

State of the Homeless 2015

TURNING THE TIDE:

New York City Takes Steps to Combat Record Homelessness, but Albany Must Step Up



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By Patrick Markee, Deputy Executive Director for Advocacy, Coalition for the Homeless

ew York City's homeless population continued to rise last year, with the number of homeless people sleeping each night in municipal shelters exceeding 60,000 people, including 25,000 children, for the first time ever. And during the last City fiscal year, an all-time-record 116,000 different New Yorkers, including 42,000 different children, slept at least one night in the New York City shelter system.

Last year's rise in homelessness was the result of **New York City's worsening housing affordability crisis**; the **lingering effects of Bloomberg-era elimination of housing for homeless children and families**; and the **failure of the State and City to act quickly enough to restore desperately-needed permanent housing resources for homeless New Yorkers**.

The good news, however, is that Mayor de Blasio's plan to address family homelessness – which aims to move more than 5,000 homeless families out of shelters and into permanent housing – will lead to reductions in child and family homelessness over the coming year. Indeed, there is early evidence that the Mayor's plan has begun to halt increases in family homelessness for the first time in years. Since December, in fact, the number of homeless families with children actually declined by more than 300 families.

In stark contrast, Governor Cuomo and his administration have done little to address rising New York City homelessness. Indeed, the Governor has opposed efforts to enhance rental assistance for homeless families and has proposed a deeply inadequate supportive housing plan that falls far short of the need.

And the Coalition's new "State of the Homeless 2015" analysis of City data also details how *homelessness has hit New York City children hardest and disproportionately affects African-American and Latino families*. The Coalition's analysis found that during the last City fiscal year (FY 2014):

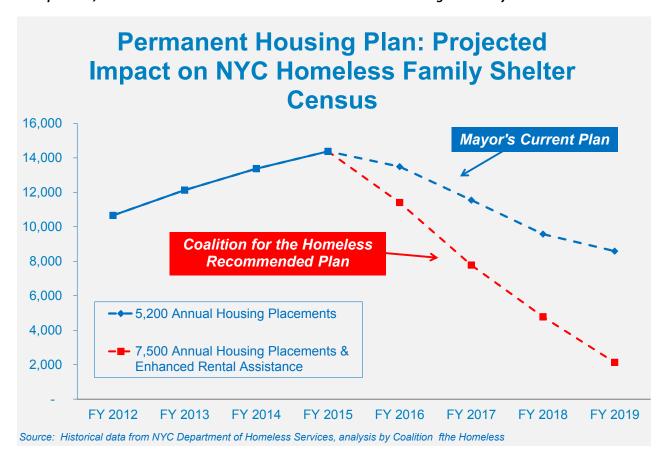
- 1 in 43 New York City children (2.3 percent of the city's population under 18 years old) spent at least one night in the municipal shelter system.
- 1 in 17 African-American children (6.0 percent of New York City's African-American population under 18 years old) and 1 in 34 Latino children (2.9 percent) utilized New York City shelters, compared to 1 in 368 white children (0.3 percent).
- 1 in 72 New York City families (1.4 percent of the city's family population) spent at least one night in the municipal shelter system.
- 1 in 31 African-American families (3.2 percent of African-American families in New York City) and 1 in 57
 Latino families (1.8 percent) utilized the New York City shelter system, compared to 1 in 615 white families (0.2 percent).

1 in 15 poor New Yorkers (6.6 percent of the city's population with incomes below the federal poverty line) spent at least one night in the municipal homeless shelter system – including 1 in 7 poor African-American New Yorkers (14.9 percent of New York City's African-American population with incomes below the poverty line) and 1 in 20 poor Latino New Yorkers (5.0 percent).

This unprecedented homelessness crisis *demands bold action by Governor Cuomo*, who has needlessly delayed or withheld State authorization to deliver housing-based relief to New York City children languishing in shelters. And *despite positive steps to address family homelessness, Mayor de Blasio must do more*. Specifically:

- The Governor must enhance rental assistance programs that prevent homelessness and help homeless
 New Yorkers move from shelters to their own homes.
- Mayor de Blasio must allocate a larger number of public housing apartments at least 2,500 per year to homeless families.
- The Mayor must also ensure that at least 10 percent of the housing units created or preserved under his ambitious ten-year, 200,000-unit housing plan are targeted to homeless families and individuals.
- Governor Cuomo must fully fund the State's share of a new City-State "New York/New York Agreement" to create 30,000 units of supportive housing for homeless New Yorkers living with special needs.

The Coalition projects that, if Governor Cuomo and Mayor de Blasio take these bold, yet cost-effective steps, within five years New York City would see unprecedented reductions in family and child homelessness. Specifically, by the end of FY 2019 the number of homeless families and children could be reduced by more than 85 percent, below levels not seen since modern homelessness emerged in early 1980s.



Part I

New Analysis Shows the Impact of Inequality on New York City's Homeless Population

Analysis of newly-released City data by Coalition for the Homeless shows how both *racial and ethnic inequality* and growing income inequality play an enormous role in shaping New York City's historic homelessness crisis. The Coalition's analysis reveals how homelessness disproportionately affects African-American and Latino New Yorkers, and has its most severe impact on children and families.

While the number of homeless people sleeping in the municipal shelter system has risen to all-time record levels over the past decade, the *number of African-American and Latino New Yorkers has grown at an even faster rate*. And New York City children experience homelessness at an alarming rate.

The impact of homelessness on African-American children in New York City is particularly dire. The Coalition's examination of recently-released City data show that 1 of every 17 African-American children in New York City slept at least one night in a municipal homeless shelter during the last City fiscal year.

Following are highlights of the Coalition's analysis of City data showing the impact of worsening inequality on New York City homelessness.

Severe Impact of Homelessness on African-American and Latino Children and Families

More than anything, the Coalition's analysis shows the disproportionately severe impact of homelessness on New York City families and children, in particular African-American and Latino children.

- During FY 2014, around **1** in **43** New York City children (2.3 percent of the city's population under 18 years old) spent at least one night in the municipal shelter system.
- In contrast, during the same period **1** in **17** African-American children (6.0 percent of New York City's African-American population under 18 years old) and **1** in **34** Latino children (2.9 percent) utilized the New York City shelter system, while only 1 in 368 white children (0.3 percent) used the shelter system.
- During the last fiscal year, around **1** in **72** New York City families (1.4 percent of the city's family population) spent at least one night in the municipal shelter system.
- In contrast, last year **1** in **31** African-American families (3.2 percent of African-American families in New York City) and **1** in **57** Latino families (1.8 percent) utilized the New York City shelter system, while only 1 in 615 white families (0.2 percent) used the shelter system.
- The large majority of New York City's homeless population is comprised of families and children. *Currently 79 percent of homeless shelter residents are in families, and 42 percent of shelter residents are children*.

The Disproportionate Impact on African-American and Latino New Yorkers

The unequal impact of homelessness on African-American and Latino New Yorkers, as well as on children, is illustrated most starkly by comparing New York City population data with newly-released City data about the number of different homeless New Yorkers who utilized the municipal shelter system over the course of a year.

- Over the course of the last City fiscal year (FY 2014), around **1** in **72** New Yorkers (1.4 percent of the city's population) spent at least one night in the municipal shelter system.
- In contrast, during the same period **1** in **28 African-Americans** (3.5 percent) and **1** in **68 Latinos** (1.5 percent) utilized the New York City shelter system, while only 1 in 294 white New Yorkers (0.3 percent) used the shelter system.

City data also show that, while the *number of New Yorkers experiencing homelessness grew over the past decade, the rate of growth for African-American and Latino New Yorkers was higher*.

- During the last City fiscal year (FY 2014), **57.3** percent of all households (families and individuals) using the New York City shelter system was African-American, and **30.8** percent was Latino.
- In comparison, according to 2013 U.S. Census Bureau estimates, 22.4 percent of all New York City households was African-American and 28.9 percent was Latino.
- The number of African-American and Latino New Yorkers experiencing homelessness has grown at a higher rate than the total number of New Yorkers experiencing homelessness. Over the past decade (between FY 2005 and FY 2014), the total number of households utilizing the homeless shelter system each fiscal year rose by 21.9 percent. Over the same period, the number of African-American households rose by 26.7 percent and the number of Latino households using the shelter system rose by 26.8 percent.
- Even during the past year, the number of African-American New Yorkers experiencing homelessness also grew at a faster rate. Between FY 2013 and FY 2014, the total number of households utilizing the homeless shelter system increased by 5.2 percent, while the number of African-American households using shelter rose by 6.5 percent. (The number of Latino households using the shelter system increased also increased, but at a slightly lower rate of 4.1 percent.)

Homeless families make up the large majority of homeless shelter residents and, for the past decade, have been the *fastest growing segment of the New York City homeless population*. African-American and Latino families in New York City are even more disproportionately impacted by homelessness than the total population.

