



Testimony of
Coalition for the Homeless

before the Fiscal Committees
of the NYS Legislature

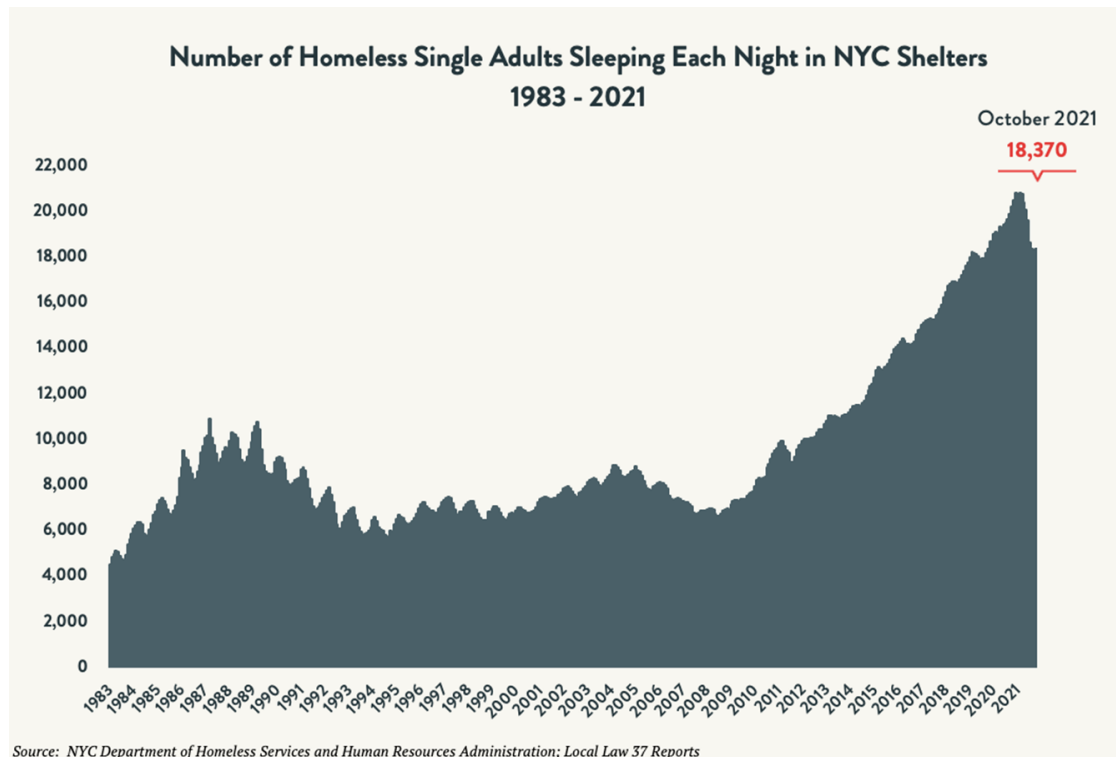
NYS Executive Budget Proposal
for Human Services 2022

