



*Housing with compassion...
Development with a vision*



Hudson River Housing, Inc. Needs Assessment

Excerpted from Strategic and Operating Plan 2009-2011

September 2008

Introduction

Mission Statement:

Hudson River Housing, Inc. (HRH) is a Neighborhood Preservation Company, Community Housing Development Organization and NeighborWorks America organization that develops, rehabilitates, and operates emergency, transitional and permanent housing for low income and homeless families and individuals in Dutchess County. In addition to housing, HRH provides supportive services intended to aid residents in achieving and maintaining stable and long-term housing, in increasing their skills levels and in gaining more influence over their lives.

Vision Statement:

Housing will be seen as a basic human right that should be available to all, regardless of income, family makeup, physical or mental health issues, or any other defining factors. As a result, all inhabitants of our region will have access to housing that is affordable to them, that meets their needs, and that is of above-average quality. Communities, including their residents and governing bodies, will value attractive, affordable, and well-designed housing and neighborhoods as essential to everyday life.

Guiding Principles: Outcomes for People and Communities

In accordance with our mission and vision, HRH has identified the following organizational outcomes that guide the whole of our work:

- Increase the availability of affordable rental and homeownership housing for low- and moderate-income households in our region.
- Ensure that quality and affordable housing stock exists in our region for the long-term.
- Contribute to the stabilization of families and neighborhoods in our region by creating and facilitating access to opportunities for families to move from rental housing to homeowner housing, and maintain that housing.
- Reduce the devastating consequences of homelessness experienced by those directly impacted, as well as by the community as a whole.

Market Needs

Hudson River Housing's (HRH) programmatic aims respond to identified needs in our market. Our primary service market area is Dutchess County, with a focus on the City of Poughkeepsie. Income, employment, and housing trends for the area show that the next three years may be more difficult for the individuals and families served by HRH. Low- and moderate-income residents are facing a "perfect storm" of factors that are putting increasing strain on their ability to make ends meet and achieve upward mobility. Housing affordability remains a critical issue in our area, with a large gap in supply of affordable rental units, particularly for households in the City of Poughkeepsie and those earning under less than 50% of the area median income. Affordable homeowner housing is lacking as well; even with the softening real estate market, home prices in Dutchess County remain out of reach for households earning 120% of the area median income or less. Rising food and energy costs, decreased access to credit, and a weakened job market are making this situation even more precarious. Overall, market data indicates there is strong demand for continued affordable housing production and service provision. A complete market analysis for FY2009 is included on page 67; key takeaways from that analysis are presented below.

Population Trends: Influx of commuters and foreign-born contribute to population growth

- Dutchess County remains attractive as a bedroom community for New York City workers, putting strain on housing prices

- Large increases in immigrant population contribute to increasing diversity in the area, and a need for more housing
- The baby boomer generation is reaching retirement age, creating greater demand for senior housing
- Population trends demand multi-lingual service provision, more affordable housing to cope with strain created by influx of higher-income residents, and senior housing options

Employment Trends: Job creation a priority; area holds potential for business growth

- Rising unemployment figures are a concern for area residents, who are struggling to make ends meet
- Poughkeepsie area seen as holding potential for economic investment
- Unemployment may potentially create a rise in the number of people seeking HRH's services

Income Trends: Huge income disparities continue to plague Dutchess County

- Overall, Dutchess County is one of the wealthiest counties in the Hudson Valley region
- Incomes in the City of Poughkeepsie remain substantially below median County incomes
- Services for low- to moderate-income households, particularly in the City of Poughkeepsie, are a priority that HRH must help to provide

Housing Trends: Affordable housing is vital need in Dutchess County area

- Demand for affordable rental units far outstrips supply for households earning 50% AMI or less
- Even with drop in homeownership market, prices remain unaffordable to households earning 120% AMI or less
- Pre-purchase education and identification of affordable homes for potential buyers a priority
- Foreclosure fallout creating an increased demand for counseling services, increased pressure in the rental market, and a potential increase in the homeless population

Policy Trends: Positive as well as negative policy trends will impact our work

- Increase in funding for provision of foreclosure and homebuyer education services
- Large increases for housing programs in NYS budget, but worry of potential budget shortfall
- Stabilizing local government will help ease HRH program delivery

Customer Trends: Current customer profile shows HRH needs to be poised to serve a variety of populations

- Continued increase in customers across spectrum of housing services
- Customers cut across all demographic categories, reflecting breadth of services provided by HRH

As shown above, low- and moderate-income households are facing increasing pressures, and demand for HRH's services remains strong, and in many cases, critical. HRH has tailored its response to the rapid changes in the housing market to the varied causes and consequences of those changes. On the whole, we are already well-positioned to respond to the needs of those struggling in this economy. Our emergency, transitional and permanent housing programs are stable and growing, and our staff is well-versed in assisting households in improving their housing stability. We are maintaining a consistent development pipeline of affordable units, which is set to grow substantially over the coming year. In addition, the opening of our NeighborWorks HomeOwnership Center has allowed us to substantially increase our homeownership counseling capacity at this most crucial time, including our various means of assisting foreclosure prevention customers (individual counseling, group counseling, and inter-agency partnerships).

Market Analysis

As part of the strategic planning process, HRH undertook an evaluation of our market and external forces and trends. The data indicate that continued, substantial need exists for HRH to sustain and expand its housing development and support services programs. HRH's market analysis attempts to answer the following questions: *What changes have occurred in our market in the past year? How have those changes informed the delivery of our services?*

Influx of commuters and foreign-born contribute to population growth

- Dutchess County remains attractive as a bedroom community for New York City workers, putting strain on housing prices
- Large increases in immigrant population contribute to increasing diversity in the area, and a need for more housing
- The baby boomer generation is reaching retirement age, creating greater demand for senior housing
- Population trends demand multi-lingual service provision, more affordable housing to cope with strain created by influx of higher-income residents, and senior housing options

