



Testimony on the Notice of Proposed
Rulemaking for the LIHTC 9 Percent
Qualified Allocation Plan (Part 2040),
SLIHC Regulation (Part 2040.14), and
LIHTC 4 Percent Qualified Allocation
Plan (Part 2188)

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Introduction

On behalf of the membership of LeadingAge New York, thank you for the opportunity to submit written testimony on the Notice of Proposed Rulemaking for the Low-Income Housing Tax Credit (LIHTC) 9 percent Qualified Allocation Plan (QAP) (Part 2040), the State Low-Income Housing Tax Credit (SLIHC) regulation (Part 2040.14), the LIHTC 4 percent QAP (Part 2188), and the housing needs of New York's older adults.

LeadingAge New York represents over 350 not-for-profit and public providers of senior housing, aging services, and long-term and post-acute care, as well as provider-sponsored Managed Long-Term Care plans and Programs of All-Inclusive Care for the Elderly. Of our members, more than 130 are mission-driven senior housing providers, with approximately 80 of those offering subsidized and income-restricted rentals to independent, low-income older adults.

Safe, affordable housing is a critical foundation for New York's growing older population to age in their communities and to extend their healthy living years for as long as possible. In addition to age-appropriate design and accessibility features for older adults, multifamily senior housing offers the opportunity for socialization and engagement and can be a platform for connections with aging-related services and resources in the community. These elements not only help ensure housing stability and better quality of life for older New Yorkers, but also mitigate their reliance on higher, more costly levels of publicly funded care.

The Master Plan for Aging (MPA) may, in the future, provide an aspirational blueprint across agencies for the care and treatment of older adults living in New York, but while we commend its emphasis on housing as a critical social determinant of health, its future-oriented focus turns a blind eye to current pressing needs.

As New York approaches a demographic precipice – with nearly 20 percent of the population projected to be aged 65 or older within the next year and the percentage of working-age adults to care for them continuing to shrink – the State must leverage its processes and programs to support more robust senior housing programs now, before today's independent older adults need more advanced care.

The following testimony outlines our recommendations to take substantive steps toward achieving this goal through the ongoing process of revising administration of the LIHTC and SLIHC programs to ensure that our state is a safe, healthy, and affordable place to live and age for all New Yorkers.

Prioritize Senior-Specific Affordable Housing Development

LeadingAge New York and its members appreciate the agency's proposed distinction between "persons in need of supportive housing" and "persons with special housing needs," the latter of which includes older adults requiring access to services intended to support aging in place and independent living. Senior housing projects often draw on federal funding that requires prevailing wages, making them more costly to build than supportive housing projects utilizing State funding sources.

It is our hope that the separation of these categories, along with the agency's proposed revision reducing points available for projects serving families with children, will help make senior project applications more competitive by ensuring that they are compared to other projects of similar cost and type. Moreover, we anticipate that the proposed distinction between "persons in need of supportive

housing” and “persons with special housing needs” could help ensure that both supportive and traditional housing projects serving older adults include access to appropriate aging-related services.

We further encourage the agency to consider a set-aside for senior housing projects, which would help ensure an optimal balance of units serving older adults and units designed for families produced using the tax credit programs and would make more family-friendly units available by creating sufficient housing options that allow and encourage older adults to downsize.

Several other states have prioritized affordable senior housing development by successfully incorporating such set-asides into their tax credit programs.¹ For example, in California, the Tax Credit Allocation Committee (TCAC) identifies various housing types and establishes goals for the percentage of housing credits to be allocated to each type. Most recently, the TCAC established a goal of allocating 20 percent of the state’s 9 percent housing credits to older adults. Similarly, in New Jersey, at least 20 percent of the state’s annual credit allocation is set aside for housing serving older adults through a separate Senior Cycle. We urge New York State to follow the lead of these pioneering states in acknowledging the need for sufficient senior housing options as the population of older adults continues to grow.

Support and Fund Resident Assistants in Affordable Senior Housing

The State should also seize all opportunities to invest in modest and innovative programs that enhance affordable senior housing properties by connecting low-income, older adult residents with community services and supports, public benefits, and preventative programming that foster healthy, independent living. LeadingAge New York and its housing provider members urge the State not only to award points to senior projects offering these services, but also to explore mechanisms within the LIHTC and SLIHC programs by which financing may be leveraged to underwrite the cost of such services.

