



# **Report**

## **A Review of the New York State Neighborhood and Rural Preservation Programs**

*November 1, 2007*

**Submitted by:**  
**The Division of Housing and Community Renewal**  
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# Executive Summary

## REVIEW OF THE NEIGHBORHOOD AND RURAL PRESERVATION PROGRAMS

November 1, 2007

### Background

The New York State budget for 2007-08 required the Commissioner of the State Division of Housing and Community Renewal (DHCR) to prepare a plan to “initiate program review and reform” of the Neighborhood and Rural Preservation Programs (NPP and RPP). These programs were enacted by the State Legislature in 1977 and 1980 respectively to provide operating support to citizen-led, not-for-profit housing and community-based organizations - known as Neighborhood Preservation Companies (NPCs) and Rural Preservation Companies (RPCs). The 2007-08 budget increased funding for the preservation companies over their historic levels, but required DHCR to engage stakeholders in a comprehensive process to re-tool the program and maximize its effectiveness.

To meet this requirement, DHCR, working in partnership with the Neighborhood Preservation and Rural Housing Coalitions, assembled two Task Forces - one for each program. Membership included DHCR staff, Neighborhood and Rural Preservation Companies, representatives from the Division of Budget, the two Coalitions, and advisors from several national affordable housing organizations. At the recommendation of the two Coalitions, DHCR hired Linda London to facilitate the Task Force meetings. Linda has more than 30 years of experience assisting not-for-profit organizations, including United Way, and has worked with more than 100 agencies. DHCR Assistant Commissioner Daniel Buyer served as Chair of both Task Forces, with support from William Allen and Patricia Doyle of DHCR’s Community Service Bureau, and Diane McClure of the Syracuse Regional Office. The Task Forces met throughout the summer and fall of 2007.

### Purpose

Work together to re-affirm the NPP and RPP as the models for establishing efficient and effective partnerships between the State and NPCs/RPCs for creating and preserving affordable housing and viable urban neighborhoods and rural communities.

### Participation

#### *Neighborhood Preservation Program Task Force*

Joseph Agostine, Neighborhood Preservation Coalition of New York State

William Allen, Community Service Bureau, DHCR

Joseph Barden, Margert Community Corporation (Far Rockaway)

Gary Beasley, Neighbors of Watertown, Inc.

Daniel Buyer, DHCR Syracuse Regional Office

Lorraine Collins, Budget Examiner, Division of Budget

Matt Ecker, DHCR Syracuse Regional Office

Janelle Greene, Director Government/Community Relations, NHS of NYC, Inc.

Dennis Hanratty, Mt. Vernon United Tenants

Lynn Kopka, DHCR Albany Regional Office

Eduardo Laguerre, Neighborhood Association for Inter-Cultural Affairs (Bronx)

Karen Mallam, Newburgh Community Improvement Corporation

Kristy Palumbo, Heart of the City Neighborhoods, Inc. (Buffalo)

John Serio, DHCR Albany Regional Office

Robert Thomas, DHCR NYC Regional Office

David Unger, DHCR Buffalo Regional Office

Barry Wollner, DHCR NYC Regional Office

### ***Rural Preservation Program Task Force***

Meghan Anderson, Budget Examiner, Division of Budget  
Nancy Berkowitz, NYS Rural Advocates  
Daniel Buyer, Assistant Commissioner, DHCR Syracuse Regional Office  
Pat Doyle, Community Service Bureau, DHCR  
Judith Eisgruber, Albany Country Rural Housing Alliance  
Roxanna Gillen, Oswego Housing Development Council  
Charles Kalthoff, ACCORD Corporation (Allegany County)  
Lynn Kopka, DHCR Albany Regional Office  
Diane McClure, DHCR Syracuse Regional Office  
Marty Mucher, Wyoming County Community Action  
Kevin O'Connor, Rural Ulster Preservation Company  
Kevin O'Neill, Housing Resources of Columbia County  
Blair Sebastian, Rural Housing Coalition of New York State  
Keith Scholes, Rural Opportunities, Inc.  
John Serio, DHCR Albany Regional Office  
Cheryl Shenkle-O'Neill, Snowbelt Housing Corp.  
Susan Szczerbacki, Alfred Housing Committee  
Thomas VanNortwick, DHCR Buffalo Regional Office

### ***Advisory Board members***

Alma Balonon-Rosen, Enterprise Community Partners  
Danielle Pulliam, LISC  
Deborah Boatright & Kate Adams, NeighborWorks

### ***Special Thanks To...***

Deborah VanAmerongen, Commissioner, DHCR  
Brian Lawlor, Executive Deputy Commissioner, DHCR  
Catherine Johnson, Deputy Commissioner for Administration, DHCR  
Gary Hallock, Deputy Commissioner for Community Development, DHCR  
Nancy Peters, Public Information Office, DHCR  
Linda London, Facilitator

### **Guiding Principles**

The Task Forces worked according to the following basic principles:

- The process for undertaking program review and reform will be inclusive and transparent.
- There are no pre-determined outcomes/recommendations from the Task Force(s).
- Participants on Task Forces will be representative of:
  - all stakeholders;
  - geographic distribution across the State;
  - various size preservation companies from large to small;
  - various capacities and focus of services (soft services and development).
- All topics/issues are appropriate for discussion and review.
- The process is a joint effort by the DHCR, the Division of the Budget, the Rural and Neighborhood Coalitions and their respective members, and the Legislature.

- Communication on progress of the Task Force is a joint responsibility of the Coalitions and DHCR.

