

Advocates fume as state housing plan delayed until 2017

Affordable housing groups blast Gov. Andrew Cuomo for allocating money in budget without outlining how the state will spend it

By Joe Anuta – Crain's NY, August 12, 2016

A group calling for more apartments for the homeless criticized Gov. Andrew Cuomo Friday for delaying the state's plans for \$2 billion in affordable housing money, which was earmarked this spring as part of the state budget.

In April, the governor signed a budget that included a \$2 billion pot of money for affordable housing, with no specific plans on what the cash would be used for. Instead, the budget indicated that a written agreement, called a memorandum of understanding, or MOU, would be drawn up between Cuomo and the state Assembly and Senate—a practice derided by good-government groups. On Thursday, Cuomo said that the pact would likely be hammered out next year.

"We are disappointed to hear that Governor Cuomo is not committed to signing the MOU eight months after he promised to create 20,000 units of supportive housing for homeless New Yorkers," said the Campaign 4 NY/NY Housing, a group made up of housing advocates and builders, in a statement. "Without a long-term commitment to fund supportive housing, his promise means nothing."

The governor indicated that the state Assembly and Senate could not come to an agreement on how to divvy up the money, so in June the state decided to release \$150 million to build 1,200 units of supportive housing, which often offers a variety of programs to tenants along with discounted rent, this year. The governor said that Albany plans to deal with the remaining funds, about 90% of the total allocation, in 2017.

"The funding for this year is in place," Cuomo said Thursday, indicating that the rest of the funds were for out-years. "The funding for next year we wouldn't spend until next year anyway."

Weeks after the budget was signed, Cuomo's affordable housing czar, James Rubin, told housing advocates that the plan would be rolled out within weeks or months. When no such agreement transpired, numerous organizations began demanding the state take action, while the Campaign 4 NY/NY went as far as picketing outside of the governor's office.

The problem, they argue, is that affordable housing builders won't start projects until there is some certainty about the state's plan and when the money will be released.

"Everybody is sitting on their hands," said Shelly Nortz, the deputy executive director for policy for the Coalition for the Homeless, a member organization of the Campaign 4 NY/NY Housing.

Nortz said that in 2014, the state promised to dole out housing funds via an MOU that was never signed.

"We've been around this corner before," she said. "Developers are not going to scoop up three [development] properties and wait for the governor to come up with the money in three years."