

Talking Points: Elimination of Supported Housing for Families and Young Adults Funding

OTDA's Supported Housing for Families and Young Adults (SHFYA) funding provides the *only* statewide funding offering chronically homeless families and young adults the proven benefits of combining affordable housing with essential support services. The Governor's proposal eliminates this program, threatening the ability of 79 housing programs to keep parents, children and young adults off the streets.

Funding Details

- The 2010-11 Executive Budget eliminates this \$5 million program.
- Locally, this would mean a cut of \$171,600 in funding for Hudson River Housing's SHFYA programs

Overall Effects of the Cut

- Locally, support services for 42 units of housing, serving over 70 families and young adults each year, will be completely lost
- Efforts to effectively transition households from homelessness to stable permanent housing – over 2/3 of households in Hudson River Housing programs do so – would be severely comprised
- Statewide, 4,260 family members will risk relapse into homelessness (1,420 adults and an estimated 2840 children).
- Statewide, 245 young adults, including youth aging out of the foster care, will be at risk of returning to homelessness.
- Statewide, 79 housing programs will face severe service funding shortfalls
- Statewide, Thirty-five residences will be left with a budget of zero for essential support services
- Locally, all four SHFYA funded case management positions at Hudson River Housing would be at risk
- Statewide, An estimated 167 people, mostly case workers, family counselors, and vocational staff, will lose their jobs.

SHFYA leverages:

- \$2.3 million in federal McKinney-Vento Shelter Plus Care funding and \$3.6 million in McKinney-Vento Supportive Housing Program funding. As 'matching' grants, this funding will be at risk if SHFYA is eliminated.

SHFYA saves State, City and Federal funding:

- The annual cost of providing homeless families with shelter is \$38,405 in NYC and \$23,521 in Albany, far more than it costs to provide families with the dignity of their own home.
- **If only 4% of the people served by this program become homeless due to this budget cut, the increased cost in expensive service systems would NEGATE any savings made by this cut.**

Talking Points: Proposed Cut in SRO Support Services Funding

SRO Support Services funding is one of the mainstays of supportive housing – affordable housing linked to critical on-site services. The Executive budget would zero out SRO funding for all new residences and cut funding for the existing portfolio of 13,000 units by 13%.

Funding Details

- Current FY'10-'11 Budget Proposal = \$17.66 million
- Total Needed = \$22.2 million (\$20.4 million for existing projects and \$1.8 million for new buildings)
- Shortfall = \$4.6 million
- Locally, a proposed cut of \$38,688 in funding to Hudson River Housing

Number of people/units/buildings affected by the cut:

- 124 units of housing for low-income and homeless adults are currently funded by the program locally
- There will be NO SRO support funding for 38 new residences statewide, putting at risk the stability of 1,943 formerly homeless, disabled and at-risk tenants and negating the \$352 million capital investment that the City and State already invested in these buildings.
- Currently there are 13,328 existing SRO-funded units statewide.

Impact of the cuts:

- **Jobs:** This cut would result in an estimated 863 layoffs and the loss of 106 new jobs in the new buildings, most of them low-wage positions. The funding reduction to Hudson River Housing is equivalent to at least one full-time case management position.
- **State spending:** Every person made homeless as a result of these cuts will cost the state an additional \$18,288 in other systems including emergency rooms, shelters, psychiatric institutions, jails and prisons
- **Safety:** Providers may no longer be able to maintain 24/7 front desk security, a cornerstone of supportive housing's record of safety and success.
- **Federal funding:** SRO Support leverages Federal McKinney funds. Without the SRO match, NYC will lose some of its \$65 million federal allocation.
- **Private investment:** SRO Support helps secure Low Income Housing Tax Credit investment, already severely diminished by the economic crisis. LIHTC investment requires the commitment of service funding. If the State abandons its annual commitment to fund the 'support' in supportive housing, investors will become even more cautious about investing.
- **Credibility:** Over the past thirty years, the non-profits that develop and operate supportive housing have built a solid track record due, in large part, to the provision of comprehensive support services within the housing. Diminishing these necessary services damages not just the safety and success of existing residences but the model's reputation, the single most important factor in communities' willingness to accept residences going forward.