### **Timeline**

- I. **Vision** – In June, the Task Forces met together in Utica to develop a shared vision for the future of the Neighborhood and Rural Preservation programs.
- II. **Definition of the Vision** – The Task Forces began meeting separately in July. Each Task Force defined the vision of success for their respective program. The result was separate ‘models’ for the Neighborhood and Rural Preservation Programs, showing the needs, activities, and desired outcomes. The models will serve as the basis for evaluating success in these programs moving forward.
- III. **Recommendations** – With a definition of success in mind, the Task Forces developed recommendations in August to best achieve the desired results and outcomes.
- IV. **Public Participation, Part I** – By August, DHCR had established a web site to display the documents produced by the Task Forces. This site included an e-mail address to collect comments and suggestions from interested participants. Additionally, DHCR hosted eight regional open forums (four for each program) in Buffalo, Syracuse, Albany and New York City. Between the forums and web site, DHCR recorded comments from 110 people from outside the Task Forces.
- V. **The Certification Process** – In September, the Task Forces developed flow charts for a three-year certification process for NPCs and RPCs. They developed standards, and outlined a process for the administration of the programs moving forward.
- VI. **Public Participation, Part II** – Summaries of the Task Force meetings and preliminary recommendations were presented at panel discussions at the Neighborhood and Rural Preservation Conferences in October. The documents were displayed on the DHCR web site in advance of the conferences. More than 100 people attended each of the two meetings.
- VII. **Presentation** – In late October, DHCR staff and representatives from the Coalitions met with the Commissioner of DHCR to review the final report and discuss next steps in the process.

### **Summary of Recommendations**

The Task Forces viewed the Neighborhood Preservation Program and Rural Preservation Program as two distinct and independent programs. As such, each Task Force came up with its own model, recommendations, and implementation plan (see attached). However, several basic, central themes came forward in both Task Forces. They are listed below:

The Neighborhood and Rural Preservation Programs promote organizations that are:  
(based on NPC and RPC Task Force – June 27, 2007):

- People and community centered
- Locally designed and controlled
- Responsive to the needs of different regions (NYC, Urban Upstate, Rural Upstate)
- Inclusive and building partnerships – all the Stakeholders involved
- Appropriately funded by the State, the federal government, and the private sector.
- Building sustainable communities – affordable housing, economic development, jobs, transportation, public safety, parks and public spaces, essential services
- Energy/Environmentally-friendly
- Responsive to multiple special needs

- The focal point of their communities – planning for the future, coordinating services, and linking residents to opportunities
- Telling their story loud and clear
- Working in an environment where everyone is accountable to the residents of New York State for results, including local and state government
- Collaborative and interdependent – organizations share resources and best practices locally and from region to region
- Supported by a State Government that coordinates its programs to meet the organizations’ needs and advocates for affordable housing
- Meeting the needs of all low-income communities including those previously underserved and un-served
- Properly staffed to take on challenging projects
- Recognized for the sophistication and professionalism of their staff
- Leveraging funding and building capacity to meet local needs while achieving state-wide goals

Common themes in the recommendations/implementation plans include the following:

**Reward Performance** – For more than a decade, both programs have funded all of the companies at the same level – usually \$65,000 per year per company. There was agreement among Task Force members that this creates a disincentive for companies to extend themselves, and ultimately results in less ambitious work plans. Both Task Forces recommended that those companies that consistently perform at a higher level should receive more funding as available.

**Strategic Planning and Needs Assessment** – In the past, DHCR has required Strategic Plans and Needs Assessments. However, the Division did not provide a standard format for what is acceptable. As a result, the quality of what the companies submitted varied greatly, making it difficult for DHCR to evaluate and compare the needs, production and outcomes of the companies in a consistent and equitable manner. Recommendations here call for standardization of these documents.

**Incentives for Collaboration and Consolidation** – Both Task Forces agreed that DHCR needs to offer financial incentives for companies to collaborate and/or consolidate. Higher funding levels should be available for two or more companies that agree to consolidate, and for companies that expand to serve a previously un-served area.

**Certification** – Both Task Forces agreed to a three-year certification process. Starting in 2008-09, companies will be recertified every three years based on their updated needs assessment and strategic plan, past production, and a set of organizational standards. This will provide a mechanism to eliminate consistently poor performing companies, while acknowledging and potentially rewarding those who can demonstrate results.

**Program Promotion** – DHCR, the Neighborhood Preservation Coalition, and the Rural Housing Coalition will work together to promote the work of the companies, and advocate for the Neighborhood and Rural Preservation Programs. That will start with publishing an Annual Report, as required by statute.

**Continued Dialogue** – More work remains to be done to complete the work started in this process. DHCR and the Coalitions have agreed to continue a joint Task Force to work towards implementation.

# **ATTACHMENT A**

Definition of the Vision (Logic Model)  
For the Rural Preservation Program  
And the Neighborhood Preservation Program

# Rural Preservation Program

*(RPC Task Force - July 13, 2007)*

**External Impacts:** (Community impacts resulting from the work of the Rural Preservation Program)

***External Impact I: Providing for the affordable housing needs of rural New Yorkers.***

**Need I.1:** Many residents of rural New York do not have access safe and sanitary housing at rents or prices that they can afford

**Goal 1.1:** Provide a sufficient supply of safe, decent and affordable housing so that the housing needs of all rural New Yorkers are met

**Objective 1.1:** Provide safe, decent and affordable rental housing for low, very low, moderate income and special needs residents of rural New York

**Activities:**

- 1.1. Develop new rental housing where appropriate
- 1.2. Acquire and rehabilitate under-utilized, substandard or deteriorated rental housing or affordable rental housing at risk of being lost through prepayment or escalating housing costs
- 1.3. Provide for adaptive re-use of existing buildings
- 1.4. Support the rehabilitation of rental housing in private ownership
- 1.5. Provide effective property management for the rental housing
- 1.6. Demonstrate leadership in the creation of hazard-free, energy efficient rental housing