- Over the past decade (between FY 2005 and FY 2014), the total number of homeless families utilizing the
 New York City shelter system each fiscal year rose by 27.1 percent. Over the same period, the number of
 African-American families rose by 41.2 percent and the number of Latino families using the shelter system
 rose by 37.7 percent.
- During the past year alone (FY 2013 to FY 2014), the *number of African-American families experiencing* homelessness also grew at a faster rate an increase of 3.6 percent compared to a 1.4 percent increase in the total number of families using the shelter system.
- During the last fiscal year (FY 2014), 7,266 more African-American households, including 4,328 families, utilized the homeless shelter system annually than ten years earlier (FY 2005). This represents an estimated 16,000 African-American children and adults.
- Over the same time period, *3,923 more Latino households, including 2,537 families, utilized the homeless shelter system annually*, representing an estimated 9,000 Latino children and adults.

• In comparison, over the same period **1,198** more white households, including **500** families, utilized the shelter system annually, representing an estimated **2,100** children and adults.

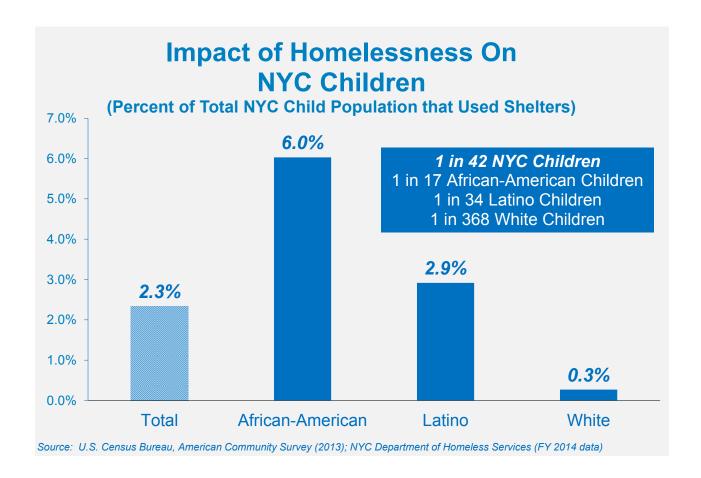
The disproportionate impact of homelessness on African-American and Latino New Yorkers is in large part a reflection of the higher poverty rates (i.e., percent of the population with incomes below the federal poverty line) for non-white New Yorkers.

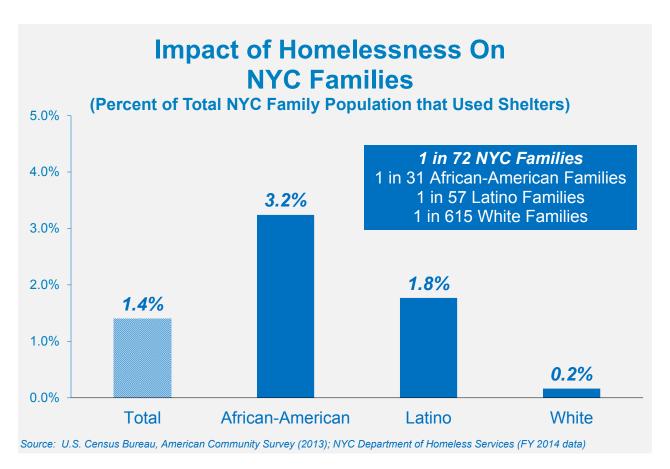
According to Census Bureau estimates, the poverty rate among African-American families (19.6 percent)
and Latino families (26.4 percent) is significantly higher than the rate among white families (8.1 percent).

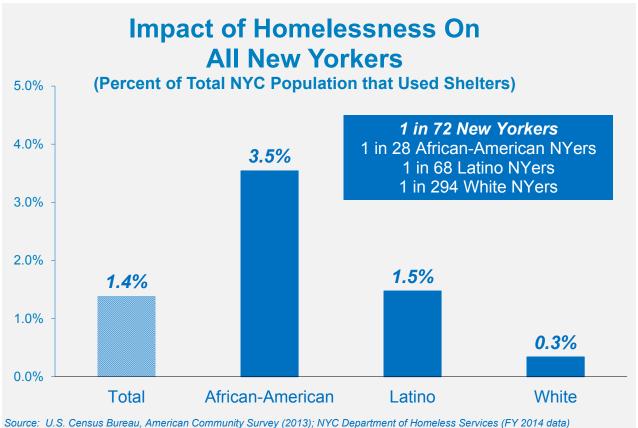
The Impact of Homelessness on Poor New Yorkers

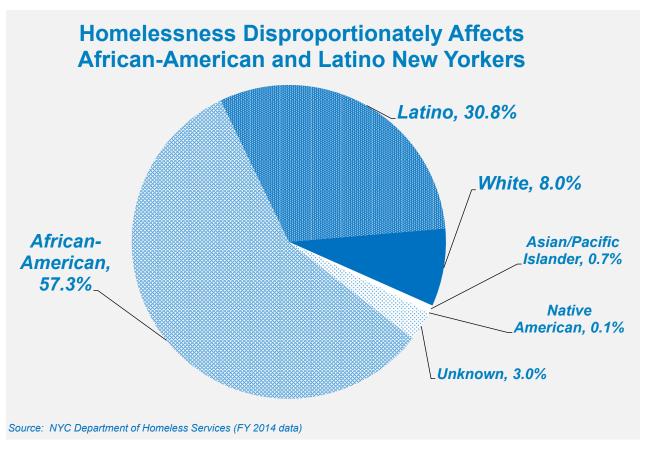
The impact of homelessness on the poorest New Yorkers – those with annual incomes below the federal poverty line (currently \$20,090 for a family of three) – was also, unsurprisingly, quite severe.

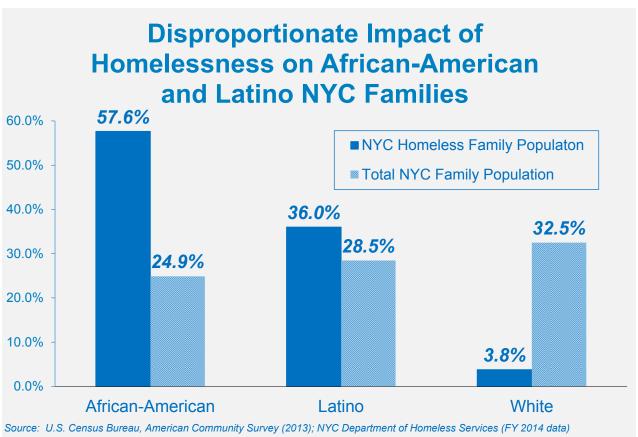
- During the last City fiscal year, around **1** in **15** poor **New Yorkers** (6.6 percent of the city's population with incomes below the federal poverty line) spent at least one night in the municipal homeless shelter system.
- Over the same period, **1** in **7** poor African-American New Yorkers (14.9 percent of the city's African-American population with incomes below the poverty line) and **1** in **20** poor Latinos (5.0 percent) utilized the shelter system, while 1 in 37 poor white New Yorkers (2.7 percent) used the shelter system.

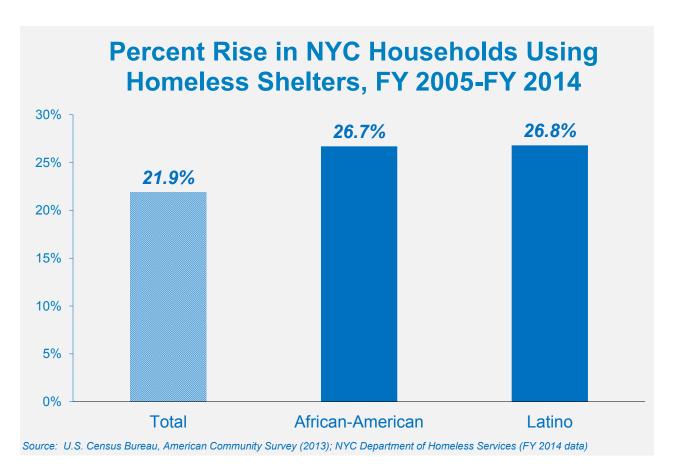


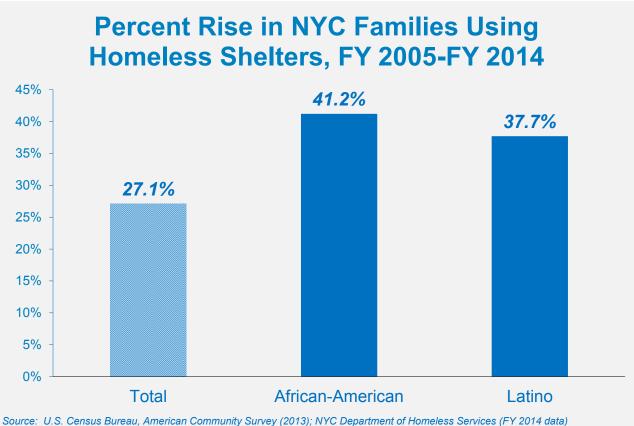


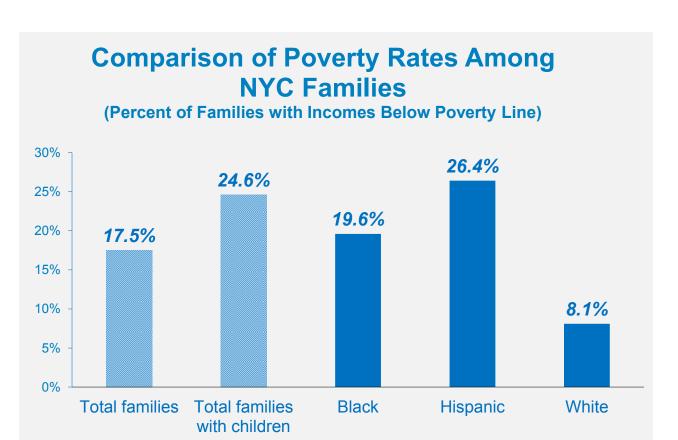












Source: U.S. Census Bureau, American Community Survey (2013)

