



Testimony  
Coalition for the Homeless

before the New York State Senate Committees on  
Housing, Construction and Community  
Development, and Social Services

on  
Homelessness, Housing Insecurity,  
and Affordable Housing

submitted by

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Thank you for inviting us to offer testimony for this important hearing.

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. We are very pleased that the New York State Senate Committees on Housing, Construction and Community Development, and Social Services are examining the problems of homelessness and housing insecurity, and the need for more affordable housing.

### **Record Homelessness in New York State**

In 2019 homelessness again reached record levels in New York State, evidence of a continuing and unchecked affordable housing crisis as well as the most extreme income inequality found anywhere in our nation. Make no mistake: Income inequality causes homelessness. As the Fiscal Policy Institute recently reported, “the bottom 90 percent of households in New York have lost income since 1973, while the top 10 percent have more than doubled theirs.”

### **Shockingly, nearly 253,000 New Yorkers were homeless in the 2018-2019 schoolyear, staying in shelters or doubled-up with friends or family – a number exceeding the populations of every city in the state with the exception of New York City.**

This consists of:

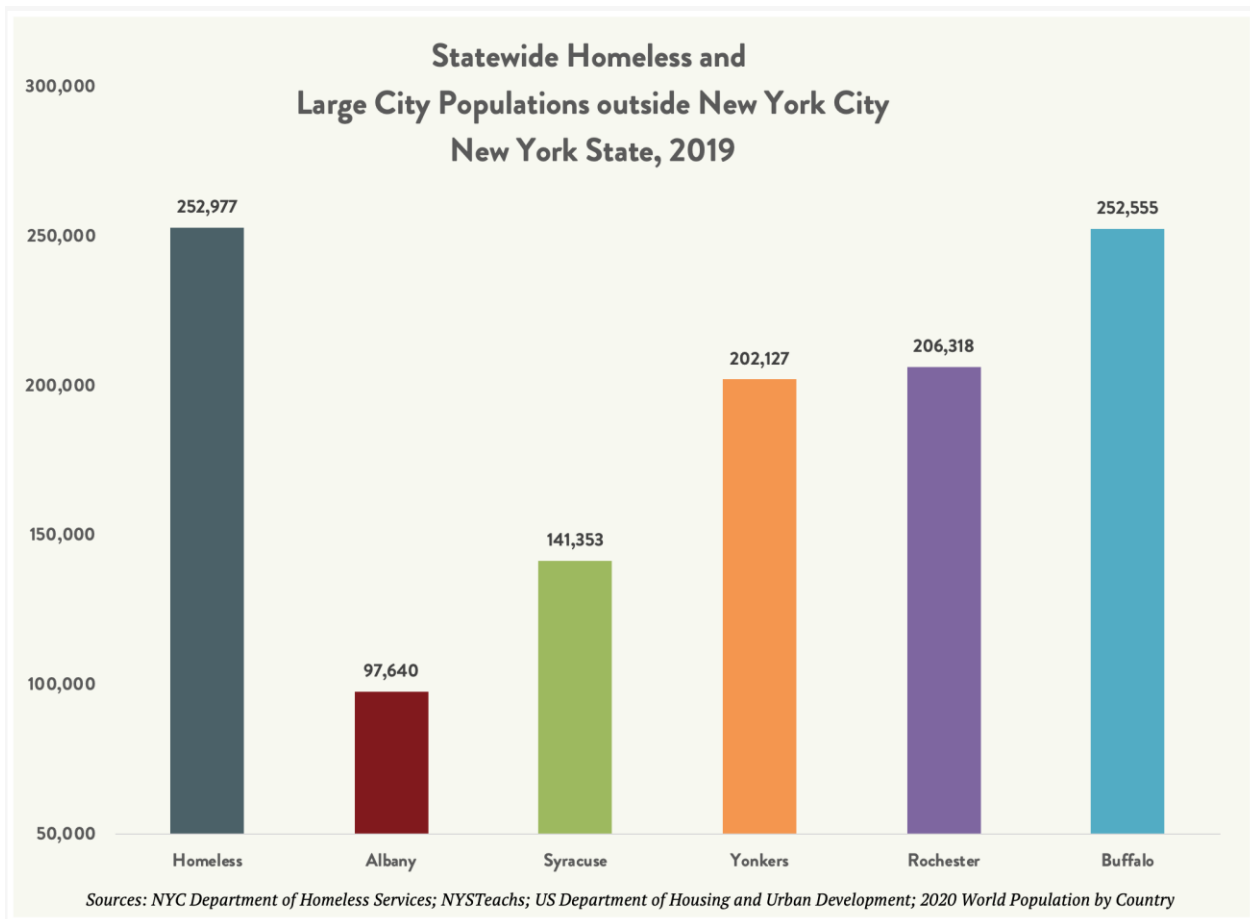
- \* 133,284 unduplicated children and adults sleeping in NYC shelters
- \* 79,230 homeless students in NYC not sleeping in shelters, including those doubled-up
- \* 34,469 homeless students outside NYC, including those doubled-up
- \* 5,994 homeless adults sleeping in shelters outside NYC

We don't know how many *under* school-age homeless children there are in doubled-up families, but they certainly number in the thousands.

