

TESTIMONY OF NEW DESTINY HOUSING TO THE NEW YORK STATE JOINT LEGISLATIVE BUDGET HEARING ON HUMAN SERVICES

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Thank you, Social Services Committee Chairs, Assemblywoman Maritza Davila and Senator Roxanne J. Persaud, Senate Finance Committee Chair Liz Krueger, Assembly Ways and Means Committee Chair Helene E. Weinstein, and members of the State Legislature for the opportunity to testify on Governor Hochul's Fiscal Year 2024-25 Executive Budget Proposal.

Founded in 1994, New Destiny's mission is to end the cycle of domestic violence and homelessness for low-income families and individuals by developing and connecting them to safe, permanent, affordable housing and services. We build and manage supportive housing, and, through our innovative programs, we assist survivors in finding permanent housing and remaining stably housed.

New Destiny is the only organization in New York City solely dedicated to the solution of permanent housing for survivors and a leading advocate in the effort to obtain the resources needed to house survivors. To learn more, <u>see our policy recommendations</u>. New Destiny is a co-convener of the Family Homelessness Coalition, and a member of the Supportive Housing Network of New York and the Association for Neighborhood and Housing Development.

DOMESTIC VIOLENCE AND HOMELESSNESS

More than <u>6.7 million New Yorkers</u> will experience abuse by an intimate partner in their lifetime, according to the Centers for Disease Control and Prevention. That is <u>1 in 3 state residents</u>. Unsurprisingly, New York has the <u>highest demand for domestic violence services in the country</u>. However, not all survivors are able to access resources and services, especially when it comes to permanent housing. In fact, the majority of the unmet requests from domestic violence survivors in New York State are housing-related.

Access to safe and affordable housing is one of <u>survivors' biggest and most urgent concerns</u>, one that often determines whether they leave their abuser. Survivors who can flee may spend years in shelter before securing appropriate housing and then face a myriad of challenges to keep it. In New York City, where domestic violence has been the leading cause of family homelessness for years, survivors with children in Human Resources Administration (HRA) domestic violence shelter are <u>nearly 8 times more likely</u> to move to another shelter than to an apartment of their own upon reaching the state-mandated limit of 180 days.

Access to affordable housing, coupled with support services, is critical for domestic violence survivors to rebuild their lives and thrive. Governor Hochul and the State Legislature have made strides in recent years, such as creating a new state program to provide flexible funding to survivors and increasing the state rental subsidy to the U.S. Department of Housing and Urban Development's Fair Market Rent (FMR). While these are significant steps, it is imperative for our

State leadership to advance additional measures to ensure the long-term housing stability of survivors and their families.

PROTECTING SURVIVORS IN FIRST GENERATION SUPPORTIVE HOUSING

Supportive housing is one of the safest and most cost-effective housing solutions for survivors of domestic violence. Yet, the New York State Supportive Housing Program (NYSSHP), on which thousands of survivors rely on, has been shockingly underfunded for decades. Created in 1987 and administered by the state Office of Temporary and Disability Assistance (OTDA), NYSSHP provides funding specifically for direct services tied to housing. More than 20,000 households across the state – all of whom are homeless or at high risk – live in NYSSHP housing. Because of virtually flat funding for nearly 40 years, nonprofits are no longer able to provide the level of security and services that our vulnerable families need to remain safe and stably housed.

New Destiny opened its first NYSSHP building in 2008 and we are still operating with annual service rates of \$2,736 for single households and \$3,672 for families. This is 20% of what providers receive under the newer supportive housing program, the Empire State Supportive Housing Initiative (ESSHI), which began in 2016. ESSHI funds \$25,000 per household annually, of which usually half (or \$12,500) is used for direct services. Additionally, an automatic 2% escalator is included in each contract. The disparity between the NYSSHP and ESSHI programs is indefensible.

At New Destiny, NYSSHP provides about \$86,000 per building – 25% of what's needed to provide 24-hour building security and deliver the services the program needs to help survivors and their families. The NYSSHP rate pays the equivalent of \$5.18 per hour, 33% the <u>minimum</u> wage, while ESSHI pays an average of \$29 per hour.

