

coalition
for the
homeless

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State of the Homeless 2016

**Beyond the Rhetoric:
What Will Turn the Tide?**



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Beyond the Rhetoric: What Will Turn the Tide?

By Giselle Routhier, Policy Director, Coalition for the Homeless

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Executive Summary

Over the past year, homelessness in New York City has been in the news more than at any time in recent history. This increased attention is long overdue, as the numbers of homeless New Yorkers rose at an astonishing rate from 2011 through 2014, cresting at a record 60,939 men, women and children bedding down each evening in our municipal shelters. This unprecedented rise was a direct result of previous City policies that eliminated all housing resources for homeless families and single adults. Today the shelter census remains at near record levels, with 60,400 individuals in shelter each night, including nearly 24,000 children. The state of homelessness today in New York City is decidedly mixed: While a series of new rental assistance and eviction prevention subsidies have shown promise in leveling the catastrophic increases in homelessness among families with vulnerable children, the de Blasio administration's efforts to address the growing crisis for single adults and those living on the streets have, to date, been less successful.

For homeless families, several important trends began in 2015:

- Permanent housing placements for homeless families increased significantly, curbing the unrelenting, sharp increase in the family shelter census.
- Fewer families overall have been applying for shelter – as the result of significantly increased investments by the City in homelessness prevention.
- The de Blasio administration wisely moved away from the practice of aggressive front-end deterrence, in which the majority of families applying for shelter were initially – and wrongfully – denied help. As a result, a higher percentage of shelter applicants are being accepted.

But for homeless single adults, however, the current situation is dismal.

- The past year saw a new record number of homeless men and women sleeping in emergency shelters each night – in fact, the most since the City began keeping records in 1983.
- Despite over a thousand single adults receiving subsidized housing last fiscal year and more on track to receive subsidies this year, the vast majority continue to exit shelter without any assistance, and 18 percent fewer single adults moved into supportive housing last fiscal year than the previous year.
- A significant subset of the homeless single adult population struggle with mental illness and other disabilities – and that proportion is even greater among those living rough on our city's streets. These men and women require more intensive services in conjunction with permanent

housing. While this permanent supportive housing model has long been proven the most successful and cost-effective way to end the trauma of homelessness for this group, efforts to reach a fourth “New York/New York Agreement” between the Mayor and Governor failed, with the City and State now setting out separately to fund housing for our most marginalized neighbors. The delay in codifying this agreement has contributed directly to the growing numbers of frail people living on NYC streets.

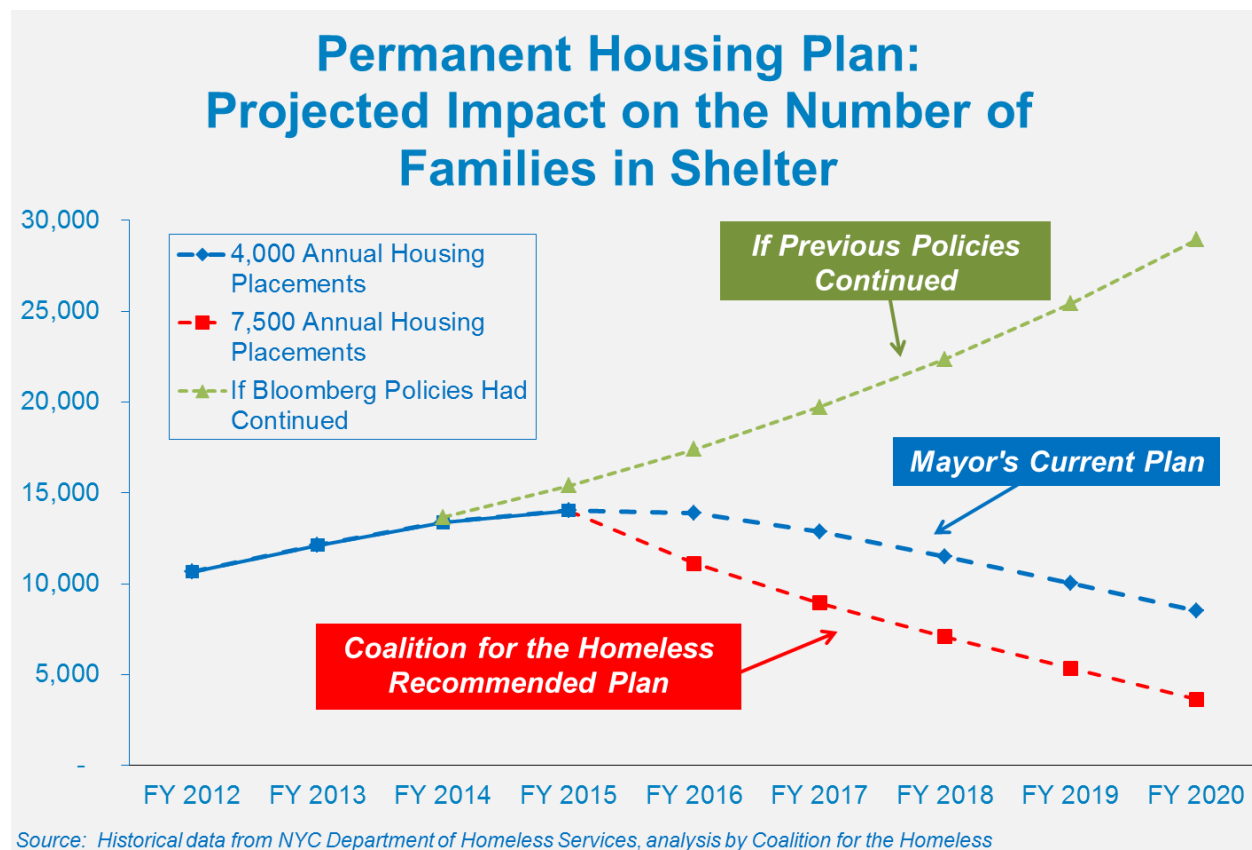
While the City can and should be doing more, inaction and counter-productive actions taken by the State have contributed greatly to the current homelessness crisis. The State has systematically reduced its funding to ensure decent, bedrock shelter for homeless New Yorkers¹ and, rather than partnering with the City on housing-based solutions, the Governor has chosen instead to undercut sensible efforts to bring stability to both homeless families and individuals. Perhaps most troubling, while the Governor pledged in his State of the State address to fund 20,000 units of supportive housing, to date there is no definite timeline for implementation of this heroic goal and no details on the revenue plan to support the first 6,000 of those units in this year’s budget. Indeed, the Coalition’s analysis of the Governor’s budget bills reveal it will take at least three years before a single unit of additional State-funded supportive housing will be opened for occupancy.² This follows two years of inaction and delay in spending money earmarked for supportive housing—during which time homelessness among single adults hit new record highs.

While the once unrelenting surge in family homelessness has finally begun to level off, make no mistake: New York City’s current situation remains dire. Both the Mayor and Governor must take immediate steps to reduce the visible suffering on our streets, as well as to stem the very real damage homelessness wreaks on the tens of thousands of homeless boys and girls living in municipal shelters.

The Mayor must:

- ***Move 5,000 families annually into permanent housing utilizing NYCHA public housing, Section 8 vouchers, and HPD units – including 2,500 placements into NYCHA and 2,500 placements utilizing Section 8 and HPD units;***
- ***Increase placements of homeless families using City subsidies to 2,500 households per year;***
- ***Increase subsidized and supported housing placements for homeless single adults, particularly by adding at least 500 new scattered-site units of supportive housing this year.***
- ***Convert all cluster site apartments currently used for emergency shelter back to affordable, rent-regulated permanent housing, and prioritize homeless families to stay in those units deemed safe and habitable;***
- ***Open a minimum of 200 additional low-threshold “safe haven” shelter beds to help immediately move the most vulnerable women and men off the streets;***
- ***Enact and fund a “Right to Counsel” law for low-income tenants facing eviction in Housing Court; and***

- **Ensure that all homeless shelters are safe, up to code, properly staffed, and provide an effective alternative to the streets.**



The Governor must:

- **Along with the Legislature, act immediately to execute an agreement, as required in the State budget, to get nearly \$2 billion in supportive and affordable housing funds out the door and available for use in creating new supportive housing units;**
- **Ensure that the agreement includes at least 500 State-funded scattered-site supportive housing units to be opened by March 2017 for homeless New Yorkers living with mental illness and other disabilities, with at least another 500 such units to be opened by March 2018;**
- **Immediately issue Requests for Proposals (RFPs) needed to distribute all available appropriated funds to support the first 6,000 units of supportive housing proposed in the Executive Budget;**
- **Enter into a fourth New York/New York Agreement with the City of New York to codify a long-term supportive housing plan for 15,000 State-funded and 15,000 City-funded supportive housing units in New York City to be opened in the next fifteen years;**
- **Immediately approve the City of New York's plan for youth facilities fund savings to be invested in rental subsidy programs;**

- *Reverse harmful State cuts to New York City’s emergency shelter system, and help fund new lower-threshold “safe haven” shelter beds in his 2017-18 Executive Budget by sharing equally with the City in the non-federal cost of temporary housing;*
- *Increase funding for homelessness prevention by raising public assistance rent levels, expanding eligibility to domestic violence survivors for critical prevention programs like FEPS, and raising FEPS rent caps to the HUD-approved Fair Market Rent levels in his 2017-18 Executive Budget; and*
- *Coordinate with the City on shelter inspections and help provide much-needed resources to address outstanding issues such as major capital repairs and building systems as quickly as possible.*