Our analysis also does not include the notoriously inaccurate “street counts,” which typically are poor estimates derived from methodologies that vary widely from one locality to the next.

But as we all know, thousands more people bed down every night on steam grates, in cardboard boxes, in the transit system, and in abandoned buildings, as well as other places not meant for human habitation.

### **To accommodate so many homeless individuals, New York had 83,571 shelter beds statewide as of 2019.**



**New York City is the Epicenter**

**New York City, where 85 percent of the state’s un-domiciled population lives, remains the epicenter of the worst homelessness crisis since the Great Depression.**

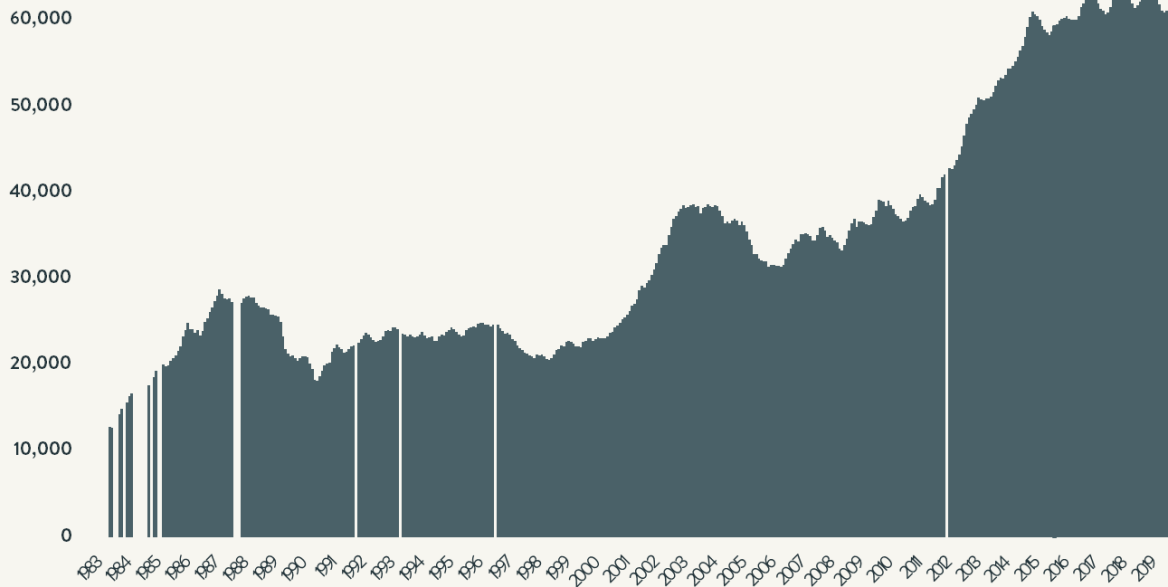
**The number of children and adults sleeping in shelters each night was 63,092 in November 2019, including more than 22,000 children and an all-time record 18,681 single adults.**

**Thousands of adults have entered NYC shelters directly from state prisons thanks to inadequate discharge planning and the lack of sufficient reentry housing options for people trying to get back on their feet.**

