



Testimony of
Coalition for the Homeless

on

Challenges to the Effective and Efficient Delivery of Social
Services in New York City

before the
NYS Senate Task Force on the Delivery
of Social Services in New York City
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submitted by

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Thank you for inviting us to provide testimony for this important hearing. My name is Shelly Nortz, and for the last 27 years I have worked 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.

Record Homelessness in NYC

More than 116,000 different homeless New Yorkers, including more than 42,000 different children, slept in the New York City municipal shelter system last year, and this constitutes more than 86 percent of the homeless shelter population in all of New York State.

In the last quarter for which comparable statewide data are available (the quarter ending April 2014), there were 31,913 homeless households served in shelters statewide, of which 27,609 (86.5 percent) were sheltered in New York City. More than four out of five (82 percent) of the remaining 4,304 households for that quarter were served in the counties of Albany, Erie, Monroe, Nassau, Onondaga, Orange, Schenectady, Suffolk, Ulster and Westchester. (Due to data limitations the homeless household count is overstated outside New York City because each man and woman is counted as a household, even when a couple or adult family consists of more than one person).

Further, from among the 27 localities reporting *increases* in their homeless shelter populations between 2013 and 2014, 89 percent of the statewide increase was in New York City, and 79 percent of the remaining increase was reported by Schenectady, Suffolk and Onondaga counties. All of the other districts with large homeless populations reported sheltering *fewer* homeless households in this reporting period.

The remaining 23 districts with increased homeless shelter populations reported sheltering an average of five more households in the quarterly reporting period for 2014 compared with their 2013 reports.

In 2012 I testified at the Budget hearing in Albany that we had reached a new record: There were over 41,000 homeless people staying each night in NYC homeless shelters, including 17,000 children. In January 2014, the number exceeded 53,000 individuals and over 22,500 children.

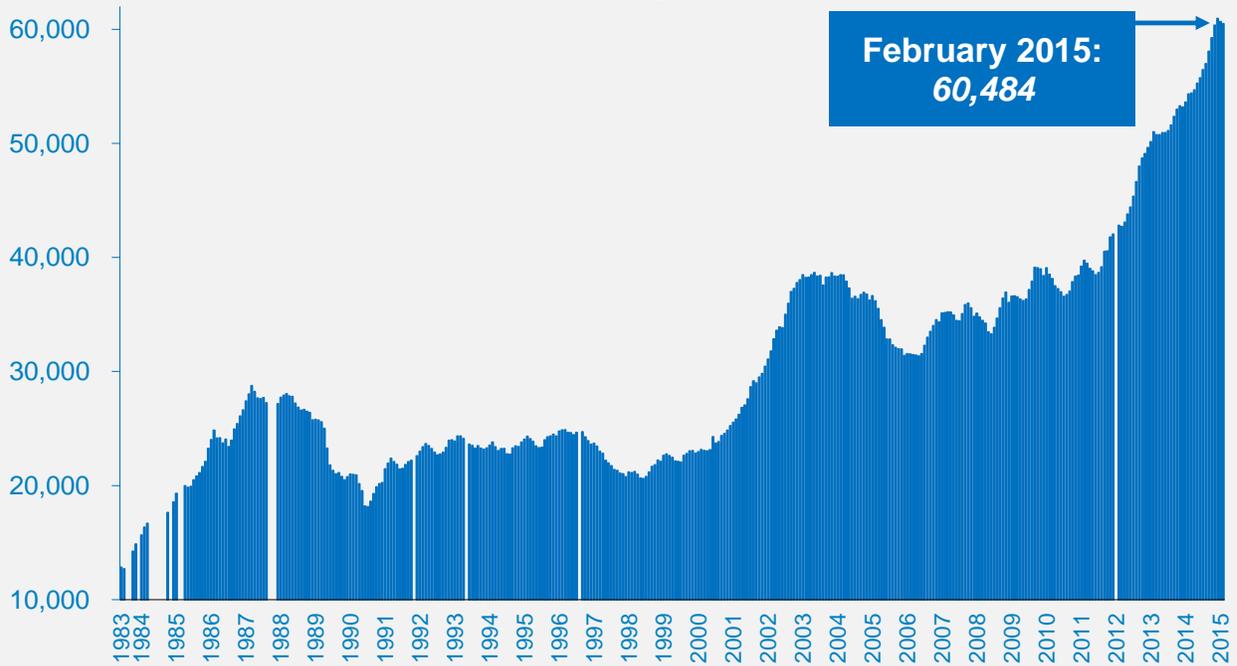
The most recent data show that there are now over 60,000 homeless people staying each night in the shelters, including 25,105 children – 47.5 percent more homeless people staying in NYC shelters each night since 2012. **The number of homeless New Yorkers sleeping each night in municipal shelters has now nearly doubled since the last large-scale City-State effort to build more permanent housing for homeless individuals and families. It is 93 percent higher than it was in May of 2006, the last significant low-water mark when there were 31,350 people staying in shelters each night.**

