

Testimony to the New York City Council Committee on Housing & Buildings Budget Hearing FY2023 March 14, 2022

Introduction and thanks:

My name is Patrick Boyle, and I am the Assistant Vice President of Public Policy at Volunteers of America-Greater New York (VOA-GNY). We are the local affiliate of the national organization, Volunteers of America, Inc. (VOA). I would like to thank Chair Sanchez and the members of this Committee for the opportunity to deliver my testimony.

About Us:

VOA-GNY is an anti-poverty organization that aims to end homelessness in Greater New York by 2050 through housing, health and wealth-building services. We are one of the region's largest human service providers, impacting more than 11,000 adults and children annually through 66 programs in New York City, Northern New Jersey, and Westchester County. We are also an active nonprofit developer, with a robust portfolio of permanent supportive housing, affordable and senior housing properties—with more in the pipeline.

Testimony:

The affordable housing crisis was present in New York City before the Covid-19 pandemic. However, the past two years have greatly exacerbated existing issues. Job loss and a significant increase in mental health challenges have made it difficult for many to find or retain suitable housing. Temporary construction slowdowns and budgetary shortfalls have constrained an already very limited housing development pipeline. Homelessness is expected to increase as temporary eviction moratoria expire and market rents rise as the City rebounds economically.

The budget has a moral obligation to meet these challenges with robust levels of funding. Unfortunately, the executive proposal falls short in a number of areas. We thank you for your consideration of the following recommendations.

Increase Affordable Housing Capital Funding

The United for Housing Coalition has called for a \$4 billion housing commitment, including \$2.5 billion in rental and homeownership capital funding. Mayor Adams promised to commit to this important pledge as a candidate, but unfortunately the proposed budget includes no such increase. The Council must take up the charge.

A greater capital commitment means more projects can get funded, developed and built – projects like our East Clarke Place Senior Residence, a new 122-unit building in the Bronx that

combines LEED Gold environmental standards, recreational programming, landscaped outdoor and roof space and much more. We are very proud of this project and have ambitions to complete more like it. As with other mission driven developers all throughout the City, our ambitions are tempered by a very limited and backlogged pipeline of projects that HPD and HDC are able to fund. More capital expands that pipeline and gets these transformational apartment units to more seniors and families.

#JustPay and Cost of Living Increase for Human Service Workers

At VOA-GNY, we were disappointed that despite years of advocacy by hundreds of human service organization and many thousands of workers in this sector, that the budget does nothing to raise the poverty wages paid to government-contracted human service workers.

VOA-GNY has hundreds of such workers on our team—hardworking and dedicated individuals who are asked to be the frontline workers addressing some of the City's most serious housing-related issues. At our organization, as is true for this sector generally, these team members are overwhelmingly women and people of color. Setting a cost floor of \$21/hour for these workers will improve performance and morale, help organizations retain staff, and spur the economy through the increased spending and economic activity generated. We strongly urge our partners in the City Council to take up this cause. The time is long overdue.

Reverse 3% Budget Cuts to Key Housing-Involved Agencies

We appreciate the need for financial prudence with respect to our City's budget. However, for agencies addressing our housing crisis, there must be a consideration for the enormity of the task at hand. Budget cuts to agencies like HPD, as well as DHS, HRA, and MOCS, will result in vacancies left unfilled and a remaining workforce that is stretched too thin. Our organization is already feeling the impact of slow response times for approvals and other necessary interactions with our government partners.

Scattered Site Rates

VOA-GNY runs a number of scatter site supportive housing units. Funding is insufficient to find suitable apartments and deliver adequate services. Scattered site contracts rates should be raised to meet current Fair Market Rents (FMR) and service dollars should match NYC 15/15 congregate housing.

<u>Incentivize Building Maintenance and Upkeep</u>

Housing advocacy is often focused on supply—funding for new construction rental and homeownership opportunities. Maintenance of our existing supply is meanwhile an overlooked component. Subsidized affordable housing is underwritten at extremely thin profit margins and modest reserves; the older portfolio is particularly challenged with capital needs. As we as a City take on the gargantuan task of greenifying our multifamily portfolio, there must be more incentives, capital funding and streamlining when it comes to building maintenance and repair.

Closing and thanks:

This budget is so critical to ensuring our recovery coming out of the pandemic is equitable, just and economically robust. Housing will continue to be one of the biggest challenges we face as a City. We strongly urge our partners in the Council to take up the above recommendations.

On behalf of VOA-Greater New York, I would again like to thank the Chair and this Committee for providing us with a platform to share these thoughts.

Respectfully submitted by: Volunteers of America - Greater New York 135 West 50th Street, 9th Floor New York, NY 10020