## Number of Homeless People Each Night in NYC Shelters 1983 - 2019

November 2019

63,092



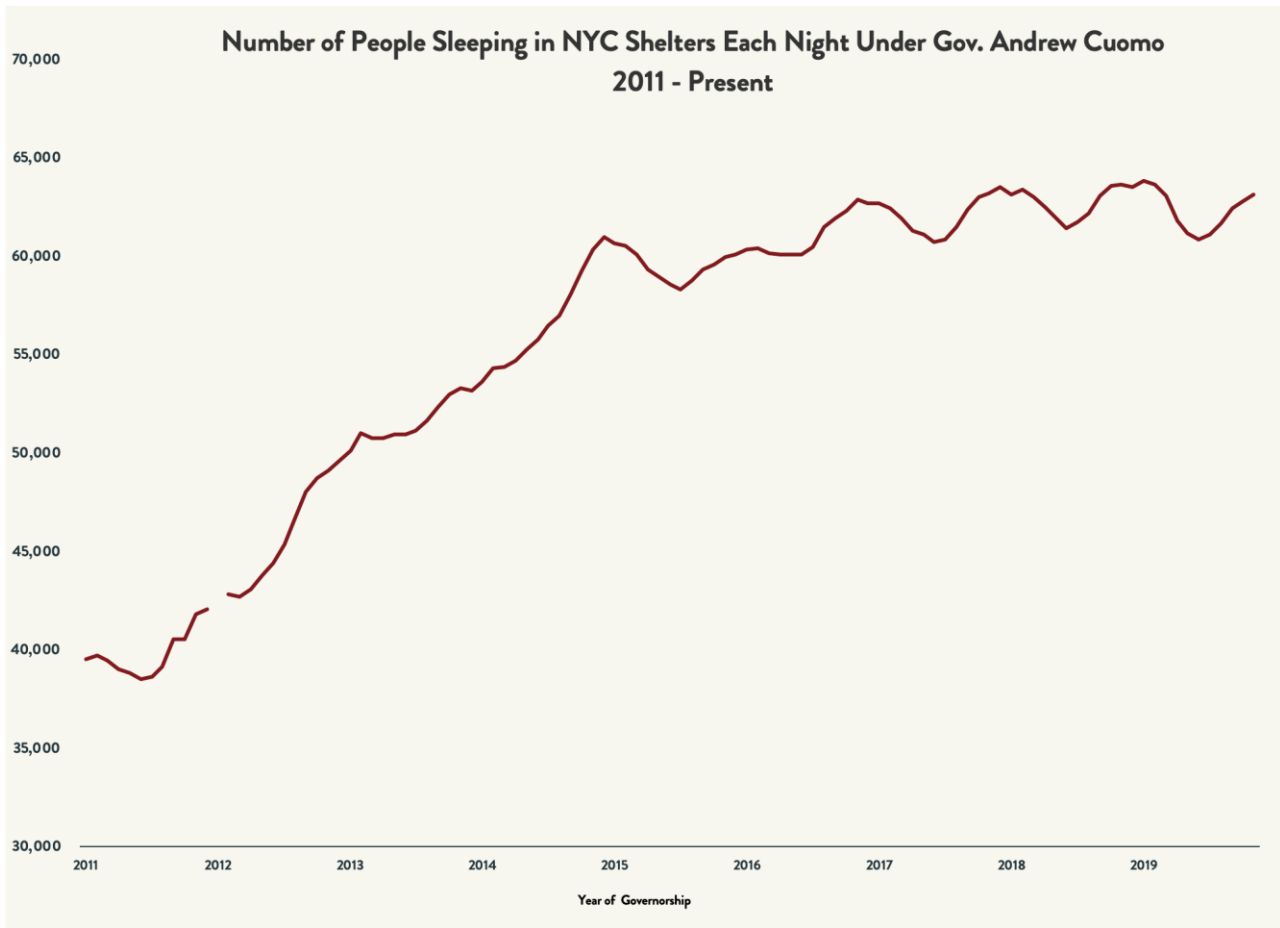
Data include individuals in DHS shelter system (including Safe Havens, stabilization beds, veteran's shelters, criminal justice beds) and HPD emergency shelters (<2 percent of total census).

Source: NYC Department of Homeless Services; Local Law 37 Reports

### **A Dismal State Track Record on Homelessness**

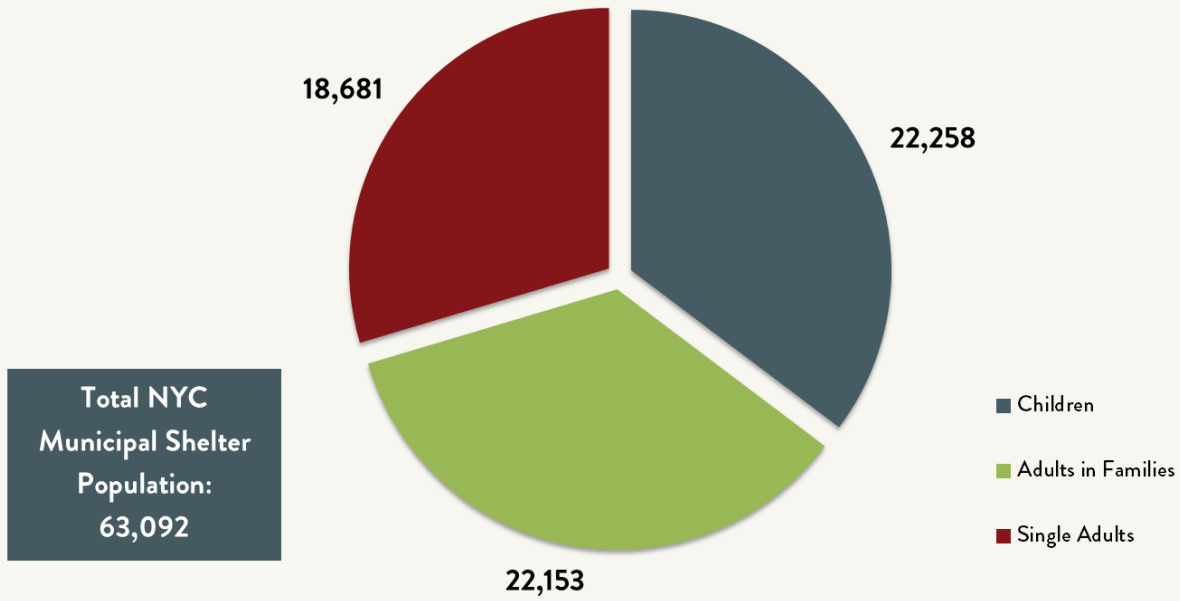
It is important to note that the New York City shelter census rose sharply in the first several years of Gov. Cuomo's tenure in the Executive Chamber and remains at an unsustainably high level due in large part to the withdrawal of State resources for a mediocre housing subsidy program that was never replaced with something better, as well as a years-long delay in funding and initiating a new State supportive housing program.

