

Testimony of
Coalition for the Homeless

On

Int. No. 214-A – In relation to the Provision of Legal Services in Eviction, Ejectment and
Foreclosure Proceedings

Presented before

The New York City Council
Committee on Courts and Legal Services

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The Coalition for the Homeless welcomes this opportunity to testify before the Committee on Courts and Legal Services regarding the provision of legal services in eviction, ejection and foreclosure proceedings.

Eviction is a Leading Driver of the Homelessness Crisis

New York City is in the midst of the worst homelessness crisis since the Great Depression. In July 2016, 60,456 New Yorkers, including a record 15,156 families, slept in shelters each night. Despite laudable progress made by the de Blasio administration toward housing-based solutions (including the establishment of new rental subsidies and the reinstatement of the homeless priority for NYCHA public housing and Section 8 vouchers), New York's ongoing affordability crisis continues to push new families into homelessness every day. With shelters bursting at the seams and thousands more people bedding down in subways, parks and other public spaces, the City must enact bold solutions that match the scale of the current problem.

We cannot effectively address the homelessness crisis without a robust commitment to preventing displacement in the first place, and eviction remains among the primary causes of rising demand for emergency shelter. With the growth of incomes still trailing the sharp increase in rents over the past decade¹, many New Yorkers are just one missed paycheck or one unforeseen setback away from falling behind in rent. Every week, the Coalition's Eviction Prevention Program Hotline is flooded with tenants desperately trying to cobble together enough funds to pay off their rental arrears, terrified at the prospect of losing their homes. Nearly 22,000 evictions were carried out in New York City last year², and with an ever-shrinking supply of affordable housing citywide, many of these families had no choice but to enter the shelter system. For thousands of New Yorkers each year, housing court is the last stop on the way to the shelter intake center. In fiscal year 2015, eviction was listed as the direct reason for homelessness for 37 percent of adult families and 25 percent of families with children.³

Intro 214-A Would Level the Playing Field in Housing Court, Save Taxpayer Dollars, and Prevent Homelessness

Housing court is an exceptionally intimidating place and the stakes are high when tenants' homes are literally on the line. Unfortunately, the majority of those facing eviction in housing court lack legal representation and face the technical and confusing process alone. Meanwhile, more than 90 percent of landlords have lawyers, placing tenants at a serious disadvantage. Many tenants are not fully aware of their rights, are unable to negotiate payment plans, or access resources to pay arrears that could keep them in their homes without the assistance of a lawyer.

The City has made progress in addressing this disparity, but more work is necessary. Recent increases in legal assistance – as a result of the City's historic investment in programs for the most vulnerable communities – have coincided with a decrease in residential evictions by City marshals. Between 2013 and 2015, evictions by marshal have decreased by 24 percent.⁴ The NYC Office of Civil Justice recently reported that more than a quarter of tenants are currently represented by a lawyer in housing court, which marks a dramatic improvement from the 1 percent of tenants who were represented in 2013. But three-quarters still remain unrepresented, with lower-income households much more likely to face housing court without representation.

We commend the Council and the de Blasio administration for taking key steps toward increasing legal representation in housing court, but additional funding is not the same as an enshrined right to

counsel, which would greatly expand the initial positive effects of increased legal assistance across the City. As evidenced in the OCJ report, lawyers can help guide tenants through the housing court process, empower them to assert their rights, and negotiate more time to pay off arrears. Intro 214-A would solidify the legacy of the current City Council and administration, sending a clear message that New York City values the rights of its citizens regardless of income level, and adding a vital layer of support to help keep thousands of low-income families and individuals in their homes, saving them from the trauma of homelessness.

Establishing a right to counsel in housing court is both morally and fiscally responsible. A 2016 report by the private financial firm Stout Risius Ross, Inc., found that Intro 214-A would more than pay for itself.⁵ In fact, guaranteeing legal representation for all New Yorkers at or below 200 percent of the poverty level would save the City more than \$320 million per year in foregone costs to provide shelter and preserve affordable housing. Currently, it costs nearly \$34,000 per year to provide shelter to a single adult, and more than \$43,000 per year to shelter a family.⁶ The instability of homelessness is also associated with an increase in other costs, such as medical expenses and law enforcement. Given the steep price tag of homelessness, the estimated \$1,600 to \$3,200 per case to provide full legal representation and potentially avoid eviction is a sound investment.