Dutchess County has seen steady population growth in recent years. Our region has become increasingly popular with residents from the New York metro area seeking a quieter, less expensive way of life in the picturesque Hudson Valley. Many of these new residents continue to commute south for employment. According to the 2000 US Census data, 28% of Dutchess County residents work outside the county, with 39% traveling 30 minutes or more to reach their place of work. Over 50% of City of Poughkeepsie residents work outside the City, with 15% working outside the county. The Metropolitan Transit Authority has reported that the Metro-North Commuter Railroad, which provides service between the mid-Hudson Valley and New York City, saw an increase in ridership on the northern part the Hudson Line, from Croton-on-Hudson to Poughkeepsie, of 85% from 1990 to 2005, and a jump of 274% on the Harlem Line between Dover Plains and Wassaic during the same time period. Our region has also seen demographic shifts in recent years. According to the Marist Institute for Public Opinion report "Many Voices One Valley" (2007), one in five Dutchess County residents has lived in their community for five years or less. One contributing factor is that Dutchess County, like areas across the country, has seen an increase in the foreign-born population. 16% of the mid-Hudson Valley's new residents are foreign-born, a large portion of those Latino immigrants.¹ According the Census data released in July 2008, between 2000 and 2007 the Asian population in Dutchess County increased by 33%, and the Hispanic population increased by nearly 44%.² These trends are more prominent in Dutchess County than other areas in the region; the same Census data shows that the Hispanic population in Dutchess County has grown at a rate double that of neighboring Ulster County.³

Overall, population in Dutchess County is expected to grow by approximately 2% by 2010, and an additional 5% by 2015. Household size is expected to remain steady at about 2.8 members per household.⁴ Reflecting national trends, our area is beginning to see a shift in population cohorts. From 2001 to 2006, the largest population increases both regionally and in Dutchess County were in the 20-24 age group and the 45-65 age group. However, as the baby boomer generation moves into retirement, we expect to see the largest

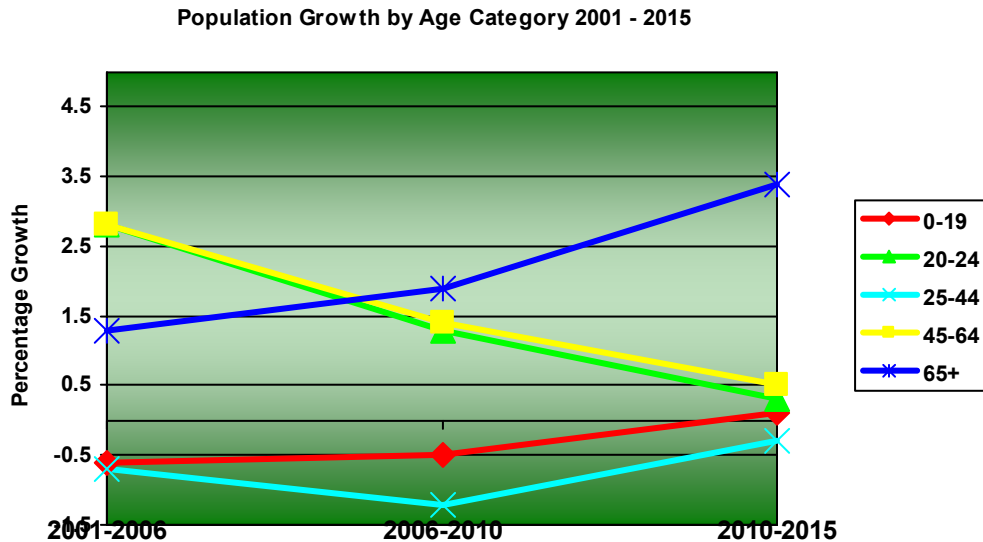
¹ Marist Institute for Public Opinion, "Many Voices One Valley" 2007

² Greg Marano "Diversity Grows as more Hispanics, Asians call mid-Hudson their home" Poughkeepsie Journal August 7, 2008

³ Greg Marano "Diversity Grows as more Hispanics, Asians call mid-Hudson their home" Poughkeepsie Journal August 7, 2008

⁴ Richard Lampert 2007 & 2008 City and Town of Poughkeepsie Housing Market Studies

population increase in the 65+ age group, with most other age cohorts remaining level or decreasing slightly.⁵



HRH has recognized the coming shift in population cohorts in our area, and has developed 220 units of affordable senior housing in three communities in Dutchess County in the past three years: Red Hook Commons (northern Dutchess), Stone Ledge of Hyde Park (mid-county) and Cannon Street Senior Housing in City of Poughkeepsie. We are currently in the process of leasing up our most recent venture in this arena, Cannon Street Senior Housing. HRH believes that providing affordable, accessible housing for seniors will become increasingly important as we weather current the economic downturn, by providing seniors in our community with quality living space while also freeing up homeowner units vacated by downsizing seniors for occupancy by families and first-time homebuyers. Opening up both of these housing options is important to attracting residents to our communities and maintaining vital, healthy neighborhoods with a mix of age, demographic factors, and income levels.

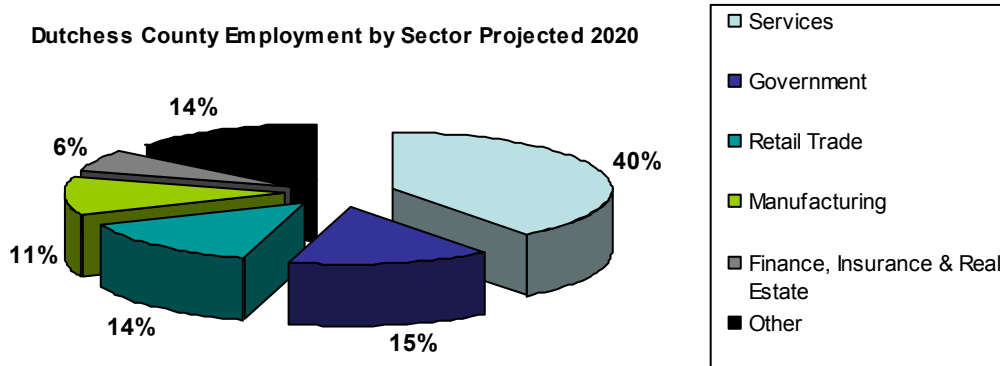
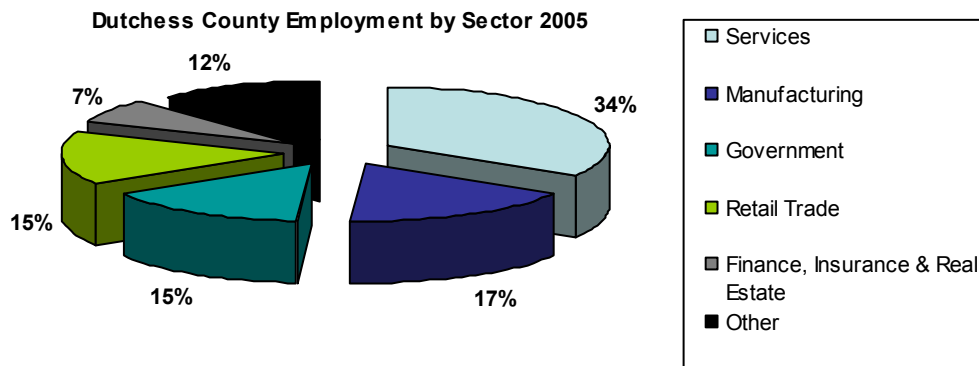
Job creation a priority; area holds potential for business growth