**The number of people staying in NYC shelters each night rose by 60 percent between January of 2011 and November of 2019, an increase of more than 23,000 children and adults.**



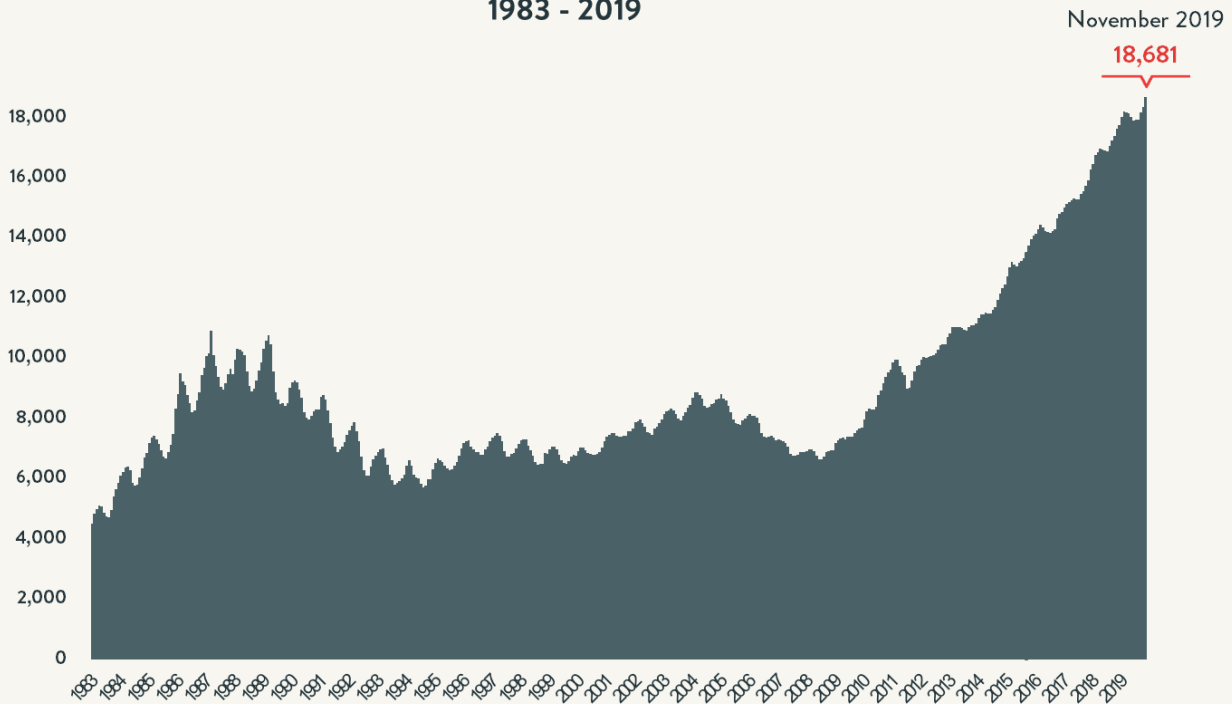
In addition to the elimination of State subsidy funding that caused many families to return to the shelter system as the subsidies ran out, one of the most forceful drivers of the overall increase in the New York City shelter census since 2011 has been the ever-rising record number of homeless single adults.