Part I

Drivers of Record Homelessness

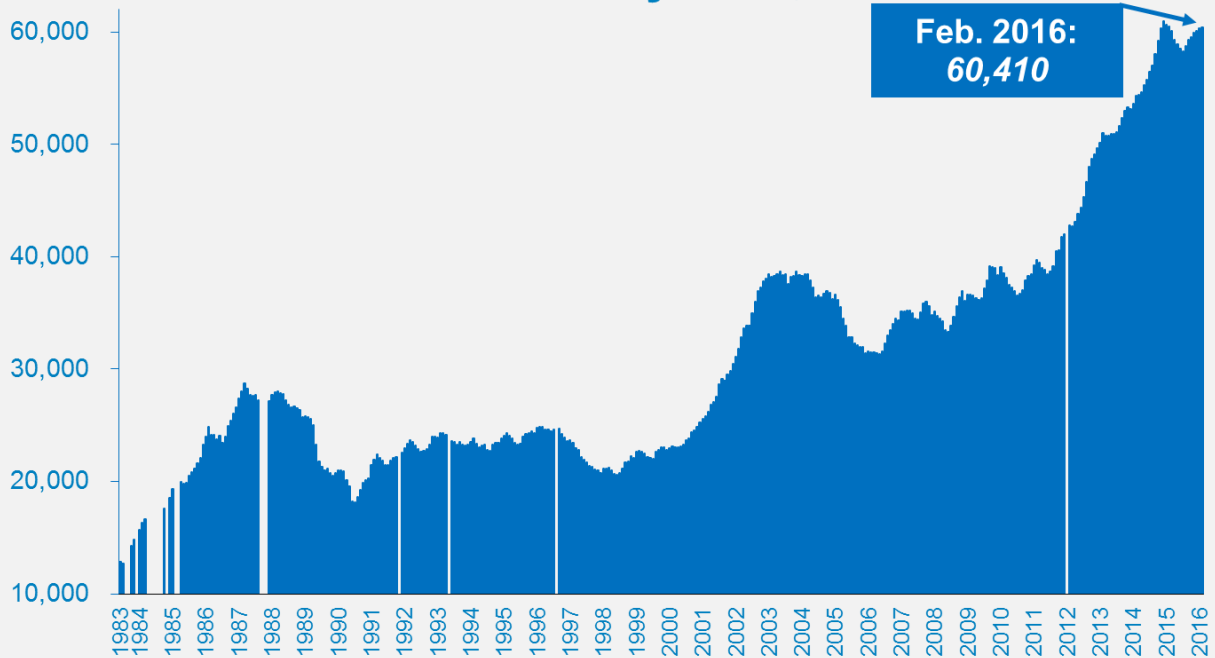
Although the historic surge in the homeless shelter census that began in 2011 has recently slowed, homelessness in New York City continues to hover at near-record levels: More than 60,000 men, women, and children sleep in municipal shelters each night, including a disgraceful 24,000 children. Countless more struggle to survive on our city's streets, unable to obtain appropriate shelter and services – let alone housing. Over the course of the last fiscal year, more than 109,000 unique individuals and children slept in the City's shelter system—a decrease of six percent from last year, but still up 11 percent since 2005.

Over the past year and a half, the de Blasio administration has implemented a series of new programs and policy reforms to more effectively address the city's homelessness crisis. However, the root causes of homelessness in New York City have persisted – and in some cases have worsened – highlighting the increased urgency in embracing the full set of proven solutions. Mass homelessness in New York City stems from two key factors: the city's ongoing affordable housing crisis, and the legacy of the disastrous policy decisions made by Mayor Bloomberg.

Rents in New York City once again soared in 2015, the market continued to hemorrhage affordable units, and incomes have not kept pace with housing costs – most significantly for the lowest-income New Yorkers. Between 2010 and 2014, the median household income across New York City rose by 2 percent, while the median rents rose 14 percent. In the lowest-income neighborhoods, the median income *decreased* by nearly 7 percent, while rents rose by 26 percent.³ At the same time, the number of units renting for less than \$1,000 (including both regulated and unregulated units) decreased by over 175,000 (see appendix for graphs).⁴ This dramatic and growing gap between incomes and rents continues to drive countless New Yorkers into financial crisis, all too often culminating in homelessness. In 2014 alone, landlords filed a total of 208,158 cases in Housing Court against tenants with rental arrears.⁵

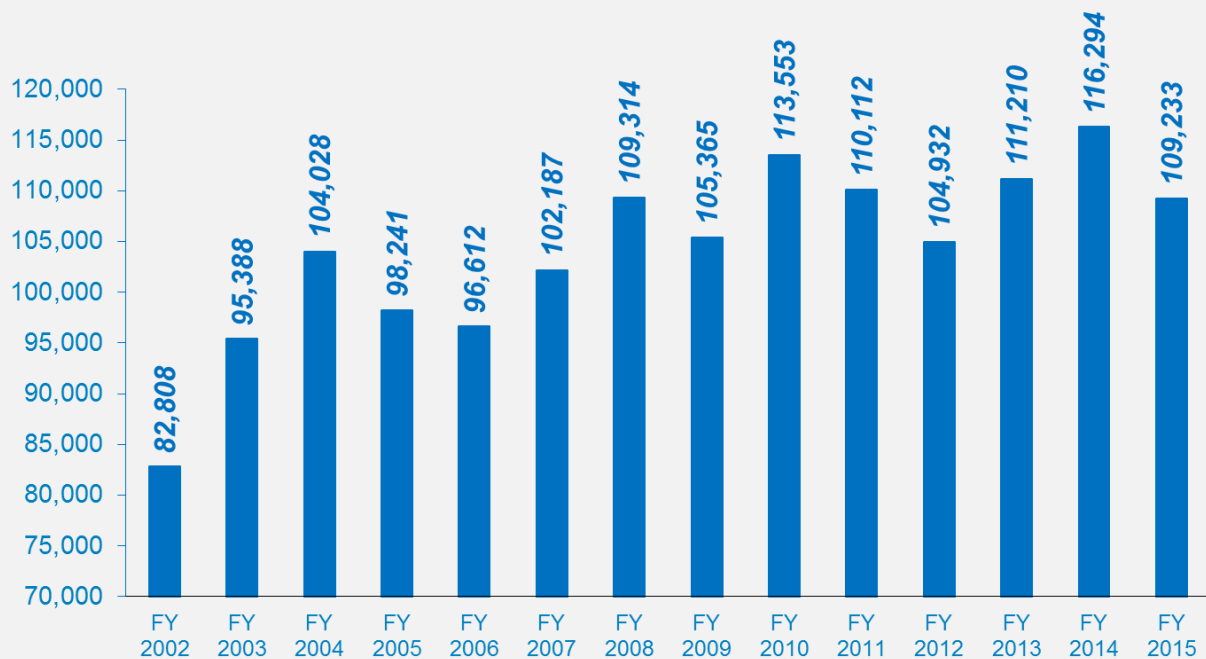
While the lack of affordable housing has forced tens of thousands of New Yorkers into homelessness, the policy decisions of the previous administration deeply exacerbated the crisis by virtually eliminating any way for homeless New Yorkers to find their way back into permanent housing. The Bloomberg administration disastrously replaced permanent rental assistance for homeless families – namely, public housing and Section 8 vouchers – with a poorly designed temporary rental assistance program in 2005, and then later ended that program altogether in 2011. For the first time in New York City's modern history, homeless families were left with *no housing assistance whatsoever* for exiting the costly and chaotic shelter system. The result: Between 2006 and 2014, the number of men, women and children in homeless shelters increased by a staggering 93 percent – from 31,554 to 60,939.

Number of Homeless People Each Night in the NYC Shelter System, 1983-2016



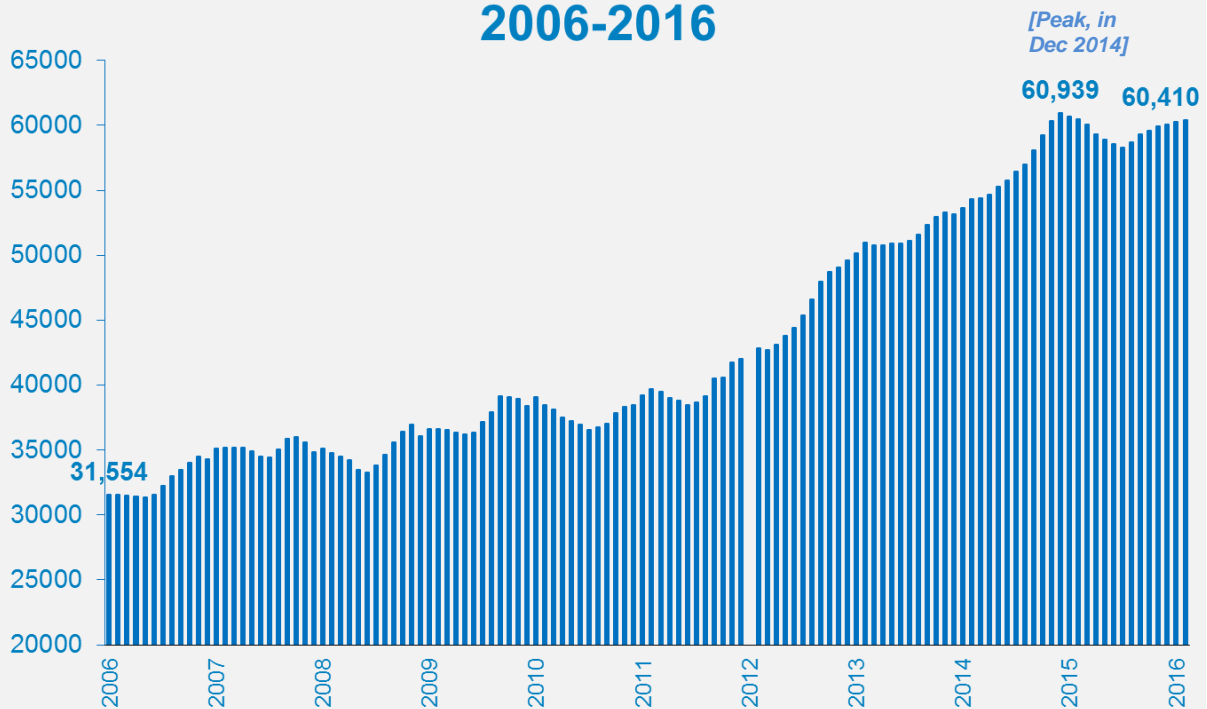
Source: NYC Department of Homeless Services and Human Resources Administration and NYCStat, shelter census reports

Total Unique Individuals Utilizing Shelter During Fiscal Year, 2002-2015



Source: NYC Department of Homeless Services

New York City Nightly Shelter Census 2006-2016



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

The trends detailed above fueled New York City's current homelessness crisis. Thousands of families with vulnerable children **continue to fall into homelessness** due to lack of affordable housing – this is especially true for the lowest-income New Yorkers. While the Mayor himself has stated unequivocally that the time has long past to blame previous administrations for this crisis, it is important to understand that the wholesale abandonment of permanent housing solutions from 2005 to 2012 relegated record numbers of families to live – oftentimes for *years* – in emergency shelters, desperately searching for a way out. The previous administration's abnegation of duty essentially created a massive hole – the magnitude of which New York City has never seen and out of which we will likely be digging for years to come. The legacy inherited by the current administration can only be characterized as failures at multiple levels:

- As the economic drivers of homelessness worsened, permanent housing support was withdrawn, causing the shelter system to explode; and
- Conditions in the bursting system worsened, particularly in the uncontracted, yet fastest-growing segment – the “cluster site” units, which were so badly neglected, they often presented real danger to young children and parents with disabilities.