Thousands more men, women, and youth live on the streets or in makeshift arrangements underneath roadways or in abandoned buildings.

The dire situation in New York City cannot be overstated:

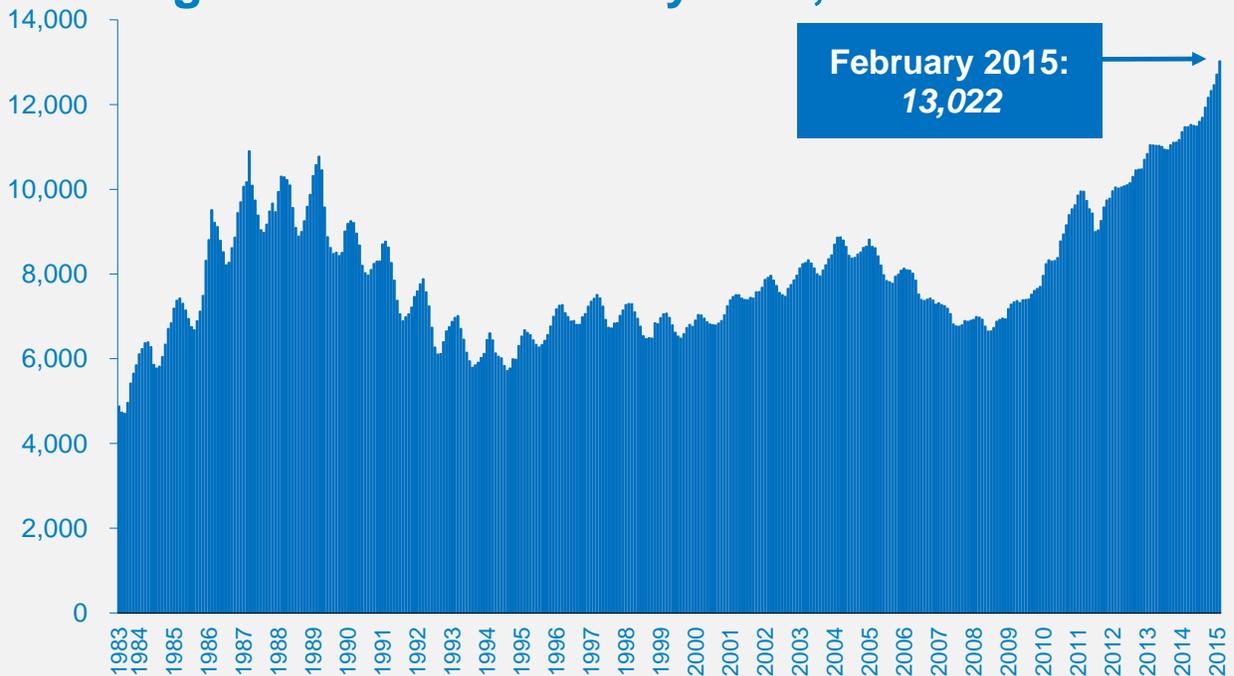
- The number of homeless children in October 2014 was **over 25,000 for the first time**;
- The number of homeless families was **over 14,000 for the first time**; and
- The number of homeless single adults as of February 2015 rose **over 13,000 for the first time**.

