

New York State Neighborhood & Rural Preservation Program



2018 Annual Report



Homes and
Community Renewal

Housing
Trust Fund
Corporation

OFFICE OF COMMUNITY RENEWAL

Andrew M. Cuomo, Governor
RuthAnne Visnauskas, Commissioner/CEO

Commissioner's Message

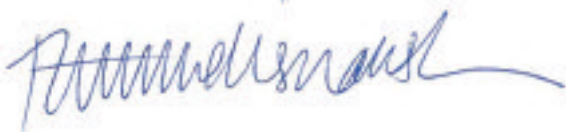
On behalf of Governor Andrew M. Cuomo, I am pleased to share with you the 2018 Annual Report for the Neighborhood and Rural Preservation Programs. Thanks to the efforts of the New York State Legislature, which passed Articles XVI and XVII of the Private Housing Finance Law that established the NPP and RPP in 1977 and 1980, this statewide network of grassroots organizations has been on the front lines making a difference in communities for more than 40 years.

By accessing multiple HCR programs and implementing grassroots strategies, the 202 community-based preservation companies have revitalized distressed communities in urban, rural and suburban areas around the state, increasing economic opportunity and making the dream of a safe, affordable home a reality for thousands.

The companies continuously assess the needs in their communities, develop partnerships and grassroots strategies, and work tirelessly to get the job done. The companies continue to rise to new challenges put before them, stepping up in January of 2018, for example, to help homeowners recover from ice jam flooding from the Saranac River in Plattsburgh.

I thank the Neighborhood and Rural Preservation Companies, the Neighborhood Preservation Coalition, and the Rural Housing Coalition for their dedication to New York's communities. I look forward to continuing our work with the preservation companies as we strive to achieve the Governor's vision of quality affordable housing and strong neighborhoods for all New Yorkers.

Thank you,



RuthAnne Visnauskas
Commissioner/CEO
New York State Homes & Community Renewal



Summary of New York State Preservation Program

Established in 1977 and 1980, respectively, under Articles XVI and XVII of the Private Housing Finance Law (PHFL), New York State Homes and Community Renewal (HCR) administers the Neighborhood and Rural Preservation Program. The Neighborhood and Rural Preservation Program (N/RPP) promote and preserve housing for low- and moderate-income individuals by providing administrative funds to community-based not-for-profit corporations known as Neighborhood and Rural Preservation Companies (NPCs and RPCs).



Above: Staff from Neighborhood Preservation Company, the Lower East Side Coalition, at the 2018 Loaisida Festival held annually the Sunday before Memorial Day. Founded in 1987, the Loaisida Festival is the largest ethnic community pride festival in the Lower East Side.

The enactment of Article XVI creating the Neighborhood Preservation Program (NPP) was based on the legislative finding that community development organizations rely heavily on voluntary services, short-range funding, and are typically underfinanced and understaffed. These challenges made it difficult to dedicate time to long-range planning and sustainable solutions for housing preservation and community renewal in a neighborhood. Section 902 of Article XVI authorizes Preservation Companies to engage in a wide range of planning and administrative activities designed to preserve and promote housing opportunities for low- and moderate-income persons in the neighborhood or community they serve.

The Rural Preservation Program (RPP) was established by Article XVII to support community-based not-for-profit corporations in rural preservation activities. Modeled after the NPP, Article XVII differs in that it recognizes the unique needs of rural areas of the state. Section 1002 of Article XVII authorizes rural preservation companies to engage in a wide range of planning and administrative activities designed to protect and promote housing opportunities for low-and moderate-income persons in the rural areas they serve.

Included in this Annual Report are summaries of activities completed by the Neighborhood and Rural Preservation Companies under contract with HCR during state Fiscal Year (FY) 2017-18.

PRESERVATION ACTIVITIES

NPCs and RPCs use the seed money provided by the N/RPP to provide consistent services throughout the program service areas. Activities performed by Neighborhood and Rural Preservation Companies include housing rehabilitation and development, tenant and homeowner assistance, housing management, first-time homebuyer counseling; foreclosure counseling; and community development and preservation. Preservation Companies also write and administer grants and participate in local planning efforts.

