



Testimony of Baaba K. Halm

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My name is Baaba Halm, I am the Vice President and Market Leader for the New York office of Enterprise Community Partners, a national nonprofit that exists to make a good home possible for the millions of families without one. We support community development organizations on the ground, aggregate and invest capital for impact, advance housing policy at every level of government, and build and manage communities ourselves. Since our New York office opened in 1987, we have committed more than \$5 billion in equity, loans and grants to affordable housing and community to create or preserve over 81,000 affordable homes across New York State. On behalf of Enterprise, I want to thank Chair Krueger, Chair Weinstein, Chair Kavanagh and Chair Rosenthal for the opportunity to testify today on the 2023 budget and what advocates agree is needed this year to meet the tremendous housing need we face.

HAVP & Shelter Allowance

New York State is amid the worst homelessness crisis since the Great Depression. On any given night, more than 74,000 people live in shelters and on the streets. Thousands more are uncounted and doubled- or tripled-up in apartments. This represents an astounding 150 percent increase in housing instability since 2009. Across the state, homelessness has pushed communities to the breaking point, with shelter capacity in New York City dangerously low, and communities across the state with even less capacity and resources to deal with the crisis than New York City.

Despite the historic nature and scale of this crisis, last year's budget failed to fund the most inclusive rental assistance program proposed: the Housing Access Voucher Program. HAVP is a permanent, statewide Section 8-like rental assistance program. At least fifty percent of the program's resources would be dedicated to help homeless New Yorkers across the state find stable housing. The rest would go towards eviction prevention for households at risk of becoming homeless. HAVP is designed to be accessible, flexible, and non-discriminatory, making it the most effective program for moving homeless households into stable, permanent housing and for

preventing homelessness in the first place. While we are pleased to hear Governor Hochul's commitment to a bold housing agenda aimed at building more affordable housing, new housing takes years to develop and we need solutions that will meet the crisis today. We urge the Legislature to include [S568A/A4021](#) in its One-House Budgets and fund HAVP at \$250 million this year, which would serve over 50,000 New Yorkers.

The Senate and Assembly can also help prevent homelessness by including [A8900](#) in its One-House Budgets, which would raise the maximum shelter allowance grant to 100 percent of the HUD fair market rent for each jurisdiction. Currently, the grant levels are so inadequate that low-income families fall further and further behind on their rent, or they must seek out additional forms rental assistance if they qualify. Raising the grant amount would promote housing stability for those households who rely on the shelter allowance.

Fair Housing Enforcement Resources

In May of 2020, Enterprise Community Partners and The New York State Office of the Attorney General launched Eliminating Barriers to Housing in New York (EBHNY), a two-year, \$4.5 million statewide pilot program aimed at eliminating systemic housing discrimination based on race, national origin, disability, source of income, and other federal, state and local protected classes. The program funded six Qualified Fair Housing Organizations (QFHOs) across the State. Each QFHO used grant dollars to conduct systemic testing investigations, fair housing and fair lending enforcement, home modification projects, and expand their education and outreach efforts. The program was proven highly successful, with grantees conducting thousands of tests, training and educating thousands of individuals on fair housing laws, and filing dozens of enforcement actions against brokers, lenders and housing providers engaged in discriminatory practices.

With the program concluding at the end of 2022, New York State stepped in to provide a crucial lifeline to absorb the pilot into HCR's Fair Housing Testing Program, with \$2 million in funding for 2023. While these funds provide a temporary extension, there is the need to increase the state's funding levels to maintain the level of service previously provided, and to expand the program into 'fair housing deserts'- communities with no nonprofit fair housing presence. Robust fair housing enforcement will also be crucial as more housing units are created and rental assistance vouchers are expanded.

We therefore request that \$5 million (in addition to the \$2 million allocated in the Governor's Executive Budget) be allocated to HCR's Fair Testing Program beginning in the SFY 2023-2024 budget and this overall \$7 million be baselined. This funding level will allow existing QFHO's to continue to critical services at their current levels while also supporting community-based organizations to build capacity in parts of the state not currently served by fair housing organizations.