Number of Homeless People Each Night in the NYC Shelter System, 1983-2015



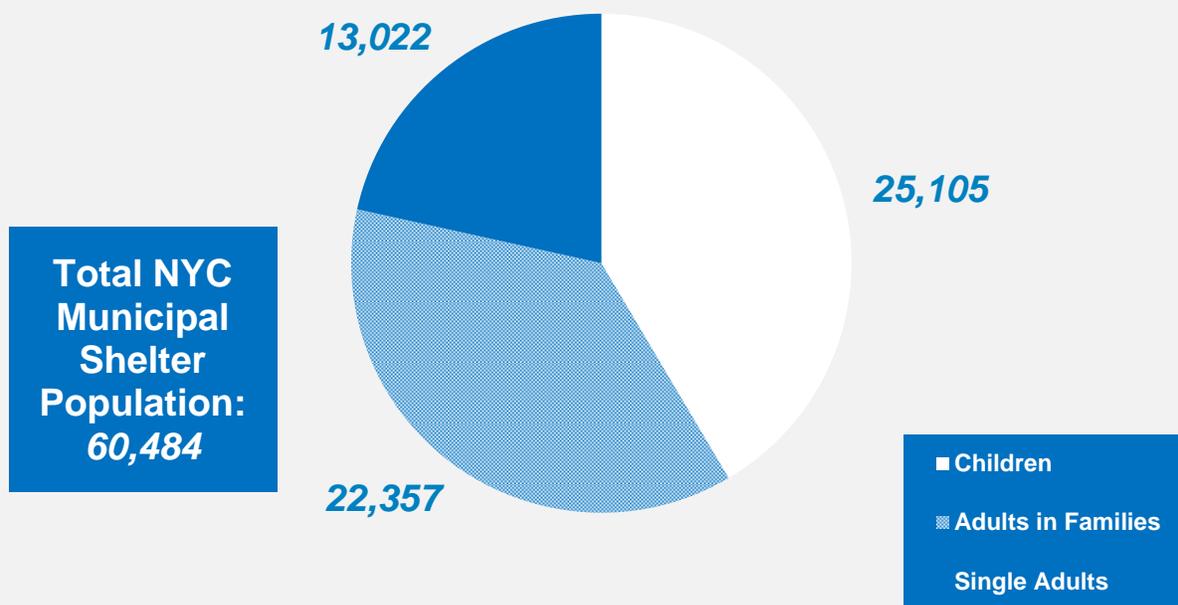
Source: NYC Department of Homeless Services and Human Resources Administration and NYCStat, shelter census reports

Number of Homeless Single Adults Each Night in NYC Shelter System, 1983-2015



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

Number of Homeless People Each Night in the NYC Shelter System, February 2015



Source: City of New York, NYCStat

Stable Permanent Housing is the Key to Solving Homelessness

It comes as no surprise to the members of this task force that the great majority of families and individuals who are homeless require some form of housing assistance in order to secure and retain stable permanent housing.

The status quo is unsustainable, and while some important incremental improvements have been made by the City and State in recent months, including new rental assistance programs, better HRA outreach to prevent evictions, and more placements of homeless families in public housing, these efforts fall short of what is needed to turn the tide.

The Coalition for the Homeless recently joined forces with a dozen other advocacy groups in New York City in the “Homes for Every New Yorker” partnership to publish a new report outlining nine strategies for ending mass homelessness by 2020.

