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Low-Income Housing

There is a lack of low-income housing in the Capital Region that needs to be addressed. This policy brief offers options to rectify this problem by evaluating the issues of the current policy in the Capital Region and offering solutions.

Scope of the Problem

The lack of low-income housing options in the Capital Region is a serious and complex public problem that cannot be fully eradicated with one single solution. The increasing price of purchasing or renting a home, the vast number of vacated and devastated properties in the area, and the low current levels of funding generated by tax revenues for many government-sponsored housing organizations each have a direct negative effect on the Capital Region's low-income housing crisis (Office of Policy Research and Development 2008). Individuals in Rensselaer and Schenectady counties have witnessed home prices double and even triple in a relatively short period of time (Office of Policy Research and Development 2008). Furthermore, the City of Albany is estimated to encompass roughly one thousand vacant buildings, which has a dramatic affect on the availability of potential property that could be used to construct low-income housing (Office of Policy Research and Development 2008). This issue is a public problem because it cannot be resolved without action taken by policymakers to ensure that more people of a lower socio-economic status can be guaranteed affordable housing. As a result of this issue, many of the Capital Region's homeless individuals live in appalling conditions and are commonly unsure of where they will be sleeping each night.

Past Policy

Previously, the national government, New York State, and local legislators have attempted to address the Capital Region's lack of low-income housing options by enacting various policies. Albany, for example, once had three different government organizations, each with similar problems on their agendas and related tasks in mind. The Office of Planning and Neighborhood Development, the Department of Economic Development, and the Department of Housing and Community Development are each former organizations that operated in Albany (City of Albany n.d.). These organizations acted independently to improve the quality of life for Albany's inhabitants, evaluate and create economically feasible low-income housing units, and improve the city's already existing low-income housing units. Often their responsibilities overlapped, which led to the creation of the Department of Development and Planning to replace all sections in a more efficient manner in the late 1990s (City of Albany n.d.). With the consolidation of these once separate departments complete, Albany policymakers and department heads alike were all able to make focused decisions



and did not have to deal with the overlap that once further complicated the agenda setting and formulation stages of the policy process.

Current Policy

Most of the current policies pertaining to the availability of low-income housing options in the Capital Region seem to have received mixed reviews after their implementations. On the one hand, critics of the current policies argue that the status quo is not acceptable due to poor results. They claim that much more must be done to increase the number of low-income housing units available (Office of Policy Research and Development 2008). Critics argue that, despite lawmakers' efforts to reverse problems, there are still several overarching issues plaguing the Capital Region. These issues include securing affordable housing for many renters and homeowners of all socio-economic statuses, the numerous vacant buildings occupying large plots of land, and properly securing funds for many government-sponsored housing organizations (Office of Policy Research and Development 2008). On the other hand, many are proud of the strides made in the Capital Region as a result of policy pertaining to the availability of low-income housing options.

Advocates of the current policies praise the creation of a diversified and stable workforce made up of both public and high-tech sector personnel and the

establishment of various housing organizations headed by experienced legislators in the Capital Region (Office of Policy Research and Development 2008).

In 2000, the New York State Department of Homes and Community Renewal (DHCR) signed off on the New York State Low Income Housing Tax Credit Program (SLIHC) (Office of Policy Research and Development 2008). The SLIHC Program,

which is modeled after and supplements a similar federal program (LIHTC Program), uses market mechanisms to provide investors that reside in qualified low-income housing with the opportunity to receive generous state income tax relief (Office of

Policy Research and Development 2008). This policy leaves room for improvement because it ensures only those whose area median income lies in the bottom ten percent reap its benefits. After this policy passed through the evaluation stage, many critics called for a policy change asking that the program be adjusted to fit the needs of more people in the bottom 11%-40% (Office of Policy Research and Development 2008). Critics of the SLIHC Program are calling for a reform in order to account for the demand of those in the "middle" range that qualify to receive zero aid, but still may need financial aid to afford housing.

On a national level, the United States Department of Housing and Urban Development (HUD) implemented a series of Housing Quality Standards (HQS) that must be met by each resident before assistance can be paid on behalf of a renter or homeowner toward the price of the house. While this sounds feasible on paper, critics of this policy argue that it does not allow building owners to fix the major problems and instead prioritizes other repairs (Office of Policy Research and Development 2008). This results in renovation costs being astronomically higher than necessary, making this policy minimally feasible.

Together, these nonprofits and charitable organizations that are not sponsored by government funding in the Capital Region, continue to work around the clock to have their concerns acknowledged by local and federal legislators alike. The crucial Evaluation Stage of the policy process has produced and highlighted many areas for concern in policies dealing with low-income housing in the Capital Region that have been implemented in the past, as well as the need for alternative policies to be supported in the future.



Policy Options and Model Programs

Re-purpose Vacant Buildings:

Demolish the Capital Region's vacated factories and other decaying, and unoccupied buildings and use the land to construct low-income housing. The majority of these buildings encompass large plots of land and can be considered eyesores to residents and visitors of the area and could be used, instead, to accommodate residents of the Capital Region.

Increasing Funding by Going Green:

Increase funding for non-profits that obtain and maintain low-income housing. Funding can go towards hiring new staff members or towards large-scale infrastructure projects such as the building of new low-income apartment complexes. The NYS Green Building Tax Credit provides millions of dollars in tax credits for low-income housing projects that meet green standards, such as energy efficiency (NYS Department of Taxation and Finance).

Tax Credits Model Program:

In 2007, the Connecticut Qualified Allocation Plans for Low-Income Housing Tax Credits awarded eleven points to projects that met the green building requirements. These points help to earn more funding and show preference towards these projects for developers (Smart Growth America). If you're interested in learning more about how to earn these points in New York State, go to www.nyshcr.org/Publications/QAP/

Key Organizations

- **The United States Department of Housing and Urban Development:** Politically powerful organization that is concerned with creating and revitalizing communities nationwide while simultaneously providing the public with housing at an affordable price in order to improve citizens' quality of life ("HUD/U.S." n.d.).
- **The New York State Department of Housing and Community Renewal:** is comprised of all the state's major housing and renewal agencies and is a very important political actor in terms of policymaking in the state (Office of Policy Research and Development 2008).
- **New York State Housing Finance Agency:** seeks to establish high quality, affordable, and multifamily rentals throughout New York State.
- **The New York State Affordable Housing Corporation:** aims to assist low and moderate-income families all over New York State in finding housing they can afford while also providing grants to help subsidize the costs ("AHC" n.d.).
- **The Albany Housing Authority:** provides numerous low-income housing rentals and has undertaken many extensive housing initiatives over the years. This organization also has the same goal of providing inexpensive housing alternatives to the area's impoverished and homeless ("About AHA" n.d.).
- **Unity House:** Nonprofit based in Troy, NY, sponsors a program called the Community Housing Assistance Program. This program aims at securing permanent housing for the homeless as well as providing stipends for rent and more ("Unity House" n.d.).
- **The Community Development Alliance of the Capital District:** a collaboration effort of various nonprofits headed by The Affordable Housing Partnership. The program hopes to lead to increased economic development and the creation of many mixed-income neighborhoods in the area ("AHP" n.d.).

Glossary of Terms

Low-Income Housing: Housing limited to occupancy by people whose income does not exceed certain present maximum value levels

HUD: The United States Department of Housing and Urban Development

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Community Policy Institute

The Community Policy Institute builds capacity surrounding policy within the Capital Region. We provide researched-based policy information to our community partners who use the information to modify best practices and advocate for policies that will further the development and effectiveness of direct community engagement.

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