



**Testimony of Judi Kende
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**For the New York State
Joint Legislative Public Hearing on
2017-2018 Executive Budget Proposal on Housing**

February 17, 2017

Good morning. I would like to thank Chair Farrell, Chair Young, Chair Little, and a special thank you and welcome to the Assembly's new Housing Committee Chair, Assembly Member Cymbrowitz. We are very excited to work closely with you on affordable housing issues in New York.

My name is Judi Kende, and I lead the New York office of Enterprise Community Partners. Enterprise is a national non-profit organization that makes well-designed homes affordable for low- and moderate-income people. Since the New York office opened in 1987, we have helped build or preserve more than 57,000 affordable homes for over 150,000 New Yorkers through capital investments, programmatic support, and policy advocacy. We have committed more than \$3 billion in equity, loans and grants to affordable housing and community development in the region.

I am pleased to be joined today by so many organizations representing housing providers and community development groups from across the state. We are here on behalf of our own organizations as well as a coalition of affordable housing stakeholders united in advocating for the release of desperately needed funding for housing. We are also here today frustrated that we continue to fight for the same

funds that have been promised over and over again, to no avail. We implore the Legislature to release these funds as soon as possible, and we remind you that it is still possible to sign the Memorandum of Understanding so this funding can benefit the people who need housing immediately. It would be completely unacceptable and shameful for this year's budget to pass without releasing these funds.

You will hear time and again today the incredible need for affordable housing, and we all know the figures. There are more than 80,000 people homeless in our state, a state with the resources to honor its commitments. Over one million households in New York pay more than half of their income on rent. Members of the State Legislature know the deeply personal struggles your constituents face with a lack of affordable housing. You hear from homeowners trying to stay afloat as they fall behind on their mortgages. You know that so many of your elderly neighbors are making terrible tradeoffs between paying rent and buying healthy food or medicine. You certainly sympathize with mothers and fathers struggling to raise children while bouncing around homeless shelters.

New Yorkers have a wide array of housing needs, and we are fortunate to have as many programs and experts in the field to help address them. Enterprise supports funding for all of the programs outlined in the 2017-2018 Executive Budget because we know that we must provide housing for the most vulnerable people in our state, struggling homeowners, and working families alike. I would like to speak specifically about three programs that are top priorities for Enterprise: supportive housing, senior housing with services, and public housing.

1) The first program that I would like to highlight is supportive housing. We thank the Legislature for your unwavering support on this issue, and applaud the 173 Assembly Members and 26 Senators who signed a letter to Governor Cuomo asking him to commit state resources to create 20,000 units of supportive housing statewide. In last year's State of the State speech, the Governor did just that, and he announced that the state would fund the first 6,000 units of supportive housing over five years. We are back this year anxiously awaiting the release of these funds, and we feel strongly that the funding included in the Executive Budget for supportive housing must remain intact.

Supportive housing is a triple bottom line solution. First, it ends chronic homelessness for some of our most vulnerable neighbors with the highest barriers to housing. Second, property values improve on blocks where supportive housing is located, contrary to the fears some harbor. Finally, supportive housing saves public money. The public pays a steep price for homelessness in the form of emergency shelter, hospital visits, and jail stays. The government spends more than \$51,000 per year to support people who are eligible for supportive housing but unable to find it. Even after the cost of housing and services are added in, supportive housing saves over \$10,000 per household per year.

2) Next, I would like to discuss the incredible need for a statewide senior housing program. There are currently 197,000 seniors across the state who are paying more than 50% of their income in rent and 43% of them rely solely on

Social Security. We are asking that the funding for senior housing included in the Executive Budget be enacted to provide the capital resources needed to build affordable homes for elderly New Yorkers. The Legislature should ensure senior housing is prioritized in perpetuity by creating a dedicated Affordable Senior Housing and Services Program through legislation. We also urge the Legislature to add an additional \$10 million for the Resident Service Coordinator Program to bring services older New Yorkers need. Modeled after the successful HUD 202 program, resident service coordinators allow seniors to remain in their homes and avoid costly and undesirable outcomes like hospitalization or premature nursing home stays.

- 3) Finally, I urge the state to provide financial support for public housing. We were pleased to see a commitment in the Executive Budget for both upstate and downstate public housing authorities. Enterprise suggests three parameters for the funding for the New York City Housing Authority that would ensure that residents can benefit from these funds quickly. First, the \$100 million should go directly to NYCHA, bypassing other bureaucracies. NYCHA should report on what the funding is used for and be held accountable for progress, but that can be directly between the housing authority and the Legislature. Second, this funding should be allocated in one year instead of spread over multiple years. Third, the funding should go for NYCHA's infrastructure needs – things like roofs, elevators, and boilers – that might not make for exciting ribbon cuttings, but are essential to resident health and wellbeing and are necessary to preserve New York City's only permanently affordable housing. We believe this kind of program, enacted in

this budget, can set a precedent for state support of critical infrastructure for our city. We urge you to match the city's commitment and fund \$100 million this year for NYCHA.

In addition to the overwhelming need for affordable housing funding, these programs are smart investments. Affordable housing is financed and operated through proven, effective public-private partnerships, meaning funding from the state leverages other sources, such as private investment. Affordable housing development creates jobs, both in construction and permanent building staff and property management, and generates local tax revenue, all while providing the most basic needs of your constituents – a safe, quality, affordable home.

It is for these reasons that Enterprise joins countless groups and communities from every region of the state in asking the Legislature to lead on housing.