The report, *Ending Homelessness: How Mayor de Blasio and Governor Cuomo Can Do It*, calls on Governor Cuomo and Mayor de Blasio to take the following steps:

1. Set Aside 10% of All New City-Assisted Housing for Homeless New Yorkers
2. Target More NYCHA Public Housing Apartments to People in the Shelter System
3. Renew a City-State Agreement to Create Permanent Supportive Housing
4. Enhance City-State Rent Subsidies to Prevent Homelessness and Rehouse the Homeless
5. Invest in Cost-Saving Programs to Prevent Homelessness

6. Convert So-Called “Cluster-Site” Shelter Back to Permanent Housing
7. Expand Rental Assistance to All Low-Income New Yorkers Living with HIV
8. Raise the Minimum Wage to \$15 Per Hour in New York City
9. Build Housing with Developers Who Use Local Hire Goals and Union Labor

The full report can be found at <http://www.coalitionforthehomeless.org/wp-content/uploads/2015/04/HomesForEveryNYerReport04072015.pdf> and below are excerpts outlining each recommendation.

Set Aside 10% of All New City-Assisted Housing for Homeless New Yorkers

The de Blasio administration should ensure that its affordable housing plan allocates at least 10% of all new housing units to homeless families and individuals. Through this allocation, the City will create and preserve at least 1,000 affordable apartments per year targeted specifically to homeless families. This is in addition to the estimated 1,000 supportive housing apartments per year that would be created under the Mayor’s housing plan. The administration should also ensure that all City-subsidized apartments designated for homeless families, as per their regulatory agreements, are in fact currently housing homeless families, and that as they become vacant, such apartments are provided to homeless New Yorkers.

Target More NYCHA Public Housing Apartments to People in the Shelter System

The de Blasio administration should allocate at least 2,500 NYCHA public housing apartments each year to homeless families and individuals, including families residing in domestic violence shelters, and give at least one third of available Section 8 vouchers each year to homeless families and individuals.

Renew a City-State Agreement to Create Permanent Supportive Housing

Governor Cuomo and Mayor de Blasio should renew a City-State agreement to create and fully fund services for 30,000 units of supportive housing over the next ten years. There have been three City-State “New York/New York Agreements” to create permanent supportive housing – the first in 1990, the second in 1998, and the third in 2005. Combined, all three NY/NY agreements have created more than 14,000 new supportive housing units since 1990.

NY/NY supportive housing agreements have been successful in reducing the use of other public systems and have produced significant cost savings. This renewed “New York/New York Agreement” would 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 would 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; and
- 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).

Enhance City-State Rent Subsidies to Prevent Homelessness and Rehouse the Homeless

While new City-State 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. The programs also need continued State funding and commitments in order to assist more

homeless families and individuals in the coming years. The City-State rental assistance programs can be enhanced through the following strategies:

- 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. The programs should:
 - 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 hours 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
 - Use Fair Market Rent levels as the benchmarks for the program.

Invest in Cost-Saving Programs to Prevent Homelessness

Preventing homelessness is both effective and fiscally smart. The average annual cost of sheltering a homeless family in New York City is more than \$38,000, and the annual cost of sheltering an individual is \$24,000. In comparison, prevention programs like anti-eviction legal services or rent arrears grants cost a fraction of the cost of shelter. To better prevent homelessness, the City should:

- Coordinate prevention services among prevention agencies so that at-risk families and individuals know where to go to get help;
- Create a “right to counsel” for low-income tenants facing eviction in housing court, and enhance funding for anti-eviction legal services to help many more low-income tenants;
- Increase funding for rent arrears, which will ensure that more families can avoid costly emergency shelter and remain in their own homes;
- Negotiate with the State to administer the Family Eviction Prevention Supplement (FEPS) program at neighborhood welfare offices and/or other sites, to make the FEPS benefit more widely available to at-risk families; and
- Seek immediate approval from the State to increase FEPS subsidy rent levels equivalent to those in the Section 8 program, as well as remove restrictions that prevent families from accessing the FEPS subsidies, such as the requirement that the family be sued in housing court, exposing them to inclusion on the "Black Lists" at tenant screening bureaus.

