



Testimony of Baaba K. Halm

Vice President and New York Market Leader

Enterprise Community Partners, Inc.

To the New York State Senate and Assembly

Joint Legislative Budget Hearing on Housing

January 31st, 2022

My name is Baaba Halm and I am the Vice President and Market Leader for the New York office of Enterprise Community Partners, a national nonprofit on a mission to make home and community places of pride, power and belonging, and platforms for resilience and upward mobility for all. Since our New York office opened in 1987, we have committed more than \$3.9 billion in equity, loans and grants to affordable housing and community to create or preserve over 73,000 affordable homes across New York State.

On behalf of Enterprise, we would like to thank Chair Cymbrowitz and Chair Kavanagh, as well as Senate Finance Committee Chair Liz Krueger and Assembly Ways and Means Committee Chair Helene E. Weinstein for the opportunity to testify today on State Fiscal Year (SFY) 2022-23 budget and to speak on the tremendous housing needs that New Yorkers currently face. As you well know, New York State faced an affordable housing crisis prior to Covid-19. Now, nearly two years after the virus first hit New York, we continue to face an unprecedented crisis of housing insecurity and homelessness. We are pleased to see several proposals prioritize affordable and fair housing in Governor Hochul's executive budget, including the adoption of a new Five-Year Housing Plan. At the same time, we believe that the proposed budget and Housing Plan do not go far enough. Today, we join many housing providers, advocates and community development groups to ask that the Governor and Legislature work together to fully address New York's housing needs in this pivotal moment.

Housing Access Voucher Program (HAVP)

New York State is in the midst of the worst homelessness crisis since the Great Depression. This represents a 150% increase since 2009. This crisis overwhelmingly impacts communities of color, with Black and Latinx people making up nearly 90 percent of New York City’s shelter population. When the State’s eviction moratorium expired on January 15, New Yorkers faced over 180,000 pending nonpayment eviction cases across the state ¹ threatening to exacerbate the current crisis. With this temporary protection gone, we are extremely concerned with the lack of long-term solutions to keep low-income tenants in stable housing, and help homeless New Yorkers secure permanent housing.

HAVP would provide a rental voucher to nearly 85,000 households that are homeless or at risk of becoming homeless. It would allow voucher recipients to pay 30 percent of their income towards rent, with the rest covered by the voucher, up to 110 percent of Fair Market Rent. As with any solution that allows families to remain in permanent housing, it would generate savings from reduced shelter costs. It would also ensure that families who struggle to pay rent are not forced to go through the traumatic and costly housing court process and shelter system. HAVP would be available to undocumented New Yorkers, who are frequently ineligible for government assistance. It is critical that the State direct \$1 billion to fund HAVP, and additional resources for other programs that will combat homelessness.

Additionally, immediate, temporary relief that benefits small building owners and tenants is still important. Pending additional resources on the state and federal levels, we ask that the Emergency Rental Assistance Program (ERAP) and the Landlord Rental Assistance Program (LRAP) programs be funded, in addition to longer-term solutions like HAVP.

Fair Housing

Since 2017, Enterprise has led the Regional Affordable and Fair Housing Roundtable in partnership with the Fair Housing Justice Center, a coalition of nearly 30 affordable housing, community development, fair housing, for- and nonprofit organizations. Together we developed a shared policy agenda, *Closing the Divide* promoting affordable and fair housing in the New York City metro area. ²Newsday’s 2019 investigation revealing unequal treatment against non-white homebuyers on Long Island and the continuing enforcement actions by fair housing organizations against landlords and brokers are a sobering reminder of how much more work needs to be done to address New York’s legacy of systemic housing discrimination, over 50 years after the federal Fair Housing Act.

We applaud Governor Hochul and the Legislature for championing fair housing last year and passing a [package of fair housing bills](#) into law. These bills mark a bold step towards a more

¹ <https://www.thecity.nyc/housing/2022/1/13/22882998/as-eviction-pause-ends-in-new-york-heres-what-tenants-should-know>

² <https://wroinc.org/closing-the-divide-creating-equitable-inclusive-and-affordable-communities/>

equitable future for New York. We are further encouraged by the fair housing components of the Governor's executive budget.