submitted by

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Coalition for the Homeless

February 2, 2022

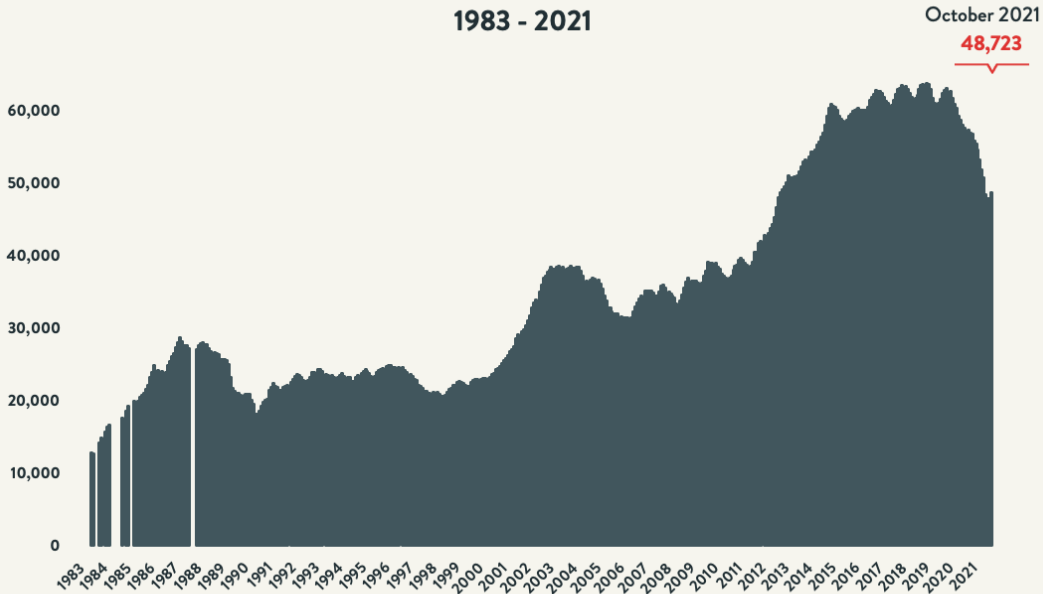
Thank you for the invitation to testify today. I am submitting written testimony given the expected large number of people seeking to testify online. My name is Shelly Nortz, and since 1987 I have had the privilege of working for the Coalition for the Homeless in Albany to secure State support for programs and policies that prevent and address homelessness and the socioeconomic problems that cause homelessness. As we testified in [2020](#) and in [2021](#), the pandemic has had a devastating impact on homeless New Yorkers, and it continues to present a dangerous threat to those who sleep in shelters, those living unsheltered on the streets, and those who are at risk of becoming homeless due to the economic fallout. While the number of people sleeping in New York City shelters has fallen in the past two years, largely due to the eviction moratoria, the number of single adults sleeping in Department of Homeless Services (DHS) shelters continued to reach ever-higher record levels until very recently.



So many individuals are precariously housed – renting rooms by the week, living doubled-up, surviving paycheck-to-paycheck – and their fragile hold on a safe place to stay in the midst of a pandemic is jeopardized, especially now that that the eviction moratorium has unfortunately been allowed to expire while there may be as much as \$2 billion in outstanding rent arrears. Too many people, including very large numbers of individuals living with various disabilities and serious health conditions, are left with a choice between entering a shelter system that still relies too heavily on congregate shelters where they may be exposed to aerosol transmission of the deadly coronavirus, or sleeping rough on the streets, where they may die of exposure or as a result of a violent act. Furthermore, due to systemic racism and persistent inequities, New Yorkers of color are more likely to experience homelessness *and* more likely to succumb to the virus.

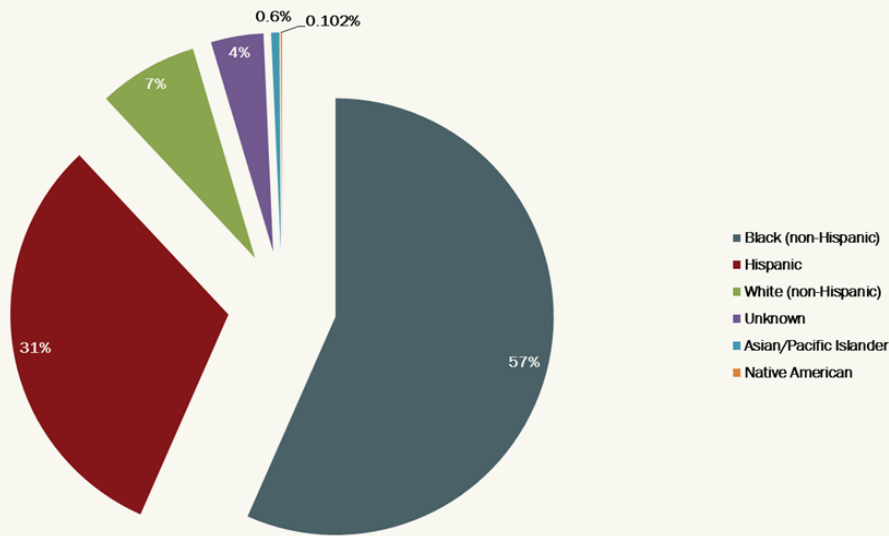
In October 2021, there were 48,723 homeless people, including 15,346 homeless children, sleeping each night in New York City’s main municipal shelter system, consisting primarily of DHS shelters. A near-record 18,370 single adults slept in these shelters each night in October 2021. Over the course of City fiscal year 2021, 107,510 different homeless adults and children slept in the New York City DHS shelter system. This includes 31,947 homeless children. The number of homeless New Yorkers sleeping each night in municipal shelters is now **20 percent higher** than it was 10 years ago. The number of homeless single adults is **92 percent higher** than it was 10 years ago.

