

April 14, 2009

The Honorable Malcolm Smith
Senate Majority Leader
LOB, Room 909
Albany, N.Y. 12247

Dear Senator Smith:

New York State needs a Housing Investment Fund. We need a fund with its own dedicated source of revenue that will provide financing for the preservation and creation of affordable housing in New York. I hope you will support the creation of a Housing Investment Fund to meet the critical need for affordable housing across this state.

New York State's current housing trust fund is simply inadequate. It depends on annual appropriations from the legislature and it depends on the legislature and the governor having a concern for affordable housing. We need a fund that is insulated from the vagaries of state financing as well as from the vagaries of political support for affordable housing.

The Housing Investment Fund (HIF) would support local housing trust funds and would provide direct financing to local housing projects. The HIF would make grants, mortgages, or other loans to acquire, construct, rehabilitate, develop, preserve, and insure affordable single-family and multi-family housing. It would fund site preparation for affordable housing projects as well as provide operating and maintenance subsidies. The HIF would also provide grants for technical assistance, outreach and capacity building for non-profit organizations.

While New York State may not have the funding source in place right now for the HIF due to the difficult economic times we are experiencing, we should still create the structure of the HIF in anticipation of our economic recovery and the financing of the National Housing Trust Fund that will surely look to fund state housing trust funds.

I urge you to become a vocal champion of the Housing Investment Fund.

Sincerely,