



Last updated: 2:15 am  
February 17, 2009  
Posted: 1:48 am  
February 17, 2009

THE state government is looking to raid a fund that was established specifically to build affordable housing in New York City.

As New York City's comptroller, I certainly understand that our state is facing a massive budget deficit and must consider every revenue source. But the city finds itself in the grips of both a severe economic recession *and* an affordability crisis.

Even as Wall Street's implosion dealt a crippling blow to our economy, personal expenses in our city remain wildly uneven with the rest of the country.

In January, my office reported that our real gross city product fell an estimated 5.5 percent in the fourth quarter of 2008. Meanwhile, a study released last week by the Center for an Urban Future found that New York City today is by far the most expensive city in the country.

And housing costs are a major reason our cost of living is skyrocketing. The center found that the average monthly rent in New York City - \$2,801 - is 53 percent higher than it is in San Francisco, the second most expensive US city.

Yet the state has its eyes on a vital source of affordable-housing money - a fund created from excess revenues generated each year by the Battery Park City Authority. In an attempt to shore up the state's \$15 billion budget deficit, the governor has authorized the BPCA (a state-controlled agency) to transfer up to \$270 million to the state's general fund.

This money was previously used as the sole source of financing for the \$130 million New York City Housing Trust Fund, a fund I announced with Mayor Bloomberg in 2005 with the goal of creating or preserving 4,300 units of affordable housing. Plans were also under way to use \$400 million more from the BPCA to fund additional units of affordable city housing.

It gets worse: The state is proposing to *borrow* against the funds taken from the BPCA.

This would mean that every year for 20 or 30 years, some \$20 million would be paid from BPCA for debt service stemming from a one-year gap-closer. In other words, this arrangement would mean a long-term reduction in the funds available for affordable housing and encroach on the prerogative of future comptrollers, mayors and governors to decide how to use these funds.

Again, I realize the state faces a fiscal crisis. But balancing the budget on the backs of our city's hardworking low- and moderate-income families should not be an option.

Affordable housing is not only an urgently needed commodity today; it has also played a key role in our city's proud history, helping us to become the greatest city in the world. From the Settlement House movement at the end of the 19th century to the Industrial Area Foundation's Nehemiah homes, affordable housing has been and always will be essential to our city's future growth and development.

By opening up our city to residents at all income levels, affordable housing is, in fact, an important component of a sustainable, vibrant city - diverse both culturally and economically. Yet it is becoming increasingly difficult for working families to afford to live here.

Raiding a fund designed to provide our city with one of its greatest long-term needs while adding to our ballooning debt would be sacrificing the best interests of our future to the desperation of today. The proposal should be resisted at all costs.

*William C. Thompson Jr. is the city comptroller.*



**serious-cooperator** wrote:

I appreciate the City Comptroller's support. I live in a 1482 unit project in the Bronx, Amalgamated Housing Cooperative. We are in a fight to prevent an \$70 to \$110/month rent increase. If we lose then some low wage and fixed income people will be driven out of our low to moderate income project. We need the help of the DHCR. We hope they will share some of the sentiments like, "balancing the budget on the backs of our city's hardworking low- and moderate-income families should not be an option." We should not be "be sacrificing the best interests of our future to the desperation of today."

2/17/2009 11:36 AM EST

[Recommend](#)

[Report Abuse](#)



**Grandpa Dan** wrote:

Dr. Risk--- I don't know if he is a developer or not but he is the Mayor.

2/17/2009 8:37 AM EST

[Recommend](#)

[Report Abuse](#)



**Dr. Risk** wrote:

Grandpa Dan

When did Bloomberg become a real estate deceloper?

2/17/2009 7:50 AM EST

[Recommend](#)

[Report Abuse](#)



**Grandpa Dan** wrote:

Let's face it the rich and powerful like Donald Trump and Bloomberg himself have run out of prime property to develop in Manhattan and they need to begin using Eminent Domain to drive out the lower and middle class . Condos and High Rise Apartments are being built in Manhattan at ranges of 2 million apiece and up.

2/17/2009 7:03 AM EST

[Recommend \(1\)](#)

[Report Abuse](#)

**SHARE BOX**

**Buzz up!**

Show your support.  
Buzz this article up.



**SHARE BOX**

**Buzz up!**

Show your support.  
Buzz this article up.



**Rated Not yet rated**

**Rate This** ☆☆☆☆☆ **Not rated**

**THE POST'S MOST...**



Popular