

NEIGHBORHOOD NEWS



JANUARY, 2008

Neighborhood Preservation Coalition
of New York State, Inc.

Gov. Spitzer Proposes New Housing Initiative In State of the State Address

Editor's Note: The text of Gov. Spitzer's announcement is printed here.

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*"In too many parts of our state, our children cannot afford to come back to the neighborhoods that they grew up in, and their parents cannot afford to stay in the homes where they raised their families...I will propose the biggest housing initiative in a generation, a \$400*

*million Housing Opportunity Fund."*

-Governor Eliot Spitzer

### **The Challenge**

- Safe, available and affordable housing is integral to economic growth. Over the past decade, New York State has underinvested in housing, failed to form partnerships for all spectrums of housing needs and devoted the limited available State resources to areas with already thriving private sector activity.
- We must use State resources at hand to address the wide variety of

housing needs; including providing those with physical disabilities and mental illness the opportunity to work and live in their communities, offering young families and professionals the resources and support to become first time home buyers, and facilitating creative solutions for developing affordable housing in high-cost areas of the state.

- Limited financial resources need to be maximized by linking State efforts with the Federal government, local governments and the private sector, and by developing innovative financing structures that are sustainable over the long term.

- Housing programs and resources must be integrated with the Administration's guiding principles of Smart Growth, energy efficiency and a revitalized Upstate economy.

### **Our Approach**

- As part of Governor Spitzer's comprehensive infrastructure and economic development plan, a total of \$400 million will be used for a new Housing Opportunity Fund to support affordable and supportive housing across the state.
- This program will be funded by the creative use of existing and

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## Board Position In Manhattan Remains Open

The Neighborhood Preservation Coalition continues to seek a representative from Manhattan to serve on the board of directors.

The board meets bi-monthly and is charged with establishing policy, legislative advocacy, and fundraising to support the Coalition's varied technical assistance activities.

NPC executives and/or executives of CHDO's are eligible.

For any questions, more details, or to express your interest in serving contact executive Director Joe Agostine, Jr. at (518-432-6757 or email him at [agostine@npcnys.org](mailto:agostine@npcnys.org).

**Congratulations to Karen Mallam, executive director of Newburgh Community Improvement Corp. and president of the Coalition's board of directors, for winning the Second Annual 50/50 Raffle Bonanza!**

**The raffle prize totaled \$3,362.50 and the winning ticket number was #116. Upon being notified that she won the drawing, Karen generously donated her winnings back to the Coalition!**

**Thank you, Karen, and thanks to all of you who purchased tickets to help support the Coalition's activities.**

## Building HOME: A Primer for LPAs Being Offered By HTFC and DHCR

The New York State Housing Trust Fund Corp. and DHCR have announced a HOME Primer seminar: ***Building HOME: A Primer for LPA's*** will provide an overview of the HOME Investment Partnership Program including the HOME Final Rule.

Participants will become familiar with all program activities including homeowner and homebuyer, rental housing, Community Housing Development Organization (CHDO) activities, and cross-cutting program requirements, including underwriting, addressing lead-based paint issues, and compliance with the new CPD Monitoring Handbook.

This Primer is a comprehensive introduction to the HOME Program that will emphasize HOME issues unique to New York State HOME grantees. Time will be set aside for HOME grantees to meet for informal discussions with DHCR program staff.

The Primer will be led by Rocky Wade, a nationally recognized provider of training and technical assistance in housing finance,

and community and economic development. He has extensive knowledge and experience on CHDO's and HOME with special emphasis on HUD program compliance and financial management.

Sessions will be held **January 30 and 31, 2008**, beginning at 9 a.m. at **Rochester City Hall**, Council Chambers, 30 Church St., Rochester, NY, 14614, and again on **February 13 and 14, 2008**, beginning at 9 a.m. at the **Poughkeepsie Grand Hotel**, 40 Civic Center Plaza, Poughkeepsie, NY, 12601. Sign-in begins at 8:30 a.m.

Interested participants are encouraged to pre-register online at [www.dhcr.state.ny.us](http://www.dhcr.state.ny.us). Additional information can be obtained by contacting your DHCR Regional Office.



## *New Review Process For Developers Seeking Finance Assistance*

The State Housing Finance Agency and DHCR have announced the creation of a coordinated application and review process for housing developers seeking financing assistance from the State.

Under the initiative, developers will be able to use a joint application when applying for HFA financing and DHCR subsidies for a single project. In addition, the two agencies will share responsibility for reviewing applications in order to speed the decision-making process.

The new application, now available at the DHCR website, can be printed from the site and submitted in hard copy to both agencies. An electronic version, which will allow developers to file a single application online, is under development and will be available by March 1.

## *Gov. Spitzer Proposes New Housing Initiative In State of the State*

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new resources and partnering with our public authorities and the private sector to create the most efficient and effective financing vehicles.

- The fund will be directly administered by the State of New York Mortgage Authority (SONYMA) under the guidance of an advisory panel consisting of experts from the Division of Housing and Community Renewal and the Offices of Temporary and Disability Assistance, Substance Abuse Services, Mental Health and Mental Retardation and Developmental Disabilities.

