

BUILDING A SUSTAINABLE SUPPORTIVE HOUSING FUTURE: CONVERT A 40 YEAR-OLD PROGRAM TO MEET 21ST-CENTURY DEMAND

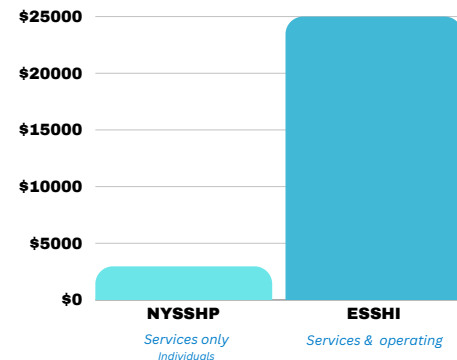


In the 1980s, New York State led the nation when it created innovative programs like the New York State Supportive Housing Program (NYSSHP) that brings services into housing for homeless people in need. But those first generation supportive housing units are now in serious jeopardy due to stagnant funding levels that have barely increased in four decades.

CONSIDER THESE FIGURES

- NYSSHP units receive \$2,964 for individuals and \$3,900 for families annually, the vast majority of which covers social services.
- By contrast, Empire State Supportive Housing Initiative (ESSHI) units, NYSSHP's successor, receive \$25,000 annually, covering both social services and rental assistance.
- ESSHI programs have an annual built-in 2% contract escalator, while NYSSHP does not.

NYSSHP VS. ESSHI



This funding disparity is indefensible. The majority of NYSSHP tenants are aging, Black and brown people living with multiple barriers to housing stability – including disabilities, substance use, extensive trauma from chronic homelessness, and grinding poverty. This program was struggling with shockingly low rates pre-pandemic and has been further compounded by the COVID and fentanyl crises pushing it to untenable heights.

Making matters worse are the impacts on essential social service staff. Outdated government funding rates have created poverty wages that leave many NYSSHP social service workers with no choice but to juggle multiple jobs, or, in desperation, abandon the sector entirely. Statewide, staff vacancy rates in supportive housing programs hover between 20 and 30%. This longstanding neglect of the NYSSHP program has had dire and direct consequences impacting tenants, staff and their families.

Governor Hochul and the Legislature must save NYSSHP by converting these severely underfunded contracts to ESSHI. This simple solution would modernize an antiquated, underfunded model and deliver results for thousands of vulnerable tenants and over-stretched staff alike.

FUNDING NEED

The Network proposes a 5-year, phased-in approach to convert 9,000 severely underfunded NYSSHP contracts to ESSHI. In the first year, SFY 2024-25, we propose a \$32 million add on top of existing funding.

As of 2024, NYSSHP funded the service component of supportive housing for 20,320 individuals and families across the state with a total budget of \$45.4 million. Many programs have cobbled together multiple funding sources, but approximately 9,000 units are funded with NYSSHP only, of which 7,000 have no permanent source of rental assistance. Our proposal addresses this seriously at-risk subset of the portfolio. Failing to invest now will lead to disaster and increased costs in the future: nonprofits closing their doors, supportive portfolios lost, and formerly unhoused people made homeless again.



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