Like the other 126 nonprofits participating in the program across the state, we are forced to constantly fundraise from private donors to try to offset the state's disinvestment and bridge the shortfall to pay staff a livable wage and benefits. Yet, it is impossible to make up the difference. This is not a sustainable solution. Our staff and tenants deserve better.

On average, NYSSHP covers one case manager for an entire building and zero security. With case managers handling double or triple caseloads, employee burnout is nonstop. We experience significantly higher staff turnover in our NYSSHP buildings, leaving an even larger burden on the staff that remain.

Survivors in NYSSHP buildings deserve the same access to the health and healing resources that those in other supportive housing can access. It is time for our state leadership to step up and create parity between the two programs. The supportive housing community proposes a 5-year, phased-in approach to reach parity over five years, with a budget increase this year of only \$32 million.

The Governor's budget included a modest increase of \$2.8 million to the program in OTDA's budget that includes NYSSHP, Homeless Housing and Preventive Services. We urge the Legislature to support our full proposal for a \$32 million increase in the next fiscal year to keep existing supportive housing open and thousands of tenants stably housed.

Last year, the New York State Division of Housing and Community Renewal made capital funds available through the Supportive Housing Preservation Program, specifically for our aging supportive housing stock. The target is to preserve 3,000 units in five years. However, many NYSSHP sites that are in greatest need of this preservation capital are unable to access it because the buildings lack long-term financial sustainability. Creating parity between NYSSHP and ESSHI would unlock this existing capital resource for thousands of apartments.

We urge the Assembly and the Senate to increase NYSSHP funding by \$32 million and ensure that our most vulnerable neighbors, including survivors of domestic violence, have a place to live safely and heal.

INVESTING IN FLEXIBLE FUNDING FOR SURVIVORS

Nearly all survivors face economic abuse, and more than half endure coerced debt, with longlasting detrimental effects. An immediate, but otherwise manageable financial or health crisis can quickly snowball into a catastrophe causing homelessness for survivors. For them, quick access to no-strings-attached cash assistance can be a lifesaver. In 2022, the Office for the Prevention of Domestic Violence (OPDV), through a partnership with OTDA, received \$12.7 million in federal Pandemic Emergency Assistance Funding. In just 13 weeks, domestic violence service providers disbursed this vital funding to eligible survivors.

The FY 2024 budget included \$5 million for OPDV to create a new program to provide financial assistance to survivors. This year, the Governor included another \$5million for the program in her executive budget. This level of funding is a start, but it is not enough to meet the need – increased investments are needed to allow for long-term system change. We urge the Assembly and the Senate to increase investment in flexible funding for survivors to at least \$10 million this second year.

RAISING SHELTER ALLOWANCE AND CASH ASSISTANCE

New York State public assistance programs, overseen by OTDA, provide financial help to thousands of survivors of domestic violence who meet the eligibility criteria. Public assistance benefits are intended to cover food, utilities, and housing expenses, while clearing a path to economic stability. Yet, the amount of the benefits, which depend on the household's available income and the standard of need, has not kept up with rising inflation and fails to meet the needs of recipients.

Unlike Social Security benefits, which are indexed to inflation and increased by the federal government annually, public assistance benefits have not been raised for years, with some remaining stagnant for decades: the basic allowance, intended to cover food and other necessities, was last increased in 2012; the home energy allowance, which pays for electric and heating utilities, has not increased since the 1980s; and the shelter allowance has remained the same for adult-only households since 1988 and for families with children since 2003.

We urge the Senate and the Assembly to include A5543/S2982 in its One-House Budgets, which would increase the shelter allowance to 100% of the FMR and help ensure that individuals can access safe and stable housing. Similarly, the Legislature has the opportunity to help lift

affected New Yorkers out of deep poverty in every community comprising our great state by increasing the basic needs allowance to keep pace with inflation, as A5500/S5270 proposes.

Thank you for the opportunity to testify.