In FY 2017-18, Preservation Companies identified the following accomplishments in the N/RPP annual performance reports:

- ◆ 13,249 home improvement and rehabilitation projects either in progress or completed;
- ◆ 2,611 new residential units in progress or completed;
- ◆ 681 non-residential construction projects in progress or completed.

LEVERAGING PROGRAMS

New York's network of NPCs and RPCs are important vehicles for delivering the services of the "Local Programs" awarded through New York State Homes & Community Renewal's Office of Community Renewal. NPCs and RPCs have become adept at strategically delivering these programs and leveraging additional resources to bolster their communities. Specifically, NPCs and RPCs were awarded:

- ◆ 60% of Affordable Housing Corporation awards - \$23.1 million
- ◆ 53% of NYS HOME Local Program awards - \$6.5 millions
- ◆ 5% of New York Main Street development awards - \$349,500
- ◆ 76% of HUD Housing Counseling awards - \$478,853.00
- ◆ 68% of Project Reinvest: Financial Capability awards - \$214,020



Above: Exterior and interior renovations are being completed by the Albany Housing Coalition, and NPC, for this 1870's historic Italianate rowhouse in the Arbor Hill neighborhood.

TECHNICAL ASSISTANCE

In the 2017-2018 Program Year, HCR provided training opportunities and technical assistance under the Housing Trust Fund Corporation (HTFC), along with its partners the Neighborhood Preservation Coalition of New York State, Inc. and the New York State Rural Housing Coalition, Inc. (collectively known as “the Coalitions”), including webinars and one-on-one preservation company assistance.

The Coalitions provide direct technical assistance to NPCs and RPCs via workshops for companies, as well as training at the respective annual conferences. Preservation Program Staff works in concert with the Coalitions to provide multi-pronged support to an extensive network of NPCs / RPCs.

FUNDS GENERATED UNDER PRESERVATION CONTRACTS

Article XVI of the Private Housing Finance Law requires that at least one dollar in match be generated for every three dollars of preservation funds received. The required program match for 2017-18 was one-half the awarded amount. Match funds are additional funds reported by the N/RPCs as received and expended during the contract period to defray administrative costs or capital projects. N/RPCs are encouraged to apply for grants and fundraise to meet the N/RPP match requirements.



Above: Proud homeowners who purchased their homes with assistance from Rural Preservation Company, RUPCO. In 2017, RUPCO assisted over 100 first time home buyers in the Hudson Valley.

Summary of Neighborhood Preservation Company Funding

HISTORY AND HIGHLIGHTS

The NPP was established in 1977 with 50 companies receiving grants of \$10,000 each. In the 41 years that the program has been operating, the Governor and Legislature have appropriated more than \$410 million to help Neighborhood Preservation Companies to achieve their community preservation and revitalization goals. In FY 2017-18 there were 143 NPCs in the program.

Statistics included in this report illustrate mandatory matching funds generated from federal, state, local, and private sources, as well as in-kind services that NPCs provided in their annual reports. In FY 2017-18, \$13.3 million was appropriated to the Neighborhood Preservation Program. Each NPC received an award of \$93,669 for FY 2017-18. These funds helped NPCs raise \$449,314,416 in match and leveraged funds. For every preservation program dollar appropriated, the NPCs raised \$33 for their communities. The following are highlights compiled from NPCs Annual Performance Reports in the last completed contract period of FY 2017-18:

- ◆ \$134.3 million in administrative and capital match funds of which, approximately \$85 million was raised from individuals, municipalities or other not-for profit entities;
- ◆ \$315 million in leveraged funds, of which approximately \$234.5 million was raised from individuals, municipalities or other not-for profit entities;
- ◆ Capital improvements to 109 non-residential units and new construction of 510 non-residential units.

NEIGHBORHOOD PRESERVATION PROGRAMS ACTIVITIES

The tables below detail the preservation activities reported by the 143 NPCs during the 2017-2018 Program Year. Please note that most NPCs engage in multiple housing preservation / community development activities.