**Required Inputs:**

- 1.1. Organizational Capacity sufficient to carry out the appropriate activities
- 1.2. Development team on staff or as consultants to properly carry out the activities  
Capital resources appropriate to the activity and the target population
- 1.4 State wide rural housing coalition to support organizational capacity

**Impact Measures:**

- 1.1 Number of affordable rental units created or rehabilitated or preserved, repaired, acquired
- 1.2 Number of units managed

**Outcome Measures:**

- 1.1 Decrease in the number of rent burdened families
- 1.2 Decrease in the number of families who are inappropriately housed
- 1.3 Decrease in vacancy rates in rental units
- 1.4 Decrease in the occurrence of substandard units
- 1.5 Decrease in the number of displaced households
- 1.6 Increase in the length of tenure

**Objective 1.2.** Preserve, protect and expand homeownership opportunities for residents of rural New York

## **Activities**

- 1.1 Develop new one to four family structures for homebuyers
- 1.2 Provide for the rehabilitation of owner occupied housing units
- 1.3 Educate and counsel potential first time homebuyers
- 1.4 Counsel homeowners with ownership related issues including but not limited to, repairs and maintenance, defaults and foreclosures
- 1.5 Provide reverse equity mortgage counseling
- 1.6 Demonstrate leadership in the creation of hazard-free, energy efficient owner occupied housing
- 1.7 Assist municipalities with smart growth planning that encourages the development of affordable housing
- 1.8 Assist occupants of manufactured housing with affordable financing and alternative ownership options

## **Required Inputs**

- 2.1 Trained and qualified counseling staff
- 2.2 Financial assistance for down payment and closing costs
- 2.3 Appropriately priced and even subsidized mortgage money
- 2.4 Organization capacity to undertake development projects
- 2.5 Access to a full development team through staff and consultants
- 2.6 Training and program support for organizations undertaking energy efficient or “green” development
- 2.7 State wide rural housing coalition to support organizational capacity
- 2.8 Predevelopment funds and infrastructure funds for single family developments

## **Impact Measures**

- 2.1 Number of new homeowners
- 2.2 Number of owner occupied housing units receiving rehabilitation to an acceptable standard
- 2.3 Number of owner occupied housing units receiving emergency repairs (addressing immediate need only)
- 2.4 Number of households counseled to take or avoid reverse equity mortgages
  - 2.8.1 Number of units with improved energy efficiency or free of environmental hazards
  - 2.8.2 Number of municipalities adopting/revising comprehensive plans and zoning ordinances to allow and encourage affordable smart developments

## **Outcome measures**

- 2.1 Increase in the homeownership rate in rural communities
- 2.2 Decrease in the proportion of substandard, owner occupied housing units
- 2.3 Decrease in the amount of carbon based energy inputs consumed by rural housing units.
- 2.4 Increase the number of well designed communities that preserve open space and agriculture and promote the development of housing that is affordable to local residents
- 2.15 An increase in the proportion of rural populations that work within a 30 mile radius of home

**Objective 1.3** Insure an adequate supply of housing designed and/or operated to meet the requirements of special needs populations

**Activities**

- 3.1 Provide services to retrofit existing housing for accessibility
- 3.2 Create a supply of new accessible housing units
- 3.3 Create accessibility and visit-ability in units we address
- 3.4 Create new housing units for special needs populations
- 3.5 Operate housing for special needs populations
- 3.6 Establish linkages to support operations

**Required Inputs:**

- 3.1 Sustainable stream of capital funding to create units
- 3.2 Training on the requirements of special needs housing
- 3.3 Revenue streams to support the additional costs of operating special needs housing
- 3.4 Incentives and coordination with other state agencies to promote collaboration & coordination of Preservation companies and service agencies

**Impact Measures:**

- 3.1 Number of housing units made accessible
- 3.2 Number of new accessible units created
- 3.3 Number of new special needs units produced and managed
- 3.4 Number of special needs persons who have access to appropriate housing that is integrated into the existing community

**Outcome Measures:**

- 3.1 Increase in the proportion of accessible units
- 3.2 Decrease in the number of homeless, special needs persons

***External Impact II: Support the development and maintenance of viable and sustainable rural communities.***

**Need II.1:** Many rural communities have faced economic and population challenges that have resulted in varying degrees of deterioration of the housing and commercial building stock, while other rural communities have become largely second home communities, thus displacing long-time residents and discouraging young working families from settling there.

**Goal 1.1.** Support the preservation and revitalization of sustainable rural communities

**Objective 1.1** Provide for the community infrastructure and economic development of rural places

**Activities**

- 1.1 Administer Main Street Programs
- 1.2 Undertake the rehabilitation of significant commercial and/or residential structures
- 1.3 Assist communities with the development of public infrastructure such as water, waste management systems, health, recreation and infrastructure that supports communities and housing
- 1.4 Obtain, administer or provide loan products to support community development
- 1.5 Provide planning assistance to municipalities
- 1.6 Write funding proposals and administer contracts on behalf of communities
- 1.7 Participate in trainings to provide CD capacity to communities

**Required Inputs**

- 1.1 A permanent, comprehensive Main Street program to provide capital and administrative funding for the redevelopment of main streets
- 1.2 Capital funding to support the development of public infrastructure in rural communities at a cost that does not over burden the longtime residents of those communities
- 1.3 Appropriate Training for organizations to improve their abilities to provide these services

**Impact Measures**

- 1.1 Increased Capital investments in rural communities
- 1.2 Value of public funding awarded
- 1.3 Meetings with local leadership to share CD expertise
- 1.4 Number and value of loans and grants provided to property/ business owners
- 1.5 Increase in number of residents who remain in the community as full-time residents
- 1.6 Increase in the number of 18-35 year olds who reside in rural communities (or a slowing in the rate of decline in this measure).