Impact of Homelessness On Poor New Yorkers (Percent of New Yorkers < Poverty Line that Used Shelters) 16.0% 14.9% 1 in 15 Poor New Yorkers 14.0% 1 in 7 Poor African-American NYers 1 in 20 Poor Latino NYers 12.0% 1 in 37 Poor White NYers 10.0% 8.0% 6.6% 5.0% 6.0% 4.0% 2.7% 2.0% 0.0% African-American Latino **Total** White

Source: U.S. Census Bureau, American Community Survey (2013); NYC Department of Homeless Services (FY 2014 data)

Part II

Overview of the Past Year: NYC Homelessness Continued to Rise, Driven by Affordability Crisis and Legacy of Bloomberg-era Policies

The historic homelessness crisis that Mayor de Blasio inherited grew even worse during his first year in office, due to three factors:

- 1. New York City's acute and worsening housing affordability crisis;
- 2. The legacy of former Mayor Bloomberg's disastrous homeless policies, which eliminated housing aid for homeless children and families and which continued for most of last year; and
- 3. The failure of the State and City to act quickly enough to reverse the Bloomberg-era policies and restore permanent housing assistance for homeless New Yorkers.

As a result, **New York City's homeless shelter population continued to rise over the past year, increasing 13** percent to an average nightly census of 60,670 people in January 2015.

However, over the coming year there are signs that, because of reforms introduced by Mayor de Blasio and his administration, the number of homeless families and children will begin to decline for the first time in nearly a decade. At the same time, unfortunately, Governor Cuomo and his administration have done little to address the historic crisis.

There is no question that Governor Cuomo can and must do more. In particular, as detailed in the last section of this report, Governor Cuomo must fully fund an urgently-needed City-State agreement to create permanent supportive housing and must enhance inadequate rental assistance programs. And while Mayor de Blasio has taken positive steps to address family homelessness, he must do more to target more federal and City permanent housing resources to help homeless families and individuals.

Primary Causes of Rising NYC Homelessness Last Year

One of the major causes of rising homelessness in New York City during 2014 remains unchanged from recent years: *The acute and worsening housing affordability crisis*.

By every measure, New Yorkers have experienced a *widening gap between incomes and rents*. This widening affordability gap was most acute for poor and low-income New Yorkers, who in recent years saw their incomes fall or stagnate in real terms at the same time that apartment rents continued to rise.

Recently-released data from the U.S. Census Bureau's 2014 "Housing and Vacancy Survey" confirm the severity of the housing affordability crisis in New York City. The survey's initial findings show that:

Between 2011 and 2014, the number of New York City apartments with monthly rents below \$1,000 (controlling for inflation) fell by 12.6 percent. Over the same period, the number of apartments with monthly rents under \$700 (also controlling for inflation) – which are affordable to many families with incomes below the poverty line – fell by 13.3 percent.

- Between 2011 and 2014, median apartment rents in New York City rose by 3.4 percent in inflation-adjusted terms.
- And over the same period median rents in rent-stabilized apartments which comprise half of all rental
 units in New York City and are home to the majority of low- and moderate-income New Yorkers rose by
 6.3 percent adjusted for inflation.
- At the same time, between 2011 and 2014 *median renter household incomes rose by only 1.1 percent* in inflation-adjusted terms.
- And *median incomes of rent-stabilized tenants rose by only 0.3 percent*, adjusted for inflation, over the same period.
- Last year **30.1** percent of New York City renters paid more than half of their income towards rent, and more than one-third (33.5 percent) paid more than half of their income towards rent and utilities.

The growing affordability gap also explains why the number of working homeless New Yorkers has risen so dramatically in recent years, with *nearly one-third of homeless families now working but earning too little to afford market-rate apartment rents*.

• Indeed, the pre-tax income of a minimum-wage earner working 40 hours per week – \$1,400 per month – is still below the \$1,481 monthly "Fair Market Rent" for a two-bedroom apartment.

The widening gap between incomes and rents has contributed to *rising number of evictions*. Recent historical data on evictions – included in a comprehensive November 2014 report from the NYC Independent Budget Office – provide some of the strongest new evidence for the impact of the affordability crisis on New York City's growing homeless population.

- Over the past decade the *number of evictions in New York City rose from 21,945 in 2005 to 26,857 evictions in 2014* and that data accounts only for evictions actually completed by a City marshal, not the larger number of informal evictions.
- At the same time both the *number and percentage of families who entered the NYC homeless shelter* system directly after an eviction rose even more dramatically.
- From FY 2002 to FY 2010, the number of homeless families annually entering shelter after an eviction nearly quadrupled, from 1,066 families to 3,866 families.
- From FY 2002 to FY 2014, the percentage of families entering shelter after a formal eviction rise from 17 percent to 32 percent.

Legacy of Disastrous Bloomberg-era Homeless Policies

The other major cause of rising homelessness in 2014 was the legacy of former Mayor Bloomberg's destructive homeless policies, and the failure of the State and City to act quickly to reverse those flawed Bloomberg-era policies.

As the Coalition has noted in past "State of the Homeless" reports, the most disastrous policy of the Bloomberg administration was the elimination of all permanent housing assistance designed to help homeless families

and children move from shelters to their own homes. This began with Bloomberg's 2005 policy ending the priority use of New York City Housing Authority (NYCHA) public housing apartments and federal Section 8 housing vouchers to help homeless families, as well as the failure to allocate City-subsidized housing to homeless New Yorkers. Bloomberg compounded that error by replacing proven federal housing programs with flawed temporary rental assistance programs which forced thousands of families back into homelessness – programs which he then eliminated entirely four years ago.

Nothing illustrated the failures of Bloomberg-era homeless policy than the former administration's soaring use of so-called "cluster-site shelter" – low-income apartment buildings used as temporary shelter. This deeply misguided model of shelter was widely criticized by policy experts, advocates, elected officials, and community groups. Under the policy, the City paid \$3,000/month or more to shelter families in apartments which would rent for a fraction of the cost. And many of the apartments had numerous health and safety hazards, as a recent NYC Department of Investigation report documented in detail. Despite the disastrous failures of the policy, under Bloomberg the City increased the number of homeless families in cluster-site shelter to 3,000 families, representing one quarter of all homeless families with children.

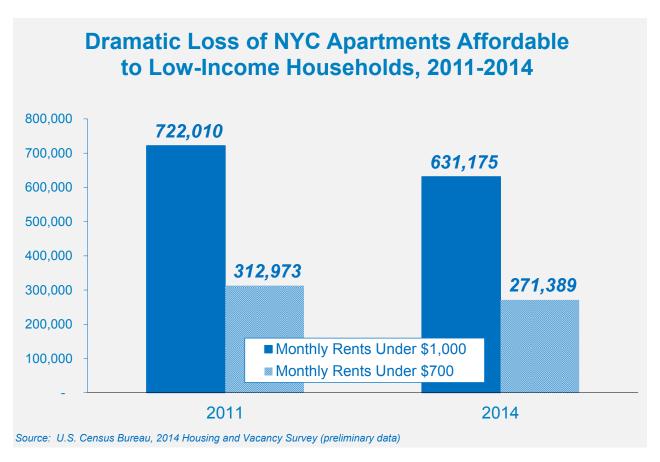
Upon taking office, Mayor de Blasio pledged to reverse these failed policies in order to address the homelessness crisis he inherited from Bloomberg. Early in 2014 the *de Blasio administration proposed the creation of new, improved City-State rental assistance programs* to help homeless families secure their own apartments. And Mayor de Blasio promised to *resume priority referrals of homeless families to public housing apartments*. In addition, last summer *the de Blasio administration began reducing payments to cluster-site landlords, using the savings to finance rental assistance*.