Convert So-Called “Cluster-Site” Shelter Back to Permanent Housing

The City’s use of apartment buildings as costly temporary shelter – a disastrous policy begun under Giuliani but dramatically expanded under Bloomberg – is deeply misguided and illustrates the historic failure of the last administration’s approach to the problem of homelessness. Simply put, under the failed scatter-site/cluster-site shelter model, the City favors costly temporary shelter over cheaper permanent housing, ultimately contributing to rising and all-time record homelessness in New York City. The City should:

- Convert “cluster-site” shelter units back to permanent housing to help significantly reduce the number of homeless families;
- Provide City-State rent subsidies to allow families in “cluster-site” units that meet Section 8 quality standards to secure leases for the very apartments in which they already reside;

- Commit to a definitive public timeline to reduce – and ultimately eliminate – City reliance on “cluster-site” shelter while instituting strong deterrence measures to safeguard against the harassment of tenants in former “cluster-site” buildings by property owners; and
- Utilize aggressive code-enforcement to address code violations and hazardous conditions for tenants currently residing in these units while transitioning from this model.

Expand Rental Assistance to All Low-Income New Yorkers Living with HIV

An estimated 10,000 to 15,000 people living with HIV (including 800 to 1,000 people living with HIV residing in NYC homeless shelters on any given night) remain medically ineligible for housing assistance and benefits provided for persons with symptomatic HIV infection through HASA, and an estimated 2,000 to 6,000 people living with HIV in the balance of the state outside NYC have an unmet housing need.

New York City must expand and update the enhanced rental assistance, transportation and nutrition programs and 30 percent rent cap, and expand the public benefits and services currently available to all persons living with AIDS or clinical symptomatic HIV illness to all income-eligible New Yorkers living with HIV.

The rental assistance rate for the NYS HIV Enhanced Rental Assistance program must be updated and increased from \$480/month for single individuals and \$330 for additional household members. This is insufficient to support even a studio apartment in any part of New York. The rates linked to HIV-specific programs need to be updated to fair market rental rates in localities.

Raise the Minimum Wage to \$15 per Hour in New York City

The Cuomo administration should raise the minimum wage for New York City to \$15 per hour to help reduce poverty and to provide the much-needed relief for working homeless families across the city. By December 31, 2015, the minimum will be \$9 per hour, which is not enough for families to survive on in New York City.

Build Housing with Developers Who Use Local Hire Goals and Union Labor

The administration should work in partnership with organized labor and the building trades to ensure that jobs for construction and building operations workers include decent wages, healthcare, retirement benefits and adequate safety training to make career paths in construction more viable. Additionally, the administration should prevent irresponsible, lawbreaking contractors with records of wage and hour, minimum wage, prevailing wage and safety violations from working on subsidized housing. NYC can both meet our housing needs and help alleviate poverty by providing careers, not just jobs, like those provided by labor unions.

Conclusion

The Coalition for the Homeless believes that implementation of these solutions will help bring an end to homelessness and we urge all lawmakers to work together to help make that happen.

Coalition for the Homeless Background

The Coalition for the Homeless, founded in 1981, is a not-for-profit advocacy and direct service organization that assists more than 3,500 homeless New Yorkers each day – clients who come from nearly every zip code in the five boroughs and beyond. The Coalition advocates for proven, cost-effective solutions to the crisis of modern homelessness, which now continues into its fourth decade. The Coalition also protects the rights of homeless people through litigation concerning the right to

emergency shelter, the right to vote, and life-saving housing and services for homeless people living with mental illness, HIV/AIDS, and other disabilities.

The Coalition operates eleven direct-services programs that offer vital services to homeless, at-risk, and low-income New Yorkers, and demonstrate effective, replicable long-term solutions. These programs include supportive housing for families and individuals living with AIDS, job-training for homeless and formerly-homeless women, rental assistance which provides rent subsidies and support services to help working homeless individuals rent private-market apartments, and permanent housing for formerly-homeless families and individuals. Our summer sleep-away camp and after-school program help hundreds of homeless children each year. The Coalition's mobile soup kitchen distributes 900 nutritious meals each night to street homeless and hungry New Yorkers, and our client advocacy program helps homeless people with disabilities obtain Federal disability benefits and housing. Finally, our Crisis Intervention Department assists more than 1,000 homeless and at-risk households each month with eviction prevention assistance, referrals for shelter and emergency food programs, and assistance with public benefits.