**Outcome measures**

- 1.1 Improved appearance of community
- 1.2 Increased opportunity for employment
- 1.3 Infrastructure to support planned community development
- 1.4 Improved coordination of resources
- 1.5 Articulated planning strategies for community development
- 1.6 Measurable investment in local community
- 1.7 Additional planning and development capacity found in local community
- 1.8 Full range of goods and services locally available

**Need II.2:** Some rural communities are experiencing population growth, gentrification and rapid increases in housing prices

**Objective 2.1:** Create balanced rural communities that protect the environment, foster economic opportunity, and preserve historic and cultural resources

**Activities**

- 1.1: Undertake the development of mixed use and mixed income projects  
Promote and support smart growth principles
- 1.2: Assist communities to develop appropriate infrastructure to facilitate housing and community development and to protect the environment
- 1.3: Advocate for and assist in creating Zoning and Land Use regulations that promote the development of affordable housing and adhere to Smart Growth Principles
- 1.4: Insure that community develop plans provide for workforce housing

**Required Inputs:**

- 1.1 Capital funding to support mixed income housing development
- 1.2 Program funding to support community and regional planning efforts
- 1.3 State incentives to encourage communities to undertake enlightened planning efforts
- 1.4 Training for not for profit in community planning, land use law, and smart growth strategies

### **Impact Measures**

- 1.1 Increase the number of housing units in mixed use settings
- 1.2 Increase in the number of rural communities with friendly zoning regulations
- 1.3 Number of units of workforce housing brought on line
- 1.4 Decreasing ratio between population growth and the amount of land consumed

### **Outcome Measures**

- 1.1 Communities contain a balance of housing opportunities with respect to cost, tenure and other factors

### **Internal Impacts** (*impacts relating to the operation of the RPC program*)

#### ***Internal Impact I: An efficient, effective and supportive organizational and program structure for the Rural Preservation Program***

**Need I.1:** There is a need for a sustainable, reliable well trained affordable housing delivery system that can meet the needs of rural New Yorkers

**Goal 1:** Insure that New York's Network of not for profit housing community development organizations are well run, cost effective and accountable and support the capacity of community based, non-profit organizations to deliver affordable housing in rural NY

**Objective: 1.1:** RPCs administer competent, effective organizations

#### **Activities:**

- 1.1 RPC's undertake informed needs assessments in their service areas
- 1.2 RPC's develop Strategic Plans that reconcile community needs and organizational capacity
- 1.3 Boards of Director function appropriately in the role of policy development, oversight and financial development
- 1.4 Board and staff take advantage of appropriate training and TA
- 1.5 Staff Capacity is assessed and training needs identified
- 1.6 RPCs provide annual reports to the board, community and funding sources

#### **Required Inputs:**

- 1.1 A Committed, stable, predictable and sufficient stream of funding to allow organizations to attract and retain quality staffing
- 1.2 Community based Board of Directors who are committed and willing to work to support the mission
- 1.3 Access to training and information
- 1.4 Adequate funding for State wide rural housing coalition to support organizational capacity
- 1.5 Support and facilitation of collaborations to deliver highly technical skills, such as asset management and real estate development, to community controlled ventures

### **Impact Measures**

- 1.1 Work plan identified that is consistent with strategic plan
- 1.2 Staffing patterns that reflect level and capacity of work plan
- 1.3 Baseline performance standards met annually
- 1.4 Ongoing training/ technical assistance

**Outcome Measures:**

- 1.1 Non profit organization with, or access and control of, appropriate staffing to meet identified community needs
- 1.2 Active Non profit Board commitment to organization and mission
- 1.3 Appropriate, sustained approach to work plan
- 1.4 Efficient use of available resources
- 1.5 Improved services to communities
- 1.6 Enhanced accountability to communities and funding sources

**Objective 1.2:** NYS provides stable funding, training and development resources to non-profit community based organizations

**Activities:**

- 2.1 DHCR and DOB craft appropriate budget proposals to fully fund RPCs and the Rural Housing Coalition (RHC) and provide sufficient resources for DHCR staff to do its job
- 2.2 DHCR, RHC and RPPs report relevant information to the Legislature
- 2.3 DHCR supports training through the Rural Housing Coalition and other contractors
- 2.4 DHCR Commissioner establishes a permanent RPC Task Force with a regular meeting schedule to help guide DHCR

**Required Inputs:**

- 2.1 Accurate performance data on RPC output and outcomes
- 2.2 Regular assessments of the financial, training and TA needs of RPCs

**Output Measures:**

- 2.1 Increased aggregate Annual Funding levels
- 2.2 Year to year statistical comparisons of RPC outputs
- 2.3 Reports by Task force of training and technical assistance needs

**Outcome Measures:**

- 2.1 RPCs are the primary and successful delivery system for meeting community housing and community development needs

**Objective 1.3:** RPCs and DHCR have a system of program evaluation, feedback and monitoring that allows for effective management of the program

**Activities:**

- 3.1 DHCR and RPCs measure annual output
- 3.2 DHCR and RPCs measure program leverage
- 3.3 DHCR and RPCs measure program progress against Strategic Plan and annual workplan
- 3.4 DHCR and RPC board and staff meet regularly to discuss performance and any corrective actions that may be necessary

**Required Inputs:**

- 3.1. Evaluation Tools

**Output Measures:**

- 3.1. Regular and consistent reporting
- 3.2 Reporting that effectively measures progress