- Rising unemployment figures are a concern for area residents, who are struggling to make ends meet
- Poughkeepsie area seen as holding potential for economic investment
- Unemployment may potentially create a rise in the number of people seeking HRH's services

Dutchess County has not seen a change in its primary employers: IBM, Central Hudson Gas & Electric Corp., Vassar Hospital, Saint Francis Hospital, Vassar College, Marist College, the State of New York, and Texaco. The professional services sector employs the most Dutchess County residents, at 34% of the total workforce.⁶

⁵ Tri-County Housing Committee Technical Memos #5-7 February 2008

⁶ Richard Lampert 2007 & 2008 City and Town of Poughkeepsie Housing Market Studies



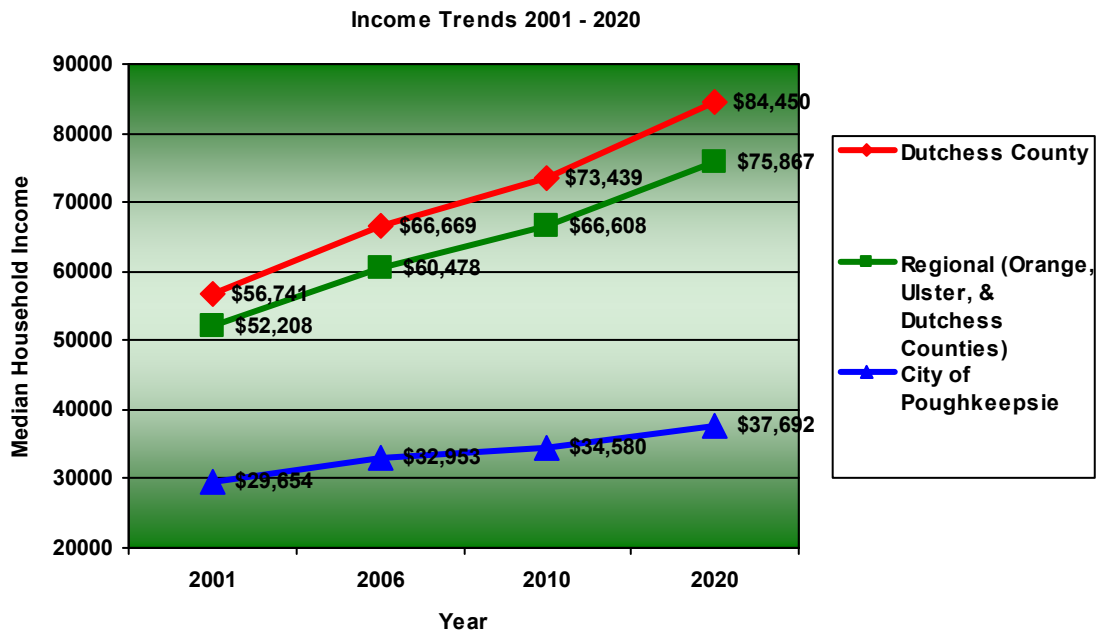
However, like many areas in New York State, Poughkeepsie has seen a rise in unemployment over the past year. As of June 2008, the unemployment rate for the Poughkeepsie-Newburgh-Middletown Metropolitan Statistical Area was 5.4%, a jump from 5.1% the previous month, and an increase from 4.1% in June 2007. According to "Many Voices One Valley 2007," a report issued by the Marist College Institute for Public Opinion, keeping businesses in the area and creating jobs ranked in the top six priorities for Mid-Hudson Valley residents. These priorities reflect those of Dutchess County residents specifically, who rank keeping businesses in the area and creating jobs as the County's second and fifth most important issues, respectively. Several external ranking entities have seen potential in the Poughkeepsie area. In 2007, the City of Poughkeepsie was voted one of the "Top Ten Micro-Cities of the Future" and "Best Infrastructure" by Foreign Investment Direct magazine's review of North American cities. Poughkeepsie was also ranked 27th out of 100 "Best Cities for Jobs" by Forbes Magazine in February 2007, and Expansion Management Magazine rated the Poughkeepsie-Newburgh-Middletown MSA among the top 15 "Best Mid-Sized Metros" in the United States in December 2007.

Huge income disparities continue to plague Dutchess County

- Overall, Dutchess County is one of the wealthiest counties in the Hudson Valley region
- Incomes in the City of Poughkeepsie remain substantially below median County incomes
- Services for low- to moderate-income households, particularly in the City of Poughkeepsie, a priority

In the tri-county region of Dutchess, Orange, and Ulster Counties, median household income increased 3% from 2001 to 2006 to \$60,748. Projections indicate that median household incomes will continue to rise to about \$75,867, an increase of about 2.5% every five years. Similarly, in Dutchess County, median household income rose 3.3% from 2001 to 2006, to \$66,669. Dutchess County is expected to remain one of the wealthier counties regionally, with projections indicating an increase in household median income to

\$84,450 by 2015, an increase of about 2.5% every five years.⁷ However, median household income in the City of Poughkeepsie is only about one-half of County median household income. 53% of City of Poughkeepsie households earn less than \$35,000 per year, with 11% earning less than \$5,000 per year, compared to 27% and 4% of Dutchess County households, respectively. Only one-third of City of Poughkeepsie households earn over \$50,000 per year, compared to 60% of Dutchess County households. While City of Poughkeepsie median household incomes are expected to increase to about \$38,246 by 2012, they are expected to rise at a slower rate than and remain well below county and regional incomes.⁸



From these employment and income trends, HRH can draw the conclusion that our services, particularly those targeted in the City of Poughkeepsie, are still greatly needed by the community. As unemployment rises, the potential for more and more people to become burdened by housing costs or face homelessness becomes greater. As population increases, particularly fueled by the influx of wealthy New York City transplants, greater strain is placed on current residents, who find themselves priced out of the housing market and facing rising prices on food and other commodities as retailers respond to the preferences of new residents. The fact that incomes in the City of Poughkeepsie are still expected to remain far behind the County as a whole by 2020 helped HRH come to the conclusion that renewing our focus on change in the City of Poughkeepsie is vital to achieving our mission. The majority of HRH's work has always been in the City of Poughkeepsie, and 2009 will mark the winding up of a very successful Anchor-Based Neighborhood Revitalization (ABNR) Initiative. Beginning in the fall of 2008, HRH will lay the foundation for ABNR II, focusing on a 5-block area in the core of the City's Main Street corridor. HRH will also undertake its second City of Poughkeepsie Main Street Initiative, administering \$200,000 to property owners in the Main Street corridor to undertake building and façade improvements and streetscape enhancements.