**LEGISLATIVE ACTION DAY**

**Tuesday, Feb. 26, 2008**

**Hearing Room C, L.O.B.  
Albany, NY**

***Save the date and come to Albany to support the Coalition's Legislative Agenda!!***

# *NYS Assembly Democrats Advance Legislative Package To Address Subprime Lending Crisis*

State Assembly Speaker Sheldon Silver, Assembly Housing Committee Chair Vito Lopez, and Assembly Banking Committee Chair Darryl Towns recently announced legislation aimed at bringing relief to families and communities across New York impacted by the national subprime lending crisis.

The comprehensive measure would provide \$150 million in direct financial relief to homeowners, as well as \$30 million for counseling and legal services. The legislation would help New York's working families by providing direct assistance to those facing crisis and take steps to prevent similar occurrences.

"Homeownership is one of the most basic American dreams, but the pursuit of this dream has resulted in a nightmare for the many borrowers who were enticed with subprime loans that they can no longer afford," said Silver. "The proposal being advanced by the Assembly Majority today includes legislation to assist struggling homeowners, provide counseling and reform questionable industry practices. Our plan is a much-needed mix of direct financial assistance, support for counseling and legal services, and active lender participation in solving this problem."

"Owner-occupied houses form the bedrock that keeps urban communities strong and vibrant," said Lopez. "In order to protect our communities from this crisis and prevent their collapse, we must expeditiously implement the remedial and preventative measures contained in this package."

Specifics of the legislation include:

?? The legislation would create a

\$150 million in grants to assist borrowers who are in default. Grants would be given to those borrowers in owner-occupied homes who are actively engaged with their lenders and/or loan services in developing work-out arrangements or modifying the loan. In addition, the Assembly's plan requires lenders to participate financially in alleviating the extent of the debt.

?? It also would increase funding by \$30 million to counseling entities and to legal services organizations to provide counseling, mediation assistance and representation in foreclosure

?? The Responsible Lending Act of 2008 will address current predatory lending abuses in the industry such as negative amortization, prepayment penalties and lending without regard to repayment ability by increasing lenders and broker responsibilities toward borrowers.

?? The bill would require the New York State Banking Dept. to monitor and study the mortgage industry and report on the effectiveness of public efforts to reduce defaults and foreclosures. Mortgage loan originators would also be required to report lending activities to the Banking dept., which would then be required to issue an annual report to the Legislature and develop a database on defaults and foreclosures.

?? Other provisions of the package would require fair and accurate real estate appraisals and discourage inappropriately influencing a real estate appraiser to inflate home values.

Subprime loans are made possible in part by mortgage securitization, where pools of principal and interest payments for mortgages are bundled into securities and sold to investors, a process that diversifies the risk of lending to borrowers with less than optimal credit.

According to experts an estimated 50,000 New York households were in some state of foreclosure in 2006 alone. The lawmakers noted these foreclosures could significantly impact many New York communities since the incidence of delinquency tended to be geographically concentrated suggesting that pockets of the state may be impacted more severely than others.

"This crisis requires a rapid response that effectively keeps families in their home and preserves communities. As we continue to revive the state's economy, particularly upstate, New York cannot afford to ignore this crisis. The ripple effect on communities is far too great," said Speaker Silver.

## *A Gentle Reminder . . .*

**The Coalition's 2008  
Annual Membership Drive  
Has Begun!**

**Please pay your dues  
ASAP . . . Your financial  
support helps to keep our  
Legislative Advocacy on  
target, strong and united!**

***Thank You!***

## OUR MISSION

*The Neighborhood Preservation Coalition will unify, educate, empower, and strengthen community organizations in their provision of affordable housing and community revitalization activities.*

## BOARD OF DIRECTORS

☛Karen Mallam, *President*

☛Joseph G. Barden      ☛Francisco Rivera  
☛Delaine Cook-Greene      ☛John Denelsbeck  
☛Jeanne DiLascio      \* Helen Hogan  
☛Linda S. Goodman      ☛Miriam M.E. Garcia  
☛Dennis Hanratty      ☛Gary Beasley  
☛Eduardo LaGuerre      ☛Beth Farr  
☛Judi Orlando      ☛Cathy Mickens  
☛Joseph Sluszka

## PROGRAMS AND SERVICES

*Neighborhood News  
Legislative Action  
State-wide Annual Conference  
Regional Workshops and Roundtables  
Training and Technical Assistance  
Strategic Planning  
Board and Staff Development  
Housing Design and Development  
Community Assessments and GIS Mapping  
Fundraising and Organizational Development*

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# LEGISLATIVE ACTION DAY

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Feb. 26,  
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Hearing Room C,  
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**Happy New Year  
2008**

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## *Coalition Joins SEFA Campaign*

The Neighborhood Preservation Coalition was recently approved to be a part of the State Employees Federal Appeal (SEFA), allowing people to donate funds to the Coalition through work-place giving. The announcement was made by the Statewide SEFA Council. The Coalition requests that members and friends with connections to state employees encourage those workers to designate the Coalition for their planned work-place giving.