Part I Summary:

- *Homelessness in New York City remains at near-record highs, with over 60,400 people sleeping in shelters each night, including nearly 24,000 children.*
- *Over the course of the last fiscal year, over 109,000 unique individuals and children slept in the City's shelter system, down six percent since last year, but up 11 percent since 2005.*
- *Our current homelessness crisis has been fed by two major trends:*
 - *The city's growing housing affordability crisis*
 - *The disastrous policies of the previous mayoral administration*
- *Between 2010 and 2014, the median household income across New York City rose by 2 percent, while the median rent rose by 14 percent; In the lowest-income neighborhoods, the median income decreased by nearly 7 percent, while rents rose by 26 percent.*
- *Between 2011 and 2014, New York City lost over 175,000 units renting for less than \$1,000 (including both regulated and unregulated units).*
- *In 2005, Mayor Bloomberg cut off homeless families from receiving priority access to federal housing resources, such as public housing and Section 8 vouchers, and instead offered families a series of flawed, time-limited rental subsidies.*
- *In 2011, Mayor Bloomberg ended all rental assistance for homeless families, marking the first time ever that homeless families had no assistance to exit the shelter system.*
- *Between 2006 and 2014, the shelter census increased by 93 percent.*

Part II

Behind the Numbers: Recent Trends and Housing Placements

Recent changes in the shelter census are attributable to many more factors, as policy changes and the addition of housing options have yielded more success with some segments of the homeless populations over others. Put simply, the shelter census for families with children has trended in a more positive direction than that of single adults and adult families, as more families with children have been able to move out of shelter, thanks to City-funded rental assistance options and the Mayor's decision to restore homeless families' priority for federal housing resources. Single adults still struggle to access permanent housing, including a dwindling number of supportive housing units, and so it comes as no surprise that their ranks – both in the shelters and on our streets – continue to grow.

Families

Changes in the family shelter census over the past year reflect several key shifts in City policies. The skyrocketing number of **family members** in shelter – which peaked in December 2014 at 48,475 – **decreased** by roughly five percent since then, to 46,111. The number of **family households** in shelter today **remains nearly the same** as it was a year ago — about 14,700 – but the **number of children** in those households is **down by about 8 percent**, to 23,783. A number of factors, including increased housing placements and changes in eligibility procedures, are responsible for these trends.

Placements into Permanent Housing

The most important factor contributing to positive trends in family homelessness is the de Blasio administration's prudent shift to housing-based solutions and its decision to reinstate homeless families' priority for federal housing resources, including NYCHA and Section 8. Over the past full fiscal year, over 1,900 families have moved into public housing and close to 600 families have moved with the help of a Section 8 voucher. These are resources that will provide families with the most stable and successful permanent affordable housing options available. This laudable achievement lays in stark contrast to the paltry 170 families that received public housing and Section 8 during the last year of the Bloomberg administration. Yet despite this progress, still fewer than half of all public housing vacancies were targeted to homeless families.

In addition to reinstating priority for federal resources, the de Blasio administration also created a series of flexible, long-term rental subsidies to move homeless families up and out of shelter. These include the array of LINC subsidies and CityFEPS – which are funded in large part without State contribution. In fiscal year 2015, more than 1,400 families moved out of shelter via these City-funded subsidies. And now, as we stand two-thirds of the way through fiscal year 2016, the de Blasio administration has moved over 1,800 families into permanent housing with these subsidies.

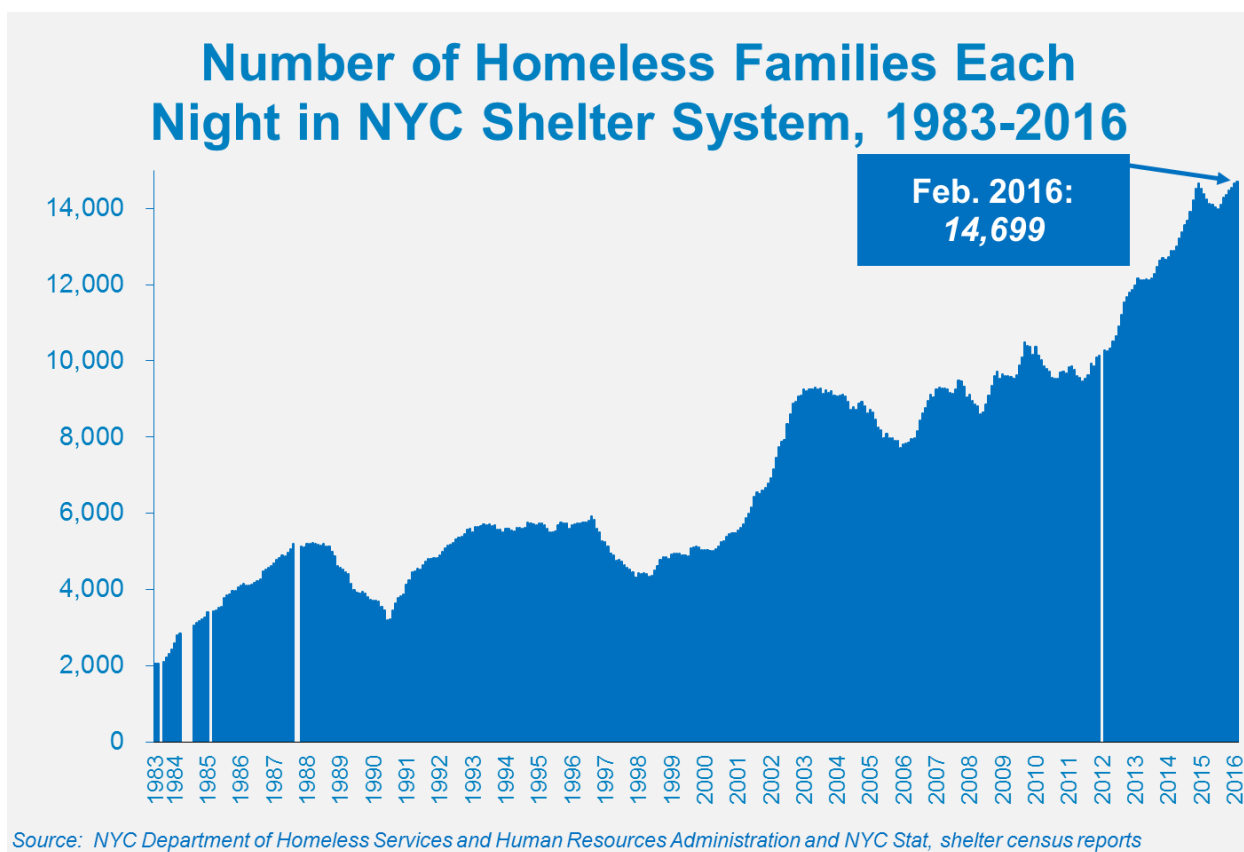
There is one striking area in which the de Blasio administration has fallen short: Despite the administration's progress in placing families into permanent housing via the LINC and CityFEPS programs, the City placed appallingly few homeless families into units managed by the City's Department of Housing Preservation and Development: A scant 27 families were placed in HPD-managed units in all of fiscal year 2015.

Family Shelter Applications and Entrants

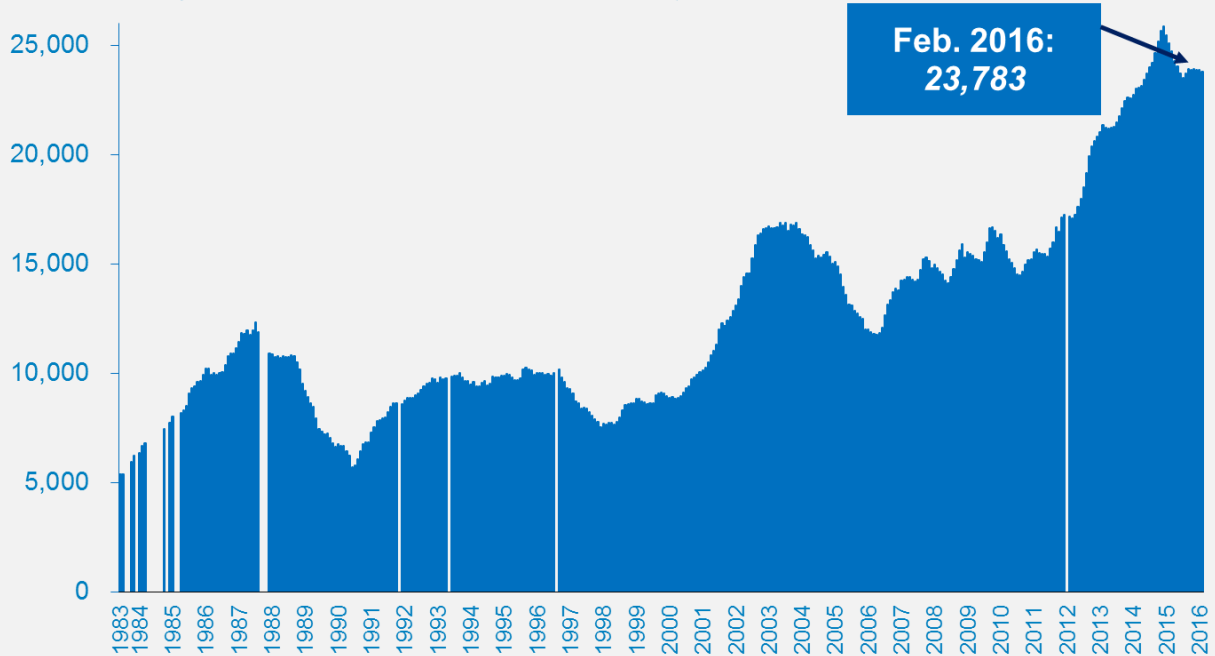
In fiscal year 2015, the number of families with children applying for shelter *decreased by three percent* while the number found eligible (and actually entering the shelter system) *increased by seven percent*. Both are extremely important – and, indeed positive developments – and can help explain why NYC's family census has not decreased as much as might be expected, given the overall investment in both permanent housing and eviction prevention. These statistics also confirm that families in desperate

need of shelter are actually receiving it, instead of being wrongly denied help and then run through complicated bureaucratic hoops, which was unfortunately the norm for many years. At its lowest point in 2011, only 36 percent of all homeless family applicants were found eligible for shelter. In 2015, this rose to nearly 50 percent.

