



**Testimony to the New York City Council
Committee on Housing and Buildings
Oversight: “Housing Our Neighbors”
Submitted by the Supportive Housing Network of New York
July 1, 2022**

Hello Chair Sanchez and members of the Housing and Buildings Committee. 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 over 200 nonprofits statewide who develop, own, and operate supportive housing. 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 diagnosis, people who use substances, youth aging out of foster care, veterans, survivors of domestic violence and others.

[*Housing Our Neighbors*](#) departs from previous housing plans by focusing on impacted people, systems, and processes over a set unit target. The Network is encouraged to see the extent to which people with lived experience of homelessness were incorporated into the creation of the Housing Blueprint and looks forward to seeing that continue in this administration.

We are also pleased to see so many bold proposals to maximize affordable and supportive housing development and to streamline the process of accessing supportive housing. We look forward to working with the City and our member organizations to identify and implement high-impact streamlining solutions.

The Network has been vocal about the 10% vacancy rate in supportive housing. We have seen this administration take the problem seriously over the last few months, beginning to make strides to reduce vacancies. Memorializing this problem and the goal of a low vacancy rate in the Housing Blueprint is a very important step forward. We hope to see both vacancy rates and the time it takes to fill vacant units in the Mayor’s Management Report, as this will be an important benchmark against which to measure future success.

We applaud the administration’s unprecedented commitment to report on the census for all homeless systems, which will increase the official count of homeless New Yorkers by approximately 15%. We believe this is a vital step toward reckoning with the true scope of the homelessness crisis. Many of the homeless New Yorkers who need supportive housing utilize systems that are not included in the current DHS reporting - such as HASA transitional housing, domestic violence shelters, and young adult shelters.

While we are pleased that the Housing Blueprint included a commitment to accelerate supportive housing production, we believe it is important to adjust the NYC 15/15 program in order to make that goal a success.

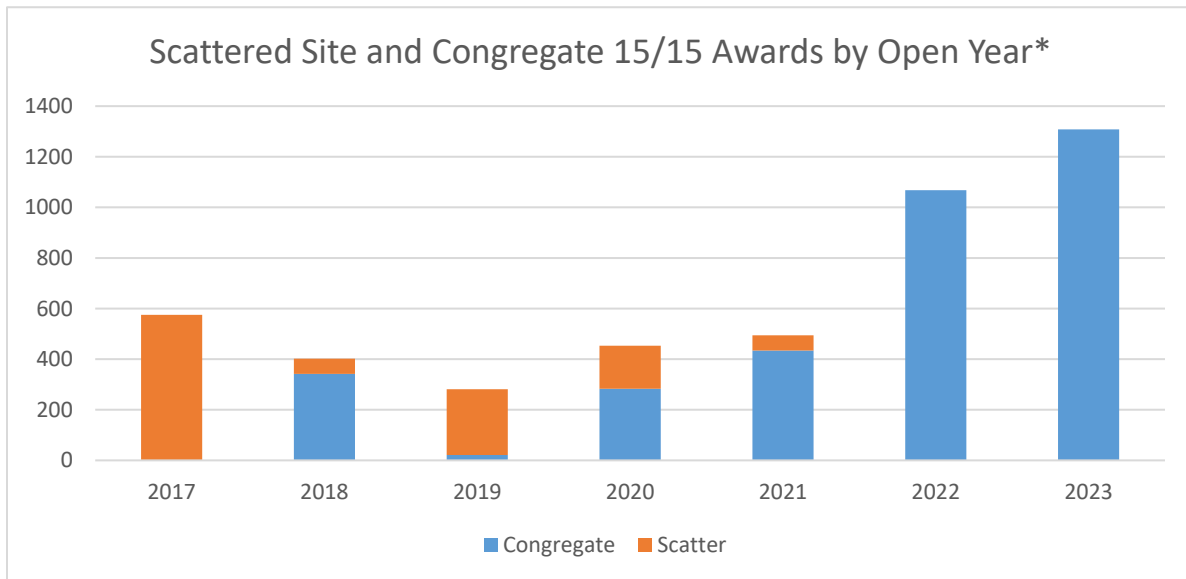


The City's current supportive housing initiative, NYC 15/15, is creating 15,000 units of supportive housing over 15 years. Launched in 2017, the commitment is split 50/50 between newly developed single site residences (otherwise known as "congregate") and scattered site supportive housing (private apartments in which mobile services are delivered).

The single site program is showing strong signs of success, but the scattered site program is not working. In order to respond to the demand for the program, and to maximize production in the pipeline, the Network believes the City should reallocate the NYC 15/15 program from a 50/50 split to a 75/25 split, in favor of single-site development. The new allocation should be reflected in updated RFPs and plans for HPD capital.

The open RFP for the congregate component of the NYC 15/15 program includes 7,500 units. 5,285 units of those, or 70%, have already been awarded. According to the Network's internal tracking, 1,161 of those homes are already open, with about 1,600 more in construction. This is fantastic progress, made despite setbacks due to Covid and agency staffing. However, the strong demand for the congregate program also means that the current RFP could be depleted in 2-3 years.

Meanwhile, the scattered site program has only awarded 17% of its target units. NYC 15/15 scattered site started with some initial interest in its first year, but has faltered significantly in the last five years. This is due to the stagnant contract rates and social service rates far below those available to congregate programs. (For example, for a single adult program social service funding for NYC 15/15 congregate is \$17,500 and for scattered site it is only \$10,000). Nonprofit providers are unwilling to take on new scattered site contracts while their existing scattered site programs – from previous supportive housing initiatives – are so underfunded that they are actually losing money. The model is actually more costly to operate than congregate because it requires extensive travel, constant negotiation and interaction with multiple landlords, and identifying community resources in multiple neighborhoods. Lastly, scattered site programs do not add new affordable housing stock to the City, as congregate programs do.



**Because of the nature of scattered site, there is no guarantee of new 15/15 scattered site awards in 2022 and 2023. As the above chart illustrates, there are congregate projects that are currently in the development pipeline, projected to open in 2022 and 2023.*

As you can see from the chart above, the NYC 15/15 program is already producing congregate units at the needed rate of 750 units per year. If the congregate RFP is not rightsized to meet the demand for the program, it could be completely depleted in the next 2-to-3 years, risking the forward momentum of the pipeline. Formalizing a new NYC 15/15 allocation of 75% congregate in the program's RFPs and including it in plans for HPD capital will be an important complement to the City's laudable goals, as outlined in *Housing Our Neighbors*.

Thank you for the opportunity to testify.