



EMPIRE STATE HOUSING ALLIANCE

Upstate-Downstate Planning Together

Empire State Housing Investment Fund Proposal

Goals:

- To expand the resources dedicated to addressing the affordable housing needs of low income New Yorkers;
- To establish a fund flexible enough to be responsive to, acknowledge and serve the diverse housing markets in the state;
- To encourage local investment in affordable housing and the development of local housing trust funds, particularly those that reflect regional or multi-municipal coordination and planning;
- To promote the creation and revitalization of vibrant, mixed-income, accessible communities.

Element	ESHA Proposal
Revenue Source	<p>Our goal is to create a \$250 million Empire State Housing Investment Fund, with dedicated financing from the following resources:</p> <ul style="list-style-type: none"> ▪ SONYMA excess reserves (est. \$100-125M) ▪ Real estate transfer tax revenue not already dedicated to the Environmental Protection Fund or to service the debt on the Clean Water/Clean Air funds. <p>Legislation establishing the ESHIF should also enable local governments to increase existing taxes or fees where the increase is dedicated to a local housing trust fund.</p>
Primary Administrator	<p>The decision about which agency ultimately administers the ESHIF should be guided by a determination of which entity has (1) experience with housing development markets across the state; (2) a strong connection to upstate locales as well as those downstate; (3) a strong monitoring and oversight infrastructure that is not overly burdensome for developers to negotiate; and (4) is subject to public oversight and accountability.</p>
Distribution of Funds	<p>Up to 60% of funds should be allocated to Local Housing Trust Funds on a competitive basis, with preference to multi-municipal LHTFs that are dedicated to fair share principles and the creation of mixed-income and accessible communities and LHTFs that receive dedicated local resources. A broad range of resources, including but not limited to public property, infrastructure, and public or private funding, should qualify as a local investment for the purposes of preferential status. To be eligible to receive funding, a LHTF must first submit and have approved by the administering agency an affordable housing plan that includes a needs assessment and a “fair share” affordable housing distribution plan, and establishes a local governance board. The administering agency may award limited funds to support technical assistance to LHTFs to promote their development.</p> <p>The remaining funds – at least 40% of ESHIF resources annually as well as any unspent LHTF funds – shall be distributed to eligible projects throughout the state on a competitive basis.</p> <p>Additional distribution requirements:</p> <ul style="list-style-type: none"> ▪ No more than 50% of total funds shall be allocated to any one municipality

	<p>annually;</p> <ul style="list-style-type: none"> ▪ No more than 30% of funds shall be awarded to for-profit developers annually; ▪ Funds shall be distributed equitably among four general geographic categories: <ul style="list-style-type: none"> • Long Island and Hudson Valley Counties • Rural Areas • Upstate Cities • New York City
Funding Process	<p>ESHIF resources allocated to LHETFs shall be awarded on a competitive basis annually.</p> <p>ESHIF project-based resources shall be awarded based on a competitive RFP process to occur no less than twice each year using a combined application that includes other NYS housing programs. The administering agency may also award limited resources on an emergency basis where necessary to preserve existing affordable housing.</p>
Income Targeting	<p>ESHIF funds may be used to support units affordable to households making no more than 80% of the AMI. First preference for funding shall go to projects serving households with incomes at or below 50% AMI.</p> <p>Funding received through the Local Housing Trust Fund program may be used to support up to 20% of the units affordable to households with incomes up to 120% of the AMI in a mixed-income project that is located in a low income census tract covered by a local redevelopment plan.</p>
Additional Preference Criteria	<p>Whether awarded directly through the project-based program or passed through the LHETF program, ESHIF funds should be prioritized to:</p> <ul style="list-style-type: none"> • Projects that serve households with the lowest incomes; • Projects serving mixed-income and/or mixed population communities • Projects that exceed the minimum accessibility requirements of Section 504 of the Rehab Act.
Eligible Activities	<p>Acquisition Site preparation, including demolition of vacant and blighted properties New Construction Preservation Rehabilitation Operating and Maintenance expenses, up to 5% of total ESHIF funds available annually to make units affordable to extremely low income households.</p> <p>All multi-family new construction projects shall meet universal adaptability standards. All new construction of single family homes shall meet universal visitability standards.</p>
Eligible Applicants	<p>Local housing trust funds established by counties, individual municipalities, multiple local governments through inter-local agreements, and consortia of community-based organizations.</p> <p>Project funding: Non-profit and for-profit developers, local housing authorities.</p>
Form of Funding	<p>Non-profit developers shall be eligible to receive grants or loans; for-profit developers shall be eligible to receive loans.</p>
Length of Affordability	<p>99 years, with equity sharing formulas for LHETF to be determined locally that preserve affordability for households at the original income targeting level and provide a reasonable return on investment for homeowners.</p>

