

CPC IMPACT GOALS

The Community Preservation Corporation's (CPC) affordable housing mission drives our focus on three goals that elevate urgent community needs and shape our investments. In FY22, 94% of CPC's dollars were deployed to address one or more impact areas:



Expand housing access and seek new ways to lower the cost of producing affordable housing



Invest in closing the racial wealth gap, and increase diversity and equity in the development industry



Expand investment in the green economy and lessen the impact of climate change by financing affordable, energy-efficient housing

STATE PRIORITIES

New York Housing Compact

CPC fully supports Governor Hochul's visionary New York Housing Compact, which charts a path forward for New York City and State to tackle the decades-long crisis of housing supply and affordability. From local housing production targets and a focus on transit-oriented development to increasing NYC's FAR cap and standing up a new State Housing Approval Board, the Compact offers bold, ambitious solutions to the address the affordable housing crisis. We applaud the Governor's ambitious plan to build 800,000 new homes statewide over the next decade and stand ready to support this comprehensive, multi-pronged strategy.

Tax Exemption for Affordable Housing Development

We support the creation of a tax exemption to boost multifamily affordable housing development and prioritize the needs of small buildings. 421-a, which expired last year, was a statewide real estate tax exemption for new multifamily rental housing construction that encouraged development while simultaneously increasing the stock of affordable housing. We encourage the State Legislature to work with the Governor to develop a successor program to meet this gap.

Climate Friendly Homes Fund

CPC is the administrator of New York Department of Housing and Community Renewal's (HCR) \$250M fund to decarbonize housing across the state. As we work to distribute this funding over the next four years, we look forward to collaborating and coordinating with state partners to amplify this opportunity and ensure programmatic success.

HCR Participation Loan Program

The HCR Participation Loan Program (PLP) provides gap financing to develop and preserve high-quality affordable rental housing, address blight, and restore neighborhoods outside of New York City. Targeting renovation of rental buildings in medium density neighborhoods and recently expanded to include buildings with up to 50 units, PLP can be combined with private lender financing, resulting in lower blended financing costs. We applaud the State's commitment to PLP and encourage continued financial and programmatic support.

CITY PRIORITIES

Tax Exemption and Abatement for Multifamily Rehabilitation and Sustainability

The housing stock in NYC is deteriorating as many small buildings age without the capital to make essential repairs and renovations, like systems replacements, new roofs, and windows. Additionally, building owners lack the capital to invest in electrification, which will soon be required in many buildings under Local Law 97. With the expiration of J-51 last year and new capital needs related to sustainability, there is a need for a new program to meet this gap. We support HPD's proposed replacement program and encourage the State Legislature and Governor to authorize.

Affordability Plus

HPD's proposed bill package tackles the department's outdated patchwork of regulations to modernize and streamline HPD's loan granting authorities. Proposed changes to modernize HPD's loan authority include allowing for longer loan terms, larger loan amounts, loans for acquisition and refinancing, and loans with HPD as the single lender. CPC enthusiastically supports these targeted revisions to increase departmental efficiency and ultimately increase the production of affordable housing.

Increase Opportunities for BIPOC Wealth Building

To support BIPOC wealth building and close the racial capital gap, the city must ease barriers facing emerging BIPOC developers entering the real estate field, and increase affordable homeownership opportunities. The city should explore creating a priority carve out specifically for BIPOC-led development teams for affordable housing projects on current or formerly public land, guaranteeing a pool of affordable housing projects for emerging BIPOC developers. The city should also prioritize equalizing homeownership rates to reduce the racial wealth gap by streamlining and expanding down payment assistance programs and affordable home lending for first time and low-income homeowners.

Preservation of Public Housing

CPC is proud to support the NYCHA Public Housing Preservation Trust and PACT/RAD Conversion program, and is ready to support and partner on that ongoing work. The need for public housing capital investment from all levels of government remains high. The City and State should continue to advance long-term preservation plans and the State should commit \$500 million in Public Housing Capital to address immediate repair needs. CPC continues to support² deploying all relevant tools and resources to bring repairs to NYCHA residents in partnership with robust tenant engagement. The engagement process at the Fulton and Chelsea-Elliot developments provides a blueprint to ensure resident control in the decision-making process.

ABOUT CPC

The Community Preservation Corporation (CPC) is a nonprofit affordable housing and community revitalization finance company focused specifically on funding affordable housing development and rehabilitation. We provide flexible capital solutions, fresh thinking and a collaborative approach to the complex issues facing communities. Founded in New York City in 1974, CPC is the largest Community Development Financial Institution (CDFI) solely committed to investing in multifamily housing, having invested more than \$14 billion to finance the creation and preservation of more than 220,000 units of quality housing in neighborhoods across New York State and beyond. CPC believes housing is central to transforming underserved neighborhoods into thriving and vibrant communities. At CPC, we work as a partner to provide technical expertise and hands-on support to help meet the capital needs and broader community revitalization goals of our customers, local stakeholders and the communities we serve.

¹ <https://www1.nyc.gov/assets/home/downloads/pdf/office-of-the-mayor/2022/Housing-Blueprint.pdf>

² https://communitycp.com/wp-content/uploads/2021/10/Ending-the-NYCHA-Blame-Game_CPC_October-2021.pdf



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