Lastly, another significant and long-term consequence of Mayor Bloomberg's abandonment of permanent housing solutions in 2005 was a substantial increase in the percentage of "repeat families" entering shelter – that is, families who had previously been homeless and again found themselves in need of shelter. The high shelter return rate exemplified the instability caused by a lack of resources to keep families stably housed. Over the past two years, as the City has moved away from short-term time-limited subsidies and toward longer-term solutions, this trend has started to reverse – albeit slowly. In both fiscal years 2014 and 2015, the percentage of "repeat families" decreased from the previous year. In 2015, the rate is now down 8 percentage points to 55 percent, from a high of 63 percent in 2013.

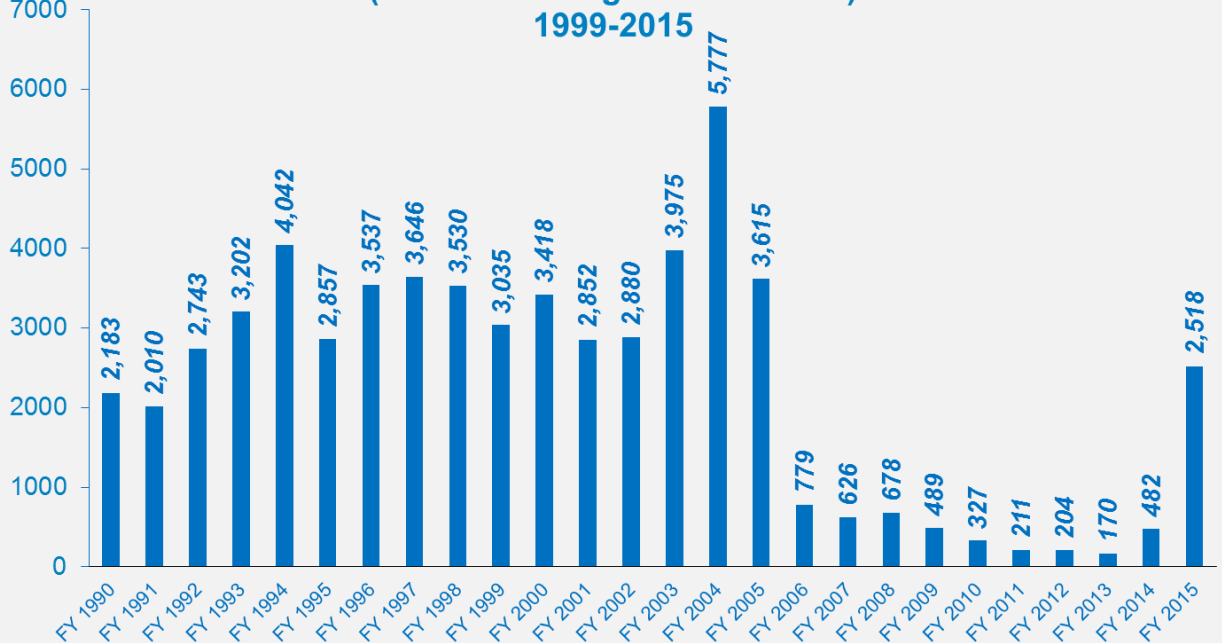


Number of Homeless Children Each Night in NYC Shelter System, 1983-2016



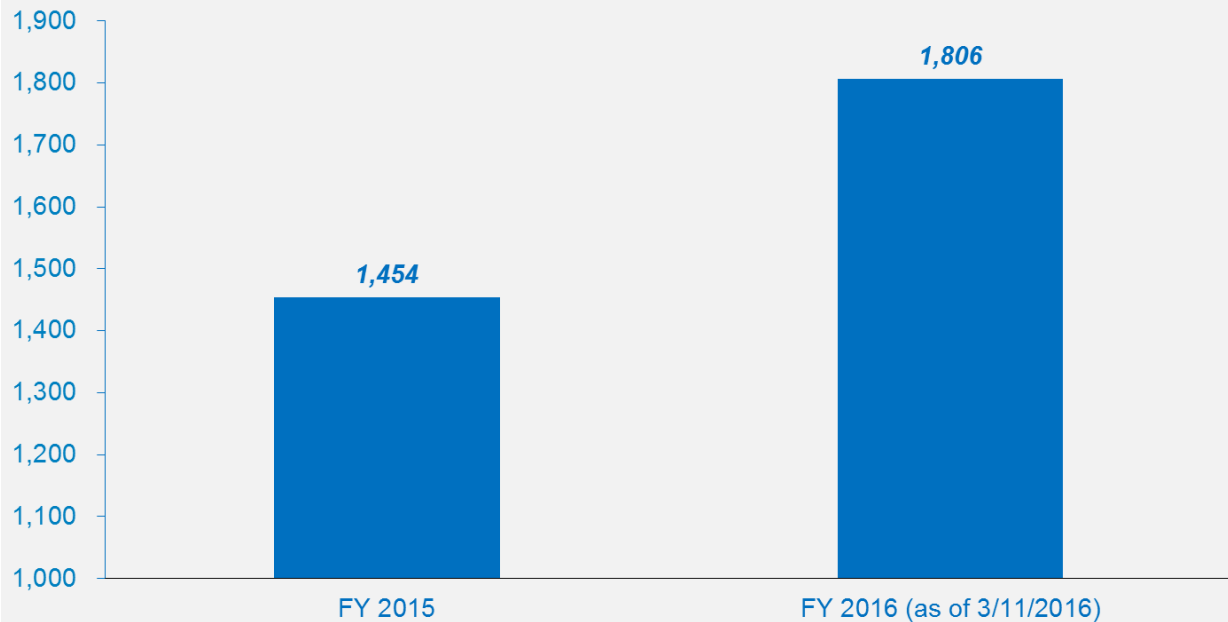
Source: NYC Department of Homeless Services and Human Resources Administration and NYCStat, shelter census reports

Total Number of Homeless Families Placed Into Federal Housing Resources (Public Housing and Section 8)



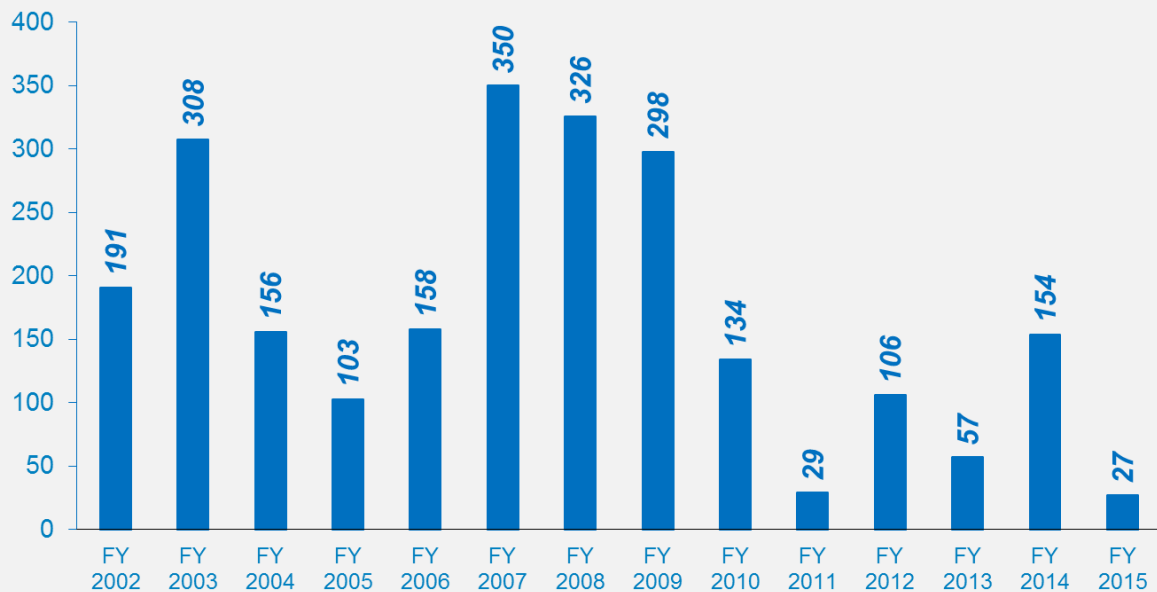
Source: NYC Department of Homeless Services and Mayor's Management Reports

Families Moving out of Shelter with City Subsidies (LINC and CityFEPS)