## Number of Homeless People Each Night in NYC Shelters November 2019



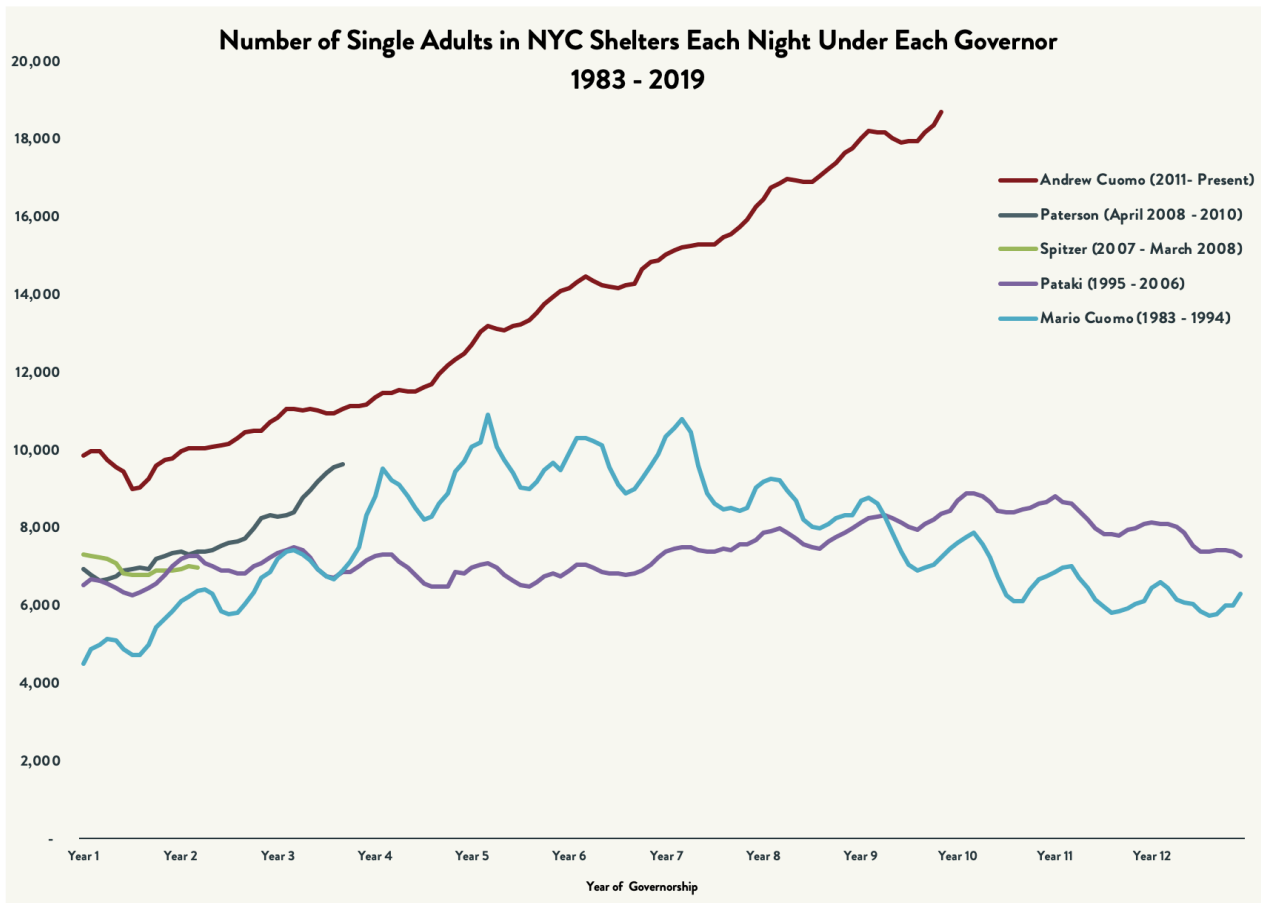
Source: NYC Department of Homeless Services and Human Resource Administration; Local Law 37 Reports

## Number of Homeless Single Adults Each Night in NYC Shelters 1983 - 2019



Source: NYC Department of Homeless Services and Human Resources Administration; Local Law 37 Reports

**Today there are far more single individuals seeking shelter in New York City than during the terms of any other governor since modern mass homelessness began.**

