

DIVISION OF HOUSING AND COMMUNITY RENEWAL

MISSION

The Division of Housing and Community Renewal is responsible for the supervision, maintenance and development of affordable low- and moderate-income housing in New York State. The Division currently performs a number of activities in fulfillment of this mission, including:

- Oversight and regulation of the State's public and publicly assisted rental housing;
- Administration of the State's rent regulations; and
- Administration of housing development and community preservation programs, including State and Federal grants and loans to housing developers to finance construction or renovation of affordable housing.

ORGANIZATION AND STAFFING

Headed by a Commissioner, the Division of Housing and Community Renewal maintains three main offices and nine regional offices. Main offices in Albany and Manhattan are responsible for agency-wide administrative functions and the development and execution of the Division of Housing and Community Renewal's policies for its Community Development and Housing programs. The Division of Housing and Community Renewal's Rent Administration program is administered through the main office in Queens and local offices in rent regulated communities.

FISCAL BACKGROUND AND BUDGET HIGHLIGHTS

The Division of Housing and Community Renewal's fee revenues come from the following sources: 1) mortgage servicing fees; 2) application and monitoring fees collected from developers of housing projects that are partially financed by Federal low-income tax credits; 3) payments by New York City to finance a portion of the Division's rent regulation activities; and 4) fees collected from the U.S. Department of Housing and Urban Development in connection with State administration of the Federal Section 8 rental subsidy program.

The Division of Housing and Community Renewal is the lead State agency for the development, construction and oversight of State-assisted housing. The majority of the State's housing construction and rehabilitation programs are supported by appropriations administered by three public benefit corporations: the Housing Finance Agency; the Affordable Housing Corporation; and the Housing Trust Fund Corporation. The Division of Housing and Community Renewal provides administrative support to the Affordable Housing Corporation and the Housing Trust Fund Corporation.

Executive Budget recommendations for the Division of Housing and Community Renewal total over \$237 million. The 2000-01 Budget will:

- Provide nearly \$8 million to administer the development of low-income housing and \$13.9 million to supervise the operation of publicly assisted housing, including the State-financed Mitchell-Lama portfolio;
- Continue the Division's administration of the federally funded Weatherization Assistance Program, providing grants to local not-for-profit groups and governments to assist low-income households in reducing their energy consumption and lowering their fuel bills; and

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- Assess New York City a total of \$29.5 million to offset the Division's costs for performing the City's rent administration activities.

PROGRAM HIGHLIGHTS

COMMUNITY DEVELOPMENT

Community Development staff provide staff support to the Housing Trust Fund Corporation and the Affordable Housing Corporation, which are public benefit corporations that provide State-funded loans and grants to for-profit and not-for-profit entities to develop housing for low-income families, tenants with special needs and the low-income elderly.

Community Development staff also administer the allocation of Federal low-income housing tax credits across the State. These tax credits promote the production of low-income rental housing projects by reducing the Federal tax liability of investors who finance the acquisition and construction of these projects.

HOUSING OVERSIGHT

The Housing Program oversees the management of State-assisted housing projects. On a project-by-project basis, Housing Program staff periodically review the financial and physical condition of:

- 245 housing developments constructed between 1957 and 1974 under the State's Mitchell-Lama housing laws and financed with State-guaranteed debt. These projects provide more than 100,000 dwelling units to low- and moderate-income families;
- 74 public housing projects constructed between 1941 and 1973 and financed with State General Obligation bonds that provide over 20,000 apartments for low-income families; and
- Approximately 900 low-income apartment projects partially financed by State or Federal capital funds.

In addition to its regulatory functions, the Housing Program directly administers approximately 3,500 Federal Section 8 program vouchers, that provide rental assistance to low-income tenants in New York State.

HOUSING CAPITAL PROGRAMS

There are two primary low- and moderate-income housing construction programs supported by State appropriations: the Housing Trust Fund Program and the Affordable Housing Corporation Program. This Budget includes a \$25 million appropriation and \$108 million in reappropriations for the Housing Trust Fund Program, which provides grants to finance construction or rehabilitation of low-income apartment buildings. The Affordable Housing Corporation will receive \$25 million in new funds and \$58.6 million in reappropriations to stimulate local economic growth and stabilize distressed communities across the State by providing grants of up to \$25,000 to first-time low- and moderate-income home buyers. At these funding levels, the two programs will be able to construct approximately 1,700 new housing units in the upcoming State fiscal year.

To support municipal housing authorities, this Budget also recommends that \$12.8 million in new funding and \$70.7 million in reappropriations be provided to continue repairs and renovations to the State's existing public housing stock. Finally, this Budget recommends the reauthorization of on-going funding from prior years for a number of programs, including: the Permanent Housing for Homeless Families Program, the Housing Project Repair Program and the Federal National Affordable Housing Act Program.

