

Testimony

Coalition for the Homeless

for the Fiscal Committees of

the NYS Legislature

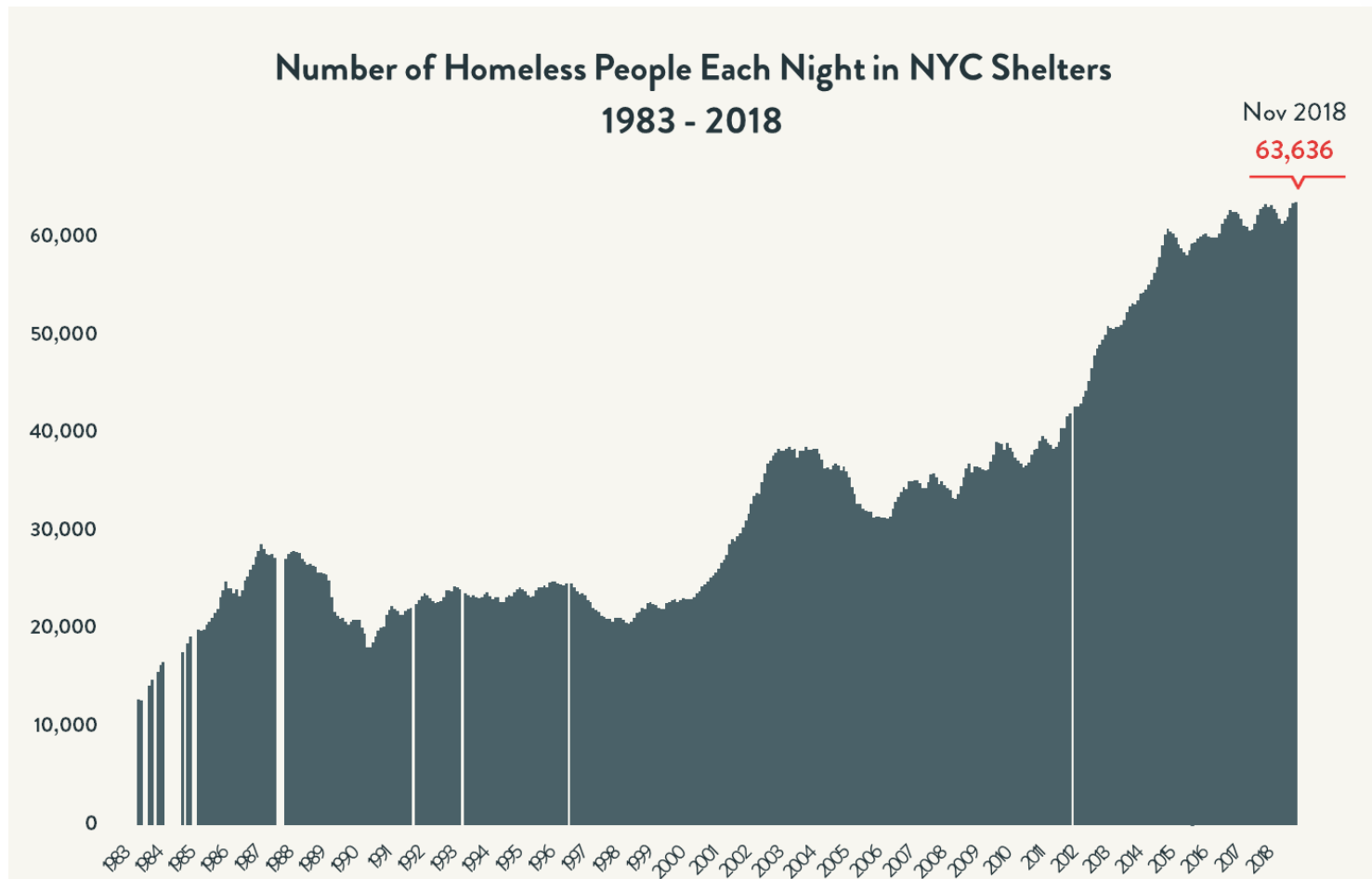
NYS Executive Budget 2019

Submitted by Shelly Nortz
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January 24, 2019

