preservation and production of affordable housing that has dedicated ongoing sources of revenue and does not rely on the annual appropriation process. 38 states, along with more than 350 cities and counties, around the country have already established such funds.

Because the preservation of existing affordable housing is exponentially less expensive than the production of new affordable homes, preservation mechanisms must be a key part of any comprehensive strategy. This public forum will explore the role of a true state housing trust fund in affordable housing preservation, as well as new development.

Selected Questions to Which Witnesses May Direct Their Testimony

Do the state's housing and/or economic development authorities (such as the Housing Finance Agency, the State of New York Mortgage Agency, and the Empire State Development Corporation) have existing resources or assets that could be better utilized to provide financing for a true state housing trust fund?

What administrative or legislative changes could be made to existing revenue sources of the New York State budget to create a housing trust fund?

How could a housing trust fund be best designed to address the unique housing preservation and development needs of the different communities and regions of New York State? What are the different ways that a statewide trust fund be structured and administered?

How could a statewide trust fund augment or support local municipal trust funds? Have local housing agencies, or other local agencies around the state, developed refinancing models for these developments which the state should replicate or improve upon?

Are there successful housing trust funds and other financing mechanisms that have been implemented by other states or localities which could serve as models for New York?

What additional financing mechanisms or programs should the state create to best achieve the goal of maximizing the number of homes preserved?

What administrative and/or legislative changes should the state make to prevent the further loss of affordable homes in upstate and rural New York and ensure their long-term affordability for local residents?

Could a state housing trust be utilized to support local community land trusts or limited equity ownership models?

How can the state improve its existing partnerships, and develop new relationships, with the vast networks of experienced nonprofit and community based developers that are working on housing preservation and neighborhood development?

Persons wishing to present pertinent testimony at the above hearing should complete and return the enclosed reply form as soon as possible. It is important that the reply form be fully completed and returned so that persons may be notified in the event of emergency postponement or cancellation. Oral testimony will be limited to ten (10) minutes. In preparing the order of witnesses, we will attempt to accommodate individual requests to speak at particular times in view of special circumstances. These requirements should be made on the attached reply form or communicated to staff as early as possible.

In order to meet the needs of those who may have a disability, the Senate Democratic Conference, in accordance with its policy of non-discrimination on the basis of disability, has made its facilities and services available to all individuals with disabilities. For individuals with disabilities, accommodations will be provided, upon reasonable request, to afford such individuals access and admission to all state facilities and activities.

Liz Krueger
Member of Senate
Ranking Member
Senate Standing Committee on Housing, Construction & Community Development

PUBLIC FORUM REPLY FORM

Persons invited to present testimony at the public forum on Creating a true New York State Housing Trust Fund are requested to complete this reply form as soon as possible, and mail or fax it to:

Edline Jacquet
211 East 43rd Street, Suite 1300
New York, NY 10017
(212) 490-9535
(212) 490-2151 (fax)

_____ I plan to attend the following public forum to be conducted by State Senator Liz Krueger on Strengthening Affordable Housing Preservation programs on May 30, 2007.

_____ I plan to make a public statement at the forum. My statement will be limited to 10 minutes, and I will answer any questions that may arise. I will bring 10 copies of my prepared statement.

_____ I do not plan to attend the public forum.

_____ I would like to be added to the mailing list for all notices and reports.

_____ I would like to be removed from the mailing list.

_____ I will require assistance and/or handicapped accessibility information. (Please specify the type of assistance required)

PERSONAL INFORMATION

NAME: _____

TITLE: _____

ORGANIZATION: _____

ADDRESS: _____

TELEPHONE: _____

FAX: _____

E-MAIL: _____