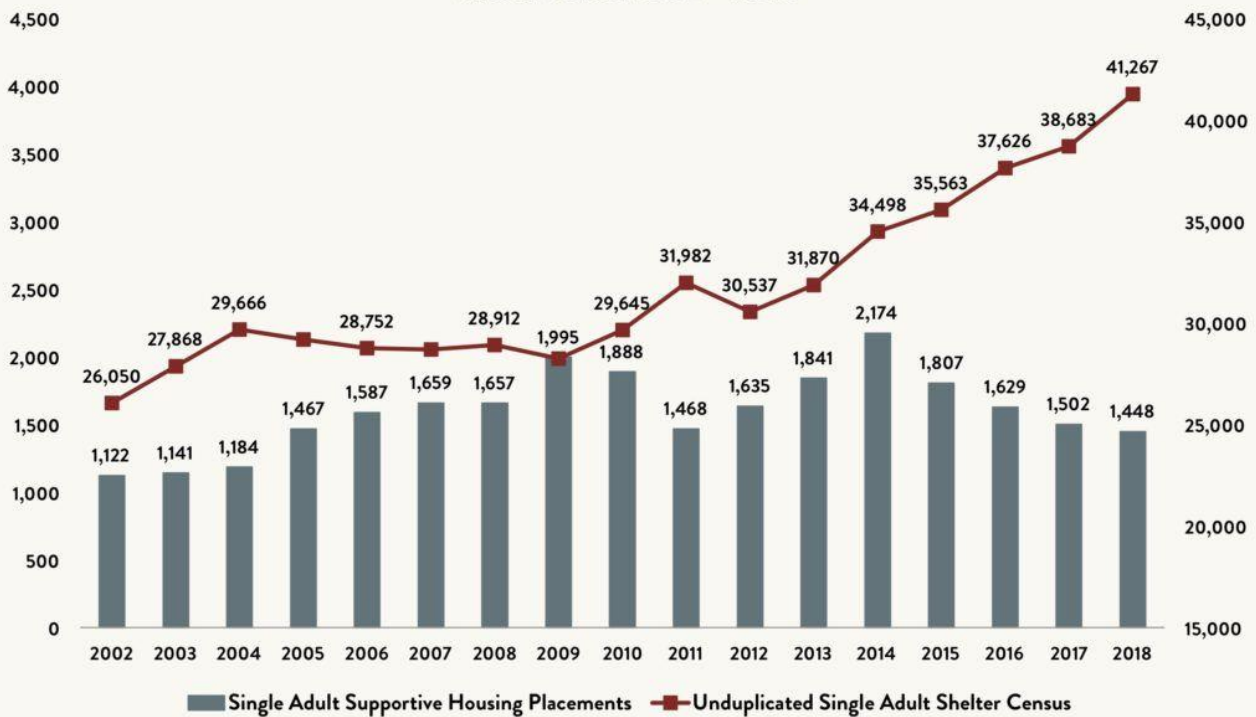


**The reasons for this are clear: Gov. Cuomo not only eliminated State funds for a mediocre rent subsidy program without replacing it with a better one, but he also dragged out the process of starting a new State supportive housing program for years, and has released increasing numbers of people from state prisons directly to NYC shelters.**

The delay in funding and initiating supportive housing production has created a worsening shortage of supportive housing placements for homeless single adults in New York City: **The number who moved into supportive housing units in fiscal year 2018 reached a 14-year low, even as the number of single adults sleeping in shelters reached an all-time high.**

**Fewer than 1,450 adults were placed in supportive housing in 2018, or just 3.5 percent of all individuals who spent time in shelters that year – down from 7 percent a decade prior.**

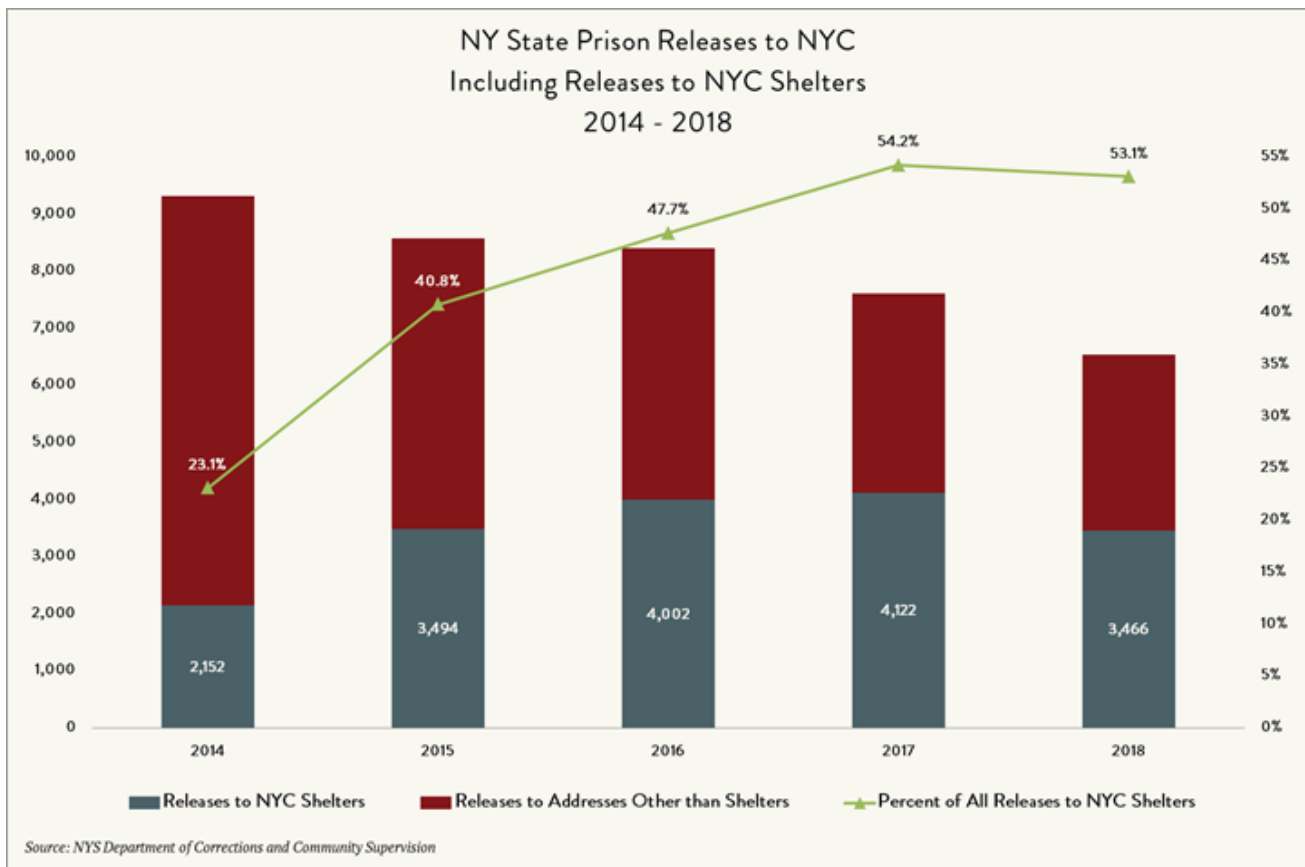
## Annual Supportive Housing Placements for Homeless Single Adults Fiscal Years 2002 - 2018



