

New York State Division of Housing & Community Renewal

Governor Paterson Announces \$253 Million In Affordable Housing Grants

New York is First State to Utilize Economic Recovery Funds to Jump Start Affordable Housing Projects

Projects Will Provide Nearly 8,000 Units of Affordable Housing across New York

Governor David A. Paterson today announced \$253 million in affordable housing grants coming to New York through the American Recovery and Reinvestment Act (ARRA). Governor Paterson was the first Governor in the nation to suggest that funding for such housing projects be included in the economic recovery package signed into law earlier this year. These New York projects are the first housing projects in the U.S. to be awarded funding through the ARRA, and will allow for the preservation of existing affordable housing as well as the construction of new units.

The first nine projects that will receive financing include the rehabilitation of an 80-unit complex in Albany, a 388-unit Mitchell Lama complex in Syracuse, 20 three-bedroom homes in Rochester, and a YWCA Residence for Women in Westchester County. The ARRA included \$2.25 billion for the Tax Credit Assistance Program (TCAP), which will help State housing agencies kick-start the production of stalled projects that rely on low-income housing tax credits. New York's share will be \$253 million and will be administered by the State Division of Housing and Community Renewal (DHCR). These first projects will create or rehabilitate nearly 1,400 units of affordable housing.

Governor Paterson made the announcement in Harlem, at the future site of Erbograph Apartments, which will be an 8-story building providing 64 affordable units for very low-income elderly and frail elderly households. He was joined by Congressman Charles B. Rangel, a leader in the fight for federal housing assistance.

"Thanks to the leadership, teamwork and tireless efforts of the entire New York delegation, we are able to quickly move stimulus funds into our communities and take full advantage of the construction season," said Governor Paterson. "Never has the need for affordable housing been as great as it is today. As we move forward, we will be financing additional affordable housing developments, revitalizing communities, creating much-needed jobs and stimulating local economies throughout Upstate New York."

Senator Kirsten Gillibrand said: "I welcome Governor Paterson's announcement today that stimulus funds we passed in Congress are quickly making their way to preserving and increasing the stock of critically needed affordable housing developments across New York State. Along with Senator Schumer and the rest of the New York Congressional Delegation, I will continue to fight in Congress to increase the government's investments in public housing so that the thousands of New Yorkers who depend on these units are not left out in the cold."

Congressman Charles B. Rangel said: "I commend Governor Paterson for his leadership in designating

these funds in support of affordable housing. He has recognized the critical need to act to protect thousands of tenants from being displaced by the economics that have reduced private investment in affordable housing. Working with our allies in the White House and on Capitol Hill, this Governor has responded to the urgent need to have government step in with public investment to maintain the stability of our communities and create new opportunities for affordable housing. I also want to commend and congratulate Lucille McEwen and Harlem Congregations for Community Improvement on receiving this grant award and for providing affordable housing not just for our seniors, but for all working, and poor families residing in my Congressional District."

The projects include the acquisition and rehabilitation of three Mitchell-Lama apartment buildings by HFA and six "shovel ready" projects identified by DHCR.

Two of the DHCR projects received Low Income Housing Tax Credits (LIHC) from the agency in June of last year. Although the tax credits have traditionally been the most effective and reliable source of equity for the developers of affordable housing, the financial downturn has had a devastating effect on their value, creating funding gaps that stalled the projects.

The ARRA included \$2.25 billion for the Tax Credit Assistance Program (TCAP) which will help State housing agencies to kick-start the production of the stalled projects that rely on low-income housing tax credits. New York's share will be \$253 million and will be administered by DHCR.

The projects announced today by region include:

Capital District

- **Van Rensselaer Village in Watervliet, Albany County:** This project was taken from the DHCR waitlist and will rehabilitate and improve 80 affordable units for low-income and very low-income persons; awarded \$1.3 million in new LIHC allocation and \$2.4 million in TCAP funds.
- **Clifton Park Senior Apartments in Saratoga County:** This project was also taken from the DHCR waitlist. It involves new construction of one 70-unit, three-story rental building with elevators for low and very low-income elderly and frail elderly. Project will receive \$956,000 in new LIHC allocation and \$2.4 million in TCAP funds.