- Thank you for inviting us to this hearing – I regret that I am unable to testify in person, but will be pleased to answer any questions in the days and weeks ahead. My name is Shelly Nortz, and since 1987 I have had the privilege of working for the Coalition for the Homeless in Albany to secure State support for programs and policies that prevent and address homelessness and the socio-economic problems that cause homelessness.
- The last year has seen homelessness rise again to record levels in New York City and New York State, evidence of an unchecked affordable housing crisis, and the most extreme income inequality in our nation.
- The number of New Yorkers who were homeless over a recent 12-month period exceeded 250,000 -- more than the populations of every city in the state with the exception of New York and Buffalo.
- According to the most recent city and state reports, last year in New York, 23,000 more people become homeless than escaped homelessness – another metric on the rise.
- The number of school-age homeless boys and girls, including those who are doubled-up, has grown 68 percent since 2011, and homeless students now account for three out of every five homeless New Yorkers: 38,180 outside NYC, and 76,836 in the five boroughs.
- In the same period New York added over 24,000 new shelter beds even as the State cut back on funds for local housing assistance and shelter operations, shifting many of these costs to municipal governments and taxpayers.

- New York City, where 85 percent of the state's un-domiciled population lives, remains in the midst of the worst homelessness crisis since the Great Depression, as the number of men, women, and children sleeping in shelters each night reached a new record high of 63,636 in November 2018, including more than 23,000 children and an all-time record 17,623 single adults.
- Assemblymember Andrew Hevesi introduced legislation to address the problem with a proposed rent supplement program called Home Stability Support (HSS) in 2016 (now also sponsored by Senator Liz Krueger). HSS is designed to help individuals and families receiving public assistance to remain housed, and also help those who are already homeless to obtain and retain stable housing.
- The nightly NYC shelter census rose from an average of 60,042 in June 2016 when HSS was first introduced, to 63,636 in November of 2018. That is 3,594 more homeless men, women, and children per night, an increase of 6 percent, a clearly unsustainable, unacceptable trajectory that must be reversed.

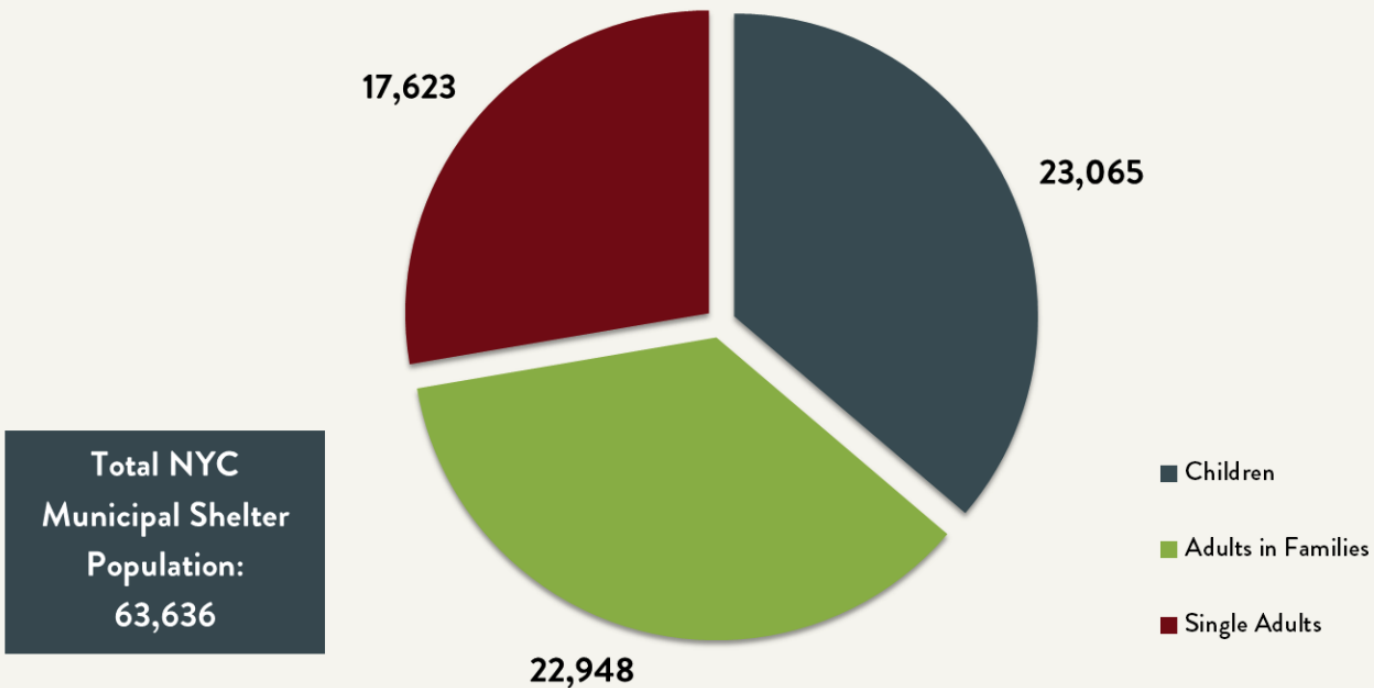
There were 3,594 more men, women, & children in NYC shelters in November of 2018 than there were in June of 2016 when Home Stability Support was first introduced.



