

April 15, 2010
Testimony of New Destiny Housing Corporation before the
Senate Standing Committee on Social Services and the
Senate Standing Committee on Housing, Construction and Community Development

“Ending the Perfect Storm: Finding Solutions and Identifying Alternatives for New York’s
Section 8 Problem”

New Destiny Housing Corporation is a nonprofit organization that seeks to increase the permanent housing and services available to low-income survivors of domestic violence and others at risk of homelessness. It develops and manages affordable housing and provides programs and supportive services to help survivors locate and retain their housing.

The loss of nearly 3,000 NYCHA Section 8 vouchers has been devastating. The news that more than 10,000 NYCHA Section 8 vouchers could be terminated and that DHCR’s Section 8 program is also in jeopardy make an already incredibly difficult situation feel truly dire. In recent months domestic violence advocates have seen years of progress undone as rental subsidy programs disappear and funding for existing housing services (SHFYA) is threatened.

As a mission-driven, nonprofit affordable housing developer, New Destiny strives to house those who are most in need – homeless, low-income domestic violence survivors. Without access to rental subsidies, it will be much more difficult to operate successful residential projects that maintain viable communities for our tenants and keep rents affordable. We rely on Section 8 to allow us to provide quality housing to our tenants. If NYCHA Section 8 is reduced or eliminated many of our current tenants will find it difficult to afford their rents and some could be thrust back into homelessness and instability.

Our HousingLink Helpline, a citywide source of information for domestic violence survivors and their advocates, has received calls from dozens of Section 8 voucher holders and advocates in the community who are confused, and uncertain as to what to do now that NYCHA Section 8 vouchers have been rescinded and more vouchers are expected to be cancelled for lack of funds. Most of HousingLink's callers are victims of domestic violence who desperately need affordable housing to escape their abusers and keep themselves and their children safe.

If the Housing Authority does not have the funding to support the vouchers, it is imperative that the City and State partner with all relevant agencies to find a workable funding solution. Several proposed solutions include a City/State funded rental subsidy to bridge the gap until Section 8 funding is again available, extending the Advantage program to cover DHS-referred tenants who lost their vouchers, using stimulus money to cover the shortfall, and having each City agency who referred the tenant to the Section 8 program cover the cost of the tenants housing out of their own funds. The best solution probably will include some combination of these approaches but we would like to make a few points that we hope can help inform the process of identifying the best course to take.

First, many of the affected voucher holders were not referred by a City agency (including the approximately 500 victims of domestic violence and the so-called non-emergency cases) so we must be sure that when a solution is adopted that every affected voucher holder is covered not just those that fall into certain categories.

Second, when taking other funding or homeless housing resources from another City agency we must do so thoughtfully. We cannot solve one crisis by creating another for a different, equally need group of

people. HPD and DHCR's Section 8 programs are already over-extended and cannot be used to cover NYCHA's shortfall; we cannot afford to overtax other valuable programs only to have this same crisis arise in another City or State agency.

Lastly, the City has proposed changes to the Advantage programs that could help cover the Section 8 shortfall for those who were expecting to transition from Advantage NY to NYCHA Section 8. While New Destiny supports extending Advantage to cover more families until a long term solution is found, we are very concerned about other proposed changes to the Advantage program that could adversely affect the domestic violence shelter community.

When the City adopted the Advantage housing subsidy model in 2007 to move shelter residents into permanent housing, it recognized that victims of domestic violence needed special consideration to ensure their ongoing safety. In the current package of proposed changes to Advantage, the City proposes to curtail or eliminate the special accommodations now afforded to DV survivors exiting the DV shelter system with the HRA/Domestic Violence Advantage program. Specifically, it has proposed reducing or eliminating the 6 month grace period survivors have to find employment once they sign their lease and extend the length of time they must wait to qualify for the program from 42 days to 60 days. Given that domestic violence shelter stays are limited to a maximum of 135 days by State regulations, the expectation of simultaneously recovering from trauma and finding housing, child care, and a job are unrealistic.

If victims' needs aren't accommodated, they will not be able to successfully link to housing before their domestic violence shelter stays end forcing more families into the already over-burdened DHS shelter system. For example, the current maximum HRA/Domestic Violence Advantage rent payment for a 3

person family per month is \$1,070.00. The cost of keeping the same family in a homeless shelter for a month is approximately \$4,216.00 (based on a reimbursement rate of \$136 per family per night) – a loss to the City of \$3,146.00 for each additional month the family remains in shelter. In order to best serve victims of domestic violence and their children, we urge the State to reject the proposed changes to the Advantage program and to maintain their commitment to this very vulnerable population.

Any solution we come up with on a City/State level will likely be a temporary one pending the availability of federal funds for Section 8. As we ask our partners in government to find a solution for these 3,000 households experiencing this unfair, acute crisis and preserve the assistance tens of thousands of NYCHA Section 8 tenants now rely on, we must also ensure that this never happens again. On behalf of all Section 8 tenants, the thousands of needy families with emergency priorities on the now-frozen waiting list and the countless others that will not be able to apply because of this Section 8 funding crisis, we ask that steps be taken to accurately account for all vouchers issued in the future such that no other group has to suffer this level of trauma and uncertainty again.

Respectfully submitted by New Destiny Housing Corporation, April 15, 2010

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