

Written Testimony Only



**Testimony of Judi Kende
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**For the New York State
Joint Legislative Public Hearing on
2018-2019 Executive Budget Proposal on Housing**

January 24, 2018

Good morning. I would like to thank Chair Weinstein, Chair Young, Chair Little, and Chair Cymbrowitz for holding today's hearing on the critical matter of housing programs in the New York State budget. We are excited to continue to work with you all on affordable housing issues throughout the state.

My name is Judi Kende, and I lead the New York office of Enterprise Community Partners. Enterprise is a national non-profit that has worked to create and preserve affordable housing here and nationwide for over 30 years. Since the New York office opened in 1987, we have helped build or preserve more than 60,000 affordable homes for over 160,000 New Yorkers.

First and foremost, I must begin today by expressing my deep gratitude to the Senate and Assembly for passing \$2.5 billion for housing programs in last year's state budget. New York State is experiencing a dire crisis of affordable housing and last year's funding demonstrated a strong commitment on behalf of the State Legislature to address this crisis.

And there is still more work to be done to ensure that all New Yorkers have access to a safe, affordable home. There are more than 80,000 people homeless in our state and over one million households in New York pay more than half of their income on rent.

Enterprise supports continued funding under the state housing plan as outlined in the 2018-19 Executive Budget. Additionally, I would like to speak specifically about issues that are top priorities for Enterprise.

- 1) I would first like to highlight two issues pertaining to senior housing. Last year, we were thrilled to see \$125 million in much needed capital in the state budget for senior housing. But to ensure that older adults can remain healthy and independent, affordable senior housing must be paired with services.

Modeled after the successful HUD 202 program, an on-site service coordinator allows seniors to remain in their homes and avoid costly outcomes like hospitalization or premature nursing home stays. Service coordinators have the added benefit of helping reduce costs to our healthcare system. For these reasons, we urge the Legislature to commit \$10 million over five years for a resident service coordinator program.

- 2) The Senior Citizen Rent Increase Exemption (SCRIE) is a valuable program that freezes rents for seniors in rent-regulated apartments. However, SCRIE does not decrease rent for tenants who are already severely rent-burdened.

Right now more than a third of SCRIE participants pay 70 percent or more of their income on rent.

For this reason, we urge the Legislature to pass the SCRIE Rollback Act (S7057/A8424) which would freeze rents at one-third of income for eligible households, ensuring that seniors do not sacrifice other necessities to pay rent.

3) Enterprise urges the Legislature to amend the New York State Human Rights Law and expand the protected classes to include "Lawful Source of Income." Under the current State Human Rights Law, landlords can refuse to rent to recipients of sources of income like Housing Choice Vouchers, Social Security, unemployment insurance, and veteran's benefits. This amendment would extend legal protections to individuals using these sources to cover housing costs. We urge you to pass Senate Bill S149, amended to remove the exemption for dwellings of 5 units or less.

4) The New York City Housing Authority (NYCHA) is the city's largest landlord of affordable housing. NYCHA employs over 11,000 individuals and has over 600,000 residents. Public housing is the lifeblood of New York City and continues to be a stabilizing force for all who live there. But NYCHA is in desperate need of resources.

I urge New York State and New York City to each provide \$250 million to NYCHA in this year's budget to address critical infrastructure needs like roofs, elevators, and boilers which are essential to resident health and

wellbeing and are necessary to preserve New York City's only permanently affordable housing.

- 5) We oppose the Governor's budget proposal to defer certain credits including the State Low-Income Housing Credit, Brownfields and the Historic credit. Long term or repeated deferments can negatively impact pricing which would be especially damaging to SLIHC if credit deferment is repeated again in the near future. Deferment of Brownfields and Historic credits are problematic when used as permanent sources of financing. We recommend that credits used in affordable housing projects should be excluded from deferment.
- 6) Lastly, we ask that you adapt to changes in the federal tax code by bifurcating the State Low-Income Housing Credit to increase the investor pool and raise pricing.

In addition to the overwhelming need for affordable housing funding, these programs are smart investments. Affordable housing development creates jobs and generates local tax revenue, all while providing the most basic needs of your constituents – a safe, quality, affordable home.

It is for these reasons that Enterprise joins countless groups and communities from every region of the state in asking the Legislature to continue your national leadership on housing.