

The Governor has proposed state budget – the news is very good

Governor Cuomo has released his executive budget proposal. The administration's initial housing proposals are perhaps the most aggressive and comprehensive that most of us have seen in our careers. This executive budget proposal provides a great basis for a negotiated budget but as we all know the legislature too will weigh in with changes over the next several months.

Governor Cuomo's five year fiscal plans have repeatedly included funding for **rural and neighborhood preservation companies** using excess funds from the Mortgage Insurance Fund (MIF). This year the Governor has continued that commitment by proposing \$3,539,000 for RPCs and \$8,479,000 for NPCs which would fund all groups at around \$60,000.

In addition, the Governor would use \$20,259,000 of \$439,549,965 in JP Morgan/Chase settlement funds to support **rural and neighborhood preservation** program activities. There are no details as to how these funds will be awarded but if used over two years they represent a 50% increase in RPP/NPP funding.

Also receiving continued funding from the MIF, **the Rural Rental Assistance Program** would receive \$21,642,000 thereby protecting over 5000 very low income residents of section 515 housing from losing their homes.

Rural and Urban Communities Fund Program, created during the last legislative session and included in the Governor's five year plan is proposed to receive \$17 million from the MIF with approximately \$6.8 million of that amount going to projects in rural areas.

In the Capital Programs budget which is largely supported with the State's bonding authority, the Governor is proposing to fund the **NYS Housing Trust Fund** at \$40,200,000 as in last year's capital budget. In addition the Governor proposes adding \$7.5 million to HTF from settlement funds for a total HTF budget of \$47,700,000. In keeping with previous commitments, the Governor would invest \$42 million in **Mitchell Lama** rehab funding and would invest \$8.5 million in **Homes for Working Families** from the Mortgage Insurance Fund and another \$9 million from the bonded capital account for a total of \$17.5 million.

The Affordable Housing Corporation Program (AHC) is proposed to receive \$29 million in capital funds an increase of \$4 million over historic funding levels for the program. In addition, the Governor proposes using \$21,689,965 for a neighborhood revitalization purchase program that will be run by SONYMA.

ACCESS to HOME is proposed to receive \$1,000,000 from the general fund and as much as \$19,601,000 for in funding from the JP Morgan Chase Settlement.

RESTORE is proposed to receive \$1.4 million from the general fund with an additional \$5 million over two years coming from settlement funds. If the program receives another \$1.4 million next year we will see a total of \$7.8 million over two years.

The **New York Main Street Program** is proposed to receive \$4,200,000 from the general fund. Other community development funding includes a proposed \$50 million to fund Restore New York and \$15 million for the **NYS CDFI Fund**.

The Governor is proposing again this year to fund the **Homeless Housing and Assistance Program** at \$63,000,000 with \$5,000,000 of that amount set aside for HIV/AIDS housing. In addition to HHAP, the Governor would use \$27 million in settlement funds for rental assistance for **HIV/AIDS** households and another \$16.3 million for similar purposes, \$40 million would go to NYC Homeless programs.

Additional programming proposed from the JP Morgan Chase settlement includes \$116 million to fund a statewide, multiagency supportive housing program to provide housing and support services for vulnerable New Yorkers including but not limited to seniors, veterans, victims of domestic violence, formerly incarcerated individuals and homeless individuals with co-presenting health conditions. Also included is a construction program to finance low mod housing developments to 130% of area median which will receive \$50 million and a program to rehab existing Article II housing developments that will also be allocated \$50 million.

Altogether, JP Morgan Chase settlement funds, as proposed would support \$439,549,965 in affordable housing programming. This is an increase of over \$127 million from the unexpended appropriation of \$312,366,643 in the 2014-15 aid to localities appropriation.

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