



**City Council FY22 Preliminary Budget Hearing
Committee on Aging
March 10, 2021**

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 Aging, Council Member Margaret Chin, 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.

A study published by University of Pennsylvania in 2019 noted unprecedented levels of homelessness among the late Baby Boom cohort because they have faced economic disadvantage throughout their lives, having entered the labor force and housing markets facing back-to-back recessions in the late 1970s and early 1980s. This study, which was published 11 months before the first known case of COVID-19 in New York, projected there would be 18,000 homeless adults age 55 and older in NYC by 2030, based on historical trends and demographic data.

The pandemic has only accelerated housing instability trends, with roughly 10 million New Yorkers currently struggling with loss of income and mounting rent arrears, wondering if they will still have a home when the eviction moratoriums expire. As housing instability reaches historically high levels, the availability of affordable housing is steadily declining.

Significant cuts to the New York City Department of Housing Preservation and Development (HPD) FY21 capital budget, coupled with construction slowdowns and delays due to the pandemic, has made the City's affordable housing production goals—which were already ambitious to begin with—nearly impossible to achieve. The FY22 preliminary budget does not fully address the damaging cuts to HPD's FY21 capital budget, the effects of which will reverberate for years to come. Already, the waiting list for affordable senior housing is typically three to five years, if not longer.

Delays in the pipeline for affordable housing projects could not come at a worse time. COVID-19 has taught us that aging New Yorkers are particularly vulnerable during times of crisis. As of March 3, over 6,000 nursing home residents have died from COVID-19 in NYC. Given the shortage of affordable senior housing, elder New Yorkers who are homeless or at risk of becoming homeless will be forced to enter the municipal shelter system, where the age-adjusted COVID-19 mortality rate is roughly 75% higher than the citywide average. Two-thirds of older adults who are economically insecure are managing two or more chronic health conditions, placing them at even greater risk of severe illness or death due to COVID-19. It is imperative that seniors in NYC shelters are not forgotten as the City develops its plan to rapidly vaccinate homebound seniors.

Permanent supportive housing has been shown to increase housing stability and long-term positive social outcomes for older adults 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, who tend to experience higher rates of behavioral health and substance use disorders when compared with members of homeless families.

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, HPD’s Senior Affordable Rental Apartments (SARA) Program, HDC’s Extremely Low- and Low-Income Affordability (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.

VOA-Greater New York is also the sole provider of supportive housing services in City-owned single room occupancy residences (SROs). Most of these SROs were not intended to serve as senior homes, but longer-term residents have aged in place due to the lack of alternative affordable housing options in NYC. We currently receive funding from the NYC Department of Social Services (DSS) to house and support this population, but the senior residents in our SROs require greater care than other residents, especially during the COVID-19 pandemic.

Our SROs do not yet meet the definition of a Naturally Occurring Retirement Community (NORC) and therefore do not qualify for NORC funding through the NYC Department for the Aging (DFTA), but we must expand upon existing programs to bring additional resources and supports to the senior population in our SROs. It is also crucial that the City’s plan to vaccinate homebound seniors prioritize seniors in SROs, where it is harder to maintain social distance due to shared kitchen and bathroom spaces.

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. While we are grateful for the DFTA's bold efforts to ensure that seniors remain connected to the services they need during this pandemic, many seniors that we house and care for receive services through contracts with NYC DSS and Department of Health and Mental Hygiene, rather than DFTA. To address the urgent needs of seniors living in shelters and supportive housing, it is important that the nexus of agencies that contract with human services providers are adequately funded.

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 Aging 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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