“Resident Assistant” services in affordable independent senior housing properties ensure that on-site employees are available on request to help address aging-related needs by providing information and referrals to supports in the community; education regarding Medicaid and other benefits; and assistance with accessing these benefits, services, and preventative programming. Resident Assistants may help with scheduling and obtaining transportation to appointments and with the use of technology to support telehealth visits and virtual social engagement. They may also provide on-site social and wellness programs to combat social isolation and strengthen healthy living habits such as exercise and good nutrition.

States like Pennsylvania have encouraged the inclusion of Resident Assistant services in projects serving older adults by awarding points to those applicants delivering or coordinating services in senior housing that “stabilize occupancy by improving residents’ ability to uphold their lease obligations throughout the aging process and enhance quality of life through improved access to services and benefits, health promotion, community building, and socialization.”² However, without operational assistance or the ability to underwrite Resident Assistant services through their financing, many affordable senior housing

¹ LeadingAge & National Housing Trust. (2020). Affordable Senior Housing: A Scan of State Housing Credit Allocation Plans. Retrieved April 6, 2025, from <https://leadingage.org/wp-content/uploads/drupal/Affordable%20Senior%20Housing%20Report%20FINAL.pdf>.

² Ibid.

properties have little or no avenue outside of charitable donation to maintain a Resident Assistant staff person.

In addition to promoting housing stability and general wellness for low-income older adults, Resident Assistants in senior housing have been proven to reduce health care costs. A rigorous New-York based study of the Selfhelp Active Services for Aging Model (SHASAM), featured in *Health Affairs*, found that the average Medicaid payment per person, per hospitalization was \$3,937 less for Selfhelp residents as compared to older adults living in the same Queens ZIP codes without assistance, and Selfhelp residents were 68 percent less likely to be hospitalized.³ Furthermore, with the SHASAM resident assistance program in place, less than 2 percent of Selfhelp’s residents are transferred to a nursing home in any given year.⁴

Based on LeadingAge New York’s analysis of this data and the SHASAM model, a maximum investment of \$125,000 per building, per year would support the wages, training, and budget to make an on-site Resident Assistant staff person available to all low-income older adults in an affordable senior housing building of up to 100 units, resulting in net annual Medicaid savings to the State of up to \$2.25 for every dollar invested.

In the wake of the COVID-19 pandemic’s negative effects on the social, emotional, and physical well-being of New York’s growing population of older adults, and given the workforce and funding challenges plaguing higher-level health and long-term care settings, the State must leverage senior housing and other platforms for preventative and wellness programming now, before independent older adults need more advanced care. For these reasons, LeadingAge New York, its members, and its advocacy partners strongly encourage the State’s incorporation of Resident Assistant funding support into its LIHTC and SLIHC programs.

Further Streamline and Clarify the LIHTC Application Process

LeadingAge New York and its members are grateful for the agency’s efforts to streamline and clarify various scoring criteria and administrative processes through the revision process, but were disappointed by proposed language that appears to further limit applicants’ ability to accurately anticipate and understand their projected scoring prior to submission by clarifying that the agency “will not request or accept updated information related to incomplete or insufficient exhibits or attachments used primarily for establishing eligibility or scoring and rating an application.”

We ask that the State increase transparency by allowing all potential applicants the opportunity to cure certain deficiencies prior to full proposal submission, which we believe would support more successful first-time applications, encourage participation in the tax credit programs by smaller organizations and those with experience serving the target populations using other platforms, and reduce the burden both on applicants and on agency staff who review the proposals.

³ Gusmano, MK. Medicare Beneficiaries Living in Housing With Supportive Services Experienced Lower Hospital Use Than Others. *Health Affairs*. October 2018.

⁴ The New York Housing Conference. Spotlight: A Conversation with Mohini Mishra, Selfhelp Realty Group. July 2021.

Conclusion

In the face of increasing demand for both senior housing and higher levels of long-term and senior care, the State must leverage its current processes and programs to expand preventative programming across the continuum of its senior-facing services, including affordable, accessible, and service-connected housing for older adults. Incorporating a senior housing set-aside into the powerful tax credit programs, encouraging the inclusion of aging-related services in affordable independent senior housing and expanding providers' ability to offer these services, and increasing transparency in the competitive tax credit application process are strategic steps the State can and should take in its holistic approach to supporting older New Yorkers across the lifespan and reducing reliance on more expensive and staff-intensive services as our population continues to age.

Founded in 1961, LeadingAge New York is the only statewide organization representing the entire continuum of not-for-profit, mission-driven, and public continuing care, including home and community-based services, adult day health care, nursing homes, senior housing, continuing care retirement communities, adult care facilities, assisted living programs, and Managed Long-Term Care plans. LeadingAge New York's 350-plus members serve an estimated 500,000 New Yorkers of all ages annually.