Source: NYC Department of Homeless Services; LL37 Reports
Data include individuals in DHS municipal system, Safe Havens, stabilization beds, veteran's shelters, criminal justice beds, and HPD emergency shelters.

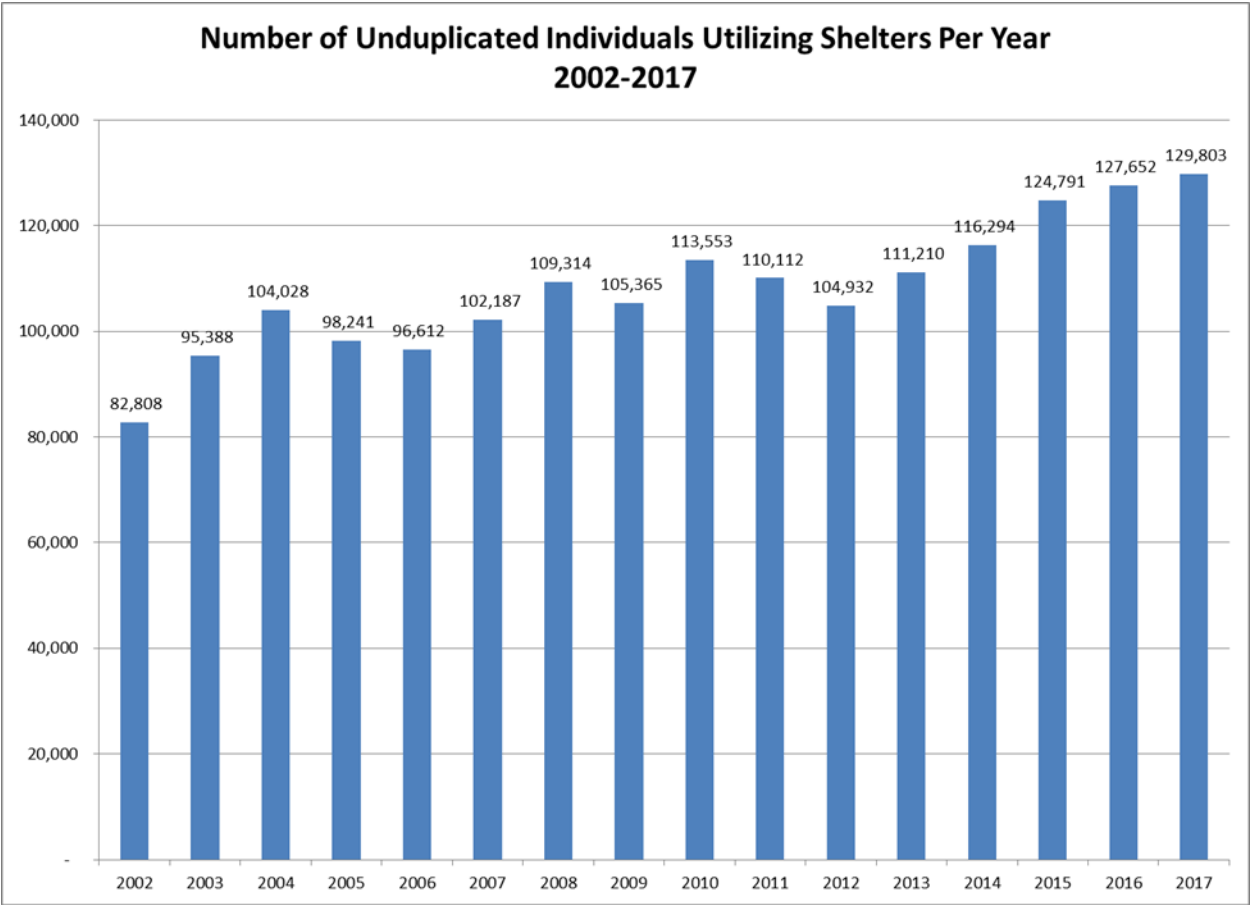
Most homeless people in NYC continue to be members of families, including more than 23,000 children...