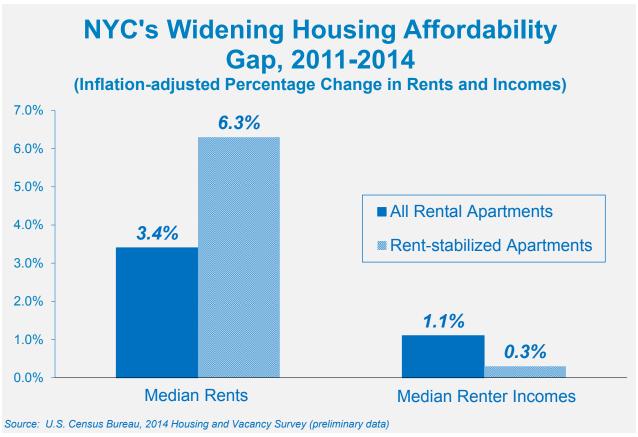
However, due to budget and policy disputes with the Cuomo administration, the State did not approve the new rental assistance programs, called Living in Communities (LINC), until August. Moreover, the State rejected the City's proposal to set the rent levels for the LINC programs at federal "Fair Market Rent" limits, which would have made the programs competitive with the federal Section 8 voucher program.

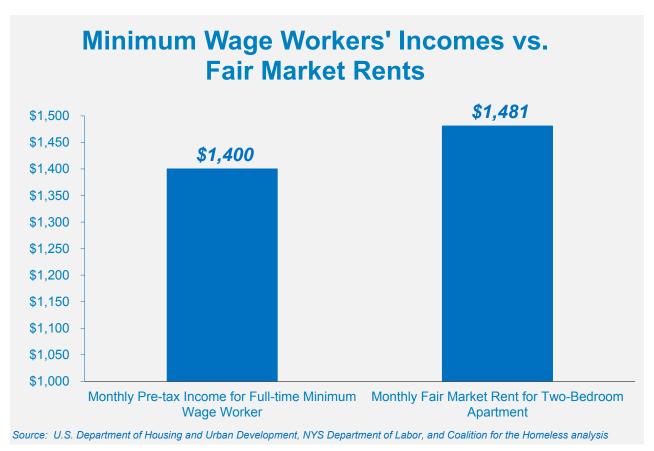
Thus the implementation of the new LINC rental assistance programs was hampered this past autumn by the reluctance of private landlords, who said that the State-imposed rent levels were too low and who felt burned by the deeply-flawed Bloomberg-era programs. Late last year, however, the de Blasio administration appropriated City funds to raise the rent levels of the LINC program to "Fair Market Rent" levels and made other improvements to the program. In December the City also created two new, City-funded LINC programs for homeless single adults and childless families.

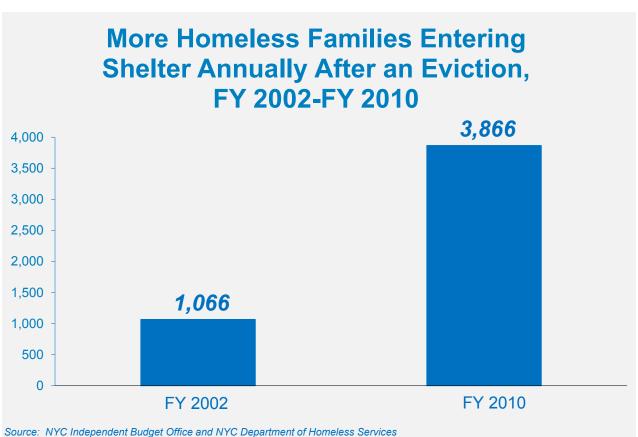
Mayor de Blasio also reversed the Bloomberg-era policy denying NYCHA public housing apartments to homeless families. In June, the City announced it would resume priority referrals of homeless families to available NYCHA apartments. However, instead of the 2,500 public housing apartments that the Coalition for the Homeless, advocates, and many elected officials urged the City to target to homeless families, the de Blasio administration allocated only 750 apartments, less than 13 percent of NYCHA vacancies each year. And the City exhausted that allocation by early autumn.

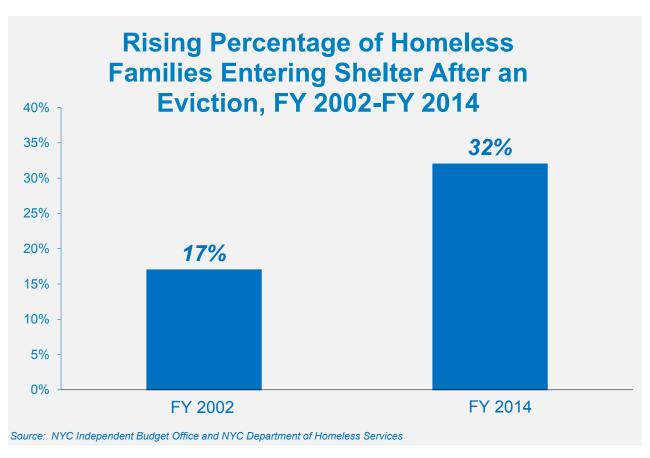
As a result of the delays in the new City-State rental assistance programs and the inadequate allocation of NYCHA resources, throughout 2014 the City moved only around 1,000 homeless families from shelters to permanent housing, with nearly all of those placements occurring after August. This more than anything explains the consistent rise in the number of homeless families during the year. The legacy of the failed Bloomberg-era policies, combined with delays in reversing those policies, meant that homeless families remained in shelters with little-to-no access to housing assistance designed to help them obtain their own homes.

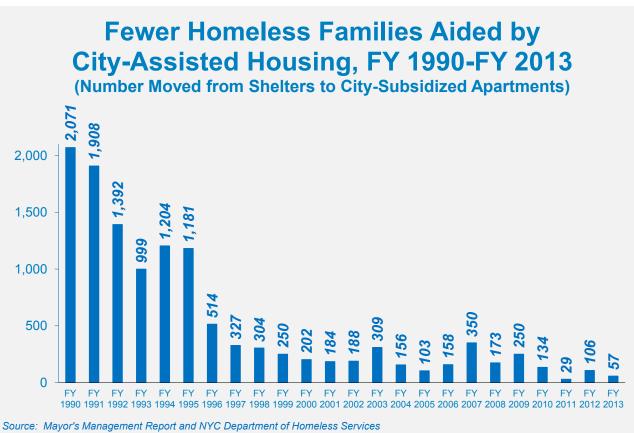






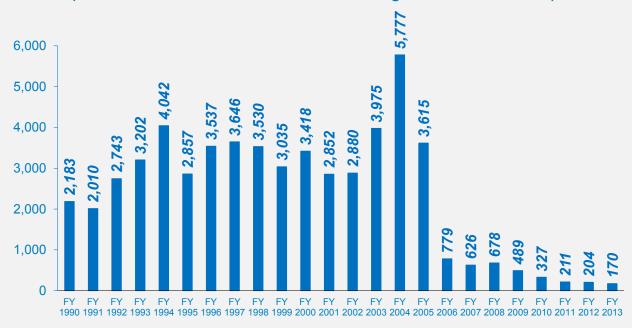






Fewer Homeless Families Helped by Federal Housing Aid, FY 1990-FY 2013

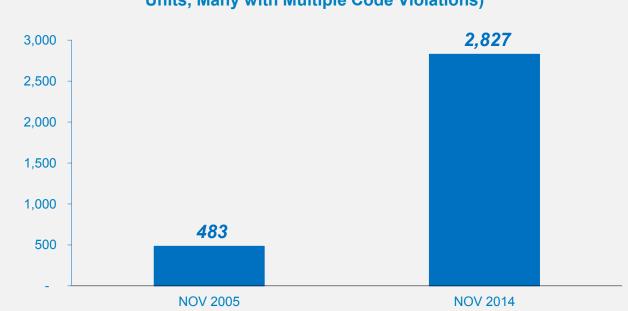
(No. Moved from Shelters with Public Housing and Sect 8 Vouchers)



Source: Mayor's Management Report and NYC Department of Homeless Services

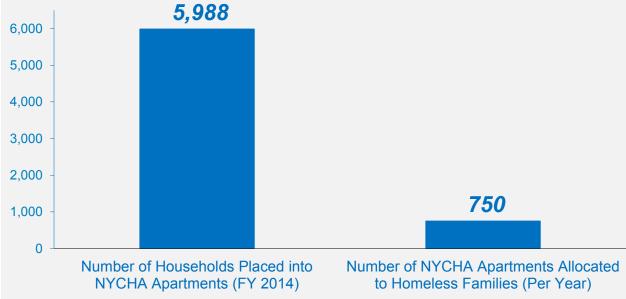
Soaring Bloomberg-era Increase in Use of Cluster-site Shelter

(Number of Homeless Families with Children in Cluster-site Units, Many with Multiple Code Violations)



Source: NYC Department of Homeless Services and NYCStat, shelter census reports





Source: Mayor's Management Report (FY 2015 preliminary), New York City Housing Authority

Tracking the Numbers: Highlights of 2014 in NYC Homelessness

Following are highlights of the past year in homelessness in New York City.

