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Governor's Proposed Budget Cuts Will Dismantle Critical Housing Programs

Poughkeepsie, NY ~ If Governor Patterson's proposed Fiscal Year 2010-2011 budget is approved, several programs fundamental to Hudson River Housing's ability to provide supportive housing in the local community will be either eliminated entirely or severely cut.

The Governor's Executive Budget eliminates all \$5 million in programming statewide for Supported Housing for Families and Young Adults (SHFYA), administered by the State's Office of Temporary and Disability Assistance (OTDA). This program provides the *only* statewide funding offering chronically homeless families and young adults the proven benefits of combining affordable housing with essential support services. The Supportive Housing Network of New York, an advocacy group, estimates that if SHFYA is eliminated, over 4,260 individuals statewide (including 2,840 children) will risk relapse into homelessness. In addition, an estimated 167 people, mostly case workers, family counselors, and vocational staff, will lose their jobs.

At the local level, HRH's SHFYA funding provides support services for 42 units of housing for families and young adults, helping over 70 households each year transition from homelessness to stable, affordable housing. HRH's four SHFYA-funded staff provide the support participants require in maintaining their housing, in overcoming issues that contributed to their homelessness, and achieving higher levels of self sufficiency. With the anticipated loss of SHFYA funding for HRH totaling \$171,600 annually, many of these families and youth would be put at imminent risk of homelessness. Going forward, there would be a tremendous loss of opportunity for families and young adults to transition out of emergency shelter.

The Governor's budget also would cut 13% of existing funding for one of the state's mainstays for affordable housing, the Single Room Occupancy (SRO) program, also administered by OTDA. A 13% cut in SRO funding at Hudson River Housing would result in a loss of \$38,448 annually, and would severely limit case management activities provided for 124 low-income and formerly homeless individuals staying in supported transitional and permanent housing programs.

While current economic conditions have increased homelessness, the Governor's efforts would diminish the ability of HRH's supported housing programs to absorb families and individuals as they exit emergency shelter, thereby increasing length of stay in those shelters while lowering the capacity to handle the newly homeless. And yet the Governor presents these cuts as a cost saving measure. In fact, cutting SHFYA and SRO funding will end up costing the state much more than it will save. The annual cost of providing a homeless family with shelter is \$38,405 in New York City and \$23,521 in Albany, far

more than it costs to provide families with the dignity of their own housing. If only 4% of the people served by the SHFYA program become homeless due to this budget cut, the increased cost in expensive service systems would negate any savings made by this cut. And every person made homeless as a result of SRO cuts will cost the state an additional \$18,288 in other systems including emergency rooms, shelters, psychiatric institutions, jails and prisons.

Another casualty of recent state budget cuts is funding for Runaway and Homeless Youth (RHYA) programs. Such programs have a successful track record of reaching vulnerable young people, providing them safe emergency shelter, transitional housing, and diversion from costly adjudication and placement through the justice, mental health and child welfare systems. Nevertheless, the Governor’s budget recommends only \$4,711,600 as the entire RHYA appropriation administered through the state’s Office of Children and Family Services (OCFS). This funding level is significantly lower than the state’s RHYA appropriation was 20 year ago.

RHYA is implemented locally at HRH’s River Haven, which runs the county’s only emergency shelter and transitional housing programs for runaway, homeless and at-risk youth. Over the past two years, River Haven has experienced a 22% reduction in RHYA state funding and matching county aid, a total cut of \$655,000. It is essential that funding be restored to these critically needed services.

Those interested in preventing homelessness and preserving supportive housing in our community are welcome to contact Hudson River Housing at (845) 454-5176 for more information. We also urge you to get in touch with your local state legislators, to let them know the real costs – human and financial – of the Governor’s proposed cuts.

Hudson River Housing (HRH) has substantial experience developing and managing affordable housing in the community. HRH was created in 1982 to address the emerging homeless problem in Dutchess County, and is now a large, multi-service provider of housing and other services to a wide range of populations. The expertise of Hudson River Housing is increasingly relied upon to inform local planning related to housing, community development and homelessness. Since its formation, Hudson River Housing has developed 37 affordable homeownership opportunities, nearly 300 apartments and 9 commercial spaces. For more information, please call (845) 454-5176 or visit www.hudsonriverhousing.org.

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