- **Funding For Fair Housing Testing:** Enterprise administers the Eliminating Barriers to Housing in New York (EBHNY) program, in partnership with the New York State Attorney General. Through the program, we are distributing \$4.5 million in grant funds to enhance the work of six full-service fair housing organizations across the state and to expand service into unserved regions known as "fair housing deserts." EBHNY funds these organizations for two years, with money going towards supporting the work of systemic testing and enforcement, as well as fair housing education, and outreach. Amid the first year and a half of this program, this funding has allowed these organizations to hire 17 new staff members, conduct nearly 600 tests, and take nearly 50 enforcement actions. There is a clear, ongoing need to continue this work. Areas vulnerable to housing discrimination and disinvestment along with people living with disabilities and communities of color, have been disproportionately impacted by the health and economic fallout of the Covid-19 pandemic. However, EBHNY is only funded through mid-2022, and without new funding, these vital fair housing services will disappear. We call for a minimum of \$15 million be allocated, \$3 million annually for the next five years, beginning in the SFY 2022-23 budget to continue funding this critical work. Any less will force these fair-housing organizations to cut back on testing and expansion efforts.
- **Protections for New Yorkers Impacted by the Criminal Legal System:** Another policy recommendation highlighted in our *Closing the Divide* report was for strong protections for New Yorkers impacted by the criminal legal system. Mass incarceration disproportionately impacts communities of color, and for too long, criminal background checks have been used to perpetuate racial bias and exclude people from housing. We appreciate the Governor including language in her executive budget to prohibit landlords from automatically rejecting individuals with justice-involvement, and any final law must include strong, detailed enforcement mechanisms. We recommend that justice-involvement be added as a protected class under the State's Human Rights' Law.
- **Addressing Exclusionary Zoning:** One major contributing factor to persistent racial segregation in communities across New York State are zoning restrictions to new affordable housing. Another policy recommendation highlighted in *Closing the Divide* to stimulate more development of affordable housing and homeownership opportunities in affluent, white neighborhoods and suburban communities is to create a statewide Fair Share Housing Plan. This Plan would establish a minimum affordable housing goal for homeownership and rental housing for every community in the state, offering financial

incentives to develop housing that reaches lower income bands as well as supportive and accessible housing. We are excited to see the Governor propose mechanisms to fight exclusionary zoning in her Housing Plan, including bolstering the supply of accessory dwelling units, and fostering transit-oriented development. We believe that both of these proposals are excellent first steps towards a denser, more equitable future. We are also pleased to see legislation introduced by Senator Rachel May, S7635, to streamline the approval of affordable housing in communities with a dearth of it. We look forward to working with the Governor and the legislature to further refine and implement these initiatives.

Supportive Housing

We know that supportive housing is one of the most effective tools available to help chronically homeless individuals access safe, affordable homes that provide them with the services they need to succeed. As a member of the [Campaign for New York/New York Housing](#), we are pleased to see Governor Hochul allocating \$1.5 billion to add 7,000 new supportive housing units over the next five years and, for the first time, to preserve and rehabilitate an additional 3,000 existing supportive housing units statewide.

Affordable Homeownership

As a member of the Coalition for Affordable Homes, we thank Governor Hochul for the historic investment in affordable homeownership in her proposed housing plan. Specifically, we are pleased to see that Homeowner Protection Program (HOPP) funding has been included in the executive budget for the first time since its creation—a key step towards preventing foreclosures. However, to anticipate the tremendous need that exists, we estimate the program cost should be \$35 million next year, and \$40 million annually for the following two years. Additionally, we join the Coalition in calling for \$50 million for Community Land Trust Acquisition Funding, an additional \$24 million for the Affordable Housing Corporation, and a CLT taxation exemption. We also urge the State to pass the Covid-19 Community Protection Act, imposing a tax on the transfer of certain properties to disincentivize speculation in historically disenfranchised communities.

Rural Housing

It is vital that our budget reflect the unique housing needs of rural New Yorkers and local affordability concerns. Specifically, the State must create funding streams to meet the needs of small rental housing in rural areas. We appreciate the Governor's Housing Plan making reference to funding several programs across the State to preserve and improve rural rental properties, and making them more accessible. We are also pleased to see \$20 million for mobile and manufactured



home programs in the Governor's budget. We look forward to seeing how this will be achieved in the adopted budget.

NYCHA

While we commend the Governor for the critically important and wide-reaching proposals in her Five-Year Housing Plan to address the critical needs of public housing authorities outside of New York City, it is important to acknowledge the significant omission of NYCHA. NYCHA provides affordable housing to over 400,000 New Yorkers. Last year, it was estimated that NYCHA needs roughly \$40 billion to fully bring all units to a good state of repair. Recent developments in Washington make it clear that we cannot wait for the federal government to intervene. We call on New York State to work with New York City Mayor Adams to establish a long-term city-state capital plan for public housing, with both the State and City funding at least \$1.5 billion annually.

Insurance Premiums

One key area of concern for so many of our affordable housing development partners is the increasing cost of insurance and the limited pool of insurance companies willing to provide coverage for affordable housing. Our partners, who are already dealing with the economic fallout of the pandemic, are being stretched thin, struggling to provide the affordable housing that our state needs. We applaud the Governor for signing S5321, which commissions a study to examine these ballooning costs, into law at the end of 2022. With the bill now signed, we stand ready to work with the State and fellow advocates to come up with solutions to ensure this issue is resolved.

In closing, we would like to thank you again for the opportunity to testify here today and for your continued leadership to address housing issues in New York at this unprecedented time in the State's history. Enterprise looks forward to continued partnership with you to ensure a robust and equitable recovery.