Affordable housing is vital need in Dutchess County area

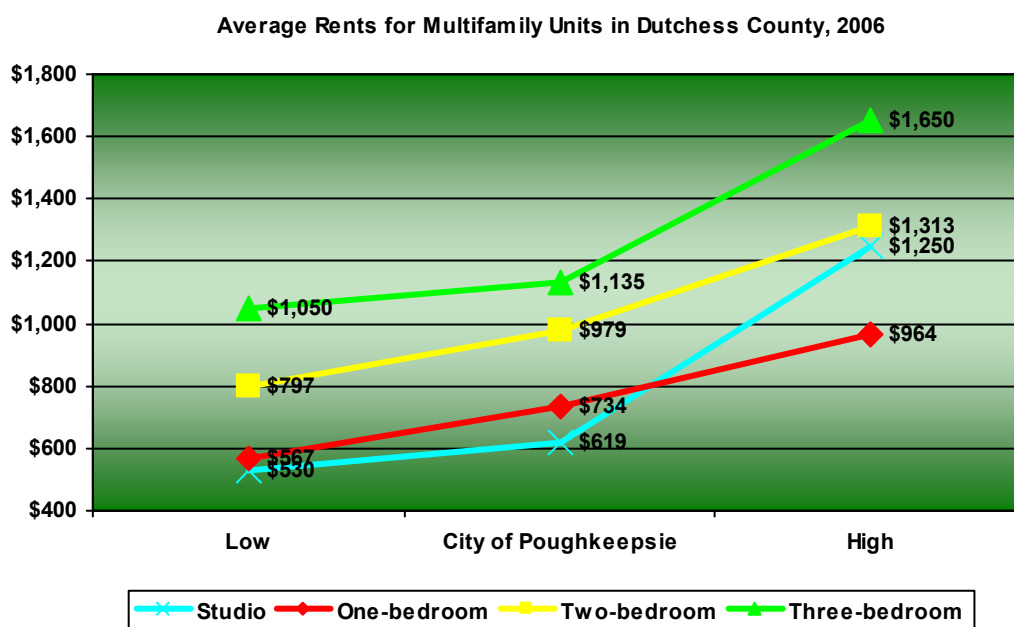
- Demand for affordable rental units far outstrips supply for households earning 50% AMI or less

⁷ Tri-County Housing Committee Technical Memos #5-7 February 2008

⁸ Richard Lampert 2007 & 2008 City and Town of Poughkeepsie Housing Market Studies

- Even with drop in homeownership market, prices remain unaffordable to households earning 120% AMI or less
- Pre-purchase education and identification of affordable homes for potential buyers a priority
- Foreclosure fallout creating an increased demand for counseling services, increased pressure in the rental market, and a potential increase in the homeless population

The housing market in Dutchess County remains tight for low- to moderate-income households. Average county rents have risen anywhere from 3 – 20%, depending on unit size, since 2002, and vacancy rates have remained between 2% and 3%.⁹ These issues are magnified in the City of Poughkeepsie, where over two-thirds of the housing stock is multi-family rental units.¹⁰ The corresponding high demand for these units has caused City rents to actually fall around the middle of the range of average county rents, despite the City having the lowest income levels in the county.¹¹



Comparing median incomes to average County rents, we find that City households earning the median income cannot afford more than the average priced studio apartment, and any household earning less than the median income, even county-wide, may have difficulty obtaining an affordable rental unit. It is generally acknowledged that housing costing more than 30% of family income is unaffordable. According to 2000 Census data, 46% of all renters in the City of Poughkeepsie alone are rent burdened and 25% are significantly rent burdened, paying more than 50% of their income in housing costs. (With 7,593 renter households in the City of Poughkeepsie, this means at least 3,493 are considered rent burdened and 1,898 are considered severely rent burdened.) And the United Way of Dutchess County's 2007 Community Assessment cites statistics from the US Census Bureau and the National Low Income Housing Coalition which show that, in 2004, an estimated 43.2 % of all Dutchess County renters paid more than 30% of their

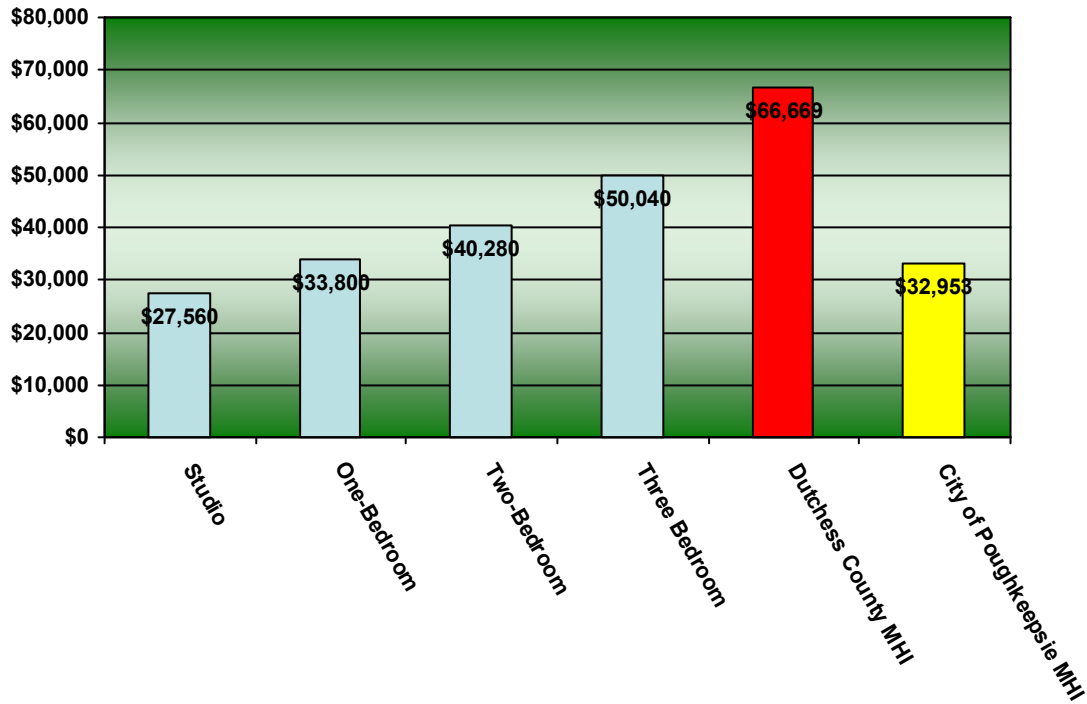
⁹ Dutchess County Rental Housing Survey 2006