- Over the past year, the average number of homeless people sleeping each night in the New York City shelter system increased by 13 percent, from 53,615 people in January 2014 (when Mayor de Blasio took office) to 60,670 people in January 2015.
- Last year was the first time that the New York City homeless shelter population ever exceeded 60,000 people per night.
- The average number of homeless children in municipal shelters increased by 12 percent over the past year, reaching 25,459 children in January 2015.
- Last year was the first time the number of homeless children in the New York City shelter system ever exceeded 25,000 children per night.
- The average number of homeless families in shelters increased by 14 percent over the past year, reaching 14,524 families in January 2015.
- The average number of homeless single adults sleeping each night in the New York City shelter system rose 12 percent to 12,724 women and men in January 2015, a new all-time record.
- Average shelter stays for homeless families with children declined by 1 percent during the past year, but
 were still near all-time highs. The average shelter stay for homeless families with kids was more than 14
 months (432 days) in January 2015.
- The average shelter stay for homeless families who do not have children rose by one month (30 days) to more than 18 months (542 days), the longest ever recorded.

During the last City fiscal year (FY 2014), more people turned to the New York City shelter system than ever before.

- A record-high number of New Yorkers spent at least one night in the homeless shelter system. A remarkable 116,294 different New Yorkers utilized the shelter system during FY 2014, a 5 percent increase from the previous City fiscal year.
- More and more New York City children also slept in the municipal shelter system. During FY 2014, according
 to City data, 41,814 different children utilized the homeless shelter system, a 4 percent increase from the
 previous City fiscal year.
- More New York City families also slept in municipal shelters. During FY 2014, 25,732 different families utilized the homeless shelter system, a 1 percent increase from the previous City fiscal year.

Another reason for the rise in family homelessness was that more families entered the New York City shelter system in 2014 than during the previous year – despite the fact that fewer families applied for shelter.

• In 2014 an average of **1,206** newly-homeless families entered the New York City shelter system each month, compared to an average of 1,080 such families in 2013, representing a **12** percent increase.

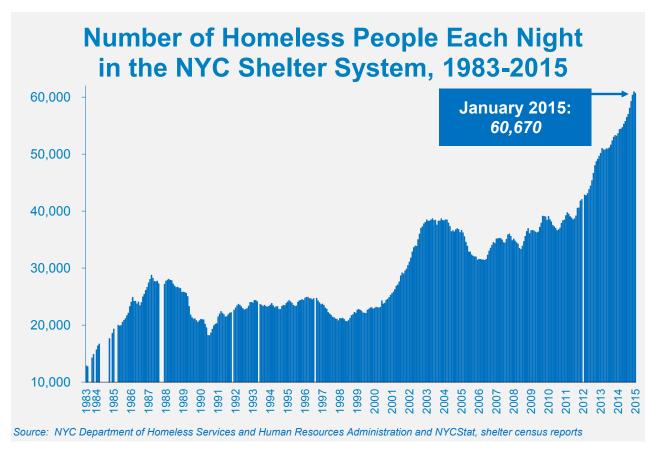
- Over the same period, the average number of families applying for shelter each month (2,649 families in 2013 and 2,464 families in 2014) actually declined by 7 percent.
- This dynamic the rising number of families entering shelter vs. the falling number of families applying for shelter reflects the *de Blasio administration's partial, but so far positive, reforms of the punitive shelter-denial policies of the Bloomberg era*, which wrongfully denied shelter to thousands of homeless families. In 2014, the *percentage of families with children seeking shelter who were declared eligible rose to 51 percent*, compared to 41 percent in 2013 under the Bloomberg shelter-denial policies.

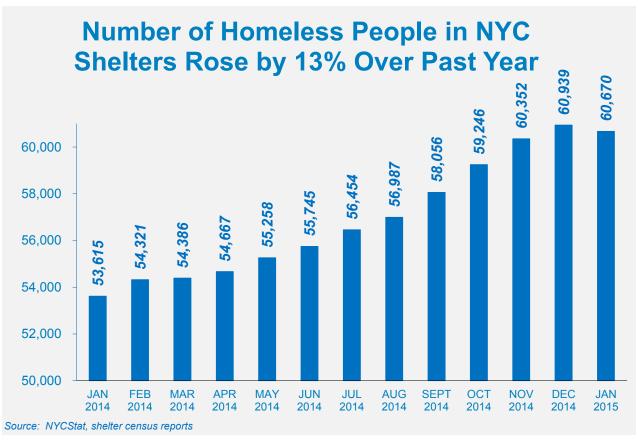
The exorbitant cost of the homeless shelter system and other emergency services also continued to rise last year, one of the concrete legacies of failed Bloomberg-era policies.

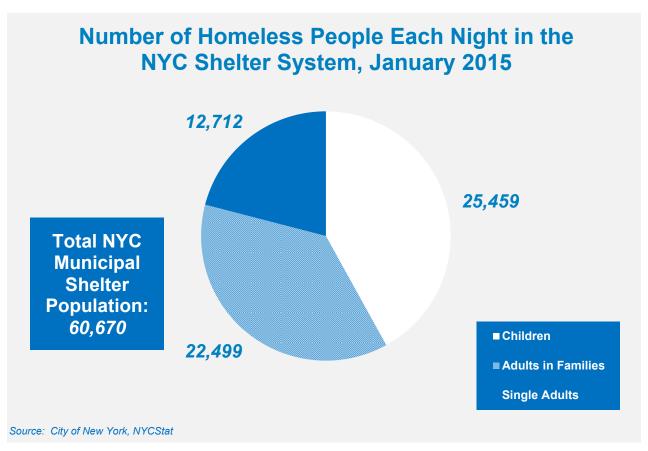
- The cost of homelessness to New York taxpayers rose to record levels. In the current City fiscal year (FY 2015), according to NYC Office of Management and Budget estimates, the Department of Homeless Services will spend *more than \$1.11 billion on homeless shelter and services*, up from \$1.06 billion in FY 2014.
- The average annual cost of shelter for homeless New Yorkers remains extraordinarily high. In FY 2014, the average annual cost of sheltering a homeless family was \$37,047 and the average annual cost of sheltering a homeless single adult was \$28,609.

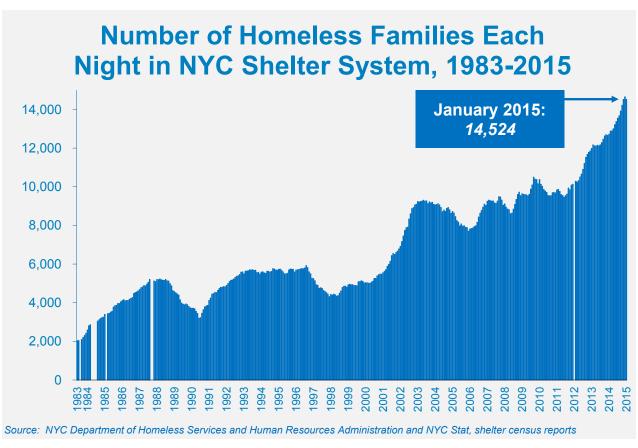
All in all, the Bloomberg legacy of eliminating permanent housing resources for homeless New Yorkers resulted in staggering increases in New York City's homeless population over the past decade.

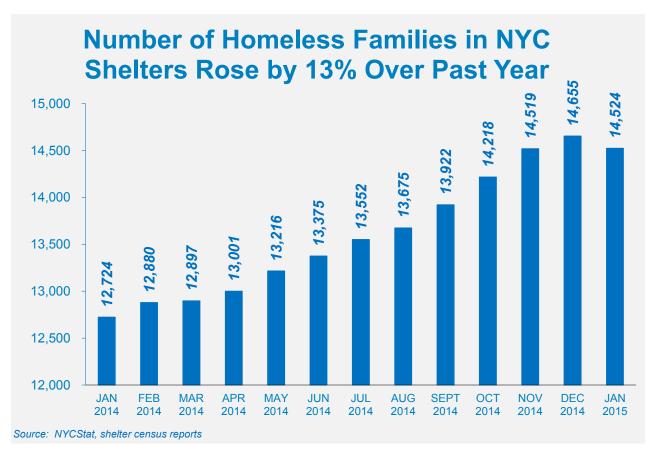
- Over the past decade, the average number of homeless people sleeping each night in the New York City shelter system increased by a 66 percent, from 36,630 people in January 2005 to 60,670 people in January 2015.
- The average number of homeless children in municipal shelters increased by 69 percent over the past decade, from 15,094 children in January 2005 to 25,459 children in January 2015.
- The average number of homeless families in shelters increased by 67 percent over the past decade, from 8,722 families in January 2005 to 14,524 families in January 2015.