**Outcome Measures:**

- 3.1 RPC program is accountable
- 3.2 RPC have management tools to monitor and improve performance

**Need I. 2:** The NYS DHCR has a need to provide consistent administration of the NYS Rural Preservation Program that is based on Article XVII of Private Housing Finance Law and consistent with the goals of the State's leadership

**Goal 2.1:** Effectively administer RPP program to ensure delivery of excellent service to rural communities in need of affordable housing and community development

**Objective 1.1:** Provide information to policy makers to demonstrate effectiveness and efficiency of the Preservation Program they administer so that it can be adequately funded

**Required Inputs:**

- 1.1 Effective evaluation tool and method to capture RPC work
- 1.2 Clarification and communication of their roles and responsibilities in every region
- 1.3 Funding for staff to support the administration
- 1.4 Training for staff to provide evaluation and measurement of capacity

**Activities**

- 1.1 Adopt a uniform evaluation and measurement tool appropriate to the Rural Preservation Program
- 1.2 Obtain consistent training on roles and responsibilities of staff, region wide
- 1.3 Collect data in house and externally to measure effectiveness
- 1.4 Report program data to DOB and present it at least annually
- 1.5 Develop Baseline measures of performance
- 1.6 Plan for housing agencies state wide to communicate

**Impact Measures**

- 1.1 In house trainings on outcome measurements for performance
- 1.2 Update manuals and regulations and distribute
- 1.3 Meetings with DHCR regional offices and RPCs to develop measurement tool
- 1.4 Inter agency regional meetings to improve communications
- 1.5 Coordination of housing funds within program areas

**Outcome Measures**

- 1.1 Enhanced accountability and credibility of program
- 1.2 Consistent, adequate funding for DHCR Staff, RHC and RPCs
- 1.3 Increased efficiency in use of housing funding
- 1.4 Promotion of successful program
- 1.5 Greater support and recognition of Preservation Program

## ***Internal Impact II: Promotion of the Successes achieved.***

**Need II.1:** There is a need to educate policy makers, community leaders and residents of Rural New York regarding the achievements and potential of the Rural Preservation Program to meet the housing needs of low income residents of rural New York

**Goal 1.1:** Promote the Rural Preservation Program

**Objective 1.1:** Provide verifiable data to New York State Policy makers documenting short term output and longer term Outcomes of the Rural Preservation Program

### **Activities:**

1. DHCR issues annual report to the Legislature
2. DHCR supports Rural Housing Coalition efforts to gather and distribute information about RPP accomplishments

### **Necessary Inputs:**

1. Good and complete data documenting RPC output of both workplan activities and activities indirectly supported by RPP funding
2. RPCs have a workplan and reporting format that allows DHCR to collect important information about program performance

### **Output measures:**

1. Cumulative statistics of RPC output
2. Statistics of RPC workplan output
3. Calculation of RPP leverage

### **Outcome Measures:**

1. Consistent and appropriate levels of support by the Legislature and Executive

**Objective 2:** Raise public awareness of the housing needs of low-income rural households and indicate the role of RPP in meeting those needs

### **Activities:**

1. Commissioner of DHCR and other State leaders speak of the effectiveness of RPP
2. DHCR supports RHC public awareness campaign

### **Necessary Inputs:**

1. Human interest information from RPCs
2. Data Provided by DHCR policy unit

### **Output Measures:**

1. Number of reports and press releases issued

### **Outcome Measures:**

1. The RPP program becomes widely recognized as an effective tool to deal with housing and community development challenges of rural communities

# Neighborhood Preservation Program

*(NPC Task Force - July 10, 2007)*

## External Impacts

### External Impact 1: Affordable housing

#### Needs:

Supply of safe decent affordable housing  
Access to affordable housing  
Quality of affordable housing  
Preservation of affordability

#### Goals

Increase the supply of safe decent affordable housing for low-income owner-occupants  
Increase the supply of safe decent affordable housing for low-income renters  
Preserve our existing assets in affordable housing  
Decrease the rent burden for low-income tenants  
Identify and address regional and local housing needs  
Encourage economic diversity  
Address special housing needs

#### Objectives

Develop new affordable rental/owner housing units  
Rehab existing affordable units  
Educate and counsel tenants, landlords and potential homeowners  
Intervene to prevent foreclosures  
Mediate disputes between landlords and tenants  
Encourage landlords to maintain affordable housing  
Reduce Code violations and blight  
Prevent eviction of low-income tenants  
Meet special needs/provide services  
Stabilize rents and insure affordability  
Encourage mixed-income housing  
Develop regional strategies and partnerships

#### Community Impacts

Increase number of homeowners  
Decrease number of tenants paying too much for housing  
Decrease housing vacancy  
Improve condition of affordable housing  
Insure low-income people can afford decent, affordable housing

#### Measures (and potential sources)

Number of new homeowners  
Number of low income residents who can afford housing  
Homeownership Rate (Census)  
Affordability Index (Census)

Property Conditions (Property Surveys, # of Code Violations)

Vacancy Rates (Census Data, market studies, City records)

## **External Impact 2: Safe, diverse, and economically viable, urban neighborhoods and communities**

### Needs

Need for economic opportunities for low-income people

Need for economic diversity in low-income neighborhoods

Need for private investment in areas of disinvestment

Need for local ownership and control

Need for neighborhood identity

Need for neighborhood resources

Blight and poor property conditions

Unattractive neighborhoods

Crime and the perception of crime

### Goals

Expand job opportunities

Assist and encourage neighborhood and small businesses

Encourage neighborhood involvement in schools

Increase incomes, build wealth, and reduce poverty

Establish neighborhood identity

Increase local ownership

Reduce crime and enhance the neighborhood image

Insure a full range of neighborhood services, including shopping, and human services

