



150 State Street, Suite 301 Albany, New York 12207-1698 Telephone (518) 449-2707 Fax (518)455-8908 www.nyahsa.org

## **NEWS RELEASE**

For Release: IMMEDIATE  
June 20, 2007

Contact: Daniel Curran  
518-449-2707, ext. 124  
Ami Schnauber  
518-449-2707, ext. 121

### **NYAHSA Says: Legislature Must Extend IDA Financing Authority for Not-for-Profits *Lapse Puts Thousands of Construction and Health Care Jobs at Risk* Failure to Extend Threatens Rightsizing of New York's LTC System**

(ALBANY, NY) – Lost among the list of end-of-session legislative priorities identified by the governor and state leaders is the July 1<sup>st</sup> deadline to extend the critically important authority for local industrial development agencies (IDAs) to finance much-needed senior housing, health care facilities and continuing care retirement communities (CCRCs) slated for construction in New York state.

“At a time when the long-term care system is restructuring to provide more home- and community-based services instead of institutional based care, it is critical that long-term care providers have access to affordable capital financing,” said Carl Young, president of the New York Association of Homes & Services for the Aging. “Failure by the Senate and Assembly to act hinders the ability of providers to change and places thousands of construction and health care jobs at risk.”

“Let us not forget that hundreds of New York’s seniors are anxiously awaiting the opportunity to move into these new health care facilities,” said Young. “They have sold their homes, made plans for the future, committed to staying in New York and now they will be placed in limbo if the IDA financing authority is allowed to lapse.”

Local IDAs provide not-for-profit organizations that are developing or renovating senior housing, CCRCs and health care facilities with access to cost-effective capital financing through the tax-exempt bond market for construction and working capital costs that is otherwise not available. IDA financing enables these community-based organizations to provide more affordable continuing care to New York’s seniors, while creating jobs and other economic benefits for local communities.

Both chairs of the Local Government Committee in the Assembly and Senate have introduced bills that would either extend the financing authority or extensively transform the IDAs. Unfortunately, none of these bills match and it is looking increasingly likely that the deadline will pass and the financing authority for homes and services for seniors will lapse.

Allowing IDA financing authority to lapse can have major ramifications. In 1999, the development of Jefferson’s Ferry, Long Island’s first CCRC, suffered through a six-month delay in financing because the IDA financing authority lapsed for several months. The delay led to major increases in construction costs due to winter conditions and protracted marketing expenses.

“One of the primary reasons IDAs were established was to create economic development and expand jobs within a community,” continued Young. “The development of a CCRC using IDA financing will create hundreds of construction jobs as well as full time, part time and per diem employment for the operation of the CCRC community.”

“It is absolutely critical that the Legislature not end the session without extending the IDA financing authority for senior housing, health care facilities and CCRCs,” Young concluded. “Ideally, the financing authority should be made permanent and the cap raised, but at the very least it should be extended for a significant time period.”

-30-

*NYAHSA is the only statewide organization representing the entire continuum of not-for-profit, mission-driven and public continuing care, including nursing homes, senior housing, adult care facilities, CCRCs, assisted living and community service providers. NYAHSA’s nearly 600 members serve an estimated 500,000 New Yorkers of all ages annually.*