**Number of Homeless People Each Night in NYC Shelters
November 2018**



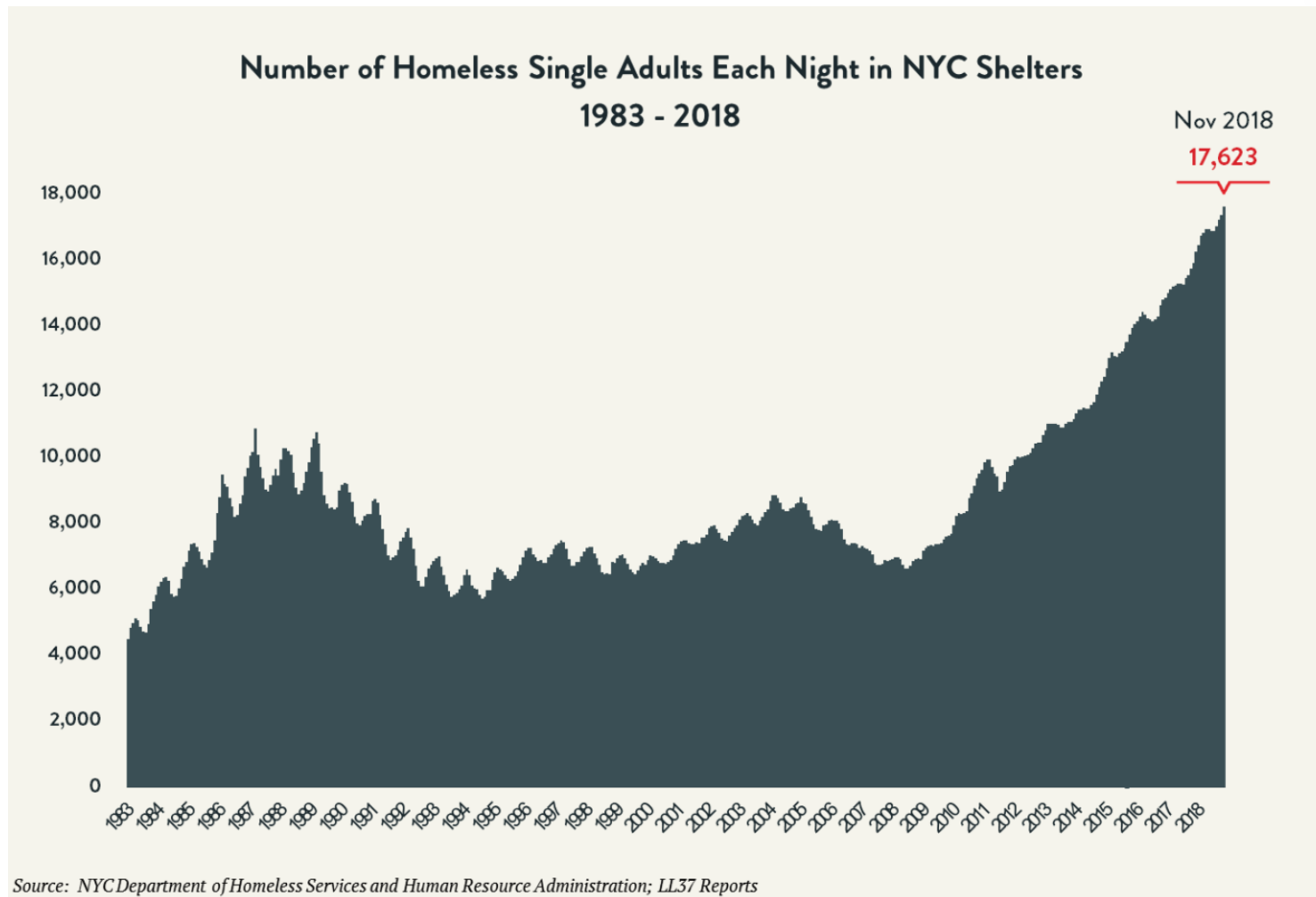
Source: NYC Department of Homeless Services and Human Resource Administration; LL37 Reports