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ALL FUNDS APPROPRIATIONS

Category	Available 1999-00	Appropriations Recommended 2000-01	Change	Reappropriations Recommended 2000-01
State Operations	\$61,005,000	\$75,743,000	+ \$14,738,000	\$7,336,000
Aid To Localities	99,243,858	95,154,000	-4,089,858	139,512,000
Capital Projects	80,700,000	66,200,000	-14,500,000	349,144,000
Total	\$240,948,858	\$237,097,000	-\$3,851,858	\$495,992,000

ALL FUND TYPES LEVELS OF EMPLOYMENT BY PROGRAM ANNUAL SALARIED POSITIONS

Program	2000-01 Recommended Average Fill Level				Change
	Available 1999-00	Personal Service (Regular)	Maintenance Undistributed	Total Recommended 2000-01	
Administration					
General Fund	79	79	....	79	....
Community Development					
General Fund	51	51	....	51	....
Special Revenue Funds - Federal	24	24	....	24	....
Special Revenue Funds - Other	7	7	....	7	....
Housing					
General Fund	54	54	....	54	....
Special Revenue Funds - Federal	40	40	....	40	....
Special Revenue Funds - Other	65	65	....	65	....
Housing Information Systems					
General Fund	68	68	....	68	....
Lead-Based Paint Abatement Program					
Special Revenue Funds - Federal	2	2	....	2	....
New Facilities					
Capital Projects Funds - Federal	41	41	....	41	....
Rent Administration					
General Fund	570	70	....	70	-500
Special Revenue Funds - Other .....	....	500	....	500	+ 500
Subtotal, Direct Funded Programs	1,001	1,001	....	1,001	....
Suballocations:					
General Fund	13			13	....
Special Revenue Funds - Federal	24			24	....
Capital Projects Funds - Other	14			14	....
Total	1,052			1,052	....

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS

Fund Type	Available 1999-00	Recommended 2000-01	Change
General Fund	\$38,593,000	\$28,339,000	-\$10,254,000
Special Revenue Funds - Federal	5,743,000	7,300,000	+ 1,557,000
Special Revenue Funds - Other	16,669,000	40,104,000	+ 23,435,000
Total	\$61,005,000	\$75,743,000	+ \$14,738,000

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STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS

Program	Available 1999-00	Recommended 2000-01	Change
Administration			
General Fund	\$10,385,000	\$10,644,000	+ \$259,000
Community Development			
General Fund	3,696,000	3,770,000	+ 74,000
Special Revenue Funds - Federal	2,809,000	2,809,000	. . . . .
Special Revenue Funds - Other	426,000	1,426,000	+ 1,000,000
Housing			
General Fund	3,370,000	3,383,000	+ 13,000
Special Revenue Funds - Federal	2,934,000	4,491,000	+ 1,557,000
Special Revenue Funds - Other	5,593,000	6,078,000	+ 485,000
Housing Information Systems			
General Fund	5,536,000	6,142,000	+ 606,000
Rent Administration			
General Fund	15,606,000	4,400,000	-11,206,000
Special Revenue Funds - Other	10,650,000	32,600,000	+ 21,950,000
Total	\$61,005,000	\$75,743,000	+ \$14,738,000

STATE OPERATIONS — GENERAL AND OFFSET FUNDS SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2000-01 RECOMMENDED

Program	Total Personal Service		Personal Service Regular (Annual Salaried)		Temporary Service (Nonannual Salaried)	
	Amount	Change	Amount	Change	Amount	Change
Administration	\$3,865,000	+ \$65,000	\$3,865,000	+ \$107,000	. . . . .	-\$13,000
Community Development	3,572,000	+ 72,000	3,546,000	+ 73,000	\$20,000	. . . . .
Housing	3,236,000	+ 10,000	3,229,000	+ 10,000	. . . . .	. . . . .
Housing Information Systems	3,546,000	+ 46,000	3,529,000	+ 46,000	. . . . .	. . . . .
Rent Administration	4,600,000	-19,410,000	4,600,000	-19,276,000	. . . . .	-120,000
Total	\$18,819,000	-\$19,217,000	\$18,769,000	-\$19,040,000	\$20,000	-\$133,000

Program	Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change
Administration . . . . .	. . . . .	-\$29,000
Community Development	\$6,000	-1,000
Housing	7,000	. . . . .
Housing Information Systems	17,000
Rent Administration	-14,000
Total	\$30,000	-\$44,000

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STATE OPERATIONS — GENERAL AND OFFSET FUNDS SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2000-01 RECOMMENDED

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	\$6,779,000	+ \$194,000	\$206,000	+ \$6,000
Community Development	198,000	+ 2,000	30,000	+ 1,000
Housing	147,000	+ 3,000	8,100	+ 100
Housing Information Systems	2,596,000	+ 560,000	164,000	+ 5,000
Rent Administration	400,000	-1,846,000	. . . .	-273,000
Total	\$10,120,000	-\$1,087,000	\$408,100	-\$260,900

