



Rural Housing Coalition

of New York

Working Together to Revitalize Rural New York

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

I want to thank the Housing Committee Chairs Senator Kavanaugh and Assemblymember Rosenthal as well as the other committee members for holding this hearing and allowing me to speak to you about the housing and community development needs of rural New York. I am Michael J. Borges, Executive Director of the Rural Housing Coalition of New York. The Coalition is a statewide association that represents affordable housing and community development organizations, both non-profits and governmental entities, which serve rural communities throughout the state.

The Rural Preservation Program was created by the Legislature to support non-profit housing organizations, called Rural Preservation Companies (RPCs), which are based in rural communities around the state, overseen by volunteer boards that provide a variety of housing services such as home rehab and repair to low-moderate income elderly, disabled, veterans, housing counseling to tenants and homeowners, the management and construction of new affordable housing, both homes and apartments, as well as the replacement of mobile homes. In addition, rural preservation companies are involved in community revitalization efforts through the Main Street Program as well as NY Forward.

Rural Preservation Companies are the main conduit for implementing the state’s housing programs in rural communities. HCR defines rural communities as municipalities with a population of 25,000 or less. There are 46 out of 62 counties (74%) where a majority of the population resides in communities of 25,000 or less. According to the 2020 Census, 924 of the state’s 1,023 communities or 90% of all towns, cities, villages, etc. have populations of 25,000 or less.

Yet there are only currently 57 underfunded RPCs serving these rural communities. The Rural Housing Coalition is therefore requesting an increase in funding for each RPC from \$89,826 to \$125,000 each as well as an increase in the number of RPCs funded to 60 that would allow the expansion of coverage to parts of the state that do not currently have an RPC such as Hamilton, Herkimer, Montgomery, Schenectady, Warren and Washington counties among others. This would bring total funding from the current \$5.46 million to \$7.5 million and would restore funding for the Rural Housing Coalition at \$250,000.

Budget Year	Rural Preservation Program Funding				
	17/18	18/19	19/20	20/21	22/23
Executive Budget	\$ 3,539,000	\$ 3,539,000	\$ 3,539,000	\$5,360,000	\$ 5,360,000
JP Morgan Settlement	\$ 1,175,022				
Legislative Add		\$ 1,821,000	\$ 1,821,000		\$ 100,000
Total	\$ 4,714,022	\$ 5,360,000	\$ 5,360,000	\$5,360,000	\$ 5,460,000



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In addition, we are seeking increase in funding for two other HCR administered programs that are critical to the mission of our Rural Preservation Companies and the revitalization of rural New York – Access to Home and the New York Main Street.

The Access to Home program serves the disabled and elderly population in the state by funding accessibility improvements to their homes such as wheel chair ramps, handrails and other improvements to bathrooms and kitchens to allow for wheel chair access. The program allows the disabled as well as many seniors to age in place in their homes and avoid the more costly alternative of assisted living or nursing homes.

The Rural Housing Coalition, AARP and Independent Living Centers sent a joint letter to the Governor asking that funding be increased for the Access to Home program from the current \$1 million to \$4 million. The program is routinely oversubscribed with applications for funding and is a cost effective way to assist this growing population in the state.

		Access to Home			
Year	Available	#Applications Received	\$ Amount Requested	# Awarded	\$ Amount Awarded
2020	\$1 mil.	24	\$ 3,455,000	7	\$ 955,000
2021	\$1 mil.	16	\$ 2,343,025	9	\$ 1,293,025
2022	\$1 mil.	23	\$ 3,255,000	8	\$ 1,133,647

The Rural Housing Coalition is also seeking a modest increase in the NY Main Street Program which is used by rural communities to revitalize their small downtown corridors through façade improvements and rehabilitation of mixed used buildings. These grants are typically less than \$500,000 per grant award and the program is also oversubscribed with more than twice as many applications and requests for assistance than there are funds to be awarded.

		NY Main Street Program			
Year	Available \$	# Applications Received	\$ Amount Requested	# Awarded	\$ Amount Awarded
2018	~ \$6.2M	68	\$ 20,715,659	30	\$ 7,862,207
2019	~ \$6.2M	66	\$ 22,069,960	26	\$ 6,383,583
2020	~ \$6.2M	69	\$ 20,231,921	33	\$ 7,118,940
2021	~ \$6.2M	46	\$ 15,153,644	23	\$ 6,286,487
2022	~\$4.2M	48	\$ 14,716,869	21	\$ 5,290,458

Lastly, we are asking the Legislature to restore funding to two housing programs that the Legislature added funding to last year. The HOPE/RESTORE program, which funds emergency repairs to low-moderate income senior homeowners received a \$2 million increase last year to \$3.4 million. This program received \$6 million in applications in the latest round of funding and has been oversubscribed for many years. With a rising senior population, this program is an inexpensive means to keep seniors in their homes and out of expensive alternatives like assisted living or nursing homes.



		RESTORE			
Year	\$ Available	#Applications Received	\$ Amount Requested	#Applications Awarded	\$ Amount Awarded
2018	\$2,100,000	42	\$5,073,000	18	\$2,184,565
2019	\$2,100,000	30	\$3,747,500	14	\$1,738,991
2020	\$1,300,000	36	\$4,553,725	10	\$1,300,000
2021	\$1,300,000	23	\$3,008,105	10	\$1,423,000
2022	\$3,400,000	40	\$6,289,000	24	\$3,458,358

The Legislature also funded last year the Small Rental Development Initiative (SRDI) at \$7 million that supports the construction or rehabilitation of affordable rental projects of 20 units or less, which are the appropriate size for many rural communities that lack water and sewer infrastructure. The Executive Budget zeroed out this funding and we are seeking \$20 million in funding or at the very least the restoration of the \$7 million.

The New York Times on Feb. 3rd had an article about the state of Maine’s efforts to address their affordable housing crisis. In response to the issue, the Governor of Maine, which has a population of 1.4 million compared to the 4.2 million who live in Rural New York, recently proposed spending \$30 million on a similar small rental development initiative in her state.

The New York Times

<https://www.nytimes.com/2023/02/03/us/maine-population-housing.html>

In Maine, a Rare Influx of New Residents, and a Housing Crunch

New arrivals over the last few years have fueled hopes of population growth, but workers increasingly struggle to find housing in a market gone wild.

“The latest state budget proposed by Governor Mills includes \$30 million for new affordable housing, targeting rural areas, on top of \$70 million in new investments last year.”