More people than ever before turned to NYC shelters:
Nearly 130,000 men, women, and children in 2017,
including 45,207 children of whom more than 20,000 were age five or younger.



Source: NYC Department of Homeless Services

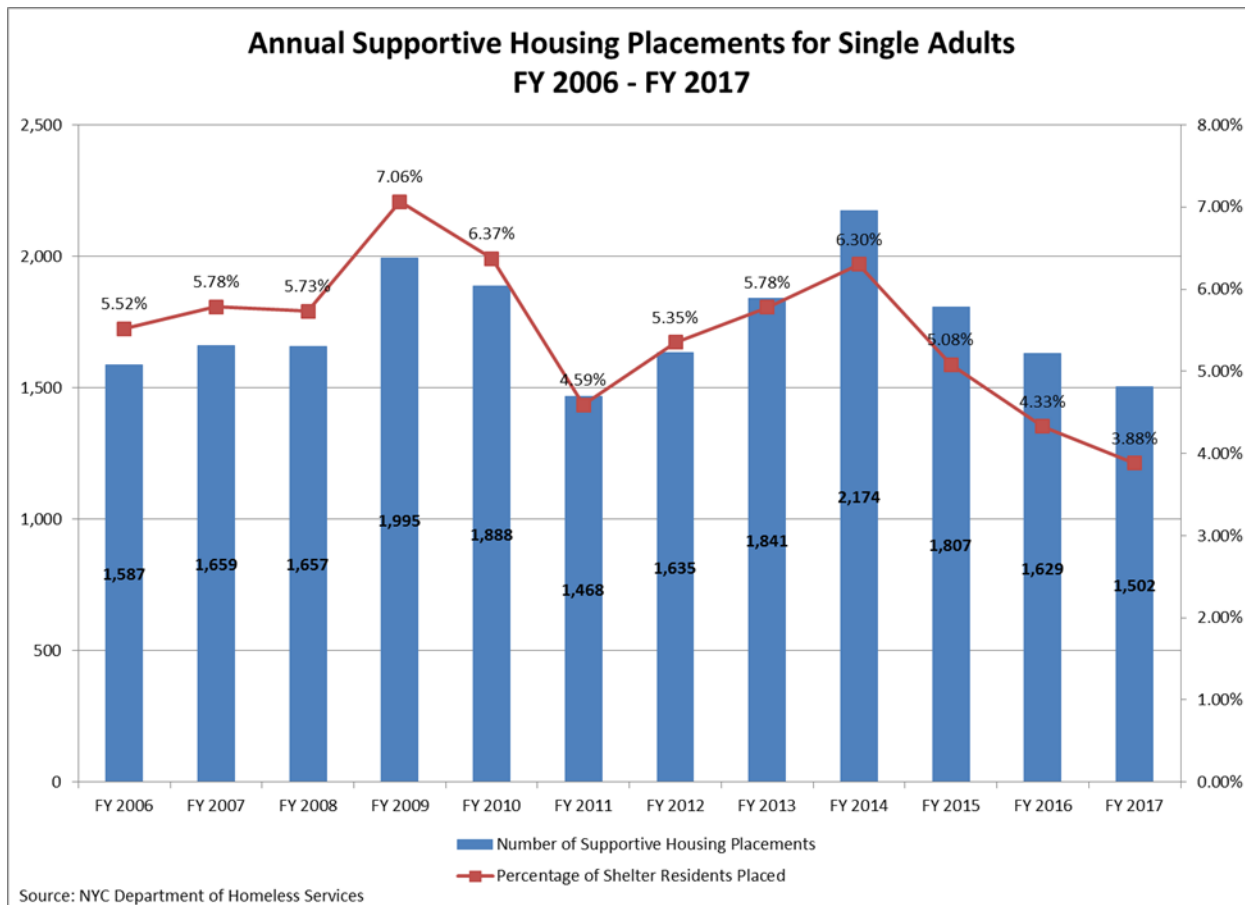
Perhaps most alarming, the number of single adult men and women in NYC shelters is now rising predictably by ten percent each year, without any relief in sight for the foreseeable future.