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	\$110,000	. . . .	\$6,453,000	+ \$188,000
Community Development	135,000	. . . .	33,000	+ 1,000
Housing	41,000	. . . .	97,900	+ 2,900
Housing Information Systems	26,000	. . . .	2,385,000	+ 555,000
Rent Administration . . . . .	. . . .	-\$52,000	. . . .	-1,880,000
Total	\$312,000	-\$52,000	\$8,968,900	-\$1,133,100

Program	Equipment		General State Charges	
	Amount	Change	Amount	Change
Administration	\$10,000	. . . .	. . . .	. . . .
Community Development . . . . .	. . . .	. . . .	. . . .	. . . .
Housing . . . . .	. . . .	. . . .	. . . .	. . . .
Housing Information Systems	21,000	. . . .	. . . .	. . . .
Rent Administration . . . . .	. . . .	-\$41,000	\$400,000	+ \$400,000
Total	\$31,000	-\$41,000	\$400,000	+ \$400,000

STATE OPERATIONS — OTHER THAN GENERAL AND OFFSET FUNDS SUMMARY OF APPROPRIATIONS AND CHANGES 2000-01 RECOMMENDED

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Community Development	\$4,235,000	+ \$1,000,000	\$2,150,000	. . . .
Housing	10,569,000	+ 2,042,000	6,212,000	+ \$360,000
Rent Administration	32,000,000	+ 32,000,000	22,000,000	+ 22,000,000
Total	\$46,804,000	+ \$35,042,000	\$30,362,000	+ \$22,360,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Community Development	\$1,085,000	. . . .	\$1,000,000	+ \$1,000,000
Housing	2,857,000	+ \$182,000	1,500,000	+ 1,500,000
Rent Administration	10,000,000	+ 10,000,000
Total	\$13,942,000	+ \$10,182,000	\$2,500,000	+ \$2,500,000

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AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS

Fund Type	Available 1999-00	Recommended 2000-01	Change
General Fund	\$65,718,858	\$61,629,000	-\$4,089,858
Special Revenue Funds - Federal	23,525,000	23,525,000	. . . .
Fiduciary Funds	10,000,000	10,000,000	. . . .
Total	<u>\$99,243,858</u>	<u>\$95,154,000</u>	<u>-\$4,089,858</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS

Program	Available 1999-00	Recommended 2000-01	Change
Community Development			
Special Revenue Funds - Federal	\$10,425,000	\$10,425,000	. . . .
Housing Development Fund Program			
Fiduciary Funds	10,000,000	10,000,000	. . . .
HUD Section 8 New Construction			
Special Revenue Funds - Federal	13,100,000	13,100,000	. . . .
Neighborhood Preservation			
General Fund	12,377,280	11,750,000	-\$627,280
Periodic Subsidies - Local Areas			
General Fund	24,486,000	23,286,000	-1,200,000
Public Housing Drug Elimination Program			
General Fund	500,000	. . . .	-500,000
Rural Homeownership Assistance Program			
General Fund	340,910	. . . .	-340,910
Rural Preservation			
General Fund	5,200,910	4,860,000	-340,910
Rural Rental Assistance			
General Fund	18,156,000	20,300,000	+ 2,144,000
Urban Homeownership Assistance Program			
General Fund	440,910	. . . .	-440,910
Urban Renewal Periodic Subsidies			
General Fund	1,433,000	1,433,000	. . . .
Community Projects			
General Fund	2,783,848	-2,783,848
Total	<u>\$99,243,858</u>	<u>\$95,154,000</u>	<u>-\$4,089,858</u>

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CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS

Comprehensive Construction Program	Available 1999-00	Recommended 2000-01	Change	Reappropriations 2000-01
Affordable Housing Corporation				
Housing Program Fund	\$28,500,000	\$25,000,000	-\$3,500,000	\$58,600,000
Housing Assistance Fund				
Housing Assistance Fund . . . . .	. . . . .	. . . . .	. . . . .	17,933,000
Low Income Housing Trust Fund				
Housing Program Fund	29,000,000	25,000,000	-4,000,000	108,325,000
Maintenance and Improvements of Existing Facilities				
Housing Program Fund	4,500,000	. . . . .	-4,500,000	15,892,000
Housing Opportunity Program For Elderly				
Housing Program Fund	1,400,000	400,000	-1,000,000	1,800,000
Housing Program Capital Improvement				
Capital Projects Fund . . . . .	. . . . .	. . . . .	. . . . .	19,720,000
State Housing Bond Fund				
State Housing Bond Fund . . . . .	. . . . .	. . . . .	. . . . .	7,344,000
New Facilities				
Capital Projects Fund . . . . .	. . . . .	. . . . .	. . . . .	3,400,000
Federal Capital Projects Fund . . . . .	. . . . .	. . . . .	. . . . .	42,430,000
Public Housing Modernization Program				
Housing Program Fund	14,300,000	12,800,000	-1,500,000	70,700,000
Homes for Working Families Program				
Housing Program Fund	3,000,000	3,000,000	. . . . .	3,000,000
Total	<u>\$80,700,000</u>	<u>\$66,200,000</u>	<u>-\$14,500,000</u>	<u>\$349,144,000</u>