Central New York and Finger Lakes

- **Mildred Johnson Estates II in City of Rochester:** Another project from the DHCR waitlist, this is the new construction of 20 three-bedroom homes for low and very low-income families. Project will receive \$440,000 in new LIHC allocation and \$1.3 million in TCAP funds.
- **El Camino Estates in Rochester:** This project, also taken from the DHCR waitlist, involves the rehabilitation of one two-story building and the new construction of twenty-four single-family scattered site rental units for low and very low-income persons and people with developmental disabilities. Project will receive \$550,000 in LIHC allocation as well as \$2 .1 million in TCAP funds.
- **Parkside Commons in Syracuse:** This development, a 388 unit Mitchell Lama project-based Section 8 multifamily apartment complex for low-income residents, will be recommended for a HFA mortgage of \$15 million and \$8 million in TCAP funds to refinance and rehabilitate the entire 14-building complex. In return, the development will remain in the Mitchell Lama program

for an extended 40-year regulatory period. TCAP funds are needed because there is not enough demand for the low-income housing tax credits typically used to finance affordable housing.

- **Madison Plaza Apartments in the City of Rome:** This project also involves the refinancing and rehabilitation of an existing Mitchell-Lama, HUD 236 multi-family project containing 127 units. The project will be recommended for a HFA mortgage of \$3.7 million in addition to \$4.8 million in TCAP funds, and in return will remain in the Mitchell-Lama program for an extended 40-year regulatory period. TCAP funds are needed because there is not enough demand for the low-income housing tax credits typically used to finance affordable housing.

Downstate and New York City

- **SelfHelp Kissena I and II in Queens:** consists of 425 units in two existing Mitchell Lama senior projects. Funding will provide refinancing and rehabilitation, and the buildings will remain in the Mitchell-Lama program for an extended 40-year regulatory period. The project will be recommended for \$8.9 million in LIHC, a \$5.7 million first mortgage from HFA, and \$7.2 million in TCAP funds, which are needed because there is not enough demand for the low-income housing tax credits typically used to finance affordable housing.
- **Erbograph Apartments, Manhattan:** Project is the new construction of an 8-story building providing 64 affordable units for very low-income elderly and frail elderly households. In June, 2008, DHCR granted this project \$1.1 million in LIHC credits which lost value as a result of the financial downturn, creating a funding gap. The project is being kick-started with \$5 million in TCAP funds
- **YWCA Residence for Women in Westchester County:** This project will consist of the rehabilitation of a four story building with 185 existing units and the construction of eight new units for very low-income households, formerly homeless people and residents recovering from substance or alcohol abuse. This project was also funded in June of 2008 with \$1.8 million in federal and state tax credits, which lost value, creating a funding gap. It is being rescued with \$2 million in TCAP funds.

Additional quotes provided in support include:

Congressman Gary Ackerman said: "All of these vital funds will go a long way towards upgrading our infrastructure, creating jobs and providing critical energy efficient projects. I am extremely pleased that Long Island is reaping the benefits of the stimulus package so our region can move forward during these challenging economic times."

Congresswoman Nita Lowey said: "I am pleased that the first housing projects in the U.S. awarded through the American Recovery and Reinvestment Act will help the YWCA in Westchester County provide housing options to very low income families and individuals in our region. Expanding housing options for the homeless and for those recovering from addiction is compassionate and helps individuals and families get back on their feet by making employment and stability possible."

Congresswoman Louise Slaughter said: "The enactment of the economic recovery bill has enabled us to invest in affordable housing across New York. These recovery dollars are critical in our effort to secure housing for thousands of families and strengthen our communities and regional economies."

Congressman Michael Arcuri said: "I am glad to see this funding coming to Rome to improve affordable

housing for local families and create construction jobs through new projects. This is one more example of the Recovery Bill investing in critical resources in Upstate New York."

State Senate Majority Leader Malcolm A. Smith said: "There is no segment of our economy that has not been affected by the downturn in the housing market. That demonstrates how important affordable housing is to a vibrant and growing economy. Because of the federal stimulus, new units will move from the drawing board to development and put people back to work all across this state. It is action like this that will help us turn our economy around."

Assembly Speaker Sheldon Silver said: "When President Barack Obama unveiled the American Recovery and Reinvestment Act of 2009, he put forward a bold and comprehensive plan to help working families get through these difficult times. Given the magnitude of the current economic crisis, I am pleased that these funds are being utilized to ensure the availability of affordable housing all across New York. Thanks to the advocacy of Governor Paterson and the New York Congressional delegation, working families and seniors will surely benefit from this important investment in our communities."