Source: NYC Department of Homeless Services

**Further, NYS prisons releases directly to NYC shelters contribute to record homelessness for single adults, representing over half of all NYC releases, and 57 percent of all institutional releases to NYC shelters.**





**Continuing into 2020, the number of single adults sleeping in New York City shelters each night is again rising to new record levels every week or two, with no relief in sight.**

**Add to all of this the fact that the average shelter stay in New York City now costs \$91,388 per family with children and \$51,245 per single adult. Since 2011 the cost of sheltering homeless adults and families in New York City has gone up by over \$1.3 Billion, and while New York City had to cover the bulk of that expense (64.4 %) New York State has paid for only \$78.5 million – a mere 6 percent.**

### **Solutions**

It is an opportune time to address the question of what the State can do about this problem that is spiraling out of control.

As I testified during my budget testimony, we have two imperatives for 2020: **Home Stability Support and additional capital funds to spur supportive housing development.**

Beyond these **we see an urgent need for longer-term, a far more ambitious housing investment plan to make housing more affordable, and at the same time to make more affordable housing available.** The Governor often touts his \$20 Billion housing plan, **but the truth is that only a small portion of that plan represents increased State investment in producing more affordable housing.** Most of the \$20 Billion is comprised of the ongoing costs of sheltering homeless New Yorkers, the baseline annual funds for various housing programs, and a large aggregate amount from Federal tax credit investments used to help finance housing development over time. **If there actually were a \$20 billion housing investment plan focused on addressing the needs of homeless New Yorkers and those on the brink of losing their homes, New York State would be well on the way to solving homelessness with affordable housing.**

Alas, that is not the case, and we have a very long road ahead to get to the point where New York is, in fact, investing in housing at this level to solve homelessness.

### **Imperatives for 2020**

#### **Home Stability Support**

**First and foremost, the time has come to enact the Home Stability Support (HSS) program (S.2375/A.1620), legislation introduced by Senator Krueger and Assemblymember Hevesi and co-sponsored by 37 Senators as well as 129 members of the Assembly.**

Coalition for the Homeless helped design and draft this legislation with our esteemed sponsors and colleagues at The Legal Aid Society, Empire Justice Center, and the NYS Coalition Against Domestic Violence. Well over 100 community groups have endorsed this legislation, and it has earned the support of the Poor People's and Housing Justice for All campaigns, as well as dozens of local officials, Congressional representatives, and more than one hundred faith leaders across the state.

The supply of apartments that are affordable to low-income renters, including those relying on a public assistance shelter allowance, is rapidly disappearing, and many New Yorkers have been shut out of the market entirely.

Since the lack of affordable housing is the fundamental cause of the homelessness crisis, it is fiscally prudent and, at the same time, far more humane, to bridge the difference between incomes and rents to enable people to stay in their homes and communities instead of being forced into the costly and impermanent shelter system.

A 2016 analysis used to help design HSS found that two-thirds of the 171,000 households receiving public assistance shelter allowances have rents that exceed their allowances, placing them at risk of homelessness. **Of these, more than 80,000 households were then on the brink of homelessness;** surely their number has grown and their circumstances have become more acute since then.

According to the NYS Action Plan for 2020:

**“Over 59,000 individuals are at-risk of being homeless each year,”** and “966,000 (79%) of the state’s 1.22 million extremely low-income (ELI) households are simply or severely cost-burdened. . . **they face an estimated statewide shortage of 595,900 affordable and available housing units.** . . financial cost burdens in conjunction with the shortage of affordable units (which puts these extremely low-income households **at continuous risk of homelessness.**”

In fact, according to the most recent City and State plans submitted to the US Department of Housing and Urban Development, **23,000 more people become homeless than escape homelessness each year.** Because homelessness has risen so dramatically, between 2011 and 2019, **New York had to add 31,918 new shelter beds** (up 62 percent in that time) 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.

HSS is a rent supplement designed to help individuals and families receiving public assistance remain housed when they are at risk of displacement due to eviction, hazardous conditions, or domestic violence, and also to help those who are already homeless obtain and retain stable housing.

**Critical to the design of the program is that these groups – those who are homeless and those at risk of homelessness – be helped simultaneously. This is the best way to ensure that the costly shelter**

**system can become smaller as the number of families and individuals receiving subsidies grows. An estimated 80,000 households would benefit from receiving HSS subsidies once fully implemented.**

To place this in context, just over 229,000 households receive Federal Housing Choice Vouchers in New York State, but the waiting lists for this assistance are largely closed. **HSS could increase the number of households receiving long-term rental assistance by about 35 percent.**

**The FY2020 Fair Market Rent for a two-bedroom apartment in New York City is \$1,951, but the public assistance shelter allowance for a typical family of three is only \$400 per month.** HSS would require New York State to supplement these inadequate shelter allowances up to 85 percent of the Fair Market Rent. Localities would have the option to cover the additional amount needed to bring maximum rents up to 100 percent of Fair Market Rents as may be needed given local market conditions.