¹⁰ Richard Lampert 2007 & 2008 City and Town of Poughkeepsie Housing Market Studies

¹¹ Dutchess County Rental Housing Survey 2006

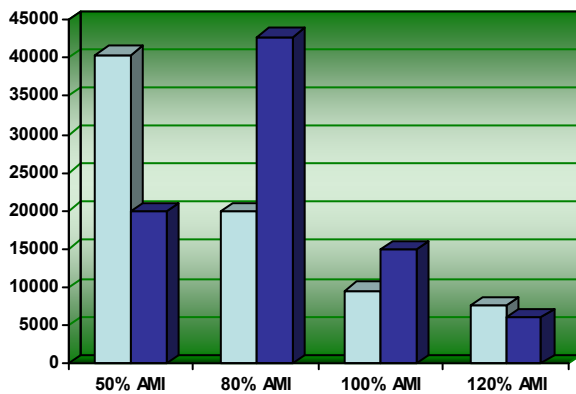
income in housing costs, and in 2006, 56% of local renters – 15,780 households – could not afford a 2-bedroom apartment at fair market rates.

Income Needed to Afford Average Rents, 2006



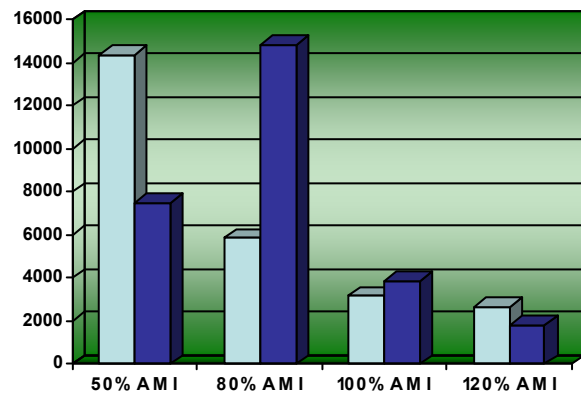
The demand for affordable rental units far outstrips supply county-wide and regionally for households earning 50% AMI or less.¹²

Regional



□ Units Demanded ■ Units Supplied

Dutchess County



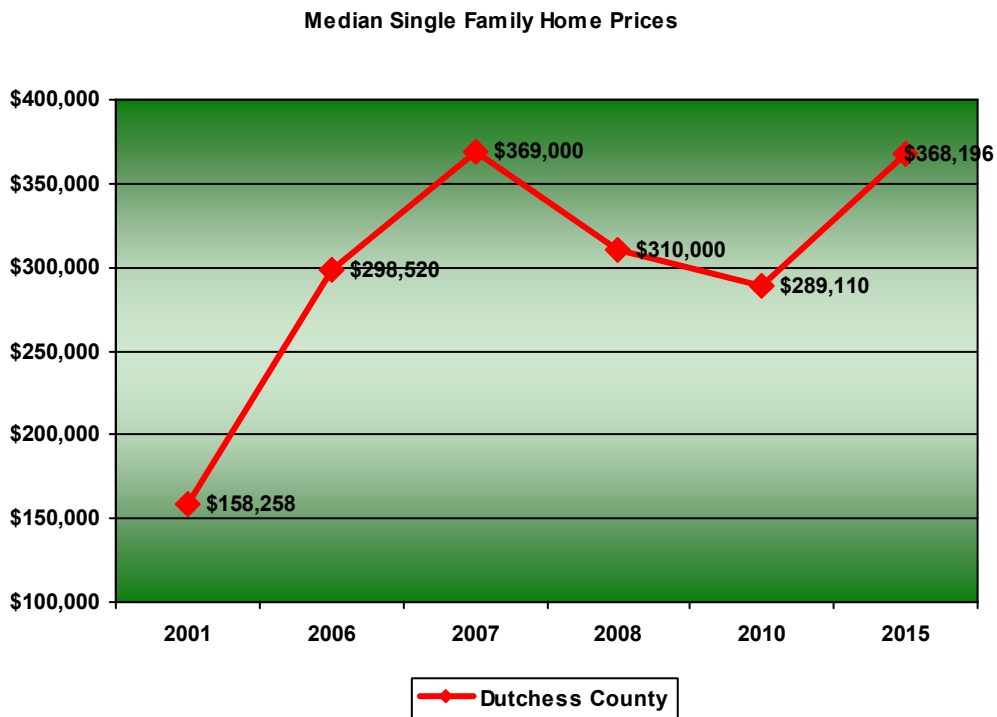
□ Units Demanded ■ Units Supplied

This increasingly tight rental market, particularly for households earning 50% AMI or below, provides clear support for HRH's objective of producing additional units of affordable rental housing for low- and moderate-

¹² Tri-County Housing Committee Technical Memos #5-7 February 2008

income families. HRH has remained true to its mission of providing housing to those most marginalized in our communities, and working towards ensuring that decent, affordable housing is available to everyone. As income disparities continue to plague our area, we have continuously worked to identify ways to alleviate pressure in the housing market. Between September 2007 and August 2008, HRH put 46 units of affordable rental housing into circulation in the City of Poughkeepsie. HRH currently has plans to develop 32 units of rental housing within the City of Poughkeepsie, and an additional 65 units of SRO housing in the Town of Poughkeepsie.

