



Homes and Community Renewal

**Testimony of James S. Rubin
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Joint Budget Hearing of the Legislative Fiscal Committees
on the Housing Budget for Fiscal Year 2016-17**

Good morning Chairpersons Young, Farrell, Wright, Little, and distinguished members of the Legislature.

It's a pleasure to testify before you on the housing portion of Governor Andrew M. Cuomo's Executive Budget proposal for State Fiscal Year 2016-17.

This budget continues the Governor's commitment to fiscal discipline and strategic investment. It is the latest example of his work to restore New York to its traditional place of leadership among the states. With your help, we've passed budgets on-time, lowered taxes and unemployment rates, and launched an extraordinary range of infrastructure projects in every corner of the state, as well as programs that tackle the greatest challenges we have.

The Governor's 2016-17 Executive Budget and the speech he delivered two weeks ago made clear his conviction that housing is a cornerstone of his agenda. With 30 years of leadership in the field—in the non-profit sector and serving as HUD Secretary—the Governor knows that housing is essential to a brighter future for New Yorkers, and that—like good roads

and bridges and a solid education—assuring people have quality homes they can afford makes life better, communities stronger, and opportunities greater for everyone.

As you may know, I've been Commissioner of HCR for seven months now. In that short time I've had the opportunity to travel the state, where I've seen incredible work being done to increase access to housing and build vibrant, livable communities.

With your help, we have built or preserved more than 40,000 affordable units since Governor Cuomo took office. In fact HCR set agency records for the last two years, financing almost 10,000 affordable units in 2015, and over 9,000 the year before. And we've made great progress on the Governor's \$1 billion House New York initiative, which is making long-overdue repairs and upgrades to Mitchell Lama housing, keeping this crucial stock of middle-income housing safe and affordable for another 40 years.

Accomplishments like these are about much more than bricks and mortar, of course. They're about providing safe, sustainable, quality homes that people can afford—they're about making a brighter future possible for families, individuals, the homeless, and people with special needs across the state. But despite our significant achievements, there is an ever-growing demand for housing that ordinary New Yorkers can afford to rent or buy. And for the most vulnerable among us, the search for a home often ends in a shelter or on the street.

That's why the Governor proposes an unprecedented \$20-billion investment in affordable housing and addressing homelessness.

\$10 Billion Affordable Housing Plan

First, under the comprehensive House NY 2020 plan, the Governor is committing \$10 billion to build or preserve over 100,000 housing units over five years. This includes 50,000

units of new construction and money to preserve 50,000 units already that already exist but are in desperate need of rehabilitation and must also stay at rents that people can afford. The majority of units will be targeted to low- and very low-income households. The plan leverages successful HCR programs to address the diverse housing needs across the state and to create new opportunities for low and moderate-income households.

Homelessness Action Plan

The Governor's budget also launches a \$10 billion dollar multi-agency, multi-pronged attack on the human crisis of homelessness that is evident across the state. Each night in New York, more than 75,000 people sleep in homeless shelters, and more than 4,000 homeless people sleep on the street. This is a crisis that affects families, individuals, and children of all ages. And no area of the state is immune.

The Governor proposes a historic commitment to expand the supply of affordable housing with critical support services by 20,000 units—including 6,000 in the next five years. This commitment is fully backed by \$2.6 billion reflected in the State Budget. In addition, the State will spend \$7.8 billion for other homeless housing and services.

Supportive housing is essential for helping the homeless and people with special needs live independent, productive lives as part of their communities. Governor Cuomo is committed to investing in quality supportive housing and over the past four years, HCR has actively worked with other agencies to increase the supply of supportive housing. Since the Governor introduced the Medicaid Redesign Team, for example, HCR has closed on 15 multi-family projects that include almost 800 supportive units using MRT dollars.

In closing, the Governor's 30-plus years of housing experience and commitment to meeting the needs of the state has positioned New York as national leader in the field of affordable housing. This Executive Budget builds on our accomplishments, propels us forward, and ensures our commitment to affordable housing results in real opportunities for New Yorkers.

I'd like to thank you for your partnership in our successes thus far. I look forward to working with you to take the next step on this journey. I am happy to answer your questions.

Thank you.