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SENATE URBAN AFFAIRS AND HOUSING COMMITTEE

1/21/10

TESTIMONY OF

DOUGLASS JOHNSTON

CEO OF FUTURES COMMUNITY SUPPORT SERVICES

On Behalf of the

Bradford/Sullivan Counties Local Housing Options Team and the
Homeless Assistance Program

Hello, my name is Douglass Johnston and I am the Chief Executive Officer for Futures Community Support Services. Futures is a provider of home and community support services to a developmentally disabled population serving citizens from Bradford and Sullivan Counties. Futures has been in existence since 1989, governed by a Board of Directors and is a private nonprofit corporation. In addition to home and community services Futures provides life sharing services, housing to homeless, disabled and low income individuals and families and is the Homeless Assistance Program provider in Bradford County. Futures also provides an educational support program and provides representative payee services to over 140 individuals. I currently am the Chairperson of the Northern Tier Providers Association of which there are over 25 member agencies. I sit on the Poverty Task Group for Bradford County and I also am a member of the Northeast Regional Homeless Advisory Board serving 13 counties in Northeast Pennsylvania.

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On behalf of the Bradford/Sullivan Counties Local Housing Options Team and the Homeless Assistance Program I welcome you to Bradford County and I thank you for the opportunity to testify before you today. The Local Housing Options Team (LHOT) is comprised of member agencies whose goal is to increase the supply and availability of decent, affordable, accessible housing for low income people and families. The Homeless Assistance Program (HAP) is a state funded program to provide utility assistance, rental assistance, and emergency shelter to families and individuals with housing needs. The program is administered by Futures Community Support Services.

These two programs have been in operation for over ten years with the mission of assisting in maintaining existing housing and creating decent and affordable housing options for homeless people and people with disabilities in these counties.

Historically, the public's housing needs were addressed by various forms of rental assistance and other support services and money management skills training and these two programs were reasonably successful in assisting individuals and families to meet those goals.

Prior to 2009 the HAP and LHOT have faced various challenges.

1. The HAP's funding for utility and rental assistance was typically exhausted by the second week of each month and the public were forced to meet their needs through other community resources.
2. Unlike many other counties that have various homeless shelters available, Bradford County's HAP has relied on motel rooms to meet the public's need for temporary lodging for people without adequate shelter. Although the lack of shelters is a challenge motel rooms were available in the past.
3. The LHOT encountered similar housing issues in working with people with mental health challenges. However, due to their networking and mentoring programs the LHOT was able to help people access affordable rental units in the community.
4. Affordable housing was able to be obtained by use of various rental assistance programs.

While these resources were effective prior to 2009 they are no longer effective in meeting the needs regarding rental assistance and housing the homeless population. Since 2009 there have been significant decreases in the availability of local housing and shelter resources, which can be directly related to increase in Marcellus Gas activities. Some of the recent changes are:

1. The influx of gas workers who are willing and able to pay rents far exceeding the fair market rent for this area has caused rents for decent housing to more than triple.

2. Local motels are booked to capacity for months in advance by gas companies leaving no vacancies to be used by the HAP for emergency shelter.

When the HAP program has no option to place these individuals, they go back out the door with no resources to meet their housing needs. Now, for the first time, we have sent people away with no roof over their heads.

Today what was affordable is no longer affordable. Rents have increased to the point where even moderate income families cannot afford housing. Rents have more than tripled and availability has decreased. Traditional sources of rental assistance become ineffective in the face of such outrageous rents.

The LHOT works with families and individuals who are on very limited incomes - minimum wage, SSI and unemployment (caused by the economic downturn). When individuals and families are being evicted because leases are not being renewed and the new rent is beyond their means we now find that the population in need of affordable housing has increased dramatically.

The positive impact on this region by the Marcellus Gas Play is evident in the short term and has the potential for positive impact in the long term. Local businesses and landowners have benefited tremendously from the increase in business and financial rewards. It would be hard not to recognize that this has the potential to improve the economy of our region. However, the negative impact stated above is significant and can't be ignored.

As the representative of the LHOT and HAP and as the CEO of a community support organization with a 20 year history I know from experience that good solutions come from good partnerships. Since many of the drastic changes in our housing situation have been the result of Marcellus activities it would seem to make good sense to include those companies in our community housing plan.

Decent, affordable housing is a need that affects every member of the community and therefore requires a coordinated community response. Marcellus related companies are the new stakeholders and members of our community. Therefore, it is our hope that they will become members of a partnership to create a long term housing plan that meets the needs of all members of our community – not just those who have benefited directly from Marcellus Gas.

Thank you for the opportunity to address this Committee and I look forward to working with you to improve the availability of decent, affordable and accessible housing in this region.