In contrast to the City of Poughkeepsie, over two-thirds of the housing stock in the rest of Dutchess County is single-family, owner-occupied units.¹³ Dramatic price increases in Dutchess County have become a problem for low- to moderate-income families looking to enter the homeownership market. Between 2001 and 2007, housing prices rose at over 13% per year¹⁴, with the median sales price of a home in Dutchess County reaching \$369,000 by June 2007.¹⁵ As the crisis in the credit markets became apparent, sales prices dropped 16% by June 2008, to \$310,000.¹⁶ It is projected that sales prices in Dutchess County will continue to decline through 2010, before rebounding substantially and reaching previous levels by 2015.¹⁷



Even at current levels, sales prices are unaffordable to low- and moderate-income residents in our area, and the dream of homeownership remains frustratingly out of reach. To purchase the median sales priced home of \$310,000, a household *with no debt* would have to earn \$81,600 per year, well above the area median

¹³ Richard Lampert 2007 & 2008 City and Town of Poughkeepsie Housing Market Studies

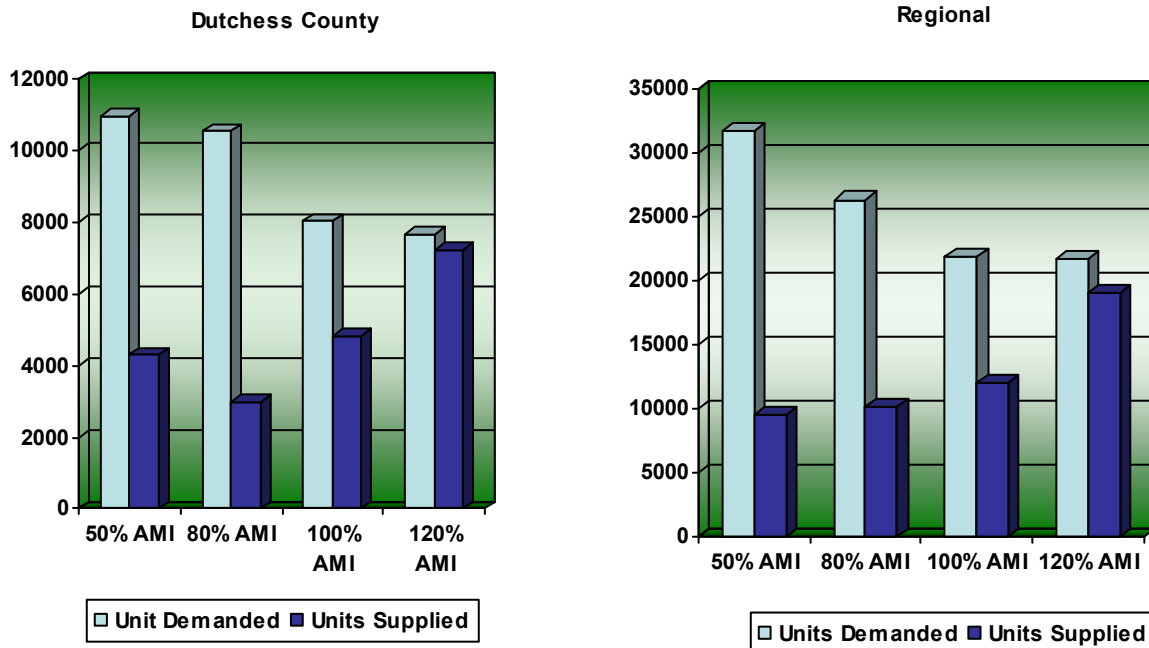
¹⁴ Tri-County Housing Committee Technical Memos #5-7 February 2008

¹⁵ Mid-Hudson Multiple Listing Service July 2008

¹⁶ Mid-Hudson Multiple Listing Service July 2008

¹⁷ Tri-County Housing Committee Technical Memos #5-7 February 2008

income of \$78,900. In fact, data shows that there is an insufficient supply of homeowner units available at all income levels 120% AMI and below.¹⁸



In response to these trends in the homeownership market, over the past year HRH has significantly expanded its homeownership promotion and preservation services. In June 2007, HRH opened the NeighborWorks HomeOwnership Center of Dutchess County, with expanded facilities and staff. HRH's comprehensive pre-purchase education classes are offered to households at all income levels, and HRH has achieved substantial success at creating default-resistant homebuyers through education and counseling. HRH added an additional staff person to the HomeOwnership Center in June of 2008, and plans to add another by the end of the calendar year. In addition to the education and counseling services provided at the HomeOwnership Center, HRH develops homeowner units for sale to low- and moderate-income households. HRH recently completed Phase I of the Poughkeepsie Homeownership Assistance Program, developing six two-family homes through infill construction on scattered sites in the City of Poughkeepsie. All of the homes were sold to first-time homebuyers earning 80% of the area median income or less. HRH is actively developing Phase II of this program, which will create 4 single-family homes and 2 two-family homes, also through infill construction on scattered sites in the City of Poughkeepsie, and also for sale to first-time homebuyers earning 80% AMI or less. We are also exploring the feasibility of Phase III of this program, which would create an additional six single-family units.

The dramatic price increases seen in our area have led to Dutchess County being one of the hardest hit areas in New York State from the subprime mortgage fallout. Overall, New York State ranks 13th in the nation for the number of foreclosure filings as of May 2008.¹⁹ While foreclosure filings dropped 7% between April and May, they are still 25% above the level seen in May of 2007.²⁰ As of May 2008, Dutchess County had the third highest foreclosure rate in the state, with one in every 605 households receiving a foreclosure

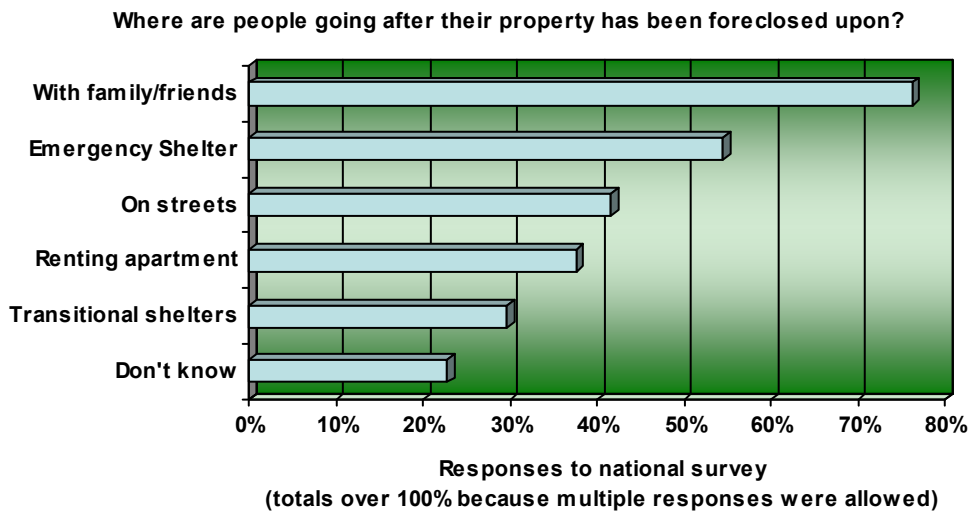
¹⁸ Tri-County Housing Committee Technical Memos #5-7 February 2008