Simultaneously, a right to counsel would help preserve the City's dwindling supply of affordable housing by protecting tenants against landlord harassment and reducing the risk of rent deregulation when units become vacant. It is more cost-effective for the City to preserve affordable units than to build new housing, and the SRR report estimates that Intro 214-A would save the City \$259 million by retaining thousands of affordable units. At a time when more than half of New York City renters pay over 30 percent of their income toward rent and utilities⁷, the City must fight to preserve every affordable unit.

Guaranteeing legal representation to low-income New Yorkers in housing court is certainly a bold idea, but the severity of the homelessness and housing crises demands bold action. We urge the Council to pass Intro 214-A this year, to create a desperately needed layer of protection and support for New Yorkers who are at imminent risk of homelessness.

About Coalition for the Homeless

Coalition for the Homeless, founded in 1981, is a not-for-profit advocacy and direct services organization that assists more than 3,500 homeless New Yorkers each day. The Coalition advocates for proven, cost-effective solutions to the crisis of modern homelessness, which now continues past its third decade. The Coalition also protects the rights of homeless people through litigation involving the right to emergency shelter, the right to vote, and life-saving housing and services for homeless people living with mental illness and HIV/AIDS.

The Coalition operates 11 direct-services programs that offer vital services to homeless, at-risk, and low-income New Yorkers. These programs also demonstrate effective, long-term solutions and include: supportive housing for families and individuals living with AIDS; job-training for homeless and formerly-homeless women; 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 over 900 nutritious meals each

night to homeless and hungry New Yorkers on the streets of Manhattan and the Bronx. Finally, our Crisis Intervention Department assists more than 1,000 homeless and at-risk households each month with eviction prevention, individual advocacy, referrals for shelter and emergency food programs, and assistance with public benefits as well as basic necessities such as diapers, formula, work uniforms and money for medications and groceries.

The Coalition was founded in concert with landmark right to shelter litigation on behalf of homeless men and women in Callahan v. Carey and Eldredge v. Koch and remains a plaintiff in these now consolidated cases. In 1981 the City and State entered into a consent decree in Callahan through which they agreed that, “The City defendants shall provide shelter and board to each homeless man who applies for it provided that (a) the man meets the need standard to qualify for the home relief program established in New York State; or (b) the man by reason of physical, mental or social dysfunction is in need of temporary shelter.” The Eldredge case extended this legal requirement to homeless single women. The Callahan consent decree and the Eldredge case also guarantee basic standards for shelters for homeless men and women. Pursuant to the decree, the Coalition serves as court-appointed monitor of municipal shelters for homeless adults, and the City has also authorized the Coalition to monitor other facilities serving homeless families.

¹ Furman Center: <http://furmancenter.org/thestoop/entry/according-to-just-released-ac-s-data-new-york-city-renter-household-incomes>

² NYC Office of Civil Justice 2016 Annual Report: http://www1.nyc.gov/assets/hra/downloads/pdf/services/civiljustice/OJ%202016%20Annual%20Report%20FINAL_08_29_2016.pdf

³ Source: NYC Department of Homeless Services, via FOIL

⁴ NYC Office of Civil Justice 2016 Annual Report: http://www1.nyc.gov/assets/hra/downloads/pdf/services/civiljustice/OJ%202016%20Annual%20Report%20FINAL_08_29_2016.pdf

⁵ Stout Risius Ross Report: http://www2.nycbar.org/pdf/report/uploads/SRR_Report_Financial_Cost_and_Benefits_of_Establishing_a_Right_to_Counsel_in_Eviction_Proceedings.pdf

⁶ NYC Mayor’s Management Report

⁷ Furman Center State of New York City’s Housing & Neighborhoods 2015 Report