<p>Oversight Mechanisms</p>	<p>There shall be established an ESHIF Advisory Commission, composed of eight (8) public officials and thirteen (13) representatives of various constituencies, as follows:</p> <ul style="list-style-type: none"> ▪ Head or designee of HFA ▪ Head or designee of DHCR ▪ Head or designee of OTDA ▪ An Assemblyperson ▪ A State Senator ▪ A Town Supervisor ▪ A County Executive ▪ A Mayor ▪ One for-profit developer ▪ One not-for-profit developer ▪ Two organizers, one from New York City and one from Upstate ▪ A housing authority representative ▪ A tenants' rights representative ▪ A representative of the supportive housing community ▪ A disability rights representative ▪ A representative of the homeless community ▪ A representative from the rural housing community ▪ A banking or financial services industry representative ▪ A representative of homeownership interests ▪ An academic or policy expert who focuses on affordable housing issues <p>Seats on the Advisory Commission should be allocated based on the following guidelines:</p> <ul style="list-style-type: none"> ▪ 4-7 members from New York City ▪ 3-6 members from Upstate Cities ▪ 3-6 members from Long Island/Hudson River Counties ▪ 2-3 members from rural counties <p>The Governor shall appoint five (5) of the thirteen (13) constituency representatives; the Speaker and Senate Majority Leader shall each appoint four (4) of the constituency representatives.</p> <p>The Advisory Commission shall:</p> <ul style="list-style-type: none"> ▪ Encourage collaboration between federal and state agencies, local governments, and the private and not-for-profit sectors in the planning, development, and operation of affordable housing and local housing trust funds; ▪ Develop, propose, review and comment on priorities, policies, and procedures relating to the ESHIF, including new and expanded revenue sources; ▪ Review funding awards for compliance with program priorities ▪ Monitor and evaluate the funding process and compliance with reporting requirements. ▪ Make recommendations to Legislature regarding programmatic changes and revenue enhancements
<p>Reporting Requirements</p>	<p>The administering agency shall issue an annual report detailing</p> <p>(1) The amount of money expended from the Fund during the fiscal year;</p>

	<p>(2) The number of loans and grants made during the fiscal year;</p> <p>(3) The number of low-income, very low-income, and extremely low-income households and individuals assisted through Fund expenditures;</p> <p>(4) A list of each project on which funds from the Fund were expended, including, for each project:</p> <p>(A) A brief description of the project, including the name of the project sponsor;</p> <p>(B) The amount of money expended on the project;</p> <p>(C) Whether the money expended was in the form of a loan or a grant;</p> <p>(D) The general terms of the loan or grant;</p> <p>(E) Total development costs, including the amount leveraged by ESHIF funding.</p> <p>(5) The amount and percentage of funds expended on homeownership projects;</p> <p>(6) The amount and percentage of funds expended on rental housing projects;</p> <p>(7) The amount and percentage of funds expended on rental housing or homeownership opportunities for households with incomes at or below 30% of the area median income;</p> <p>(8) The amount and percentage of funds expended on rental housing or homeownership opportunities for households with incomes at or below 50% of the area median income;</p> <p>(9) The amount and percentage of funds expended on rental housing or homeownership opportunities for households with incomes at or below 80% of the area median income;</p> <p>(10) The amount and percentage of funds expended on accessible and adaptable units, and the number of such units produced.</p> <p>(11) The number of housing units assisted, including the number of rental housing units assisted and the number of homeownership units assisted; and</p> <p>(12) The amount expended on administrative costs during the fiscal year.</p> <p>The agency shall also evaluate, on a periodic basis, the economic impact of the ESHIF on the state and local economies.</p>
Administrative Costs	Administrative costs shall be covered by dedicated revenue, but capped at 10%.

Endorsed By (Working list):

Affordable Housing Partnership of the Capital Region

ARISE (Albany)

ARISE Centers for Independent Living (Syracuse)

Better Neighborhoods, Inc of Schnectady

Capital District Community Loan Fund

Cayuga County Habitat for Humanity

Center for Independence of the Disabled

Community Realty

Empire Housing and Development Corporation (Syracuse)

Group 14621 (Rochester)

Habitat for Humanity of New York City

Habitat for Humanity of New York State

Habitat for Humanity of Seneca County

Habitat for Humanity of Wayne County

Habitat for Humanity of Wyoming Cty NY, Inc.

Interfaith Action (Rochester)

Jubilee Homes of Syracuse

Neighborhood Preservation Coalition of NYS

Northwest Bronx Community and Clergy Coalition

Pratt Center for Community Development

PUSH Buffalo (People United for Sustainable Housing)

Resource Center for Accessible Living (Kingston)

Rob Davies, Housing Consultant for people with disabilities

Schenectady Inner City Ministry

Southeast Steuben County Habitat for Humanity

Syracuse Habitat for Humanity

Tompkins-Cortland Habitat for Humanity

Westchester Disabled on the Move

Westchester Putnam Working Families Party