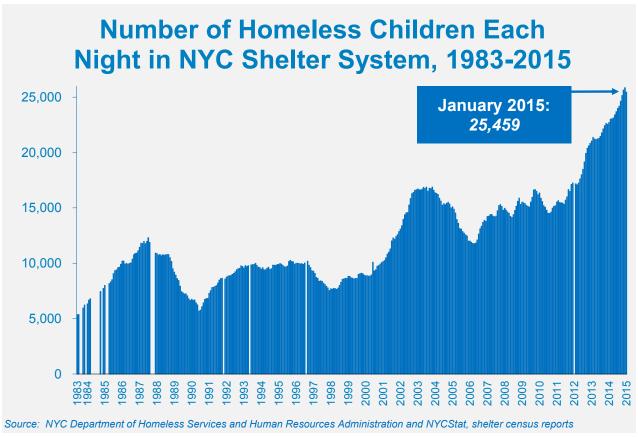


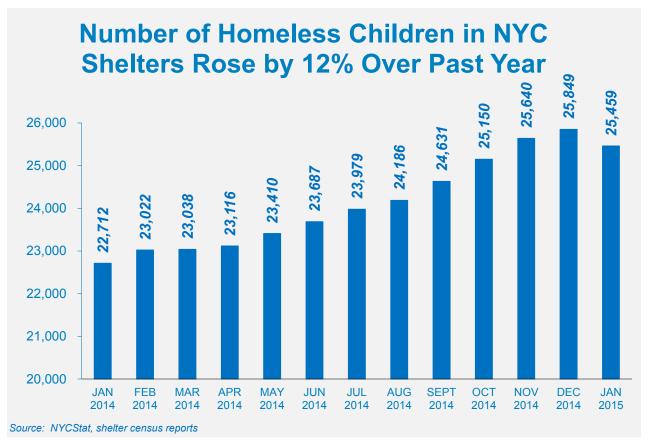


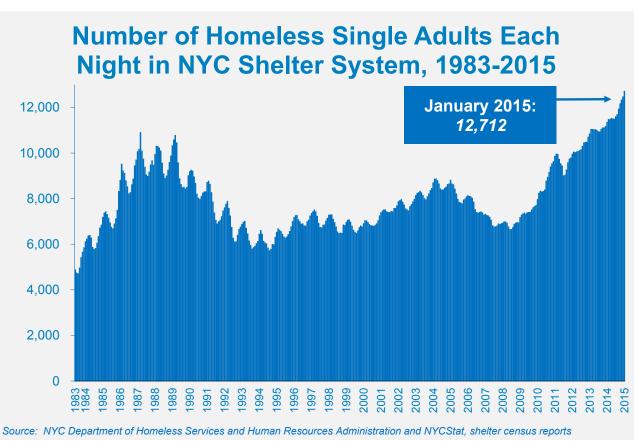


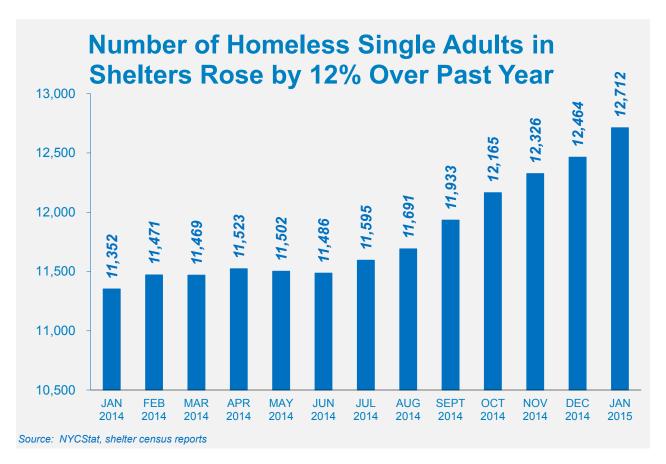






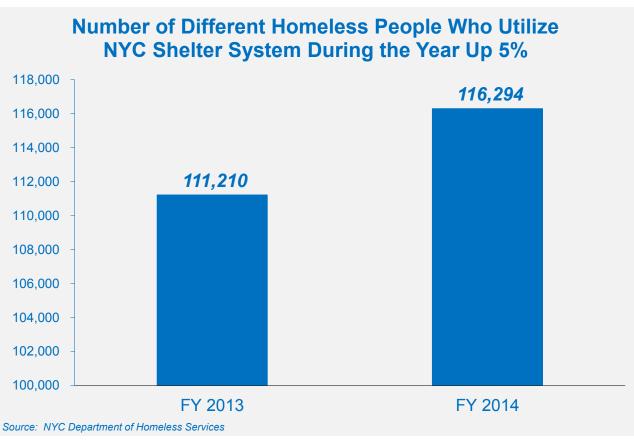


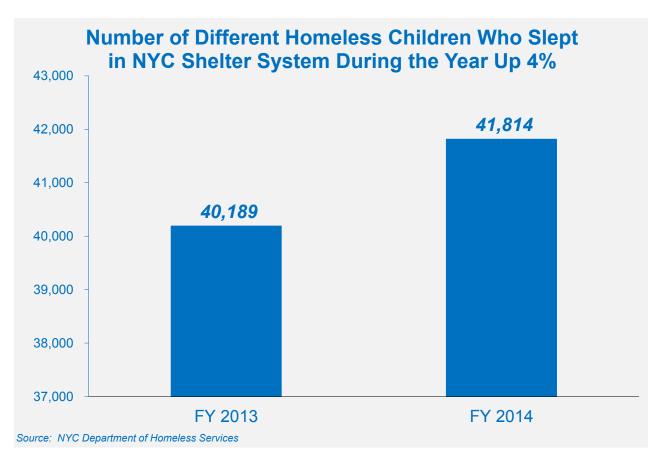


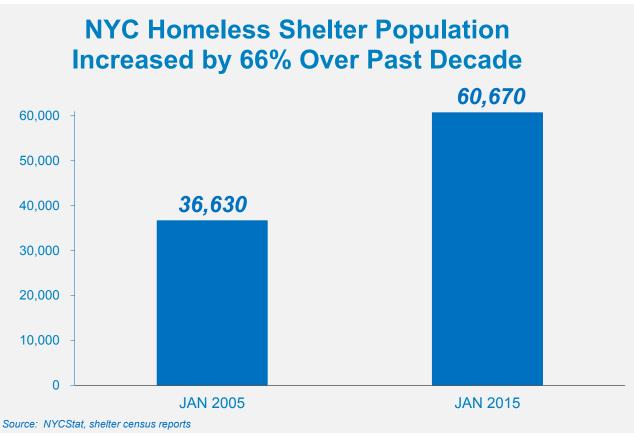


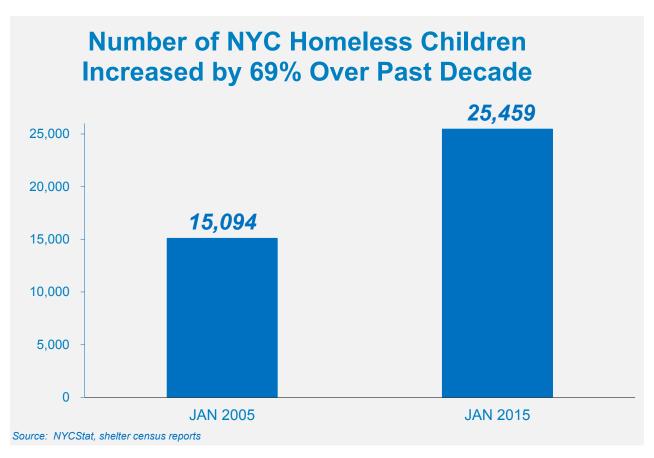


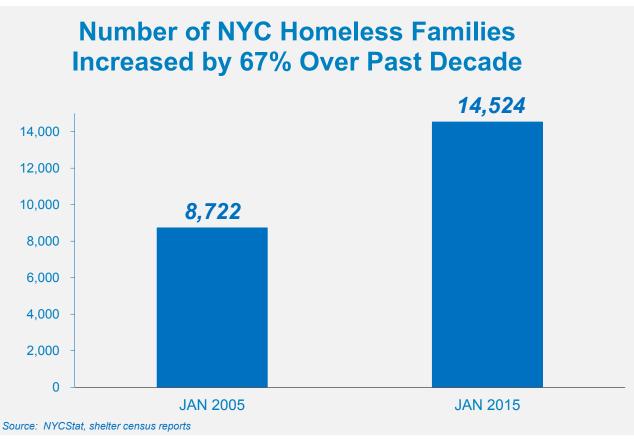












Part III

Governor Cuomo and Mayor de Blasio Must Take Bold Action to Address New York City's Historic Homelessness Crisis

With New York City's homeless shelter population exceeding 60,000 people per night, both Governor Cuomo and Mayor de Blasio must take bold action to address the historic homelessness crisis.

As noted in the last section of this report, under a plan implemented by Mayor de Blasio, the number of homeless families and children will decline for the first time in nearly a decade. Despite this important step forward, however, Governor Cuomo and his administration have unfortunately done little to address the historic crisis. And the Mayor must also do more to achieve deeper reductions in family homelessness.

In particular, Governor Cuomo must fully fund an urgently-needed City-State agreement to create permanent supportive housing and must enhance inadequate rental assistance programs. And Mayor de Blasio must target more federal and City permanent housing resources to help homeless families and individuals.

Family Homelessness: Mayor's Plan Will Lead to Reduction in Number of Homelessness Children and Families

Unveiled last August, the *de Blasio administration's family homelessness plan aims to help more than 5,200 homeless families move from shelters to permanent housing over the coming year*. The plan includes:

- 4,000 families helped by the new LINC rental assistance programs, which provide up to five years of rent
 subsidy and are targeted to working homeless families (LINC I program), families with multiple episodes of
 homelessness (LINC II), and homeless survivors of domestic violence (LINC III); and
- Another 1,250 homeless families will be helped by a combination of NYCHA public housing apartments and other federal housing programs.

