



**City Council FY22 Preliminary Budget Hearing
Committee on Housing and Buildings
March 5, 2022**

Testimony of Myung J. Lee, President & CEO

My name is Myung Lee and I am the President & CEO of Volunteers of America-Greater New York, the local affiliate of the national organization, Volunteers of America, Inc. (VOA). I would like to thank the Chair of the City Council Committee on Housing and Buildings, Council Member Robert E. Cornegy Jr., for the opportunity to submit my testimony.

VOA-Greater New York is a human services organization that operates emergency shelters, transitional housing, and permanent supportive housing in NYC, Northern New Jersey, and Westchester, providing housing to 11,000 New Yorkers annually. We specialize in housing and caring for seniors, veterans, survivors of domestic violence, persons living with HIV/AIDS, and persons with behavioral health and substance use disorders.

The housing crisis in New York City has grown dire in recent years, with the Coalition for the Homeless reporting in 2015 that homelessness in NYC had reached its highest point since the Great Depression. Prior to the pandemic, housing instability was already a fact of life for more than 500,000 New York families who were paying over half of their income in rent, living in severely overcrowded conditions, or had been in homeless shelters for over a year.

Now, after a year of managing the impact of twin global health and economic crises, roughly 10 million New Yorkers are struggling with loss of income and mounting rent arrears, wondering if they will still have a home when the eviction moratoriums expire. It is well-documented that people of color have suffered disproportionately with respect to health and financial outcomes since the onset of the pandemic. It is therefore unsurprising, but still deeply disturbing, that Black and Latinx New Yorkers make up approximately 80% of those facing the prospect of eviction.

In addition to those at risk of becoming homeless, there were 56,849 homeless people, including 18,099 homeless children, in the NYC municipal shelter system as of December 2020. That figure includes a record high of 20,811 single adults, who tend to have much higher rates of behavioral health and substance use disorders compared to members of homeless families, making it harder for them to secure permanent housing without additional supports.

Here again, the racial disparity is stark, with Black and Latinx New Yorkers comprising 89% of all heads of household in NYC shelters. More alarming still, studies show that the age-adjusted COVID-19 mortality rate for homeless New Yorkers sleeping in shelters is roughly 75% higher than the citywide average.

A crisis of this magnitude with clear racial justice implications can only be addressed through a significant expansion of affordable housing and an increase in funding for programs such as the 15/15 Supportive Housing Initiative, HPD's Senior Affordable Rental Apartments (SARA) and Supportive Housing Loan (SHL) Programs, and HDC's Extremely Low- and Low-Income Affordability (ELLA) Program.

Permanent supportive housing has been shown to increase housing stability and long-term positive social outcomes when compared to alternative forms of housing. The “supportive” aspect of this type of housing – wrap-around services including case management, assistance with benefits and entitlements, linkage to medical and behavioral health services and substance abuse treatment, and recreational and socialization activities – is a proven and cost-effective way to address chronic homelessness of single adults.

In just a few weeks, VOA-Greater New York will bring its newest supportive housing site for low-income seniors online. The development of East Clarke Place Senior Residence is a direct response to the housing crisis in New York City, and will address the growing demand for subsidized housing for older adults, helping them to “age in place” with the assistance of critical support services. The 14-story residence will provide permanent supportive housing for low- and very low-income seniors (aged 62+) in 84 units and for chronically homeless seniors in 37 units.

The building will feature 24/7 front desk security and concierge services, laundry rooms, well-lit stairwells, resident lounges, and a large community room that opens up to a landscaped courtyard. These features were designed with the unique needs of seniors in mind — to help ensure that they are safe, healthy, and connected to a caring community.

East Clarke Place serves as a model for how non-profits with expertise in the housing sector can partner with government to effectively meet the growing demand for permanent supportive housing. Financing sources for this \$69 million development project included Reso A grants from Council Member Vanessa Gibson and Bronx Borough President Ruben Diaz, SARA Program, ELLA Program, NYS Energy Research and Development Authority Funds, and tax credit equity.

While we are proud that East Clarke Place Senior Residence is a place where seniors can age safely and with dignity, we were astonished and heartbroken to receive 26,000 applications, including 200 that were handwritten, for only 84 low- and very low-income units for seniors. This was a sobering reminder that there is a tremendous unmet need for affordable senior housing with on-site supports.

Later this year, we hope to begin development on Andrews Avenue South Senior Residence, which will provide permanent supportive housing to seniors in 118 units, 30% of which will be set aside for chronically homeless seniors. Although these units are desperately needed, this project is already experiencing delays due to the impact of COVID-19 on the City’s capital funding for affordable housing.

Lastly, it is worth noting that the permanent supportive housing model is made possible through myriad contracts with City agencies that fund case management, behavioral health, and building maintenance, among other services. The implementation of austerity measures, such as removing COLA from the personnel services line of human services contracts or not honoring the Indirect Cost Rate (ICR) Funding Initiative for FY20, FY21, and future years, undermine the efficacy of the supportive housing model and threaten our financial sustainability as an organization, to say nothing of the financial security of our staff, who have been providing life-preserving services to our clients on the front lines since the beginning of this crisis.

I urge members of the Committee on Housing and Buildings and their colleagues in the New York City Council to continue advocating for workers in the human services sector, who are the first line of defense in NYC during times of crisis and critical partners in the success of the City’s affordable housing initiatives.

Respectfully submitted by:
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