¹⁹ RealtyTrac.com July 2008

²⁰ RealtyTrac.com July 2008

filing for the month, more than twice the state average.²¹ As of July 2008, there were 1,183 homes in various stages of foreclosure in Dutchess County, with 281 located in the City of Poughkeepsie, which represents 24% of the total foreclosures in the county.²² While overall the foreclosure crisis in New York State may seem relatively minor compared to other areas in the nation, it is important to note that the state also has the longest foreclosure filing process in the nation, taking on average over a year, compared to just a matter of weeks in other states. This is contributing to a “slow bleed” in this area, and the reverberations from the crisis will most likely last longer. The Empire Justice Center estimates that 125,000 homes will be lost to foreclosure from subprime loans originated in 2005 and 2006.²³

While the effects are hard to measure as we still work to understand how the situation is affecting us locally, several impacts are clear. Minority neighborhoods, as evidenced in the high rate of foreclosures in the City of Poughkeepsie, will suffer disproportionately, jeopardizing community stability. The rental market will face increasing pressure to accommodate displaced families who are direct or indirect victims of foreclosure, and additional renters in the market will lead to even lower vacancy rates and higher rents. A possible impact of unique interest to HRH is the potential increase in the numbers of people being left homeless following foreclosure, which quickly saps households of available resources. According to a survey conducted by the National Coalition for the Homeless in early 2008, 61% of state and local homeless coalitions are seeing a rise in the homeless population in the wake of the foreclosure crisis. The survey also asked where people are staying following foreclosure – while some are accessing emergency shelter, many are temporarily staying with friends and family, indicating that the full effects of the increase in the homeless population may not be felt for some time.²⁴



Positive as well as negative policy trends will impact our work

- Increase in funding for provision of foreclosure and homebuyer education services
- Large increases for housing programs in NYS budget, but worry of potential budget shortfall
- Stabilizing local government will help ease HRH program delivery

HRH is closely watching federal legislation regarding foreclosures to assess what impact it may have on our work. We have seen additional funding flow to the agency to increase our foreclosure counseling capacity.

²¹ RealtyTrac.com July 2008

²² RealtyTrac.com July 2008

²³ Empire Justice Center “Curbing the Mortgage Meltdown” March 2008

²⁴ National Coalition for the Homeless “Foreclosure to Homeless” April 2008

While foreclosure is dominating the current federal policy scene, the “Community Partnership to End Homelessness Act,” which would reauthorize the McKinney-Vento Homeless Assistance Act, is also currently pending and of interest to HRH.

On a state level, HRH received positive news in April 2008 when the new state budget was released with a \$200 million increase in funding for housing programs. Altogether, about \$250 million was expected to be available from sources that HRH regularly seeks monies from, including the Housing Trust Fund Corporation, the Housing Finance Agency, the Affordable Housing Corporation, the Homeless Housing Assistance Program, Homes for Working Families, and the New York Main Street Program. \$25 million was earmarked for homeownership counseling, including foreclosure prevention, some of which HRH has already taken advantage of through an award from the Division of Housing and Community Renewal and the NYS Banking Department. However, the worsening economic situation has led to reduced revenues and a potential \$630 million imbalance for the 2008-09 fiscal year. HRH consistently examines our funding streams and is monitoring this situation to see if there will be any effects to our programs and services.

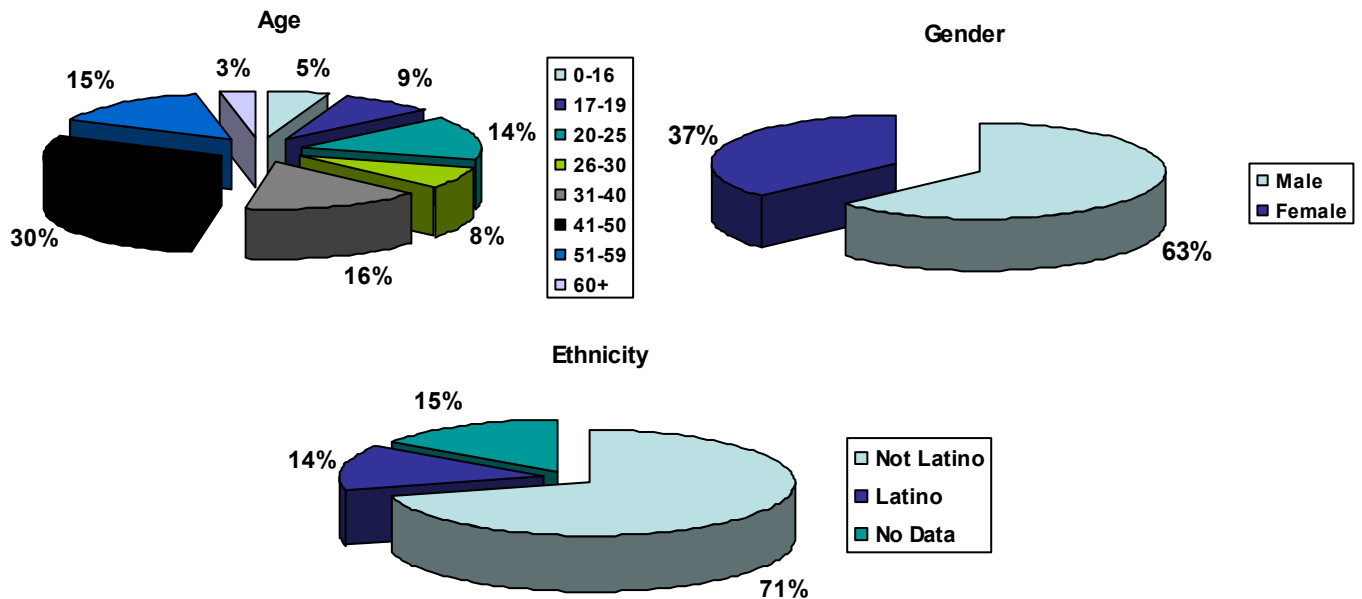
Locally, a period of transition in the City of Poughkeepsie government seems to be equalizing. Vacant City government positions, including a Director of Development, have been hired. HRH has met with the City’s new mayor, elected in November 2007 to discuss our housing development plans. A former member of our Board of Directors, he is supportive of HRH’s work in the City, and we are hopeful that we will more easily be able to achieve our desired outcomes with his backing.