PRESERVATION ACTIVITIES PERFORMED BY NPCs

ACTIVITY.....	UNITS
Home Improvements and Rehabilitation.....	9,029
Residential New Construction.....	2,293
Property Management	13,609
Special Populations Assisted (Individuals).....	4,876

SERVICES OFFERED	INDIVIDUALS ASSISTED
Financial Counseling (Pre / Post-Purchase; Reverse Mortgage).....	5,886
Subsidy / Relocation / Homelessness Assistance	21,275
Tenant Assistance / Counseling / Associations	32,468
Evictions Prevented.....	6,790
Entering / Returning to Work Force Assistance.....	3,614
Mortgages / Loans Obtained.....	\$54,213,554
Special Populations Assisted by Preservation Services.....	20,558

NEIGHBORHOOD / MUNICIPALITY ASSISTANCE

Infrastructure and Community Planning Projects.....	240
Grant Writing / Administration.....	510
Businesses Attracted and Retained.....	335
Neighborhood / Block Associations (Individuals Served).....	8,277
Crime Watch Programs (Individuals Served)	50,057
Youth Programs (Individuals Served)	16,684
Weed and Seed Programs (Individuals Served).....	1,623
Partnerships with Local Agencies.....	367
Partnerships with Private Sector.....	273
Partnerships with Statewide / National Non-Profits.....	117

Summary of Rural Preservation Company Funding

HISTORY AND HIGHLIGHTS

The Rural Preservation Program (RPP) was established in 1980 with 14 companies receiving grants. In the 38 years that the RPP has been in place, the Governor and Legislature have appropriated over \$165 million to provide funds to RPCs. As of FY 2017-18, the number of RPCs has grown to 59.

Statistics included in this report illustrates the mandatory matching funds generated from federal, state, local, and private sources, as well as in-kind services that RPCs reported in their annual reports. In FY 2017-18, \$5,504,524 in preservation program funds helped RPCs raise \$134,045,060 in match and leveraged funds. Of the total program appropriation of \$5.5 million, each RPC received an \$93,297 for FY 2017-18. For every preservation program dollar appropriated, the RPCs raised \$24 for their communities. The following are some highlights from the last completed contract period of FY 2017-18:

- ◆ RPCs listed approximately \$63.5 million in administrative and capital match funds, of which \$9.5 million was raised from individuals, municipalities, or other not-for-profits
- ◆ RPCs listed approximately \$70.5 million in leveraged funds, of which approximately \$12.3 million was raised from individuals, municipalities, or other not-for-profits
- ◆ RPCs listed capital improvements to 62 non-residential units



Right: Kids assist with a new community-built playground. Rural Revitalization Corporation, an RPC, provided seed funding for the project and worked with the City of Salamanca to activate an underutilized city park.

RURAL PRESERVATION ACTIVITIES

The charts below detail the preservation activities reported by the 59 RPCs during the 2017-2018 Program Year. Please note that most RPCs engage in multiple housing preservation / community development activities.

PRESERVATION ACTIVITIES PERFORMED BY RPCs

ACTIVITY.....	UNITS
Home Improvements and Rehabilitation.....	4,220
Residential New Construction.....	318
Property Management	2,672
Special Populations Assisted (Individuals).....	2,328

SERVICES OFFERED.....	INDIVIDUALS
Financial Counseling (Pre / Post-Purchase; Reverse Mortgage).....	1,442
Subsidy / Relocation / Homelessness Assistance	6,172
Tenant Assistance / Counseling / Associations	2,400
Evictions Prevented.....	423
Entering / Returning to Work Force Assistance.....	53
Mortgages / Loans Obtained.....	\$35,659,059
Assisted by Preservation Services.....	4,876

COMMUNITY / MUNICIPAL ASSISTANCE

Infrastructure and Community Projects.....	71
Grant Writing / Administration.....	318
Businesses Attracted and Retained.....	27
Neighborhood Associations (Individuals Served).....	1,149
Crime Watch Programs (Individuals Served)	67
Youth Programs (Youth Served)	326
Partnerships with Local Agencies.....	181
Partnerships with Private Sector.....	115
Partnerships with Statewide / National Non-Profits.....	62