



**New York State Assembly Standing Committee on Social Services
Public Hearing**

**Testimony Submitted by Cynthia Stuart, Supportive Housing Network of New York
December 14, 2021**

My name is Cynthia Stuart and I am the Chief Operating Officer of the Supportive Housing Network of New York, a membership organization of over 200 nonprofit developers, owners, and providers of supportive housing statewide. Collectively, there are 55,000 units of supportive housing in the state and 35,000 in New York City.

Supportive housing is deeply affordable housing with onsite, voluntary social services for people who have experienced homelessness and who have the greatest barriers to obtaining and maintaining housing – those living with a serious mental health diagnoses, people who use substances, youth aging out of foster care, veterans, survivors of domestic violence and others.

As of September 2021, there were 18,236 single adults sleeping in Department of Homeless Services (DHS) shelters each night, a staggering 97 percent more than a decade ago. Though the methodology is flawed, last year's Point in Time count also identified 3,903 unsheltered adults in New York City. Also of great concern is that on any given night there are roughly 11,000 people experiencing homelessness in the rest of the state.

Homelessness is a housing problem, a result of the fact that housing costs have increased beyond what individuals can afford to pay. Additional barriers to housing exist for people with disabilities, those with

criminal legal system involvement, and those with rental vouchers as their source of income. Because of centuries of institutional racism, especially in the forms of housing segregation and redlining, and economic injustices, people living without housing are disproportionately Black and Latinx – 86 percent of single adults in DHS shelters in Fiscal Year 2021. Additionally, an estimated 68 percent of single adults sleeping in DHS shelters have a disabling condition.

Supportive housing is uniquely positioned to comprehensively address the crises of homelessness, mental health, and substance use. It provides not only affordable housing where tenants pay no more than 30% of their income toward rent, but also voluntary and customized social services to help tenants stay in housing, meet their goals and reduce exposure to harm. While it is not the only solution for single adults experiencing homelessness, it is an important piece of the puzzle.

Over six years ago, NYS remained committed to continuing to invest in this critical model by announcing a plan to develop 20,000 units of supportive housing over fifteen years. This commitment was significant because it was New York’s first statewide supportive housing long term commitment and also the largest in the country. We are currently in the sixth year of this commitment with over 5600 supportive housing units open or under construction.

While that initial pledge has proven successful, more needs to be done. Facing a historic rise in homelessness and simultaneously, the demand for supportive housing continuing to be extremely high with five approved supportive housing applications for each vacancy in NYC, New York needs additional units of supportive housing and a firm promise to preserve those that already exist. As such, it’s critical that the state re-commit to this effective and cost-effective intervention with what we are calling “**NYS 20K,**” through which the state will promise to **create 14,000 new units and preserve 6,000 existing units of supportive housing in the next ten years.** This would add an additional year of development to the

state's current 15 year new development commitment and add a preservation component to the state's supportive housing program.

There are currently over 180 buildings across the state with an estimated nearly 9,000 units of supportive and affordable housing that were built pre-2006 with state funding. A large number of these buildings date back to the 1980s during the model's first wave, when nonprofits patched together meager capital, services, and operating funding to establish what we now know as supportive housing.

A number of these residences started life as even older buildings – SROs, churches, schools, monasteries and old hotels. As time wears on, these residences face challenges to their continued existence due to aging physical structures, underfunded service and operating contracts, expiring regulatory agreements, or some combination of these factors.

A preservation fund would address both the capital and services and operating needs of the older housing stock. It would address aging physical needs of buildings including major roof repairs, elevator repairs, outdated HVAC and plumbing systems, energy efficiency upgrades, everyday wear and tear, etc. as well as modernize the outdated services and operating contracts bringing contracts up to today's Empire State Supportive Housing Initiatives rates.

Amid a homelessness and affordable housing crisis, we cannot afford to lose any of these residences that are currently homes for our most vulnerable neighbors. Absent a long-term preservation program, we will just be replacing older existing supportive housing residences with new units and not increasing the state's supportive housing stock.

We also think it's critical at this time for the state to increase the services and operating rates in supportive housing. The current Empire State Supportive Housing Initiative (ESSHI) rate rests at up to \$25,000 per unit statewide. High property costs in NYC and metropolitan areas are increasing and, in

turn, shrinking service budgets. In NYC, the rate to adequately cover both the cost of rent and services is \$35,000. We recommend that ESSHI increase the rate to \$35,000 per unit in NYC and \$30,000 in the rest of the state and that the program build in a 2% annual increase to keep up with inflation.

Lastly, it's critical that as the state begins to envision what a new five-year affordable housing plan will look like, it's critical that supportive housing remain a cornerstone element of the plan. Funding the first half of **NYS 20K** in the upcoming SFY 2022-23 budget would include a capital appropriation and a services and operating appropriation for 7,000 new units and 3,000 preservation units. This would allow the pipeline to continue moving and the state to continue meeting it's long term supportive housing goals.

The pandemic has exacerbated the homelessness crisis. Now more than ever, this long-term commitment is vital to New York. Now is not the time to stop building supportive housing, rather we should be developing as fast as possible to address the crisis while also helping to rebuild the state by creating jobs, improving neighborhoods and creating housing opportunities across New York State.

Thank you for this opportunity to testify today.

Respectfully submitted by:

Cynthia Stuart, Chief Operating Officer

Supportive Housing Network of New York

cstuart@shnny.org