Attract private investment

### Objectives

Establish neighborhood and community plans

Raise community-planning issues with local governments

Define and promote neighborhood assets

Attract and support neighborhood and small businesses

Support improvements that create safe, walk-able neighborhoods

Encourage neighborhood watch and other citizen led crime prevention activities

Assist neighborhood/local residents in purchasing and investing in local properties

Encourage private and business investment

Encourage job training

Link residents to necessary services

Facilitate youth activities and support neighborhood-based school initiatives

### Impacts/Outcomes

Incomes of low-income residents will rise/poverty will decrease

Crime will decrease

Perception of the neighborhood will improve

Vacancy will decrease

Property conditions will improve

Properties in the neighborhood will be locally controlled

### Measures

Income/poverty data (Census)

Local crime reports (Police reports)

Property condition surveys  
Assessment data (City Assessor)  
Market Studies

### **Impact 3: Empowered citizens**

#### Needs

Apathy/lack of community participation  
Need for neighborhood input in local planning

#### Goals

Involve neighborhood residents in local planning  
Build resident capacity for leadership  
Raise neighborhood-planning issues with local government  
Advocate for Tenants' Rights

#### Objectives

Involve citizens through NPC Boards/committees etc.  
Increase membership in NPC activities  
Increase participation in local planning  
Organize effective tenant associations and other citizen companies

#### Outcomes/Impacts

Local planning will respond to needs of neighborhood residents  
More residents will participate in NPC and in local planning  
Neighborhood residents will feel sense of empowerment and ownership  
Increased Social Capital

#### Measures

% of registered voters  
# of NPC members (for membership organizations)  
# of residents participating in NPC committees, activities, etc.  
# of residents participating in local planning

## **Internal Impacts**

### **Impact 1: An efficient, effective and supportive organizational and program structure**

#### Needs

Meet the needs of all low-income residents  
Opportunities to collaborate  
Flexibility to identify and meet local, community needs  
Regional approaches to housing  
Funding system that can vary  
Clarify definition of low-income  
Accurately assess/develop capacity of NPC Staff  
Support for training/education of NPC staff  
Funding support for soft/community services as well as production  
Consistent funding support and benefits to retain good staff  
Establishment of functioning, community based boards and committee structure  
Opportunities to assess and improve NPC physical plant/offices

Strategic planning/opportunities for growth

Goals/Objectives

Establish agreed upon mechanism to set, define and quantify local needs and impacts  
Establish service areas for NPCs that make sense and can be adjusted  
Develop fair policy for working outside the service area  
Create regional definitions of low income  
Provide funding to encourage strategic alliances  
Establish better funding system to reward performance  
Support ongoing training and technical assistance  
Encourage partnership with local universities, municipalities and private sector

Outcomes/Impacts

Enhanced accountability  
Satisfied and productive staff  
Organizational growth  
Completion of work plan activities  
Completion of Strategic Plans  
Improved service to low income residents and neighborhoods  
Savings to other public programs

Measures

Analysis of work plans/strategic plans  
Outcomes analysis  
Dollars Leveraged

**Impact 2: Promotion of the Success Achieved**

Needs

Branding of Neighborhood Preservation Program and what it achieves  
Respect for NPCs  
Reporting process that takes into account full scope of NPCs – leveraged dollars  
Make housing a top priority

Goals/Objectives

Count and value all activities of the NPCs  
Recognize expertise of NPCs  
Attend ribbon cuttings and support NPC activities  
Publish Annual Report of NPC Activities for DOB and Legislature

Outcomes/Impacts

Demonstrate Strength of NPP  
Better understanding  
Enhanced accountability  
Satisfied and productive staff  
Organizational growth

Measures

Dollars leveraged  
Funding levels

# **ATTACHMENT B**

## **Recommendations For the Rural Preservation Program And the Neighborhood Preservation Program**

# Rural Preservation Program

(RPC Task Force – August 9, 2007)

## Short-Term

**Develop a standardized needs assessment** – Utilizing the Definition of Success (model) outlined here, DHCR should produce a standardized form for RPCs to assess the full range of housing needs in their communities. While no RPC can be expected to meet all of the many needs in its community with limited funding, the organization should at minimum collect data on what those needs are and objectively evaluate which needs represent the highest priorities. RPCs should update the needs assessment every three years utilizing consultants, interns, existing staff, etc.

**Utilize the Needs Assessment for Strategic Planning** – With their Needs Assessment in hand, the RPCs should create Strategic Plans and Action Plans to address their highest priority needs. DHCR should track the outputs produced by the RPCs to meet those needs over a three-year period. At the end of that time, the Program should examine the outcomes achieved, and update the needs assessments and business plans. Ongoing technical assistance should be available for strategic planning.

**Develop tangible criteria for assessing the success or failure of an RPC, and make sure the expectations are clear** – There needs to be clear, enforceable minimum organizational standards for RPCs, both internally (capacity of the organization) and externally (outputs and outcomes). DHCR, working with the RHC, should complete an organizational assessment of the RPCs as part of the Strategic Planning process to identify capacity issues and develop a plan for technical assistance. Possible factors the RPCs should be assessed and evaluated based on could include:

- *Financial health* – Does the RPC have sufficient funding sources and an increasing earned income ratio?
- *Return on the State's investment?* - Does the RPC consistently meet match and leverage enough dollars to meet its community's needs.
- *Board and Staff capacity* – Does the organization have properly trained and qualified staff to meet the priority needs in its needs assessment and achieve the outcomes in its Strategic Plan? Is the board functioning and representative of the community? DHCR and RHC should partner with other organizations to establish training certifications and credentialing for various services.
- *Past performance* – Has the group made tangible progress towards achieving the outcomes in its Strategic Plan to date?
- *Current outputs and outcomes* – How well does the RPC know the needs of its community, and does it have a strategy to address the highest priority needs? To what level and extent is the RPC producing to meet the needs of its community? This can be evaluated locally and in relationship the State's own needs assessment and housing policy.