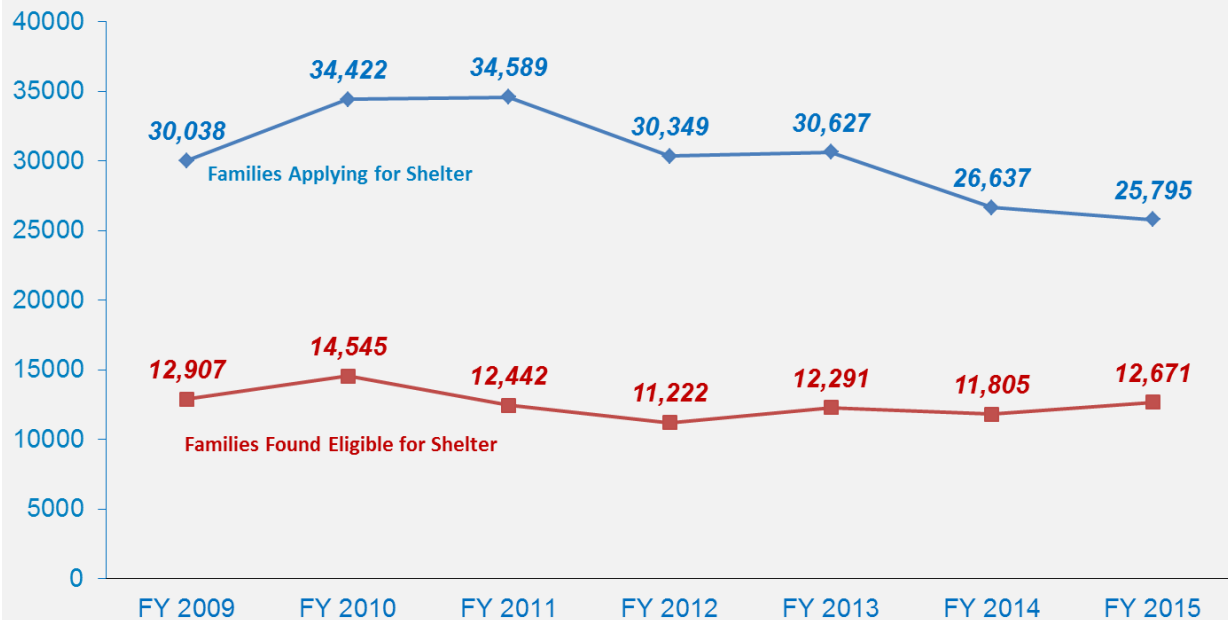
Source: Department of Homeless Services

Families Placed into HPD Units 2002-2015



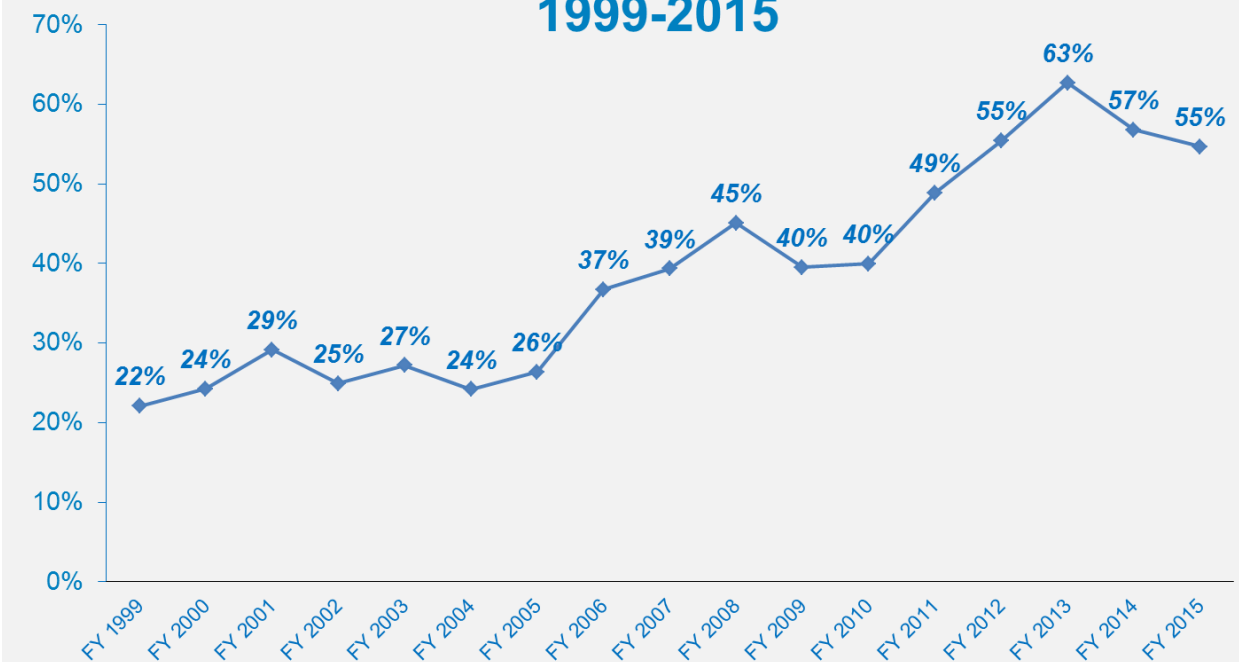
Source: NYC Department of Homeless Services

Families With Children: Applications and Eligibility 2009-2015



Source: Department of Homeless Services

Percentage of Families Entering Shelter Who Have Had Prior Shelter Stays 1999-2015

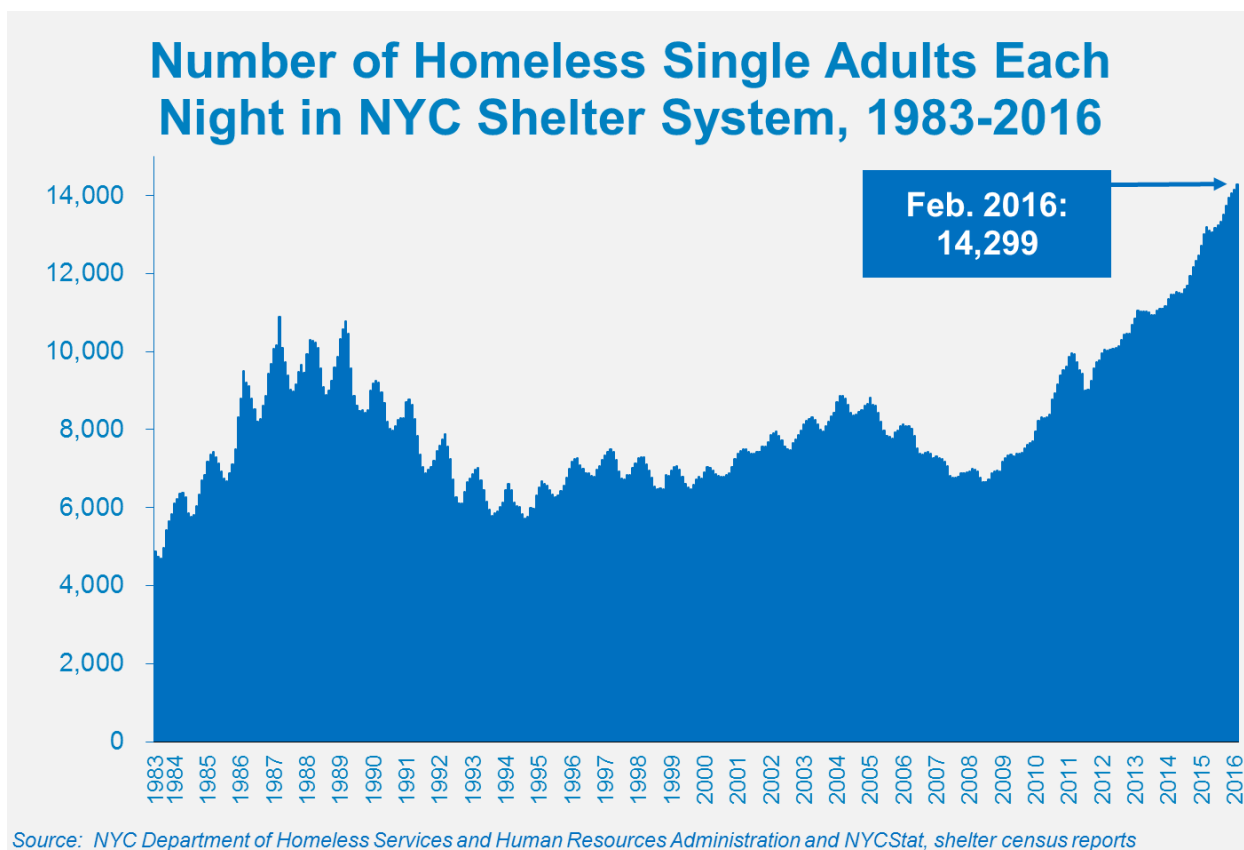


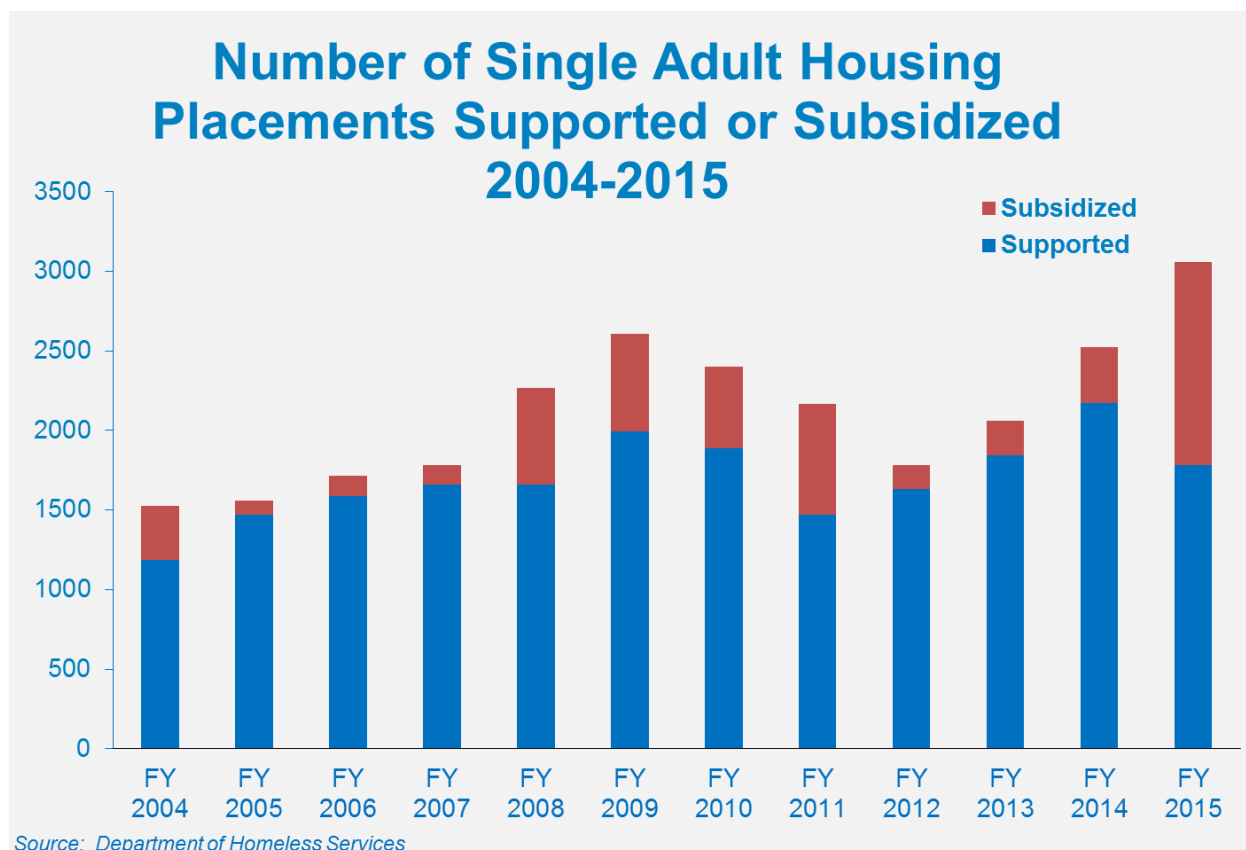
Source: Department of Homeless Services

Single Adults

The number of homeless single adults remains at record highs, with over 14,000 single men and women sleeping in New York City shelters each night. The number of individuals entering shelter has continued to increase over the past several years, as critical resources such as supportive housing have dwindled. Nevertheless, despite the obvious need for a material increase in the number of housing placements for single adults, the *types* of exits from the system in 2015 have improved somewhat over previous years.