Delays getting the funds approved in Albany slowed the Supportive Housing pipeline and it has yet to recover...

- The single most effective tool for resolving homelessness for single adults (as well as some families) is permanent supportive housing, which offers those with mental illnesses and other disabilities safe, permanent, affordable apartments with access to voluntary on-site support services.
- Five years ago we began the Campaign 4 NY/NY Housing to assure continued investment in this proven solution as the New York/New York III Supportive Housing Agreement was coming to an end.
- The Campaign culminated in promises from both Mayor de Blasio and Governor Cuomo to create a combined 35,000 units of supportive housing over 15 years, and nearly two years ago you released the first \$1 billion in capital funds for the initial 6,000 of 20,000 planned state units.
- Unfortunately, in addition to the political delays that stalled implementation for years, the supportive housing pipeline has gotten off to a very slow start, and access to supportive housing has dropped to a twelve-year low relative to the shelter census .

The percentage of single adults receiving supportive housing placements fell - *to a twelve-year low*: Fewer than 4 in 100 shelter residents received placements in 2017.



- The actual number of supportive housing placements for homeless single adults in NYC dropped to a six-year low of only 1,500 in 2017.
- There were almost a third fewer such placements in 2017 compared with 2014 when almost 700 more men and women were able to obtain supportive housing placements.
- This contributes to greater demand for shelter and record homelessness as well as the presence of more people living on the streets desperately in need of a place to live with the on-site supportive services each needs to maintain housing stability.
- Furthermore, the first rounds of state-funded supportive housing development are lagging the annual goals of 1200 per year, with only half to four-fifths of the planned units for the first two rounds actually having made it into the pipeline.
- On top of the prior delays, this leaves us with a truly chronic shortage of supportive housing placements for a burgeoning homeless population.
- Adding to these pressures are the rising number of people being paroled from state correctional facilities directly to NYC shelters (54.2 percent of all parolees in 2017) and the persistent problem of men and women being inappropriately discharged from hospitals and nursing homes to shelters ill-equipped to meet their needs without appropriate discharge planning.
- A recent study projects an increase of 165 percent in the number of homeless people age 65 and older in NYC shelters in the next decade, to 6,900.

New York State continues to shift the costs of sheltering and housing homeless New Yorkers to localities including New York City.

- The effect of removing the state and local shares of TANF and shifting 71 percent of the cost of the Safety Net Assistance program to local social services districts has been to withdraw State assistance from sheltering and housing homeless New Yorkers and those at risk of homelessness, leaving the cost increases largely to localities.
- As our 2017 State of the Homeless report documented, the cost of sheltering homeless families and individuals in New York City rose by \$698 million, and the State bore only about 5 percent of that cost increase.
- Similar cost shifts have also affected many other social services districts with large homeless populations and costly rental housing as well as various rent supplement programs.
- The Executive Budget continues to single out NYC alone to contribute a 10 percent share of the costs for Emergency Assistance to Families, and new this year, it extends this 10 percent local share policy to *all* NYC family assistance cost including temporary housing.

The Executive Budget maintains the *status quo* in the face of unprecedented need...