**HSS supplements would be considerably less expensive than the \$71,624 annual cost of emergency shelter for each family in New York City. As NYC Comptroller Scott M. Stringer projected in 2017, HSS could reduce New York City's shelter population by 80 percent among families with children and 40 percent among single adults in a decade, saving New York City about \$316 million in its tenth year through foregone shelter costs and streamlined services.**

The State has largely left localities to fund shelters and preventive services on their own in recent years, so the State's investment in HSS would represent a long-overdue course correction. All levels of government must work together to tackle homelessness.

One quibble we have with the bill that should be remedied, is the need to allocate the funds needed to serve those who are literally homeless according to a local social service district's proportional share of people sleeping in shelters. As we advised the Assembly when the bill was first drafted, the current formula would shortchange New York City because the resources would be allocated based on the local poverty rate, rather than the local shelter census, which would better reflect the costs (and therefore potential cost savings) associated with addressing homelessness through the use of housing vouchers.

### **Supportive Housing**

We are pleased that Gov. Cuomo provided additional funds for more supportive housing in his Executive Budget proposal, but, honestly, it is far too little given the dire situation we are seeing on the ground. We strongly urge the Senate and Assembly to provide a capital appropriation to support all of the remaining supportive housing units originally announced in 2016.

Given that supportive housing placements for single adults in New York City are at an all-time low, even as the shelter census rises, it is literally a matter of life and death for the most vulnerable New Yorkers facing homelessness as well as serious mental illnesses and other disabilities. They demand our compassion and immediate attention.

Gov. Cuomo promised these neediest of New Yorkers 20,000 units of supportive housing in 2016, of which only 6,000 have been funded. We urge you to ensure that this budget contains a capital appropriation for the remaining 14,000 units so that the sponsors and investors can get this vital housing into production. We do not need to remind you that it will cost less to build it now than it will later, in both dollars and, more importantly, human suffering.

We also urge you to invest in the creation of a **robust re-entry housing program to help the thousands of New Yorkers returning from prison into a state of literal homelessness,** with additional capital and

operating support dedicated specifically to this purpose. New York can and should do better than the current prison-to-shelter trajectory for people who have served their time and need to get back on their feet.

## **Looking Ahead**

### **Housing Access Vouchers**

The Coalition for the Homeless has long supported the idea of creating a state housing voucher program like Federal Housing Choice Vouchers. **The best proposal we have seen to date is Senator Kavanagh's Housing Access Vouchers bill.** This legislation, like Home Stability Support, seeks to address the needs of both homeless New Yorkers and those at risk of becoming homeless through the creation of a new State-funded housing voucher program to be administered by local public housing authorities. It would have the potential to help a broader spectrum of New Yorkers struggling with housing, such as those receiving disability income or who may otherwise be ineligible for public assistance, and enable even more families and individuals to avoid the indignity and trauma of literal homelessness. We are pleased that this bill is being advanced, and hope that, like Home Stability Support has, it will gain the broad-based support needed to ultimately become law.

We have shared some feedback with Senator Kavanagh regarding the specifics of the bill relating to a few concerns:

1. The need to amend the bill to deduct certain unavailable income such as wages garnished for child support obligations and medical debt;
2. Our recommendation that the half of the funds allocated to address the needs of homeless individuals and families be distributed based on local shelter census data and the other half allocated based on severe rent burdens among renters and other measures relating to risk such as displacement due to domestic violence and hazardous housing conditions (also making the distribution of funds more fair for those communities that do not have large homeless populations but do have large at risk populations);
3. Concerns we have about sequencing, priorities, and administrative structure of the two initiatives, given that Home Stability Support is designed to address the neediest New Yorkers who are literally homeless who may not be as readily served by all public housing authorities as they would be as recipients of public assistance entitled to housing supplements in the HSS design (and some communities have no public housing authority to administer a new voucher program, while every New Yorker does live in a county or city that has a social services department that can provide housing vouchers); and
4. Budgetary concerns about the long-term viability of a program that is not an entitlement like HSS and the already onerous shifting of costs from the State to local social services districts for shelters and housing assistance that would be reversed in part by HSS, but instead made even more permanent by the maintenance of effort requirement in the Housing Assistance Vouchers legislation.

### **Housing Production**

**Last, it is time for the State of New York to think big on the production end of things. We should create something as audacious and even bigger and better than the Mitchell Lama program was. New York needs to build large quantities of affordable housing for low-income New Yorkers, and do so with tools to keep that housing affordable in perpetuity.** We know that to get all the way to housing stability for all, we need Washington to step back into housing support on a scale not seen since before the Reagan budget cuts. On the other hand, we can't wait on Washington to build vastly more housing, and we have access to many of the resources needed to do that. **Let's redirect poorly targeted economic development funds toward multi-family housing production; let's enact a pied-a-terre tax; let's tax**

**the wealthiest New Yorkers who can afford to pay more taxes, more fairly to address income inequality.**

We look forward to continuing our discussions with all of the bill sponsors as we work together to bring real solutions to an unsustainable level of homelessness and misery to scale so that we can reverse course and get people into homes of their own.

Thank you.