



Testimony of the Corporation for Supportive Housing (CSH)

New York State Senate and Assembly 2021 Joint Legislative Budget Hearing: Mental Hygiene February 5, 2020

Thank you for allowing the Corporation for Supportive Housing (CSH) to provide testimony to inform state budget decisions.

CSH's mission is to advance solutions that use housing as a platform to deliver services, improve the lives of the most vulnerable people – **including people with substance use disorders, mental health needs and developmental disabilities** – and build healthy communities. We are a national nonprofit and Community Developmental Financial Institution (CDFI) that is the initial funder for the majority of supportive housing deals in New York; we issued 107 loans totaling \$163MM in the past decade alone to spur much-needed supportive housing development across the state. We also provide technical assistance and consulting services to the supportive housing field including providers, developers and government.

As you all know, COVID-19 has added historic pressures on existing public systems, state budgets and compounded existing racial disparities. We are at a critical time to address this crisis and invest in a cost-effective strategy proven to solve challenges for vulnerable populations for those with the greatest needs: supportive housing. As such, we strongly support the \$250M in the Governor's proposed 2021-222 budget for supportive housing and encourage the state legislature to approve this sixth year of commitment toward fulfilling the Governor's promise of creating 20,000 new units of supportive housing over 15 years. Included is \$186M in capital at HCR and an additional \$64M in capital at OTDA Homeless Housing Assistance Program (fully funded at \$128M).

Supportive housing is an evidence-based solution to improve the lives of the most vulnerable people. Combining permanent, affordable housing with social services allows individual and families to live stably in communities, just like any other New Yorker. As you are likely aware, supportive housing is usually for those lacking housing who face a multitude of complex mental health, substance use and/or medical issues.

Supportive housing saves significant money to many public institutions while using no more and sometimes fewer resources in return for better results. We know that supportive housing stops people from cycling between many crisis systems, including emergency rooms, psychiatric centers, shelters, jails and prisons. For example, in New York, reductions in service use resulted in an annualized savings of \$16,282 per unit, which amounts to 95% of the cost of providing supportive housing.

Supportive housing improves neighborhoods. The Furman Center for Real Estate and Urban Policy studied the impact of 123 supportive housing residences in New York and found that properties closest to supportive housing increased in value and experienced strong and steady growth in the years after the supportive housing opened. Tenants of supportive housing actively participate in their communities by volunteering and joining civic and faith organizations. They are invested in their neighborhood because it is their new home. Conversely, across the city, neighborhood organizations such as community boards, scout

troops, and block associations use the community space in supportive housing buildings to hold their meetings, fully using this needed resource.

Supportive housing stabilizes and supports people with mental illness, substance use and developmental disabilities, and as such it is essential New York State continues to invest in this resource.

Thank you for your time and attention.

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