



Neighborhood Preservation Coalition
Joint Legislative Budget Hearing Written Testimony
February 4, 2021

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 (NPCs) 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 (NPP) 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 workforce assistance, eviction protection, and services for addiction and mental health issues. **Now more than ever**, these services are even more critical. During this pandemic, the needs have exponentially grown. These front line providers are community-based caregivers that are the last line of support between living in a shelter or living on the street.

Year after year, New York State Homes and Community Renewal's Annual Report on the Neighborhood and Rural Preservation Programs states that these programs constructor begin construction on over 5,000 new residential units, ensuring that their constituents have stable, well-cared for housing.

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. This work, these vital services, are an investment in the community. The rate of return on this economic investment is 30:1. That is a quarter of a billion dollars that gets invested into communities.

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. Fifty-one percent of renters are cost burdened and 29% severely; and 58% of renters over the age of 65 are cost burdened. This is prior to the pandemic. Make no doubt about, as more and more data become available this number will grow. **Now more than ever**, we must invest in our neighborhood front line community housing organizations.

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*, those families who are severely cost burdened spend 60% less on healthcare than those who aren't cost burdened (annual averages of \$240 and \$612, 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. This data is alarming and pandemic is making it worse. We must do better.

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 proposed last year's funding level of \$12.8 million for the NPP in his 2021 Executive Budget, the reality is that the NPCs have been operating at a triage level in the state for years *before* this pandemic hit. 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 29%. Two statistics which have continue to climb over the past five years. The financial support granted to the NPCs has not increased at a commensurate rate. With the pandemic and the housing crisis that has finally come to light on a broader scale, **now more than ever**, an increase in this funding is needed. To increase the state's investment in these grassroots, not-for-profit community housing organizations we request that the Neighborhood Preservation Program is fully funded at \$14.5 Million.

The Neighborhood Preservation Coalition also has no funding allocated towards it in the Executive Budget. Thanks to the support of the forward-thinking legislature, 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. Funding for the Neighborhood Preservation Coalition comes from the Neighborhood Preservation Program – this request is to increase the funding that the Coalition receives from this program.

Now more than ever, we must increase our investments into communities hardest hit by the pandemic.