- There are no new supportive housing investments and there is no accelerated timetable despite the lag in starting the new capital investments, and delays in meeting the annual targets for the first two years.
- The reimbursement caps, cost-shifts, and other limits on funding for shelters and rental assistance are even more glaring than those of prior years.
- And Governor Cuomo's new fiscal penalty for services NYS doesn't even fund, the extraordinarily-ill advised withholding of public assistance funds for localities that fail to offer and adequately implement homeless outreach plans and services (authorized in the last budget and renewed this year), could make matters even worse. We have no problem with planning for and doing outreach – we reach out with warm food, clothing, and offers of help 365 days per year to as many as 1000 people of the streets of NYC. But for the State to withhold the small proportion of its own funds that localities receive to provide for the aid, care, and support of the needy required by the NYS Constitution as a penalty for failure to provide adequate homeless outreach planning and services is for the State to further shirk its own responsibilities under the Constitution.
- The Executive Budget allocates too little to help OMH-funded housing providers keep up with the rising costs of housing and services; and offers no new funding to local districts expected to plan and implement new homeless outreach programs.
- It promotes Congestion Pricing without any exemptions for social service groups serving homeless and disabled New Yorkers within or adjacent to the restricted zone that must use vehicles to deliver those services.
- The elimination of the requirement that those in domestic violence shelters pay shelter rent is welcome, but the policy should be extended to all shelters.
- We also welcome the proposals to limit security deposits and prohibit source of income discrimination, but in the absence of even more new affordable and supportive housing and true reform of the rent laws ***including elimination of vacancy bonuses***, homelessness will continue to rise unsustainably, and inhumanely.

Budget Recommendations

To address the unprecedented crisis of homelessness, we recommend the following:

OTDA

- **Implement the Home Stability Support** program introduced by Assemblymember Hevesi and Senator Krueger, endorsed by dozens of state and local elected officials.
- **Increase the Personal Needs Allowance** for homeless individuals and families – for most, a paltry allowance of just \$22.50 twice a month provided in lieu of public assistance – that has not been increased in decades.
- **Reject plan to continue the authority to withhold public assistance funds** from localities related to homeless outreach plans and services.
- Require **NYS to participate equally** in the non-federal share of the costs of shelters and rent supplements (other than HSS) to prevent and address homelessness.
- **Amend the NYC Shelter Savings law** in lieu of the Shelter Rent requirement to eliminate sanctions and prohibit shelter rent statewide.

...(OTDA continued)

- **Reject the requirement that NYC contribute 10 percent** toward the cost of **Emergency Assistance to Families and Family Assistance.**
- **Support** the Executive's provision of **\$1 million** in general funds for **Emergency Homeless Needs**, and **restore the TANF line** for these needs targeted to groups with specified expertise at **\$1 million.**
- **Provide \$1 million for the Client Advocacy Program** (at one time annually funded in the budget by the Legislature) through which chronically homeless disabled people are assisted in securing Federal SSI/SSDI, veterans benefits, and housing.

Budget Priorities, Other Agencies

- **HCR: Accelerate the Supportive Housing** pipeline to complete **20,000 units in ten years** to address pent-up need and record-low supportive housing placements. This will save costs by developing these units earlier as a hedge against rising land prices and labor contract inflation, and act as an economic stimulus proven to create jobs and tax revenue.
- **Reform the rent laws** to eliminate de-control and vacancy bonuses, and to protect tenants affected by preferential rent and other landlord devices that harm tenants and thwart the rent regulation.
- **OMH:** Increase funds for **Crisis Respite** and **adequately fund community housing providers**.
- **OCFS: Raise Foster Care** prevention, reunification, and independent living **rent subsidies to \$600 per month**.
- **SED: Authorize children's camps to employ licensed social workers**.

...(other agencies continued)

- **Congestion Pricing:** Exempt mobile food program and homeless outreach vehicles serving homeless and disabled individuals – this policy will otherwise add over \$12,000 or more to our food program costs each year.
- **DOH:** Establish a regulatory framework/licensure statute to authorize the operation of medical respite programs to serve homeless people with medical needs that cannot be met in shelters, who do not require hospitalization or a nursing home level of care.
- **Rent Freeze/Real Property Tax Abatements:** Expand rent increase exemptions and related real property tax abatements to include families with a disabled child or other family member who is not the head of household, and low income tenants on fixed incomes.
- **Corrections:** Require proper discharge planning for parolees being released to the community so that they are not transferred to shelters, or kept in prison beyond their sentences.