



**Testimony of Lorraine Y. Collins
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**For the New York State
2021 Joint Legislative Budget Hearing**

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Good Morning. My name is Lorraine Collins, and I am the Senior Director for Public Policy and External Affairs for the New York office of Enterprise Community Partners, a national affordable housing non-profit whose mission is to make home and community places of pride, power and belonging, and platforms for resilience and upward mobility for all. We invest capital to create and preserve quality affordable homes, reinvest revenues to develop programmatic solutions, and scale these solutions through policy change. Since our New York office opened in 1987, we have committed more than \$3.9 billion in equity, loans and grants to affordable housing and community development in New York State and we currently lead groundbreaking programs focused on anti-displacement, eviction prevention, and fair housing, among other things.

On behalf of Enterprise, we would like to thank Chair Cymbrowitz and Chair Kavanagh, as well as Senate Finance Committee Chair Liz Krueger and Assembly Ways and Means Committee Chair Helene E. Weinstein for the opportunity to speak to you at this critical time. As you well know, New York State faced a crisis of housing affordability prior to Covid-19. Now, nearly a year after the virus first hit New York, we face an unprecedented crisis of housing insecurity. The pandemic, as well as last spring's reckoning of racial injustice, have exposed deep racial inequities across the country, and New York is no exception. These disparities stem from a legacy of systemic racial discrimination across all facets of society, including employment, healthcare, transportation and our focus today, housing. The outlook for 2021 is promising, with the Biden Administration signing a new executive order focused on fair housing, and proposing a new federal relief package with funding for housing and rental assistance. We are also pleased to see several proposals to prioritize affordable and fair housing in Governor Cuomo's executive budget. Today, we join many housing providers, advocates and community development groups, echoing similar comments in our industry, to help ensure that affordable housing and racial justice are prioritized on our road to recovery.

Five-Year Housing Plan: As we approach the end of the Five-Year Housing Plan from FY 2018, New York faces the challenge of a production gap made worse by the pandemic. The continuous availability of affordable housing financing resources will be an essential component on our road to recovery. Affordable and supportive housing production creates stability for low- to middle-income New Yorkers at a time when staying safely housed is more important than ever, and production is also a counter-cyclical investment, creating jobs and jumpstarting the economy. We thank Governor Cuomo for fully funding this final year of the existing plan in his executive

budget, and we call on the State to adopt a new Five-Year Housing Plan, with appropriations for affordable housing preservation, supportive housing, public housing preservation, rental assistance, affordable homeownership, rural housing and more to meet the diverse needs across the state. The State should also enact a requirement that a statewide affordable housing plan with a capital budget be developed and funded at least every five years, to ensure continuous funding for affordable housing long-term.

Fair Housing: Since 2017, Enterprise has led the Regional Affordable and Fair Housing Roundtable in partnership with the Fair Housing Justice Center, a coalition of nearly 30 affordable housing, community development, fair housing, for- and nonprofit organizations. Together we developed a shared policy agenda, *Closing the Divide* promoting affordable and fair housing in the New York City metro area. This work has taken on new meaning amid the pandemic, as New Yorkers dealing with economic and housing instability are also confronted with the lingering legacy of redlining and housing discrimination. We applaud Senator Kavanagh for introducing S1353, which would require State agencies that administer housing laws and programs to affirmatively further fair housing. We welcome the opportunity to workshop this bill, and serve as a resource to the State in its other fair-housing efforts. We are also pleased with several proposals the Governor put forward in his executive budget related to fair housing, including prohibiting discrimination based on citizenship, and increasing the number of community-based lenders who offer SONYMA (State of New York Mortgage Agency) loans in low- income communities in order to expand homeownership opportunities in historically redlined communities.

Enterprise is currently administering the Eliminating Barriers to Housing in New York (EBHNY) program, in partnership with the New York State Attorney General. Through the program, we are distributing \$4.5 million in grant funds to enhance the work of the six full-service fair housing organizations across the state, and promote expanding service into unserved regions of the state known as "fair housing deserts." EBHNY will fund these organizations for two years, with money going towards supporting the work of systemic testing and enforcement, as well as fair housing education, and outreach. While this program is significant, we urge the State to allocate ongoing funding for fair housing testing, as is recommended by the Senate Committees on Investigations and Government Operations, Housing, Construction and Community Development, and Consumer Protections in the Final Investigative Report on Fair Housing and Discrimination on Long Island.