Moreover, in December the de Blasio administration *expanded the LINC programs to assist an additional 2,100 homeless adults*, including seniors and people living with disabilities (LINC IV program), and working shelter residents (LINC V). And the de Blasio administration has expanded funding for homelessness prevention, including anti-eviction legal services and rent-arrears grants. According to City officials, as of early March 2015 more than 500 homeless families with children have been re-located from shelters to permanent housing with the three family LINC programs. And more than 400 homeless adults have been placed into housing through the new LINC IV and V programs.

All in all, according to the Coalition's analysis, the City's plan will stem the increase in family homelessness seen in recent years and lead to actual reductions in the number of homeless families and children in New York City shelters – the first such reductions in nearly a decade.

Indeed, there is *already evidence of the positive impact of the Mayor's plan*. Preliminary data show that the *number of homeless families with children declined by nearly 300 families per night (around 900 adults and children) between December 2014 and February 2015.* And comprehensive shelter census data used in this report show that the total homeless shelter census decreased slightly (by 269 people) from December 2014 to January 2015, *the largest month-to-month reduction in nearly four years*.

However, the decline in the number of homeless families with children has been offset by the continuing rise in the number of homeless single adults and childless families, both at all-time record levels. And given that Mayor de Blasio inherited an already-historic crisis – with more than 25,000 children and 14,000 families still sleeping each night in homeless shelters – there is much more that both the City and State must do.

Governor Cuomo's Failure to Commit Appropriate Resources to Address Homelessness

In the midst of record homelessness in New York City, Governor Cuomo and his administration have done little to address the crisis. Moreover, the Governor and State officials have, over the past year, opposed or watered down efforts by the City to expand housing programs aimed at reducing New York City's homeless population.

Last spring, after Mayor de Blasio proposed new rental assistance programs for homeless families and sought a change in State budget language to permit the creation of those programs, Governor Cuomo initially rejected the Mayor's request. After last-minute negotiations, the final State budget included some but not all of the changes sought by the City. As a result, the State funds only one of the three Living in Community (LINC) programs for families; another's funding is conditioned on reductions in family shelter expenses; and the third of the programs has no State funding whatsoever.

During subsequent negotiations between the City and State over the creation of the new LINC rental assistance programs for homeless families, the State rejected several City proposals aimed at enhancing the programs. Most important, the Cuomo administration refused the City's request to set rent levels for the new programs at federal "Fair Market Rent" levels, thus making the programs competitive with the successful federal Section 8 voucher program. (For two-bedroom apartments, the State limited LINC maximum rents to \$1,200/month, compared to "Fair Market Rent" levels of \$1,481/month.) As a result, when the programs were rolled out in September, landlords rebuffed the new rent subsidies, repeatedly citing the too-low rent levels. And in November, City officials were forced to increase the LINC program rent levels using City tax levy funds.

State officials have also opposed the efforts of City officials and advocates to improve the Family Eviction Prevention Supplement (FEPS) program, a rental assistance programs designed to prevent homelessness and ensure housing stability for welfare families facing eviction. State-mandate FEPS rent levels are well below "Fair Market Rent" levels – \$850/month (in some cases (\$1,050/month), compared to \$1,481/month for a two-bedroom apartment. These unrealistic restrictions make it extraordinarily difficult to assist many needy families, but State officials have thus far rejected requests to increase the rent levels.

Finally, in his recent State budget proposal for the coming State fiscal year, *Governor Cuomo offered a deeply inadequate proposal for a new City-State agreement to create supportive housing*. For the past 25 years, the City and State have partnered on three historic "New York/New York Agreements" that have created 14,000 units of permanent supportive housing in New York City and have contributed to significant reductions in homelessness on the streets and in shelters.

However, with the third agreement slated to expire this year and the need greater than ever, the *Campaign 4*NY/NY Housing – comprised of more than 200 New York organizations – called on the Governor and Mayor to negotiate a new agreement to create 30,000 units of supportive housing over the next decade. And Mayor de Blasio's recent budget plan included more than \$2 billion in capital funding for supportive housing and other special needs housing, enough to build more than 12,000 supportive housing units over the next ten years.

Unfortunately, Governor Cuomo's budget and his own "NY/NY IV" proposal fall far short of the need. The Governor's proposal would *create only 5,000 supportive housing units statewide over a seven-year development plan, with only 3,923 in New York City*. In short, *the Governor's proposal would provide on*

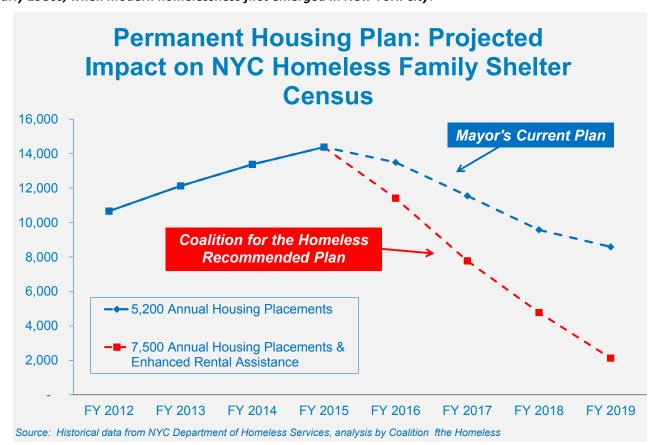
average only 560 supportive housing units per year, compared to 900 units/year created under the "NY/NY III Agreement," and the 3,000 units/year called for by advocates.

Facing a Historic Crisis, Governor Cuomo and Mayor de Blasio Must Do More

All in all, over the past year *Governor Cuomo and State officials have done little to address the worsening homelessness crisis in New York City*. And while Mayor de Blasio has laid the groundwork to halt the rise in the number of homeless families and children, much more can and must be done to confront this historic crisis. This includes *urgently-needed investments in permanent supportive housing, enhanced rental assistance, and targeting more federal and City-subsidized housing resources to homeless New Yorkers*.

As noted above, Mayor de Blasio's plan to confront family homelessness is a significant step forward that will achieve long-overdue reductions in family homelessness. The Coalition projects that, if the City's plan to relocate 5,200 homeless families per year from shelter to permanent housing is sustained, the number of families and children in shelters will decrease this year and, within five years (by the end of FY 2019), the number of homeless families in shelter will decline by 40 percent. Nonetheless, while this would be a welcome achievement, it would still leave an estimated 8,500 homeless families with 15,000 children sleeping each night in shelters five years from now.

However, if Governor Cuomo and Mayor de Blasio take the bold steps outlined here – re-locating 7,500 families form shelter to permanent housing annually plus enhanced rental assistance to prevent homelessness – New York City will instead see unprecedented reductions in homelessness. Indeed, according to the Coalition's projection, within five years (by the end of FY 2019) the number of homeless families and children would drop by 85 percent to an estimated 2,100 families – a level of family homelessness not seen since the early 1980s, when modern homelessness first emerged in New York City.



Following are the bold actions that the Governor and Mayor must take to achieve these dramatic reductions in New York City homelessness:

1. Governor Cuomo Must Fully Fund a New City-State Supportive Housing Agreement, and Enhance Rental Assistance Programs to Prevent Homelessness and Re-house Homeless New Yorkers

Governor Cuomo must negotiate with Mayor de Blasio a renewed City-State "New York/New York Agreement" to create and fully fund services for **30,000 units of permanent supportive housing over the next decade**. Consistent with the recommendations of the Campaign 4 NY/NY Housing – which has been endorsed by more than 200 New York organizations including the Coalition – a fourth "New York/New York Agreement" should do the following:

- Create 30,000 units of permanent supportive housing over ten years for homeless individuals and families
 living with mental illness and other special needs, in particular homeless individuals residing on the streets
 and in other public spaces;
- Ensure that half of all new supportive housing units (15,000) are new construction, and half should be scattered-site apartments;
- Continue to prioritize those with long histories of homelessness and illness;
- Provide adequate funding to operate housing and provide support services;
- Set aside two-thirds of the units (20,000 units) for individuals, with the remaining one-third of units for families (8,700 units) and youth (1,300 units).

State-funded rental assistance programs are critical to reducing record homelessness. While the new LINC rental assistance programs are a significant improvement on the deeply-flawed rent subsidies of the Bloomberg era, they can be improved to better protect families and ensure housing stability – and the State must play a bigger role in funding the programs in order to assist more homeless families and individuals in the coming years. In addition, the State should end its opposition to increasing rent levels for the Family Eviction Prevention Supplement (FEPS) program – which prevents homelessness for thousands of vulnerable families and could assist many more – and for welfare housing allowances, whose rent levels have not been increased in years and are deeply inadequate.