State Senator David J. Valesky said: "Today's announcement of federal stimulus funds for projects in Syracuse and Rome is welcome news. Beginning construction on these projects will provide an immediate economic stimulus in the form of jobs and infrastructure improvement, and will protect and revitalize our neighborhoods by making safe and affordable housing available."

Assembly Ways and Means Committee Chair Herman D. Farrell, Jr. said: "Given the magnitude of the current economic crisis, I am pleased that these funds are being utilized to take care of our most vulnerable New Yorkers - elderly residents on fixed incomes. The construction of the Erbograph Apartments is an important investment in Harlem that will provide housing for those who struggle with mobility and independence. I thank Governor Paterson and our Congressional delegation for their leadership in advocating for federal housing dollars right here in New York where there is great need for this investment."

Assembly Majority Leader Ron Canestrari said: "I am pleased that improvements to Van Rensselaer Village are among the first housing improvements funded with federal stimulus money. During this economic recession it is particularly important to ensure the availability of affordable housing in our communities while putting people back to work. The funds provided for Van Rensselaer Village will help preserve affordable housing for working families and seniors."

Assemblywoman Joan K. Christensen said: "Federal stimulus money is making its way to Syracuse to fund a meaningful and important project. Improvements to affordable housing units at Parkside Commons are an investment in working families in our community."

Assemblyman David Gantt said: "The Mildred Johnson and El Camino Estates are a source of reliable, affordable housing for hardworking Rochester families. The federal stimulus money announced today will help improve and enhance the quality of housing units at a time when there is a particular need."

Assemblywoman RoAnn M. Destito said: "This funding is a major step toward my goal of ensuring that affordable housing for Mohawk Valley families is safe, comfortable, and up-to-date. Madison Plaza is the perfect location for families, because it is accessible to programs, transit services, and the retail that many of its residents use. I am pleased that it is being modernized and will continue to serve families in an affordable way for decades to come."

Assemblywoman Grace Meng said: "Queens needs desperately to preserve its affordable and middle-

income housing which maintains New York City's vibrancy by keeping working families as neighbors rather than commuters. Our President and our Governor know this and have put money behind it."

Assemblyman Bob Reilly said: "This funding will finally make the planned Clifton Park Senior Apartments a reality. It will create quality housing for seniors that may not have been able to afford it otherwise. This is another example of how the Federal Stimulus is developing the infrastructure of New York State while creating jobs throughout the process and improving the quality of life for New Yorkers."

Assemblywoman Amy Paulin said: "Not only will this project provide jobs, but it is also of great public benefit to the community."

New York City Mayor Michael R. Bloomberg said: "New York City has the largest affordable housing program in the nation. President Obama and Governor Paterson share our strong commitment to expanding affordable housing and the stimulus dollars will go a long way in helping to meet our ambitious goals."

DHCR Commissioner [Deborah VanAmerongen](#) said: "Governor Paterson, Senator Schumer, Senator Gillibrand and the New York Congressional Delegation have succeeded in securing the funds our State needs to address the housing crisis and financial downturn."

New York State Housing Finance Agency (HFA) Priscilla Almodovar said: "Quickly deploying these stimulus funds means that we can move needed major capital improvements to more of the State's Mitchell Lama projects, improving the quality of life for hundreds of low-income New Yorkers. The success of our Congressional Delegation, combined with the quick action by the Governor, are responsible for putting these Federal dollars to work across the State."

Harlem Congregations for Community Improvement, Inc. President and CEO Lucille L. McEwen, Esq. said: "Harlem Congregations for Community Improvement, Inc. is excited to be able to receive the funding for the Erbograph senior housing development that upon completion will be named for Dr. Muriel Petioni. We have been working on this project for many years and we know that our seniors deserve the beautiful building that will replace the blight that has been there for many years. Thank you Governor Paterson."

Supportive Housing Network of New York Executive Director Ted Houghton said: "Governor Paterson pushed hard to make sure affordable housing was included in the federal stimulus package. If it wasn't for the constant advocacy by him, members of his administration, and New York's congressional delegation, we wouldn't have this critical funding. And without it, we wouldn't be able to fill the financing gaps that will allow us to build this affordable housing this year."

Housing First! Coordinator David Muchnick said: "Housing First congratulates the Governor Paterson and the State's housing agencies for putting President Obama's recovery and reinvestment funds to work so quickly and effectively. Their advocacy in Washington for a federal housing stimulus together with the commitment and experience of the state's congressional delegation have enabled the State to maintain a minimally acceptable level of affordable housing production this year."

Last Updated: 04/06/09