**Create a Statewide database** - DHCR should facilitate the creation of an easy to use, statewide database, accessible to the RPCs, DHCR, state officials, etc. to display the latest information on the outputs and outcomes of the Rural Preservation Program. The RPCs could report their outputs and outcomes to DHCR using this database on an ongoing basis, rather than just once per year. They could also utilize it to document leverage and demonstrate the multiplier effect of the State's investment in this program. The Governor and the state Legislature could refer to the database to obtain and analyze up to date information on the production of each organization and on the program as a whole.

**Apply any program savings to insure a consistent level of service across the state and to reward performance through incentive funds** – If RPCs are eliminated from the program, the money saved should remain in the program. Priorities for reallocation, in order, should be to: 1. Insure that the service area of the outgoing group receives the full range of housing services, either through the expansion of an existing group or the selection of a new group. 2. Insure that underserved areas receive appropriate service. 3. If the needs of the service area can be met without an expansion or the selection of a new group, the dollar savings should be re-allocated to reward other high performing companies in the program.

**Establish a brand** – DHCR must take a more pro-active role in promoting and advocating for the Rural Preservation Program. The leadership in DHCR and in the Rural Housing Coalition must work together to do so with one united voice. Their goal should be to utilize their collective resources and contacts to re-establish the Rural Preservation Program as a national model.

**Produce an Annual Report** – Article XVII of Private Housing Finance Law requires an Annual Report on this program to be provided to the Legislature. DHCR must develop this report and deliver it to the Legislature and the Governor on time. The data DHCR collects from the RPCs should document the full impact of these organizations in their communities, and spotlight leverage the state achieves through this investment. This report should capture activity that is made possible by the program. It should include housing and community development activities that are paid for directly by the program, as well as those that are ultimately made possible as a result of the capacity supported by the Rural Preservation Program.

**Promote the program through existing DHCR vehicles** – DHCR already has access to many tools for marketing, including its Internet and Intranet sites and its Public Information Office. These tools should be utilized on an ongoing basis to highlight the many positive achievements resulting from the state's investment in RPCs. Additionally, DHCR should be issuing press releases on an ongoing basis, and utilizing its staff to attend ribbon cuttings, community tours and other RPC events. Other ideas include establishing a public education campaign on affordable housing, and the creation of a logo for the program.

**Establish an ongoing joint Task Force to review the program** – The Rural Housing Coalition and DHCR should continue meeting together. Through an ongoing Task Force, they can establish and review plans for technical assistance, review ongoing boundary issues, and continuously update the program's goals, objectives, and evaluation tools.

## **Long-Term**

**Reward Performance** – There should be a range of funding levels for RPCs. All companies should receive a minimum base-line amount. But those companies with a proven track record that make consistent progress towards meeting the needs of their communities and achieving the outcomes in their Strategic Plans should receive more funding. These determinations should be made at the regional level.

**Provide separate, additional set-aside or incentive funds to address particular needs** – These set-asides could potentially be funded through other programs. They should not be available unless the necessary funding for the Rural Preservation Program has already been secured. Possibilities include:

- A seed capital fund to help organization establish the capacity to undertake new activities.
- A Growth and Collaboration Fund (see below)
- Grants for needs assessment and strategic planning

**Establish incentives for RPCs in affordable housing production** – Developer and administrative fees for RPCs should be sufficient to fully offset the cost of operating those programs and projects, providing an incentive for companies to take on additional work.

**Eliminate the annual & aggregate funding caps**

**Partner to increase community awareness of the affordable housing needs in our communities** – DHCR and the Rural Housing Coalition should work together to insure that communities embrace development of affordable housing as an essential component for their success.

**Reach out to other partners** – DHCR’s leadership can work with the Rural Housing Coalition to promote the program on a local, statewide and national stage. This can include meeting with government officials, networking with the media, and making presentations at significant events.

**Establish criteria for RPCs to expand boundaries and work outside their service area** – DHCR and the Rural Housing Coalition should work together through their joint task force to evaluate how to meet the needs of un-served and under-served areas while respecting the integrity of service boundaries.

**Provide incentives for collaboration and consolidation** - This should include financial and technical support. It should provide incentives for voluntary consolidations of RPCs. DHCR’s administration of the program should encourage strategic alliances. When two or more RPCs consolidate, a new, permanent funding level should be negotiated between the new group and DHCR based on an assessment of the combined capacity of the new group. DHCR should establish a **collaboration and growth fund**, providing one time incentive grants for RPCs to offset the expenses for those that take on a merger, expand their service area, or take on new lines of business to address previously unmet needs or engage in cooperative endeavors of merit.

**Encourage collaboration for economies of scale** – It is frequently not cost effective for small community based housing organizations to maintain and support specialized real estate expertise within their own staff. The development and operation of affordable rental housing can be an important tool for meeting community needs and generating income for not for profit organizations. RHC should facilitate collaboration to provide specialized skills in a broad range of program areas such as financial and asset management.

**Provide opportunities for credentialing** – The Rural Housing Coalition should work together with other partners to provide credentialing and certification programs for DHCR and RPC staff members in key areas such as homebuyer counseling, property management, home construction, etc.