One major contributing factor to persistent racial segregation in cities across New York State is the restriction of new affordable housing through zoning. One policy recommendation highlighted in our *Closing the Divide* report to try to stimulate more development of affordable housing and homeownership opportunities in affluent, white neighborhoods and suburban communities was creating a statewide Fair Share Housing Plan. This Plan would establish a minimum affordable housing goal for homeownership and rental housing for every community in the state. We look forward to working with the State as we continue to explore this idea.

Supportive Housing: A critical component of a new five-year housing plan is the State's continued commitment to fund supportive housing, an effective and cost-effective solution to our

homelessness crisis. As a member of the Campaign 4 NY/NY Housing, we are pleased to see \$250 million in capital funding in the Governor's executive budget to continue the Empire State Supportive Housing Initiative and fund year six of the Governor's 15-year, 20,000-unit commitment.

Support for Homeowners: We must ensure that low- and middle- income homeowners, reeling from the health and economic fallout from the pandemic, have the support they need to avoid foreclosure. As the crisis deepened over the summer, New York State's mortgage delinquency rate increased at one of the highest rates in the country.¹ Enterprise has launched the Equitable Reverse Mortgage Assistance program, in coordination with The Center for New York City Neighborhoods. The program provides low-cost loans and housing counseling to senior homeowners with reverse-mortgages who have defaulted on their loan or are at risk of default. The Center is partnering with municipalities across the state, with a goal of funding loans to 125 senior homeowners by December 2021. While this program, as well as the Covid-19 Emergency Eviction and Foreclosure Act offers some relief, the State should appropriate \$20 million to renew the Homeowner Protection Program (HOPP) to fund additional anti-foreclosure legal services and counseling, and expand SONYMA loans in low-income communities, as mentioned above.

Eviction Prevention: New York City and State face a pending eviction crisis, with over 228,000 renters in New York City alone defending eviction proceedings and thousands more behind on rent.² The brunt of this crisis is being felt disproportionately by communities of color, who have experienced more Covid-19 related job losses and are much more likely to have fallen behind on rent payments than white New Yorkers. Enterprise supports allowing people impacted by Covid-19 to use their security deposits to make rent payments, and temporarily suspending late fees for tenants unable to pay rent on time, as outlined in the Governor's executive budget. However, this is not nearly enough to meet the need. The inability of struggling tenants to afford their rent in turn impacts landlords and our affordable and rent stabilized housing stock. While eviction moratoria have been critical to keeping renters in their homes during the pandemic, they do not address rent arrears and are not a permanent solution.

In response, a coalition of property owners, nonprofits and service providers came together to launch Project Parachute, a philanthropic fund managed by Enterprise to keep vulnerable and underserved New Yorkers stay in stable housing, funding community-based service providers to bolster their eviction prevention services, including direct financial assistance to address arrears. As part of this initiative we convened the New York City Eviction Prevention Roundtable, a diverse group of property owners, tenant advocates, and service providers who sought to develop upstream solutions to prevent evictions. The roundtable has created a set of recommendations to expand eligibility for and streamline existing assistance programs, align them more closely with the cost of housing, and address growing economic need. This includes raising the Family Homelessness Eviction Prevention Subsidy (FHEPS) and CityFHEPS rent levels and waiving the

¹ <https://www.fox5ny.com/news/mortgage-loan-delinquencies-surge-nj-and-ny-among-worst-states>

² <https://furmancenter.org/thestoop/entry/data-update-eviction-filings-in-new-york-city-as-some-renter-protections-ex>



ability to repay one-time rental assistance payments known as One Shot Deals. We urge the State to enact these recommendations, which we have already shared with State agencies and legislators.

Enterprise also leads the Anti-Displacement Learning Network, in partnership with the New York State Attorney General. Over two years, ten participating municipalities will receive funding and technical support to develop local strategies to prevent displacement. Municipalities are developing a number of eviction prevention strategies, including expanding access to legal services, oversight of housing court, relocation and rental assistance, and tenant organizing and education.

Lastly, as the State prepares to administer the estimated \$1.3 billion that New York State is receiving through the federal Coronavirus relief fund, we urge you to ensure that any new relief funds are available to as many housing insecure New Yorkers as possible, build upon existing resources and infrastructure, provide safeguards for tenants and include adequate support for local municipalities, administering agencies and program applicants. Enterprise, like so many advocates testifying today on behalf of the affordable housing and service sectors, is available as a resource to you in designing a statewide program.

In closing, we would like to thank you again for the opportunity to testify here today and for your continued leadership to address housing issues in New York at this unprecedented time in the state's history. Enterprise looks forward to continued partnership with you to ensure a robust and equitable recovery.