Although the majority of homeless single adults continue to leave shelter without any housing assistance, last year the number of adults receiving housing assistance increased significantly – stemming from a substantial increase in the number of single adults obtaining subsidized housing placements. In fiscal year 2015, over 3,000 single adults moved from shelters into supported or subsidized housing, including more than 1,200 subsidized placements—nearly four times the amount of subsidized placements for the previous year, and far above any year before that. Two-thirds of the way through fiscal year 2016, 1,200 single adults have already moved out with City-subsidized placements. However, the number of supportive housing placements decreased by 18 percent in 2015, illustrating the increased urgency to develop new supportive housing units this year to ease the ongoing homelessness crisis for single adults with severe mental illness and other disabilities.





Street Homelessness

Accurately quantifying the number of homeless individuals suffering on our city's streets will always be problematic, given the transient nature of the population and obvious methodological challenges to counting persons in public and sometimes invisible locations. What we do know is that street homelessness has become more visible in recent years – perhaps not surprisingly as homelessness overall has increased. Factors contributing to increased street homelessness include an inadequate supply of low-threshold shelter, a dwindling supply of permanent affordable housing and new supportive housing units, both the perception and the reality of unsafe and unpleasant conditions in shelters, and the difficult shelter application process for adult families.

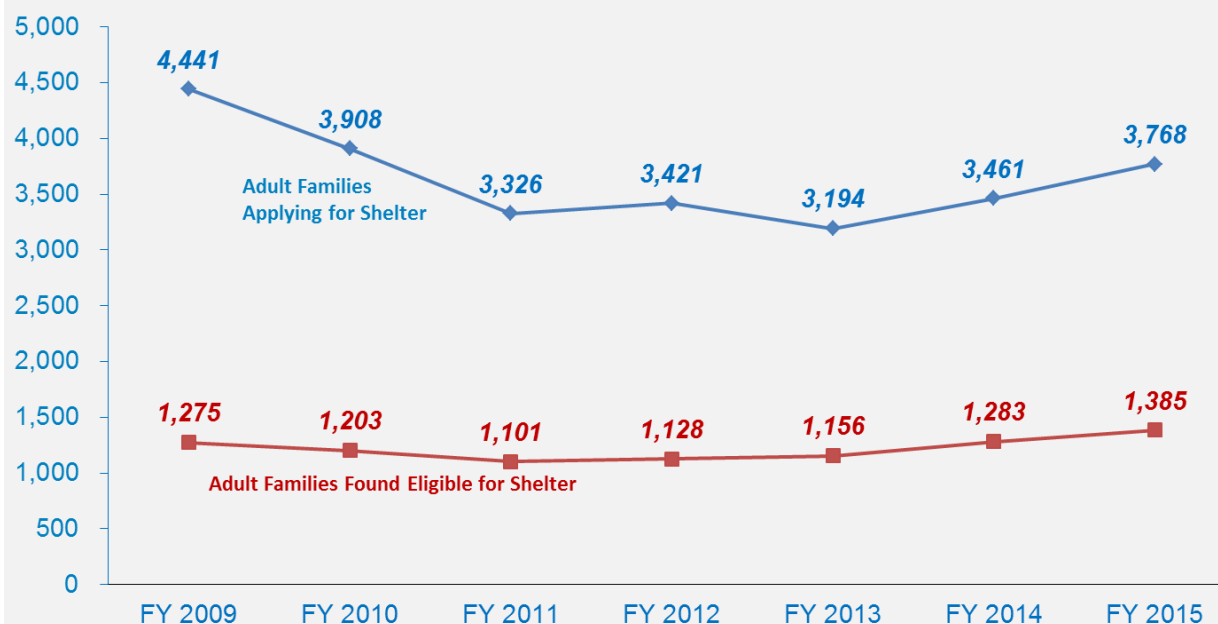
While a small subset of the street homeless population may suffer from serious and debilitating mental illness that preclude them from making rational decisions about their own welfare, others have rejected the shelter system in favor of finding their own way – whether because of bad past experiences, an inability to negotiate the intake process, or simply out of fear. The entry point to shelter (particularly for single adults) is often located in old psychiatric buildings and armories, and may include a stay in very large congregate facilities. This understandably deters many individuals from seeking help.

Smaller, lower-threshold models of shelter have been created to ease this problem by offering “safe haven” or “stabilization” beds, but there are not nearly enough to meet the tremendous need. In fiscal year 2015, over 10,000 unique individuals utilized services in drop-in centers (points of entry for many street homeless individuals, which allow them access to services, bathrooms and showers, but not beds), while only 1,900 unique individuals slept in safe havens or stabilization beds.⁶

For the subset of the street homeless population that is struggling with mental illness and other disabilities, supportive housing is by far the best solution, allowing individuals access to permanent affordable housing coupled with supportive services tailored to individual needs. Supportive housing is a proven and effective solution that has also been shown to save taxpayer dollars as a result of a reduction in the use of shelters, hospitals, psychiatric hospitals and jails.⁷ However, the number of supportive housing units is fast dwindling as the last City-State agreement to create permanent supportive housing (New York/New York III) is ending. Currently, only one out of five persons found eligible for supportive housing receives it. This crucial needs gap and the failure of the Governor and Mayor to enter into a fourth New York/New York agreement mean that thousands of individuals on the streets are unable to access this life-saving resource. The rapid creation of new supportive housing units by the Mayor and Governor separately, following announcements over the fall and spring, will be paramount to ensuring that street homelessness declines in the coming years.

A final potential driver of increased street homelessness is the shelter application process for families without children, also known as “adult families.” These families are often made up of a couple or a family with adult children. While adult families make up a relatively small portion of the shelter population, the application process for this population is the most challenging. Despite the fact that half of all families with children applying for shelter were found eligible in fiscal year 2015, only 37 percent of adult families were found eligible. Many adult families face barriers documenting their past housing histories if they have lived on the streets, and others face severe disabilities that make the application process difficult and onerous. Indeed, many adult families that unsuccessfully try to enter shelter may end up on the streets.

Adult Family Applications and Eligibility 2009-2015



Source: Department of Homeless Services

Shelter Conditions

There has been increased attention over the past year on conditions and safety in homeless shelters, including reports from the Office of the Comptroller and the Department of Investigation detailing myriad conditions problems in family shelters, as well as recent press reports about the alarming number of violent incidents in homeless shelters. The Mayor's office recently released several "report cards" detailing such problems across the system – including violations from multiple city agencies such as HPD, DOB, and FDNY. These reports confirm that the majority of problems continue to stem from the use of cluster site apartments to shelter homeless families. Violations in cluster sites make up 69 percent of all violations across the system, and have the highest average rate of violations: 45 per site. Across the system, violations in family shelters make up over 90 percent of all recorded conditions violations.

Mayor de Blasio initiated a second iteration of a "shelter repair squad" this year, with the goal of correcting violations across the system, and has recently engaged the NYPD to provide additional security and safety training to shelter staff. At the same time, Governor Cuomo has increased State-level staffing to record problems in shelter conditions. The City and State should conduct collaborative inspections to make sure all conditions issues are resolved as quickly as possible and with resources provided from both levels of government.

The City has also announced a plan to end the cluster site shelter model by converting cluster units back to permanent housing over the next three years.⁸ This is a promising step forward, which will work to reduce homelessness while preserving affordable and regulated housing stock that has been off the market for years. However, given the severity of the crisis and myriad conditions issues documented in cluster site units, increased emphasis should be placed on inspecting and repairing conditions issues in cluster sites, as well as returning units back to rent-regulated permanent housing in a shorter time frame.

Table 2: Results from February Shelter Repair Scorecard

	Number of Sites	Number of Violations	Average No. of Violations per Site
Adult shelters	110	1,698	15
Safe Haven/Vets	10	91	9
Families (Tier II)	112	2,313	21
Families (Hotels)	76	1,658	22
Families (cluster)	315	14,054	45
Adult families	21	682	32
<i>Families Subtotal</i>	<i>524</i>	<i>18,707</i>	<i>36</i>
<i>Adults Subtotal</i>	<i>120</i>	<i>1,789</i>	<i>15</i>
Total	644	20,496	32

Part II Summary

- ***Over the past year, trends in homelessness have differed by population, with the number of homeless families stabilizing slightly as a result of increased permanent housing placements, while the number of single adults continues to rise.***
- ***The number of families in shelter today is about the same as it was a year ago, although the number of children has decreased by 8 percent.***
- ***Following Mayor de Blasio’s reinstatement of federal housing priority to homeless families, 1,900 homeless families have moved into NYCHA public housing and almost 600 families have moved with Section 8 vouchers.***
- ***In fiscal year 2015, more than 1,400 families moved out of shelter using a City-funded rental subsidy, such as LINC or CityFEPS; only two-thirds of the way through fiscal year 2016, the City has moved over 1,800 families out of shelter with these resources.***

- *The number of families applying for shelter went down in fiscal year 2015, while the number found eligible (and actually entering shelter) went up. This reflects a positive change in the infamously daunting and error-ridden application process for homeless families.*
- *The percentage of families entering shelter in fiscal year 2015 who had previously been homeless was 55 percent, down from a high of 63 percent in fiscal year 2013.*
- *The number of homeless single adults remains at record highs, with over 14,000 single men and women sleeping each night in New York City's shelter system.*
- *Although most single adults continue to move out of shelter without housing assistance, in fiscal year 2015, over 3,000 single adults moved into supported or subsidized housing, including over 1,200 subsidized placements – nearly four times the amount of subsidized placements for the previous year, and far above any year before that.*
- *The number of single adults moving into supportive housing decreased by 18 percent in 2015, illustrating the increased urgency in bringing on new supportive housing units this year.*
- *The need for lower-threshold shelters is evident in the growing street homeless population. In fiscal year 2015, over 10,000 unique individuals utilized services in drop-in centers, while only 1,900 unique individuals slept in safe havens or stabilization beds.*
- *Adult families continue to face eligibility problems, with only 38 percent of all applicants found eligible for shelter.*
- *Safety in the shelter system continues to be a problem, putting homeless people at risk and deterring homeless people on the streets from entering shelters.*
- *A recently released shelter conditions scorecard confirmed that the majority of problems continue to stem from the use of cluster site apartments to shelter homeless families. Violations in cluster sites made up 69 percent of all violations across the system, and per site, clusters had the highest average rate of violations: 45 per site.*