# Neighborhood Preservation Program

*(NPC Task Force - August 1, 2007)*

## I. Standards & Evaluation Methods for Programs

**Create a Statewide database** - DHCR should facilitate the creation of a statewide database, accessible to the NPCs, DHCR, state officials, etc. to display the latest information on the outputs and outcomes of the Neighborhood Preservation Program. The NPCs could report their outputs and outcomes to DHCR using this database on an ongoing basis, rather than just once per year. They could also utilize it to document leverage and demonstrate the multiplier effect of the State's investment in this program. The Governor and the state Legislature could refer to the database to obtain and analyze up to date information on the production of each organization and on the program as a whole.

**Develop a standardized needs assessment** – Utilizing the Definition of Success outlined here, DHCR should produce a standardized form for NPCs to assess the full range of housing needs in their communities, plus any relevant community renewal needs. While no NPC can be expected to meet all of the many needs in its community with limited funding, the company should at minimum objectively evaluate which needs are the highest priorities. The needs assessment should be updated every three years utilizing consultants, interns, existing staff, etc., with financial assistance available as funding permits.

**Utilize the Needs Assessment for Strategic Planning** – With their Needs Assessment in hand, the NPCs should create Strategic Plans and Action Plans to address their highest priority needs. DHCR should track the outputs produced by the NPCs to meet those needs over a three-year period. At the end of that time, the NPCs should examine the outcomes achieved, and update their needs assessments and strategic plans. Ongoing technical assistance should be available for strategic planning, and financial assistance as funding permits.

## II. Resources

**Reward Performance** – There should be a range of funding levels for NPCs. All companies should receive a minimum base-line amount. But those companies with a proven track record that make consistent progress towards meeting the needs of their communities and achieving the outcomes in their business plans should receive more funding. These determinations should be made at the regional level.

**Facilitate the creation of new companies and/or the expansion of existing companies to serve unserved or underserved areas**

**Provide the Neighborhood Preservation Coalition with additional funding to meet increasing technical assistance needs** – The funding for the Neighborhood Preservation Coalition should reflect the higher proportion of companies that it serves, and the increasing and ongoing need for technical assistance and support.

**Provide additional set-aside or incentive funding to address particular needs** – Possibilities include:

- A seed capital fund to help organization establish capacity in a new line of business.
- A fund for upgrading technology
- Funds for marketing in partnership with the Coalition.
- A travel fund to companies to participate in statewide housing and regional planning activities.

- Incentive grants to facilitate mergers, expansions and consolidations
- Grants for needs assessment and strategic planning

### **Eliminate the annual & aggregate funding caps**

**Provide training for regional representatives, and expand their role** – CSB field representatives in DHCR should receive training in affordable housing, community development and revitalization and other topics. They should receive information on best practices. Their monitoring procedures should be streamlined to insure they are providing a consistent message statewide.

**Encourage private developers to partner with NPCs and RPCs where relevant** – NPCs and RPCs have demonstrated their expertise in local housing markets. Private developers should be working with these companies to evaluate needs and opportunities, determine market potential, and address long-term planning issues.

**Establish incentives for NPCs in affordable housing production** – Developer and administrative fees for NPCs should be sufficient to fully offset the cost of operating those programs and projects, providing an incentive for companies to take on additional work.

### **III. Program promotion**

**Establish a brand** – DHCR must take a more pro-active role in promoting and advocating for the Neighborhood Preservation Program Programs. The leadership in DHCR and in the Neighborhood Preservation Coalition must work together to do so. Their goal should be to utilize their collective resources and contacts to re-establish the Neighborhood Preservation Program as a national model.

**Produce an Annual Report** – The statute requires an Annual Report for this program. DHCR should work with the Neighborhood Preservation Coalition to create this report on time. The data DHCR collects from the NPCs should document the full impact of these organizations in their communities, and spotlight leverage the state achieves through this investment.

**Promote the program through existing DHCR vehicles** – DHCR already has access to many tools for marketing, including its Internet and Intranet sites and its Public Information Office. These tools should be utilized on an ongoing basis to highlight the many positive achievements resulting from the state’s investment in NPCs. Additionally, DHCR should be issuing press releases on an ongoing basis, and utilizing its staff to attend ribbon cuttings, community tours and other NPC events.

**Reach out to other partners** – DHCR’s leadership can work with the Neighborhood Preservation Coalition to promote the program on a local, statewide and national stage. This can include meeting with government officials, networking with the media, and making presentations at significant events. DHCR and the Coalition should also coordinate with other related government agencies and service providers, including those engaged in anti-poverty and economic development strategies.

### **IV. Consolidation/Collaboration**

**Establish criteria for NPCs to work outside their service area** – For example, an NPC could work outside its service area in another eligible area if:

- A. There is a documented need that is not being met.
- B. It has made a good faith effort to collaborate with NPCs/other partners in the area

C. It gets participation (board participation, advisory members, committee volunteers, etc) in the impacted area.

**Provide incentives for collaboration and consolidation** - This should include financial and technical support. Statutory and legal hurdles to consolidation will also need to be addressed. The program should allow for voluntary consolidations of NPCs without financial penalty, and should encourage strategic alliances.

**Allow NPC's to serve more than one neighborhood in more than one municipality**

**Expand criteria for board participation** – In addition to those residing within their service area, NPCs should also be able to attract those who own businesses. The business owners should count towards the residency requirement. The participation of volunteer board members should be included when evaluating citizen participation.

# **ATTACHMENT C**

## **Summary of Comments from the August Open Forums and from E-Mail**

## **ATTACHMENT D**

Standards and Process (Certification) for the  
Rural Preservation Program  
And the Neighborhood Preservation Program