

Testimony Addressed to the

**PUBLIC FORUM: CREATING AND IMPLEMENTING A TRUE NEW YORK  
STATE HOUSING TRUST FUND**

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The Board of Directors  
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**Senator Krueger,**

**Thank you for sponsoring this forum and giving me this opportunity to address you.**

**We've all heard the complaint that current trade practices of the United States and the forces of Globalization are creating a "race to the bottom" competition as the middle class of the United States is squeezed; losing job security, health coverage, housing and educational access in order to remain competitive. In New York State this "race to the bottom" has been the gradual erosion of the upstate urban areas as one by one they have sunk beneath the weight of massive obsolete infrastructure, shrinking populations and job losses on a scale with the Great**

**Depression. It seems that a Financial Control Board is in the future for all of us.**

**Nothing so demonstrates this as the state of upstate housing. From Schenectady west to Buffalo city after city, large and small find themselves with older, deteriorating housing stock desperately in need of rehabilitation or replacement. Tens of thousands of families wait for openings in public housing while living in less than adequate private units. Neighborhoods decay and a vast multitude shifts from one apartment to another to keep ahead of crime and out of the reach of landlords. Education fails as students are moved from one school to another destroying any successful socialization for young people who have more than enough chaos in their home lives.**

**It must have been unintentional yet it is nevertheless ironic that "Restore New York" which is making large sums of money available for Urban Redevelopment is used for demolition. Rochester has thousands of housing units that are suitable only for demolition. The costs are great in terms of not only dollars, but also vast amounts of previous investments and energy.**

**Rochester is in the depths of a housing crisis. City property values are decreasing, vacant lots are multiplying, and neighborhoods are rapidly deteriorating. Residents and community groups have joined forces to build partnerships for the revitalization of Rochester. Their plans include increasing the number of homeowners, helping current homeowners make repairs, and creating commercial and economic development packages for certain areas. Unfortunately, neither residents nor community groups can secure the financial resources to complete these projects.**

**The lack of resources for community development and affordable housing is the key to Rochester's housing crisis. Concentrated poverty within the city combined with the decline in government funding and chronic budget deficits make the task of redeveloping Rochester's older housing stock nearly impossible. These factors, in turn, have exacerbated the decline of private capital invested in Rochester. Officials and residents alike recognize that city government cannot come close to meeting housing needs within the city. Officials also recognize that the city**

**and the state must develop a plan to solve the problem.**

**Although the situation is bleak, there are ways to resuscitate the housing market and improve neighborhoods within the city. One solution to generate funds dedicated to housing redevelopment is through the creation of a housing trust fund.**

**We believe that a True New York State Housing Trust Fund is a major step in the right direction.**

**For one of the first times a broad range of upstate and downstate organizations are coming together to support this Fund. Housing organizations, faith-based groups and other non-profits are coming together in the Empire State Housing Alliance.**

**A statewide housing trust fund can meet the diverse needs of each community within New York.**

**A Trust Fund would be able to:**

**Build new homes and rental units;**

**Preserve existing viable structures;**

**Be available equally to rural, suburban and urban communities;**

**Create and sustain long-term affordability.**

**While helping to reinvigorate the neighborhoods of New York State this fund will be an important stimulus to the local economies. A statewide housing trust fund would help fuel economic growth everywhere, especially in regions like Upstate the have experienced such a long and sustained loss of jobs.**

**Long-term affordability translates into neighborhood stability and reliable tax revenue to sustain communities. Because it would have its own dedicated funding source a trust fund would provide a reliable source of housing development dollars for the communities of New York that would be independent of the annual pressures of the budgeting process.**

**Crucial to the success of a genuine statewide housing trust fund is an equitable distribution formula that assures that resources are directed to communities most in need.**

**In addition to these abbreviated remarks I also want to take this opportunity to deliver a Report on Neighborhood Housing Trust Funds prepared by Interfaith Action of Rochester and ask that it be included in my testimony.**

**And, finally, I want to report that last Thursday at a public action, Rochester's Mayor, Robert Duffy, pledged his support for a True New York State Housing Trust Fund, and to demonstrate that support he has sent the City's Commissioner of Community Development, Julio Vazquez, and the Director of Development Services, Mr. Bret Garwood to attend this Forum and report back to him on the comments made today.**