The Coalition also represents homeless men and women as plaintiffs in *Callahan v. Carey* and *Eldredge v. Koch*. When modern homelessness first emerged in the late 1970s, thousands of homeless New Yorkers were forced to fend for themselves on the streets, and many died or suffered terrible injuries. Indeed, public health officials in those days often remarked privately that literally hundreds of homeless men and women were perishing each year on the streets of the city, often from hypothermia and other cold-related causes, although no public record was ever made available.

In response to this crisis, in 1979 founders of the Coalition for the Homeless brought a class action lawsuit in New York State Supreme Court against the City and State called *Callahan v. Carey*, arguing that a constitutional right to shelter exists in New York. In particular, the lawsuit was based on *Article XVII of the New York State Constitution* – an amendment which was enacted in the midst of the Great Depression – which declares that "the aid, care and support of the needy are public concerns and shall be provided by the state and by such of its subdivisions...."

The lawsuit was brought on behalf of all homeless men in New York City. The lead plaintiff in the lawsuit, Robert Callahan, was a homeless man suffering from chronic alcoholism who lived on the streets in the Bowery section of Manhattan.

In December 1979, the New York State Supreme Court ordered the City and State to provide shelter for homeless men in a landmark decision that cited *Article XVII of the New York State Constitution*. And in August 1981, after nearly two years of intensive negotiations between the plaintiffs and the government defendants, *Callahan v. Carey* was settled as a consent decree.

By entering into the decree, the City and State agreed to provide shelter and board to all men who met the need standard for public assistance or who were in need of shelter "by reason of physical, mental, or social dysfunction." (A companion lawsuit, *Eldredge v. Koch*, extended the right to shelter to single women, who are now protected by the consent decree. Separate litigation by the Legal Aid Society has guaranteed similar rights for homeless families.)

Pursuant to the *Callahan* consent decree, which also guarantees basic standards for shelters serving homeless men and women, the Coalition serves as the court-appointed monitor of municipal shelters for homeless adults in New York City.

The decree established a right to shelter for all men and women in need of shelter from the elements in New York City, and it has been responsible for saving the lives of countless homeless New Yorkers who might otherwise have died on the streets of the city.

Nevertheless, one tragic footnote to the history of the litigation is the fate of Robert Callahan himself. The autumn before the consent decree bearing his name was signed, Mr. Callahan died on Manhattan's Lower East Side while sleeping rough on the streets. Thus, Robert Callahan was one of the last homeless victims of an era with no legal right to shelter.

In addition to litigation and vital services, the Coalition for the Homeless has engaged in a broad spectrum of advocacy and public education work to deliver vital and far-reaching victories, including:

- Community Mental Health Reinvestment Act
- Laws guaranteeing a right to educational services for homeless children and youth
- SRO Support Services program
- Foster Care preventive and reunification rent subsidies
- "Year of the Homeless" social services programs that brought \$20 million annually in new homeless housing and mobile food, shelter repair, housing subsidies, and mental health services (largely to the outer boroughs)
- New York/New York II and III agreements
- Emergency Homeless Needs program
- Client Advocacy Program
- Disability Rent Increase Exemption program
- Timothy's Law
- Ombudsman services for Medicaid Managed Care enrollees beginning in 2014 (ICAN)
- Addition of more than \$29 million to the final 2015 State budget for new and expanded homeless housing and services
- Homelessness Prevention Pilot Program
- Federal Stewart B. McKinney Homeless Assistance Act
- Federal Mental Health Parity and Addiction Equity Act
- Local laws relating to shelter and other homelessness and housing policies in New York City