



Testimony for Joint Legislative Budget Hearing on Housing
By Michael J. Borges, Executive Director

Good afternoon to the members of the Joint Budget Committee on Housing, I am Michael J. Borges, Executive Director of the Rural Housing Coalition of New York. The Coalition represents affordable housing and community development organizations that serve rural communities throughout the state.

The Rural Housing Coalition was pleased that the Executive Budget included funding for a new 5-Year Capital Housing Plan, but we are disappointed that current housing programs, particularly those that serve rural communities were either flat-funded or omitted from the Executive Budget.

	2022	2023
	Adopted	Executive Budget
Affordable Housing Corp	\$51,000,000	\$26,000,000
Homes for Working Families	\$14,000,000	\$14,000,000
HOPE/RESTORE	\$1,400,000	\$1,400,000
Housing Trust Fund	\$44,200,000	\$44,200,000
New York Main Street	\$4,200,000	\$4,200,000
Access to Home	\$1,000,000	\$1,000,000
Manufactured Home Advantage Program	\$5,000,000	\$5,000,000
Housing Development Fund	\$15,000,000	\$15,000,000
CDBG	\$40,000,000	\$40,000,000
Rural Rental Assistance	\$21,630,000	\$21,600,000
Neighborhood Preservation	\$12,830,000	\$12,830,000
Rural Preservation	\$5,360,000	\$5,360,000

Many of the programs identified above are heavily utilized by the rural preservation companies, the local non-profit entities that are the boots on the ground in rural communities, which enable the state to deliver and implement its housing initiatives. Without the rural preservation companies, there would be no one helping seniors with fixing leaking roofs, or installing a ramp for a disabled veteran, or rehabbing and constructing new affordable housing in rural communities.

So why has the state neglected to provide sorely needed increases for both the rural preservation and neighborhood preservation programs, particularly in a year when the state is running a \$5 billion surplus. Funding for the rural and neighborhood preservation programs have not increased in over a decade, yet labor and material costs have increased by 24% since 2011. Yet we are only asking for a 13% increase in our funding or a mere \$840,000, which is a rounding error in the overall \$216 billion budget.



Rural Housing Coalition

of New York

Working Together to Revitalize Rural New York

We are also asking for a modest increase in the RESTORE/ACCESS to Home Program which provides emergency home repairs to low-income seniors and accessibility modifications to the homes of disabled individuals. This program is currently funded at \$1 million and we are seeking a \$2 million increase to offset rising costs in materials and labor. To put this in perspective, according to the US Census, there are approximately 1.2 million New Yorkers with an ambulatory disability (cannot walk unaided). In addition, current law limits administration set aside to 7.5% of the grant and we are seeking an increase to 10% to administer this labor intensive and time consuming service.

For some inexplicable reason, the Affordable Housing Corp. funding was decreased from \$51 million to \$26 million. The AHC supports homeownership through new construction, provision of down payment and closing cost assistance, and rehabilitation of owner-occupied homes, and is one of the more widely used and easiest to implement programs that HCR has to offer. We urge the restoration of funding to the \$51 million level and making sure all of those funds are accessible to neighborhood and rural preservation companies

Lastly, we would like the Small Rental Development Initiative (SRDI), originally established and funded in 2017 with excess federal funds, to be restarted again with state support to fill a need for affordable rental housing in rural communities. We are seeking \$20 million for this program in order to encourage private sector investment in the development of rural affordable rental housing that is sorely needed by current residents as well as economic development agencies seeking to attract new employers and their workers to these communities.

I also would like to thank HCR Commissioner Ruth Anne Visnauskas and her staff for their efforts in supporting the work of rural preservation companies and the Rural Housing Coalition over the past year.

I would also encourage you to attend the Rural Symposium on Wednesday, Feb. 2nd from 1-3 pm via Zoom that highlights the challenges and opportunities of rural communities from the viewpoint of our organization, the Rural Schools Association, the Rural Association for Health, the Farm Bureau and the Economic Development Council.