Current customer profile shows HRH needs to be poised to serve a variety of populations

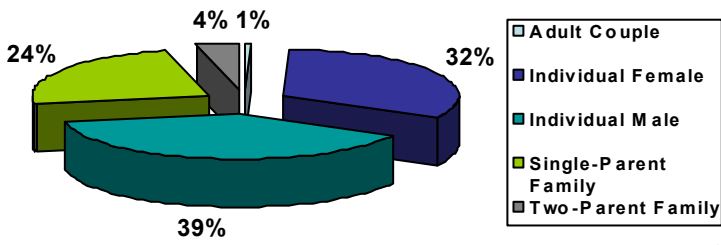
- Continued increase in customers across spectrum of housing services
- Customers cut across all demographic categories, reflecting breadth of services provided by HRH

In 2007, we served over 5,000 individuals through our various programs. 1,500 individuals were housed through our emergency, transitional, and supported permanent housing programs (273 units of housing). Over 100 individuals were housed through our non-supported permanent rental projects (85 units of housing). Non-residential services were provided to over 3,000 individuals through case management services, crisis intervention, and street outreach activities. Homebuyer education was provided to 376 households, and 65 purchased a home.

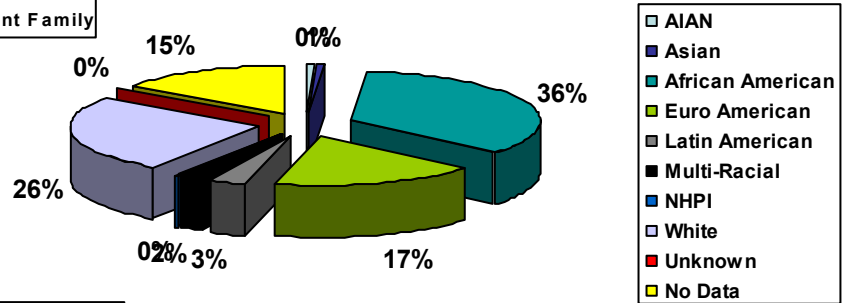
2007 customer data indicate that we continue to serve a wide variety of populations, which is reflective of the variety of services offered by the agency:



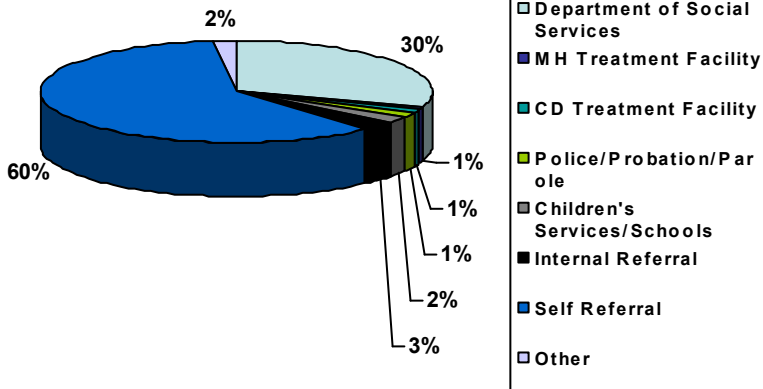
Family Type



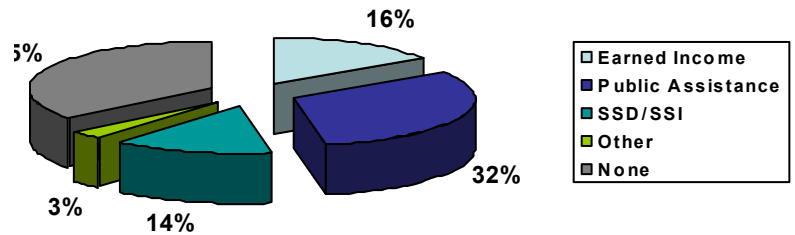
Race



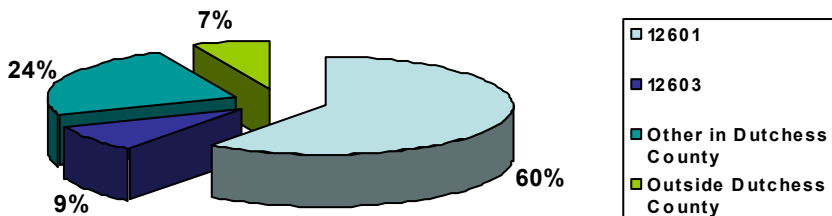
Referral Source



Income Source at Admission



Zip Code of Last Permanent Address



Data also show that the majority of HRH's customers come from the City of Poughkeepsie, where most of the agency's projects and services are located and we are most well-known. Aside from self-referrals, the

majority of customers access our service through referrals from the local Department of Social Services, reflecting HRH's programs that serve the homeless and other special needs populations.

Low- and moderate-income residents are facing a “perfect storm”

- Housing affordability remains a critical issue
- Rising food and energy prices increasing burden on families
- Weakening job market adding additional pressure
- Foreclosure fallout still has not dissipated
- ***Strong demand for continued affordable housing production and service provision***

Combined with the rise in energy prices, food prices, and a weakened job market, we are seeing somewhat of a “perfect storm” for low- and moderate-income families. HRH has tailored its response to the rapid changes in the housing market and to the varied causes and consequences of those changes. On the whole, we are already well-positioned to respond to the needs of those struggling in this economy. Our emergency, transitional and permanent housing programs are stable and growing, and our staff is well-versed in assisting households in improving their housing stability. We are maintaining a consistent development pipeline of affordable units, which is set to grow substantially over the coming year. Most importantly, the opening of our NeighborWorks HomeOwnership Center has allowed us to substantially increase our homeownership counseling capacity at this most crucial time, including our various means of assisting foreclosure prevention customers (individual counseling, group counseling, and inter-agency partnerships). In addition to our participation in the NeighborWorks America/Ad Council campaign, we are undertaking a comprehensive marketing campaign with the support of Dutchess County that will direct customers to the HomeOwnership Center as the premier site to receive education regarding purchasing and maintaining a home.