



**Testimony to the
New York City Council
Committees on General Welfare & Housing and Buildings
Submitted by the Supportive Housing Network of New York
January 19, 2017**

My name is Rebecca Sauer and I am the Director of Policy and Planning at the Supportive Housing Network of New York. The Network is a membership organization representing approximately 200 nonprofit developers and operators of supportive housing statewide, as well as other professionals who contribute to the advancement of this important model. Supportive housing is permanent affordable housing with embedded social services for vulnerable individuals and families, people who are homeless and living with disabilities and/or other barriers to maintaining stable housing. Social services include case management, job training, mental health and substance abuse counseling.

New York City is the proud birthplace of supportive housing, a model which has been replicated across the country and the world. It is both humane and cost-effective. It thrives on public-private partnerships. As you will hear in other testimony today, it provides people the platform to positively transform their lives and achieve their potential.

Supportive housing was created by innovative New Yorkers in the late 1970s and early '80s as single room occupancy (SRO) hotels disappeared, which drove extremely poor people – who often also experienced mental illness – into homelessness. Decades later, what started as the conversion of a few SROs has become a robust and agile community that adapts to meet the most pressing needs of our city. Individuals and families, youth aging out of foster care, veterans and seniors have all been buoyed by supportive housing. Today there are nearly 50,000 units of supportive housing across the state and 32,000 in New York City. Of those, 12,000 represent scattered-site units, which are rented in the community. 20,000 represent units in purpose-built supportive housing, which today is integrated with affordable housing for low-income New Yorkers.

Everyone in this room is deeply aware of the magnitude of the homelessness crisis we are facing. There are over 60,000 people in the City's shelter system. Of course not all of these people need supportive housing. Some merely need access to housing they can afford. However, there are thousands who are experiencing mental illness, substance disorders, and HIV/AIDS, who would not be able to maintain stable housing on their own. Without supportive housing, the alternatives are costly homeless shelters, hospitals, psychiatric institutions, and jails or prisons. A 2013 study of the NY/NY III supportive housing agreement conducted by the NYC Department of Health and Mental Hygiene showed that costs for NY/NY III tenants were \$10,100 less than those for unplaced individuals for all services, benefits, and jail

use tracked by the evaluation.¹ 87% of tenants in NY/NY III housing remained housed after one year. Of those who moved out, only 6% returned to shelter and 0.5% to the street.²

Despite the staggering need for supportive housing and the evidence of its effectiveness, many people are apprehensive about it being built in their neighborhood. That is understandable. Most of those people have not had the opportunity to visit a residence like the Schermerhorn, the beautiful building where we are meeting today. Community residents can also be comforted by research that shows that supportive housing buildings have neutral or positive effect on property values. According to research from the Furman Center for Real Estate and Urban Policy at NYU, properties nearest to new supportive housing buildings actually increased in value in the years after supportive housing opens. These findings were the result of a rigorous study examining 7,500 units of supportive housing built over a twenty year period and the sales prices of nearby properties.³ Studies done in Columbus,⁴ Philadelphia,⁵ Fort Worth,⁶ Toronto,⁷ and six Connecticut communities⁸ show similar results.

The great challenges New York faces today – including homelessness, mental health, addiction, and neighborhood change – require a renewed commitment to proven strategies and creative solutions for the future. The Network applauds the city for its bold leadership in introducing the NYC 15/15 initiative: 15,000 units of supportive housing over the next 15 years. Along with that initiative, the Mayor convened a task force of practitioners and experts, whose work culminated in the release of 23 recommendations in December 2016. Building on the past and transforming all of these ideas into a reality will require true partnership across many sectors. One of the biggest obstacles to developing new supportive housing is finding adequate and attainable sites. The Network is working closely with city agencies, lenders and investors, supportive housing developers, and other stakeholders to address these challenges. We invite all members of the Council to partner with us and with your communities to help our city meet this critical need. Many Council members and their staffs have toured supportive housing in their districts. Please get in touch if you wish to schedule a tour or meeting. We are always happy to assist.

Thank you for the opportunity to testify today.

¹ NYC Department of Health and Mental Hygiene, with NYC Human Resources Administration and New York State Office of Mental Health, “New York/New York III Supportive Housing Evaluation: Interim Utilization and Cost Analysis,” 2013. Available at: <http://shnny.org/images/uploads/NY-NY-III-Interim-Report.pdf>.

² NYC Human Resources Administration, “New York/New York III Agreement Year End Progress Report through December 31, 2015,” 2016.

³ Furman Center for Real Estate and Urban Policy, “The Impact of Supportive Housing on Surrounding Neighborhoods: Evidence from New York City,” 2008. Available at: http://furmancenter.org/files/FurmanCenterPolicyBriefonSupportiveHousing_LowRes.pdf.

⁴ Arch City Development and Urban Decision Group, “National Church Residences: Permanent Supportive Housing Impact Analysis,” 2013. Available at: <http://shnny.org/uploads/Columbus-NIMBY-Study-2013.pdf>.

⁵ Econsult Corporation, “Project H.O.M.E.’s Fiscal Impact on Philadelphia Neighborhoods,” 2007. Available at: <http://shnny.org/research/property-values-in-philadelphia/>.

⁶ City of Fort Worth, “Our Neighbors, Our Neighborhoods,” 2008. Available at: http://shnny.org/uploads/Our_Neighbors_Our_Neighborhoods.pdf.

⁷ Wellesley Institute, “We Are Neighbors: The Impact of Supportive Housing on Community, Social, Economic and Attitude Changes,” 2008. Available at: http://shnny.org/uploads/We_Are_Neighbours.pdf.

⁸ Arthur Anderson LLP, University of Pennsylvania Health System, Kay E. Sherwood, TWR Consulting, “Connecticut Supportive Housing Demonstration Program: Final Program Evaluation Report,” 2002. Available at: http://shnny.org/uploads/Connecticut_Supportive_Housing_Demonstration_Project.pdf.

Respectfully submitted by:

*Rebecca Sauer
Director of Policy and Planning
Supportive Housing Network of New York
247 West 37th Street, 18th Floor
New York, NY 10018
646-619-9642
rsauer@shnny.org*