Housing Compact

In addition to immediate solutions to solve our homelessness crisis, the State must also ensure that more affordable housing is built in the long term. In the last decade, New York State has created 1.2 million jobs, but in that same time span, our state has only produced 400,000 new homes. While some communities are making meaningful investments in affordable housing, others are resisting development. While not overtly discriminatory, restricting the supply of affordable housing, particularly in suburban areas, has a disparate impact on lower-income New Yorkers and New Yorkers of color, effectively preventing them from accessing housing opportunities in parts of the state and maintaining a pattern of residential segregation.

Given this reality, Enterprise supports Governor Hochul's Housing Compact, which would allow more housing to be created in places where there is a demand for new housing while allowing communities to determine how they achieve statewide growth targets. We support the Compact's plan to give more weight to affordable, multifamily housing in meeting growth targets, and the streamlined approach to affordable, multifamily housing when a community is not meeting its target. We also support the Compact's legalization of basement apartments and the creation of a new office within HCR to support community planning efforts and data collection.

Still, we look forward to working with the Senate and Assembly to make the Compact as strong as possible. In the One-House- Budgets, we urge the legislature to consider incorporating more of a fair housing lens to the Compact, strengthening the creation affordable housing across the state in communities with a dearth of it, and to also consider growth targets higher than 1% in 'high-growth' regions of upstate New York.

Vacant and Abandoned Properties

We also applaud the Housing Compact's code enforcement provisions. The Compact makes it easier for local governments to legally certify that certain vacant residential properties are abandoned and provides the ability for municipalities to take ownership of 'zombie' properties, which pose a significant challenge for many upstate communities.

Protections for New Yorkers Impacted by the Criminal Legal System

We also request that the legislature consider stronger protections for New Yorkers exiting incarceration and impacted by the criminal legal system, who are much more likely to experience homelessness or unsafe housing situations. Discrimination based on criminal legal involvement is often used as a proxy to discriminate based on race or national origin and effectively do so as the criminal legal system disproportionately impacts people of color. It is crucial that the Senate and Assembly protects this population from discrimination at the state level this session.

Supportive Housing Preservation

The single most effective and cost-efficient way to reduce homelessness is to meaningfully invest in supportive housing. The State's Empire State Supportive Housing Initiative (ESSHI), which will create 20,000 new supportive housing units over 15 years, shows a commitment to this critical piece of our affordable housing ecosystem. However, we join the Supportive Housing Network of New York in calling on the legislature to invest in preserving the existing supportive housing we have and create a service and operating Preservation Fund to unlock the hundreds of millions of dollars in preservation capital funding in last year's budget, as well as finally bring 30-year-old funding rates of the New York State Supportive Housing Program (NYSSHP) up to 21st century levels.

Fund NYCHA

We commend the State for establishing the New York City Public Housing Preservation Trust last year. The Trust will provide an important mechanism for NYCHA to undertake some of its needed repairs but does not cover NYCHA's full portfolio. The New York Housing Conference estimates that NYCHA faces a \$35 million budget shortfall while using \$65 million in reserves. It is therefore crucial that the State continues its commitment to fully address the needs of NYCHA by stepping up and establishing a long-term city-state capital plan for public housing.

Addressing Arrears in Subsidized and Public Housing

With the suspension of the Emergency Rental Assistance Program (ERAP), tenants in subsidized and public housing are facing mounting rental arrears and continue to reel from the economic effects of the pandemic. At the same time, owners of subsidized housing and public housing authorities are struggling to meet operating costs with significantly lower levels of rent collection, which threatens the long-term viability of New York's affordable housing stock. We join NYSFAH in calling on the State to appropriate funding to resolve rental arrears in subsidized and public housing, helping to provide stability for tenants and ensuring financial sustainability for this housing stock.

Thank you for the opportunity to provide testimony today and for your continued leadership on housing issues. We look forward to working with you this budget season to ensure that every New Yorker has access to safe, stable and affordable housing.