Part III

Housing-Based Solutions

As the data show, changes in the homeless shelter census over the past year have varied by population and have reflected the new programs and policies introduced by the de Blasio administration. But it is clear that more must be done. There must be increases in the housing resources made available to

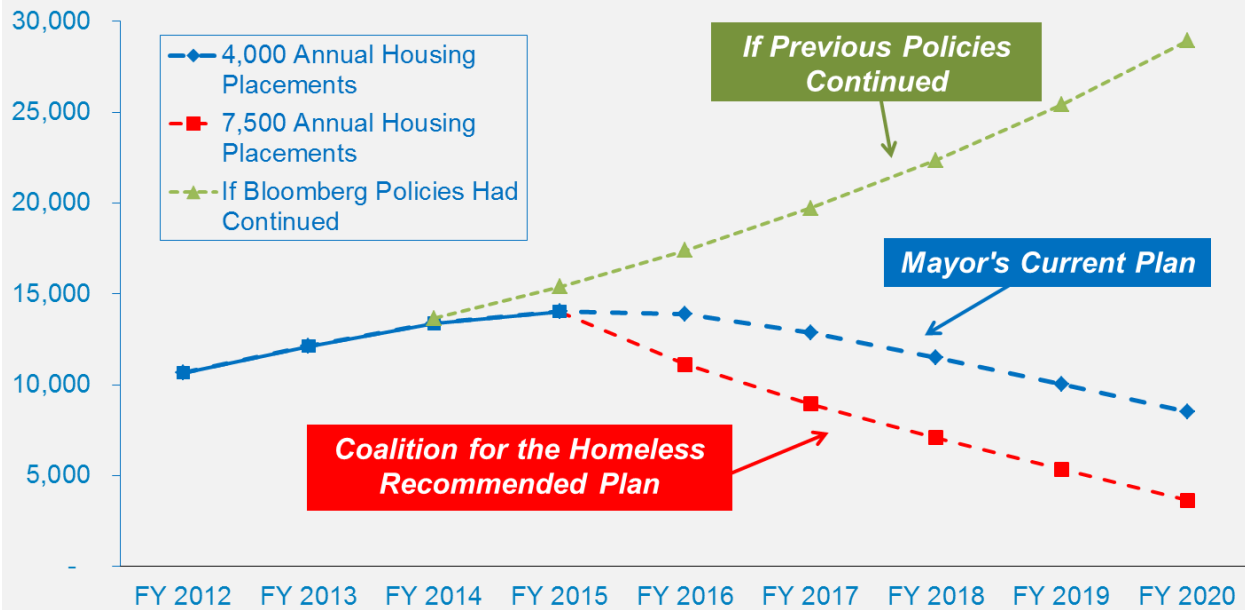
homeless families and single adults, in investments in low-threshold shelters for individuals living on the streets, and in homelessness prevention efforts. The Governor must work collaboratively with the Mayor to ensure an adequate amount of resources are dedicated to the solutions proven to work.

Families

Despite some positive developments over the past year for homeless families – including a sharp increase in the number of permanent housing placements and a reduction in barriers to accessing shelter – continued policy responses to family homelessness in New York City must be commensurate with the massive scale of the problem. While the City has rightfully increased the number of available public housing and Section 8-funded units to homeless families, these placements still only account for fewer than half of the total number of public housing units and Section 8 vouchers that turn over each year. The City continues to fill the majority of public housing vacancies without regard to their housing need, instead prioritizing those with the highest incomes in the applicant pool. Even with 5,000 vacant public housing apartments in fiscal year 2015, only 1,900 went to homeless families. Additionally, only a miniscule amount of new housing developed and preserved through the city’s Department of Housing Preservation and Development is allocated homeless families.

In the coming years, the Mayor must attain the annual goal of moving 2,500 families into NYCHA public housing and another 2,500 families into permanent housing utilizing Section 8 and HPD affordable units. By setting aside 10,000 of the affordable units created through HPD under the Mayor’s ten-year housing plan, this yearly goal is achievable. An additional 2,500 placements with City-funded subsidies should also be achieved each year, for a total of 7,500 annual permanent housing placements for homeless families – a number that would begin to make a real dent in the family shelter census. As illustrated in the analysis below, 7,500 annual housing placements over the next five years would reduce the family shelter census by 75 percent, compared to a 40 percent reduction with current placement trends.⁹

Permanent Housing Plan: Projected Impact on the Number of Families in Shelter



Source: Historical data from NYC Department of Homeless Services, analysis by Coalition for the Homeless

Additionally, the City cannot continue to sustain this fight alone. The Governor and State Legislature must join the Mayor in helping to adequately fund and support permanent housing solutions, including the current City-initiated rental subsidies. Currently, the State only contributes a small portion of funding to LINC I and CityFEPS, with the remaining LINC programs and SEPS funded almost entirely by the City.¹⁰ Additionally, the State has delayed in approving a plan submitted by the City to utilize \$220 million in savings generated from the Office of Children and Family Services to support City-initiated rental subsidies. Greater State support would strengthen these programs in two ways: 1) It would provide a larger and more robust program capable of reaching greater numbers of homeless families; and 2) It would add additional security for landlords still wary of accepting City vouchers, in the aftermath of the Advantage Program debacle.¹¹

Single Adults

For single adults and homeless individuals living on the streets – many of whom experience severe and persistent mental illness, substance abuse problems, or other disabilities – supportive housing remains the most successful and cost-effective way to end the trauma of homelessness. However, four out of every five persons found eligible for supportive housing are not able to receive it because of a lack of available units. Placements into supportive housing have decreased even more drastically over the past year as the latest agreement to create supportive housing (New York/New York III) has come to an end.

After a years-long advocacy campaign through which hundreds of service providers, advocates, housing developers, clergy, and legislators from both sides of the aisle pressured both the Mayor and Governor, both leaders finally agreed to the creation of a significant number of new supportive housing units over the next 15 years, albeit not as part of a joint New York/New York IV agreement.¹² Mayor de Blasio committed to 15,000 units in New York City over 15 years, while Governor Cuomo has committed to 20,000 units statewide over the same period. These commitments, if realized, will go a long way in helping move the most vulnerable homeless individuals into permanent housing with lasting supports. However, in the absence of a joint supportive housing agreement, both leaders' commitments must be backed up by real dollars. The Mayor's preliminary budget has put forward \$13 million this coming fiscal year – growing to over \$100 million by 2020 for service and operating costs for new supportive housing units, including 500 new units this year. Unfortunately, the Governor's plan continues to remain murky – with funding for a total of 6,000 units in this year's budget, but with none coming online for at least 3 years.¹³ Additionally, the final State budget requires further action by the Governor and Legislature to sign an MOU to actually release the \$2 billion in funding available for the Governor's supportive housing initiative and broader affordable housing plan.

Immediate action on the required MOU and on issuing Requests for Proposals (RFPs) for allocated funds is necessary from both the Governor and Legislature to get adequate funding out the door to support the creation of new supportive housing units, including new units this year. The State cannot delay any longer in providing relief for the thousands of New Yorkers currently struggling for a way off the streets and out of the shelters. Additionally, a fourth New York/New York agreement between the Governor and Mayor laying out specific timetables and responsibilities must be signed in order to codify the terms of supportive housing creation in the long term.

To immediately address growing concerns over the number of individuals suffering on the city's streets, the Mayor and Governor must put forward more resources to open smaller, lower-threshold shelters. Unfortunately, in recent years the State has significantly reduced its share of the cost of operating shelters for single adults – even as the number of men and women both in shelter and on our streets has skyrocketed. In 2007, New York State paid \$86 million per year to help shelter homeless single adults in NYC – roughly 47 percent of the total cost – whereas it now pays \$73 million, or just 21 percent of the total costs.¹⁴ The State must restore adequate funding to help the City establish shelter models that work to stabilize the most vulnerable individuals.

Homelessness Prevention

The best way to proactively address the growing affordable housing crisis in New York City is to provide effective homelessness prevention services. Over the past two years, the de Blasio administration has dramatically increased funding for legal assistance in Housing Court, and has budgeted over \$60 million

dollars in fiscal year 2017 to provide increased legal assistance to tenants in court facing eviction.¹⁵ This massive investment has the potential to help prevent thousands of households from becoming homeless and indeed residential evictions last year decreased by an impressive 18 percent – from 26,857 to 21,988.¹⁶

These efforts should be expanded to establish a right to counsel for all households facing eviction in Housing Court.¹⁷ This would level the playing field for tenants when they face landlords, who are represented by lawyers 98 percent of the time.¹⁸ It would also serve the two-fold purpose of preventing homelessness and maintaining the City's affordable housing stock by preventing landlords from drastically raising rents on newly vacated units – many of which could be at risk of losing rent-regulated status.

Additionally, the Governor and State Legislature must assist with meaningful prevention efforts, including raising public assistance rent levels to reflect the reality of housing costs and improving State-funded prevention programs. The current rent allowance for a household on public assistance is \$283 for a family of two – just 23 percent of the HUD-established Fair Market Rent for a one-bedroom apartment – making it impossible for the lowest-income families to afford housing with this resource. The State-funded Family Eviction Prevention Supplement (FEPS) provides an enhancement to the shelter allowance for families on public assistance facing eviction, but current subsidy levels for this program also remain woefully low. For a family of three, the FEPS subsidy covers just 57 percent of the Fair Market Rent for a two-bedroom apartment – a whopping shortfall of \$631.¹⁹ The State must increase the levels of both the public assistance rental allowance and FEPS, thereby increasing the efficacy of these important tools that can prevent homelessness. Additionally, the rigid eligibility requirements of FEPS should be modified to allow access for survivors of domestic violence at risk of homelessness, who currently may not qualify.

