



Testimony before the NYS Senate Forum on the Creation of a True Housing Trust Fund

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Good afternoon. My name is John Broderick. I am the State Advocacy Director for the Supportive Housing Network of New York, which represents 158 non-profit agencies engaged in building and maintaining over 34,000 units of permanent supportive housing throughout New York State.

The Supportive Housing Network joins with its colleagues in calling for the creation of a permanent, dedicated source of revenue to create affordable housing – a “true” Housing Trust Fund. Clearly the time has come to reinvest public money raised from housing for the creation and protection of affordable housing.

The tremendous and growing need for affordable housing both upstate and down is well-documented. To have any chance of meeting this sizable need, a new housing trust fund needs to be substantial; a reasonable goal would be \$500 million annually. There are many housing-related revenue sources that can be used to pay for such a commitment: SONYMA excess revenues, HFA excess reserves and a share of the proceeds of the real estate transfer tax. While some portion of this tax is already dedicated to the environmental protection fund, a significant part of it could be dedicated to affordable housing without reducing the share that currently supports environmental remediation.

Proceeds of the new HTF should supplement and fill gaps in the state’s current array of affordable housing creation programs, from housing for very low income people to “workforce” housing. HTF funds should be accessible by nonprofit and for-profit developers in cities, suburbs, small towns and rural areas. HTF funds should construct homes that promote and expand opportunities for people living with disabilities, from mental illness to mobility impairments, in the most independent ways possible.

Most importantly, no less than 25% of the total -- \$125 million – should be dedicated to the creation of supportive housing, affordable housing linked to services that help low-income and formerly homeless people with disabilities stay housed. Housing trust fund investments should be directly linked to operating and services funding streams available through state agencies other than DHCR and HFA, such as the Office of Mental Health, the

Office of Temporary and Disability Assistance and the Office of Alcoholism and Substance Abuse Services. These agencies are currently looking for ways to link the services they provide with the state's mainstream affordable housing resources. We're very pleased that the new commissioners of these agencies are actively working together to find ways to maximize the state's investments. We hope that any new source of affordable housing revenue be targeted to this effort, not only because it's the humane thing to do, but because it is the most cost-effective response to homelessness and housing instability.

Thousands of New York's most poor and vulnerable residents have become reliant upon expensive emergency services – homeless shelters, emergency rooms and psychiatric hospitals and other service intensive systems. Supportive housing provides stability for these frequent users of emergency services by providing a home and a level of on-site social services that is appropriate to their needs. People who move into supportive housing use significantly fewer emergency services after they enter supportive housing as compared with the years prior, when they cycled through shelters, hospitals and other expensive emergency interventions.

In order to improve the quality of life of disabled New Yorkers across the state and to reduce state spending on emergency services, a substantial portion of the funds created by the new HTF should be directly linked to these efforts. Any HTF legislation that is drafted that does not include a 25% set-aside for supportive housing would be a missed opportunity of monumental proportions.

The Supportive Housing Network thanks you, Senator Krueger, and your colleagues, for calling attention to the need for a housing trust fund. Thank you for the opportunity to testify.

