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**Testimony to the New York City Council  
General Welfare and Housing and Buildings Committees  
Submitted by Laura Mascuch, Supportive Housing Network of New York  
November 20, 2017**

My name is Laura Mascuch and I am the Executive Director of The Supportive Housing Network of New York, a membership organization of approximately 200 nonprofit developers, owners, and providers of supportive housing statewide. Collectively, there are 50,000 units of supportive housing in the state and 32,000 in New York City. Supportive housing represents a critical tool to end homelessness, offering permanent housing solutions with wraparound social services for homeless individuals and families with special needs. As you know, we are currently experiencing the worst crisis of homelessness that New York City has ever seen. Over 60,000 vulnerable New Yorkers are currently sleeping in City shelters, because these individuals and families cannot secure a permanent home.

In order to combat this crisis, as well as to help other New Yorkers facing similar housing insecurity, the Administration has made a historic commitment to invest in 15,000 units of permanent supportive housing over 15 years. This initiative, NYC 15/15, is funding a proven solution to homelessness, and for that we are extremely grateful to the City.

HPD's new Rental Assistance Program, a key aspect of the NYC 15/15 plan, is truly historic. This marks the first time that New York City is directly providing operating subsidy to enable housing providers to peg rent at 30% of residents' income, thereby ensuring that no tenant is rent-burdened or housing insecure in these 15,000 new units. Additionally, the service contracts awarded through HRA are appropriately funded to acknowledge the true cost of providing services to chronically homeless individuals and families suffering from serious disabilities and life challenges. We were pleased to see



\$48.6 million in the FY18 budget for rental assistance and social services, scaling up to \$108.3 million in FY20, figures that can get the program off to a strong start.

Along with HRA, HPD has been an invaluable advocate for supportive housing development. HPD has pioneered the integration of supportive housing into existing city housing programs such as the Extremely Low & Low-Income Affordability program, ELLA, and the Mixed Income Program: Mix & Match, by enabling homeless set-asides to be met with supportive housing.

Despite the unprecedented level of support from the current administration, our members still face significant challenges in creating supportive housing in New York City. On the federal level, on top of the constant looming threat that HUD will end important housing programs, there is also the threat of Republican-led tax reform. The House bill that passed last week eliminates all Private Activity Bonds, which generate 4% Low-income Housing Tax Credits, and lowers the corporate tax rate to 20%, which will greatly decrease the value of the 9% Housing Credit. These federal programs provide equity for virtually all new affordable and supportive housing residences in New York City. At the same time, developers of supportive housing face rising labor, construction, and land costs. These high costs place a heavy burden on nonprofit developers who are already trying to compete with for-profit developers who have greater access to private equity. In light of the significant investment the City has made in supportive housing, it is essential that the city government ensure mission-driven nonprofit organizations are able to get the guidance and tools they need to gain access to the market.

Rolling out a new program often comes with some bumps in the road, and NYC 15/15 has had its challenges. But throughout this process, HPD has remained patient and committed to ensuring that these deals come together, even in difficult circumstances, and for that we are enormously grateful.

Success in such an ambitious goal as NYC 15/15 requires interagency collaboration to accomplish. We at



The Network are deeply invested in facilitating cooperation between agencies at all levels of government and aim to act as a resource throughout this collaboration. In cooperation with the City, the Network has hosted multiple panels on NYC 15/15 to get the word out to providers and help them connect with HRA, HPD, and DOHMH. Additionally, through our website and funding guide, we communicate current and valuable information from the City to our members and the public. We look forward to continuing to play this role as facilitator and convener and to working with the Council and Administration on implementation of this ambitious supportive housing plan.

The Council especially plays an invaluable role in helping our providers engage with communities. One of our deepest concerns about the City's ability to live up to its commitment of 15,000 units is the fracturing of communities that often occurs as bitter debates emerge around the construction of new supportive housing residences. All too often, only a vocal few in a community are able to voice their opinion on a project and thus, despite the unspoken support of many others, a supportive housing project is halted due to fears of loss of property value or a decline in their communities. In reality, communities have actually benefitted from supportive housing in their neighborhood: a 2008 study found that the values of properties within 500 feet of supportive housing showed steady growth relative to other properties in the area. Additionally, study after study has demonstrated the significant cost savings supportive housing yields for taxpayers by reducing the populations of shelters, prisons, and institutions. And while these savings are great, the human benefit is truly immeasurable. Thousands of lives have been improved and saved through supportive housing.

We need to rally around proven solutions to tackle the homelessness crisis, and for that, we need the Council's help to engage with their communities. We need to work together -- the administration, the



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Council, providers, and the community -- to create solution-oriented housing that works not only for neighborhoods, but the City as a whole.