Part III Summary

- ***To build on effective solutions to family homelessness that Mayor de Blasio has begun to implement, the Mayor must double down on solutions that work. In the coming years, this Mayoral administration must commit to helping 5,000 families move out of shelter using federal housing resources and HPD units, including 2,500 families into public housing and 2,500 with Section 8 vouchers and affordable units created through HPD.***
- ***The City must help an additional 2,500 families move out of shelter each year with City subsidies.***
- ***A total of 7,500 annual permanent housing placements will begin to make a serious dent in family homelessness in New York City.***

- *The State must approve the City’s plan to utilize State-mandated savings toward City-funded rental subsidies.*
- *To address growing homelessness among single adults and individuals living on the streets, a commitment to bring on hundreds of new units of supportive housing this year is crucial. Governor Cuomo and the State Legislature must act immediately to execute an agreement to free up \$2 billion in funding for supportive and affordable housing, and new units must be created this year.*
- *The State must provide resources to help the City open a greater number of smaller, low-threshold shelters to help move the most vulnerable individuals off the streets.*
- *New York City must establish a ‘right to counsel’ in Housing Court to help protect low-income tenants from experiencing eviction and subsequent homelessness.*
- *Governor Cuomo and the Legislature must increase rent supplement levels for households on public assistance and those receiving the FEPS program, as well as expand eligibility to domestic violence victims.*

Conclusion

Recommendations and Next Steps

The current state of homelessness in New York City remains dire, but with glimmers of hope that new, proven-effective policy changes enacted by the Mayor will continue to make an impact. However, both the Mayor and the Governor must increase investments in solutions proven to work in order to address the current scale of the problem. Specifically,

The Mayor must:

- *Move 5,000 families annually into permanent housing utilizing NYCHA public housing, Section 8 vouchers, and HPD units – including 2,500 placements into NYCHA and 2,500 placements utilizing Section 8 and HPD units;*
- *Increase placements of homeless families using City subsidies to 2,500 households per year;*
- *Increase subsidized and supported housing placements for homeless single adults, particularly by adding at least 500 new scattered-site units of supportive housing this year.*
- *Convert all cluster site apartments currently used for emergency shelter back to affordable, rent-regulated permanent housing, and prioritize homeless families to stay in those units deemed safe and habitable;*

- *Open a minimum of 200 additional low-threshold “safe haven” shelter beds to help immediately move the most vulnerable women and men off the streets;*
- *Enact and fund a “Right to Counsel” law for low-income tenants facing eviction in Housing Court; and*
- *Ensure that all homeless shelters are safe, up to code, properly staffed, and provide an effective alternative to the streets.*

The Governor must:

- *Along with the Legislature, act immediately to execute an agreement, as required in the State budget, to get nearly \$2 billion in supportive and affordable housing funds out the door and available for use in creating new supportive housing units;*
- *Ensure that the agreement includes at least 500 State-funded scattered-site supportive housing units to be opened by March 2017 for homeless New Yorkers living with mental illness and other disabilities, with at least another 500 such units to be opened by March 2018;*
- *Immediately issue Requests for Proposals (RFPs) needed to distribute all available appropriated funds to support the first 6,000 units of supportive housing proposed in the Executive Budget;*
- *Enter into a fourth New York/New York Agreement with the City of New York to codify a long-term supportive housing plan for 15,000 State-funded and 15,000 City-funded supportive housing units in New York City to be opened in the next fifteen years;*
- *Immediately approve the City of New York's plan for youth facilities fund savings to be invested in rental subsidy programs;*
- *Reverse harmful State cuts to New York City’s emergency shelter system, and help fund new lower-threshold “safe haven” shelter beds in his 2017-18 Executive Budget by sharing equally with the City in the non-federal cost of temporary housing;*
- *Increase funding for homelessness prevention by raising public assistance rent levels, expanding eligibility to domestic violence survivors for critical prevention programs like FEPS, and raising FEPS rent caps to the HUD-approved Fair Market Rent levels in his 2017-18 Executive Budget; and*
- *Coordinate with the City on shelter inspections and help provide much-needed resources to address outstanding issues such as major capital repairs and building systems as quickly as possible.*

For more information, please visit: www.coalitionforthehomeless.org

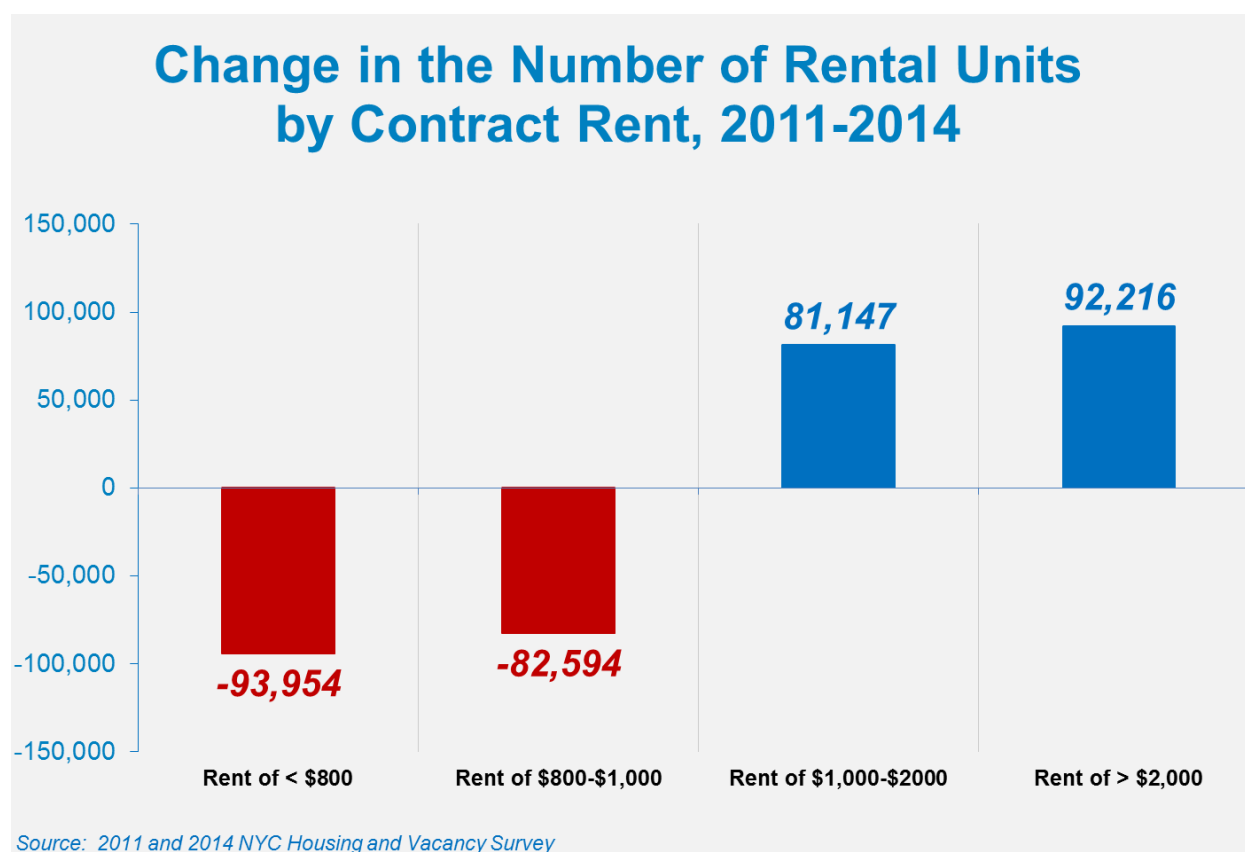
Appendix: Rental and Income Trends in NYC

Table 1: Median Rents and Incomes in NYC

	2010*	2014	Percent Change
Citywide			
Median Household Income	54,218	55,413	2%
Median Rent	1,152	1,308	14%
For the Lowest Income Neighborhoods			
Median Household Income	22,339	20,872	-7%
Median Rent	651	822	26%

Source: U.S. Census American Community Survey 1-year estimates from 2010 and 2014

*2010 incomes and rents presented in 2014 inflation-adjusted dollars



References

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- ¹ New York City Independent Budget Office. (2015). Albany Shifts the Burden: As the Cost for Sheltering the Homeless Rises, Federal & City Funds Are Increasingly Tapped
- ² Nortz, S. (2016). Testimony of Coalition for the Homeless on the SFY 2016-17 Executive Budget Proposals for Homeless Services in New York State.
- ³ Source: United States Census American Community Survey 1-year estimates from 2010 and 2014. In 2010, the lowest median income was in Bronx Community Districts 3 and 6; In 2014, it was in Bronx Community District 5. In both 2010 and 2014, the highest median income was in Manhattan Community Districts 1 and 2. The lowest gross rent in both years was in Bronx Community Districts 1 and 2. The largest decline in income during this period (-25 percent) occurred in Bronx Community District 5. The largest increase in rent during this time period (63%) occurred in Brooklyn Community District 1. See Appendix for graphs.
- ⁴ Source: New York City Housing and Vacancy Survey. See Appendix for graphs.
- ⁵ NYC Rent Guidelines Board, “2015 Income and Affordability Study.”
- ⁶ Source: New York City Department of Homeless Services, via FOIL request
- ⁷ DOHMH Supportive Housing Evaluation
- ⁸ Durkin, E. (2016). De Blasio announces plans to stop using ‘cluster sites’ to house the city’s homeless. <http://www.nydailynews.com/new-york/manhattan/de-blasio-phase-cluster-sites-house-homeless-article-1.2484896>
- ⁹ This analysis draws on historical family shelter census data going back to 1999 and relies on several assumptions rooted in the trends in entrants and exits since that time.
- ¹⁰ From the budget testimony of Commissioner Steven Banks before the NYC Council General Welfare Committee, March 15, 2016
- ¹¹ Secret, M. (2011). City Says State is Forcing Cuts to Program for the Homeless. *The New York Times*: <http://www.nytimes.com/2011/03/11/nyregion/11homeless.html>
- ¹² Campaign 4 NY/NY Housing: <http://www.nynycampaign.org/>
- ¹³ Nortz, S. (2016). Testimony of Coalition for the Homeless on the SFY 2016-17 Executive Budget Proposals for Homeless Services in New York State.
- ¹⁴ New York City Independent Budget Office. (2015). Albany Shifts the Burden: As the Cost for Sheltering the Homeless Rises, Federal & City Funds Are Increasingly Tapped
- ¹⁵ New York City Office of Management and Budget (2016). Departmental Estimates.
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- ¹⁷ Levine, M. & Brosnahan, M. (2015). How to Fight Homelessness. *The New York Times*: <http://www.nytimes.com/2015/10/19/opinion/how-to-fight-homelessness.html>
- ¹⁸ Steinberg, J. K. (2015) Demand Side Reform in the Poor People’s Court. *Connecticut Law Review*, 47, 3.
- ¹⁹ FEPS and PA Subsidy Levels: <http://www.newdestinyhousing.org/get-help/feps-subsidy-levels>