Here is how Governor Cuomo and his administration can enhance vital rental assistance programs:

- The State and City should increase Family Eviction Prevention Supplement (FEPS) rent levels to reflect federal "Fair Market Rent" levels, like those used in the successful Section 8 voucher program.
- The new Living in Communities (LINC) rental assistance programs must be improved to become more viable and effective:
 - Establish a good-cause waiver allowing families to continue to receive rental assistance after five years upon demonstration of ongoing need;
 - Use more realistic work requirements, such as at least 20 hours per week, rather than 35 per week;
 - Include families, such as those with disabilities or receiving public assistance, who do not have employment income;
 - > Allow those whose benefits may have been cut off in error into the program; and
 - > Permanently use federal "Fair Market Rents" levels as the benchmarks for the program.
- The State should increase welfare housing allowances to more accurately reflect the real cost of rental housing in New York City.

2. Mayor de Blasio Must Target More Federal and City Housing Resources to Homeless New Yorkers

Mayor de Blasio's family homelessness plan is a positive first step, but more can be done to help thousands more homeless families and children.

First, while Mayor de Blasio reversed the disastrous Bloomberg-era policy that cut off federal housing aid to homeless families and children, he has agreed to allocate *only 750 NYCHA public housing apartments each year to homeless families, less than 13 percent of available NYCHA apartments*. The Mayor must:

- Allocate at least 2,500 NYCHA public housing apartments each year to homeless families and individuals (including those residing in domestic violence shelters); and
- Allocate at least one third of available federal Section 8 housing vouchers each year to homeless families and individuals (including those residing in domestic violence shelters).

Second, Mayor de Blasio's "Housing New York" ten-year, 200,000-unit affordable housing plan so far falls short on targeting apartments to homeless families and individuals. In contrast, *under Mayor Koch's landmark ten-year housing plan, more than 10 percent of all housing units built or rehabilitated – 15,674 apartments out of 150,682 assisted under the plan – were targeted to homeless families and individuals*. And the Koch plan contributed to sharp reductions in family homelessness in the late 1980s. Building on this successful legacy, Mayor de Blasio must:

- Ensure that his 200,000-unit housing plan allocates more than 10 percent of all housing units (i.e., at least 2,000 affordable and supportive housing units annually) to homeless families and individuals; and
- Guarantee that all City-subsidized apartments designated for homeless families under past regulatory
 agreements are in fact currently housing homeless families and that, as they become vacant, such
 apartments are provided to homeless New Yorkers.

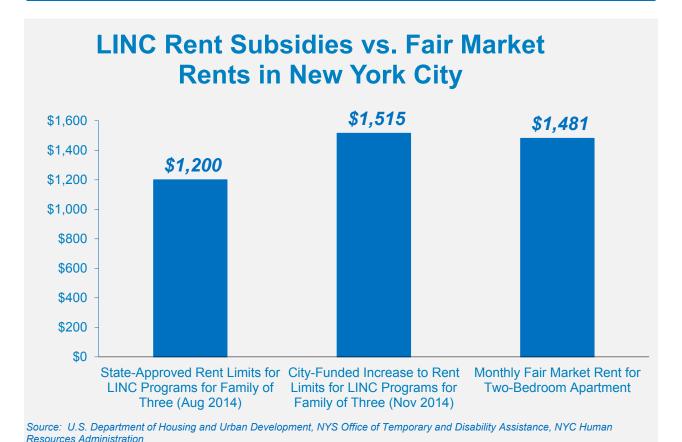
Finally, Mayor de Blasio must begin to phase out the use of "cluster-site shelter" by taking the following steps:

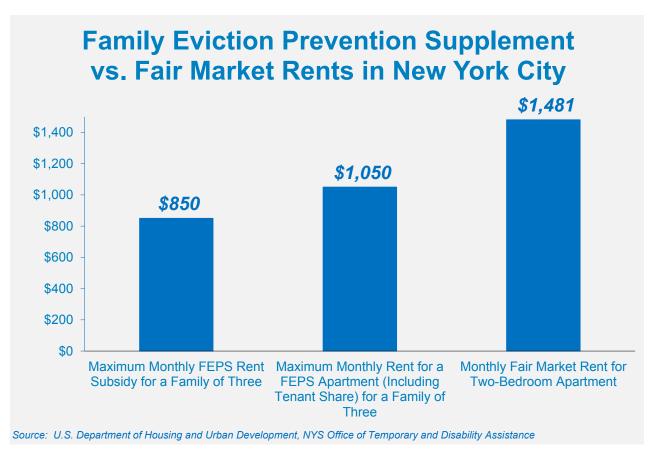
Convert existing cluster-site shelter units back to permanent housing through a combination of (1) rental
assistance for homeless families, and (2) aggressive enforcement by the appropriate City and State
agencies to ensure that former cluster-site apartments have safe conditions and adhere to rent-regulation
requirements.

As noted above, if Governor Cuomo and Mayor de Blasio take the actions described here, New York City will see unprecedented reductions in homelessness. According to the Coalition's projection, within five years (by the end of FY 2019) the number of homeless families and children would drop by 85 percent to an estimated 2,100 families – a level of family homelessness not seen since the early 1980s, when modern homelessness first emerged in New York City.

NEW YORK/NEW YORK AGREEMENTS Comparison of Permanent Supportive Housing Plans NYC homeless Total Average **NYC** homeless single adult number of number of shelter census shelter census on date of on date of housing housing units units/year agreement/plan agreement/plan NY/NY III Agreement (all 9,000 over NYC) 900 10 years 31,962 7,988 Campaign 4 NY/NY Housing 30,000 over proposal (all NYC) 3,000 60,352 12,326 10 years Gov. Cuomo's proposed NY/NY IV plan (only NYC 3,923 over units)* 560 60,352 12,326 7 years

Source: Campaign 4 NY/NY Housing; analysis by Coalition for the Homeless
*Based on information from NYS Division of the Budget and 7-year development plan







Notes on Data Sources

- Homeless shelter population data since September 2011 is taken from NYC Stat, administered by the NYC Mayor's Office of Operations. NYCStat publishes shelter census reports pursuant to Local Law 37 of 2011, which requires various City agencies to report accurate data on the number of people residing in City-administered shelters. This report uses homeless shelter population data from these reports consistent with shelter census reports published by the City since the early 1980s, and includes shelters currently administered by the NYC Department of Homeless Services (DHS) and three shelters for homeless families currently administered by the NYC Department of Housing Preservation and Development (HPD), which have been included in 25 years of previous shelter census reports. The NYC Stat reports can be found here: http://www.nyc.gov/html/ops/nycstat/html/reports/reports.shtml
- For the period before September 2011, data for homeless families and children is from DHS's "Emergency Housing Services for Homeless Families Monthly Report," which has been published by the City since the early 1980s. This DHS monthly report includes approximately 200 families (with approximately 1,000 people) who reside in homeless shelters currently administered by HPD.
- For the period before September 2011, data for homeless single adults in municipal shelters is from the following DHS reports: (1) DHS daily census reports for shelters for homeless single men and women, which have been produced daily by the City since 1982; (2) DHS census reports for shelters for homeless veterans; and (3) DHS census reports for "safe haven" shelters, which are restricted to long-term street homeless adults. (Note that the large majority of shelters for veterans and "safe haven" shelters were once included as part of the DHS daily adult shelter census report. These shelters were "converted" to different service models beginning in 2007 and were then excluded, in various stages, from DHS daily adult shelter census report and from DHS's website.) Data for homeless single adults also includes data for homeless people sleeping in DHS "stabilization beds," which are also restricted to chronically street homeless adults, but only since July 2010; this data is taken from DHS "Critical Activities Reports," available on the DHS website.
- Data about the unduplicated number of homeless people utilizing the New York City shelter system over the course of a year including data about race and ethnicity and about age is from the NYC Department of Homeless Services, available here: http://www.nyc.gov/html/dhs/html/communications/stats.shtml.
- Data about New York City's population including race and ethnicity, age, family and household status, and poverty status is taken from the U.S. Census Bureau's American Community Survey 2013 estimates, available from the NYC Department of City Planning here: http://www.nyc.gov/html/dcp/html/census/popacs.shtml.
- Data on New York City apartment rents and tenant incomes is taken from preliminary data from the U.S. Census Bureau's 2014 Housing and Vacancy Survey. The "Initial Findings" from the 2014 survey were released in March 2015 by the NYC Department of Housing Preservation and Development, and are available here: http://www1.nyc.gov/site/hpd/about/nyc-housing-vacancy-report.page.
- Data about homeless families entering the New York City shelter system after an eviction is from the NYC Independent Budget Office's November 2014 report "The Rising Number of Homeless Families in NYC, 2002–2012: A Look at Why Families Were Granted Shelter, the Housing They Had Lived in & Where They Came From," available here: http://www.ibo.nyc.ny.us/iboreports/2014dhs.pdf.
- Data about Federal housing programs and other housing subsidy programs is from the City of New York, Mayor's
 Office of Operations, "Mayor's Management Report" for various years, available at
 http://www.nyc.gov/html/ops/html/home/home.shtml, as well as from DHS "Critical Activities Reports,"
 available on the DHS website.