

Neighborhood Preservation Coalition

2020 Joint Legislative Budget Hearing Testimony

February 5th, 2020

My name is Mark Streb and I'm the Executive Director of the Neighborhood Preservation Coalition of New York State. I'd like to thank the members of this Committee for inviting me to testify about the important value that the Neighborhood Preservation Companies and our Coalition add to New York State. The Neighborhood Preservation Program consists of more than 135 local, boots on the ground, grassroots companies working every day to help make consistent, safe, and affordable housing a reality for the low to moderate income residents across the state.

The Neighborhood Preservation Program was created by the forward-thinking vision of Assemblyman Denny Farrell in 1977 to give grants to community organizations in order to help them do their vital work. In 1989, the Coalition was formed to provide technical assistance to the NPCs in completing grant applications, training on subjects relevant to the services they provide, and to give the NPCs a chance to speak with a unified voice when advocating for the work that they do.

The NPCs around the state provide a variety of services including financial counseling, homelessness and work force assistance, and services for addiction and mental health issues. The New York State Homes and Community Renewal Annual Report on the Neighborhood and Rural Preservation Programs states that these programs additionally constructed, or began construction on, over 5,000 new residential units to ensure that their constituents have stable, well cared for housing. This work, these vital services, are an investment in the community – as shown by the more than 400 businesses which were attracted to these revitalized areas served by the NPCs in 2019.

According to the Joint Center for Housing Studies of Harvard University, 33% of New York State homeowners are cost burdened and 15% severely cost burdened; 51% of renters are cost burdened and 29% severely. And renters over the age of 65, are a whopping 58% are cost burdened.

Funding the NPCs and the Coalition is a sound investment in the state, as appropriated dollars have been shown to spur economic development and maximize the state's existing funding commitment to create and maintain affordable housing units.

Affordable housing isn't merely an investment in economic capital; its true benefit is an investment in human capital.

Stable, affordable, and safe housing has been shown to improve both education and health outcomes. According to research by the ACS, 14.64% of New York residents live in poverty - more than 835,000 of those are under the age of 18. These children are less likely to have regular healthcare or education, especially if the decision is between making a trip to the doctor or making the rent. Per the *America's Rental Housing Study* released earlier this week, those families which are severely cost burdened spend 60 percent less on healthcare than those which aren't cost burdened (averages of \$240 and \$612 annually, respectively). Stable housing is an essential part of creating equity in education or healthcare, both issues are critical to the State's economic well-being.

The benefit of the NPP is that it doesn't assume a "one size fits all" solution for affordable housing. It rather understands that each neighborhood is best served not by forcing solutions on communities but rather by enabling residents to take responsibility for their own community. Needs may differ but the ingredients of community ownership and government support remain constant. The NPCs create ripples of both economic and social benefits resulting in a situation not of "we're from the government and we're here to help" but rather, "I'm your neighbor and understand this challenge. Let me work with you."

While we appreciate that Governor Cuomo for the first time ever proposed last year's funding level of \$12.8 million for the NPP in his 2020 Executive Budget, the reality is that the NPCs have been operating at a triage level in the state for years. During the past two decades, the rate of renters cost burdened in New York has increased from 40 to 50%; the rate of the severely cost burdened from 19 to 27%. The financial support granted to the NPCs has not increased at a commensurate rate.

The Coalition also has no funding allocated towards it in the Executive Budget. Thanks to the support of the legislature however, we have traditionally been funded in the final budget. Unfortunately, our level of funding has been stagnant at \$150,000 for two decades even though the services provided continue to grow. We therefore respectfully request an increase to \$200,000 allowing us to better serve our members through enhanced training and support services.

I'm pleased to have had this opportunity to speak with you about the vital importance of the work the Neighborhood Preservation Companies do and the need to ensure that the Neighborhood Preservation Program is fully funded at \$14.5 million and the Neighborhood Preservation Coalition at \$200,000 in the final budget. I welcome your questions and I thank you for your attention and your time.