



**NYC Council Testimony
Committee on General Welfare
Wednesday, September 27, 2023
Submitted by the Supportive Housing Network of New York**

Good morning Chairperson Ayala and members of the New York City Council General Welfare committee.

My name is Rebecca Zangen and I'm the Director of Policy and Planning at the Supportive Housing Network of NY. The Network is a statewide membership organization representing over 200 nonprofit developers and operators of supportive housing. Thank you for the opportunity to testify. I will speak specifically to one-shot deal applications for tenants with rent arrears in supportive and affordable housing.

Although supportive housing is rent subsidized, tenants must still pay 30% of their monthly income on rent, which is significant if that income is just a monthly social security check. And supportive housing tenants are not exempt from the rising costs of food, medication, transportation and child care, leaving tenants to make difficult choices, which often lead to arrears. A survey of our members from July found that 54% of tenants were behind on rent.¹

Supportive housing developments are underwritten, in accordance with City, State, and Federal government policies, with the assumption that tenants will pay a portion of the rent. This is how budgets are created and buildings are operated and maintained. When rent is not collected, building maintenance suffers. The same survey found that, of the 29 respondents, there was a total of more than \$24.6 million dollars of arrears.² Currently, the only way to recoup arrears is through the one-shot deal process, which often comes after case management and all other options with the tenant have been exhausted.

The process to apply for a one-shot deal is onerous, and requires tremendous effort from supportive housing tenants who are also coping with other challenging life circumstances. The current delays in HRA processing translates to millions of dollars lost by nonprofit supportive housing providers and undue stress and anxiety for tenants whose arrears put them in violation of their lease agreement.

¹ The survey results are based on 29 respondents, all nonprofit supportive housing providers who are members of the Network.

² Of the \$24.6 million in arrears, \$4.6 million was held by low-income, community tenants and \$13 million by supportive tenants.

Today, we are urging the City to create a system to expedite the processing and approval of one-shot deal applications for supportive and affordable housing tenants and allow supportive housing providers to “bundle” requests to HRA to create efficiencies.

Additionally, we urge the City to exempt DSS and HRA, and all other city agencies that interface with households in need of care, from PEGs.

These steps would help to ensure that supportive housing tenants have the resources they need to live healthy, stable lives in residences free from significant maintenance issues.

Thank you for your time and consideration.