Number of Homeless People Sleeping Each Night in NYC Shelters 1983 - 2021



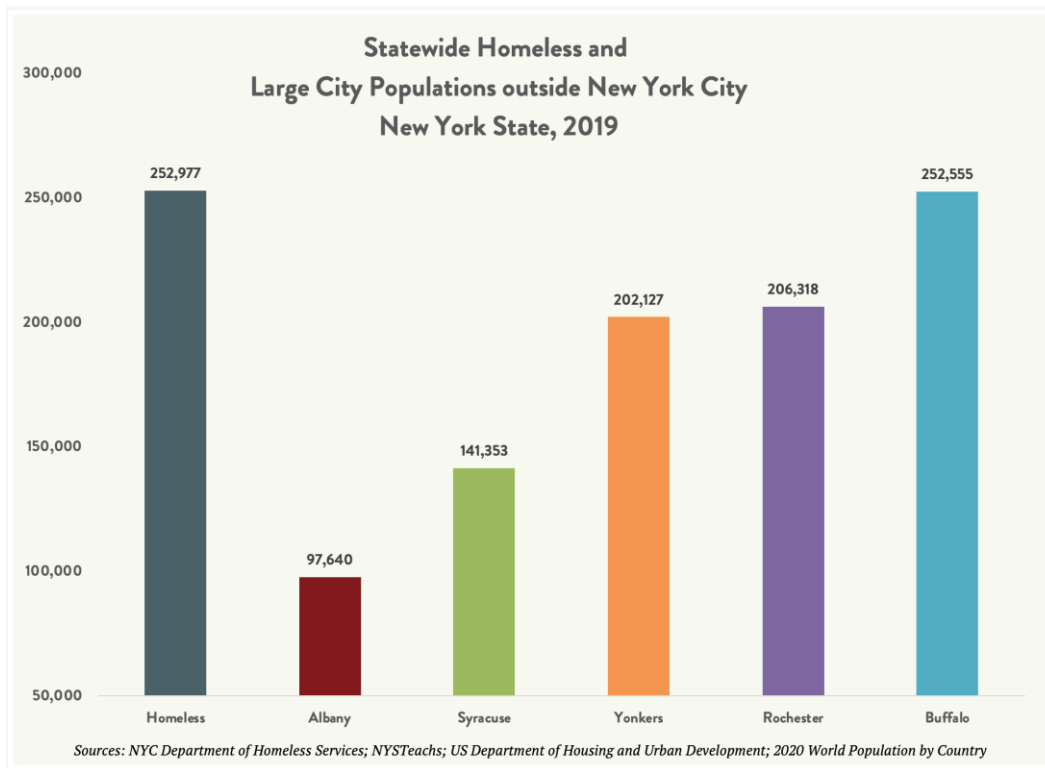
Data include individuals in DHS shelter system (including Safe Havens, stabilization beds, veteran's shelters, criminal justice beds) and HPD emergency shelters (<2 percent of total census).
Source: NYC Department of Homeless Services; Local Law 37 Reports

Race and Ethnicity of Adults and Family Households Sleeping in NYC Shelters Fiscal Year 2021 (Through Sep)



Source: NYC Department of Homeless Services

In 2019, there were more than 250,000 New Yorkers who were homeless at some point (statewide), exceeding the entire population of Buffalo. New York City, where 85 percent of the state's homeless population lives, remains the epicenter of the worst homelessness crisis since the Great Depression. And, as the epicenter of the COVID-19 crisis, there is no doubt that the city has only seen the beginning of the next wave of displacement and homelessness that will strike as the economic fallout of the pandemic continues.



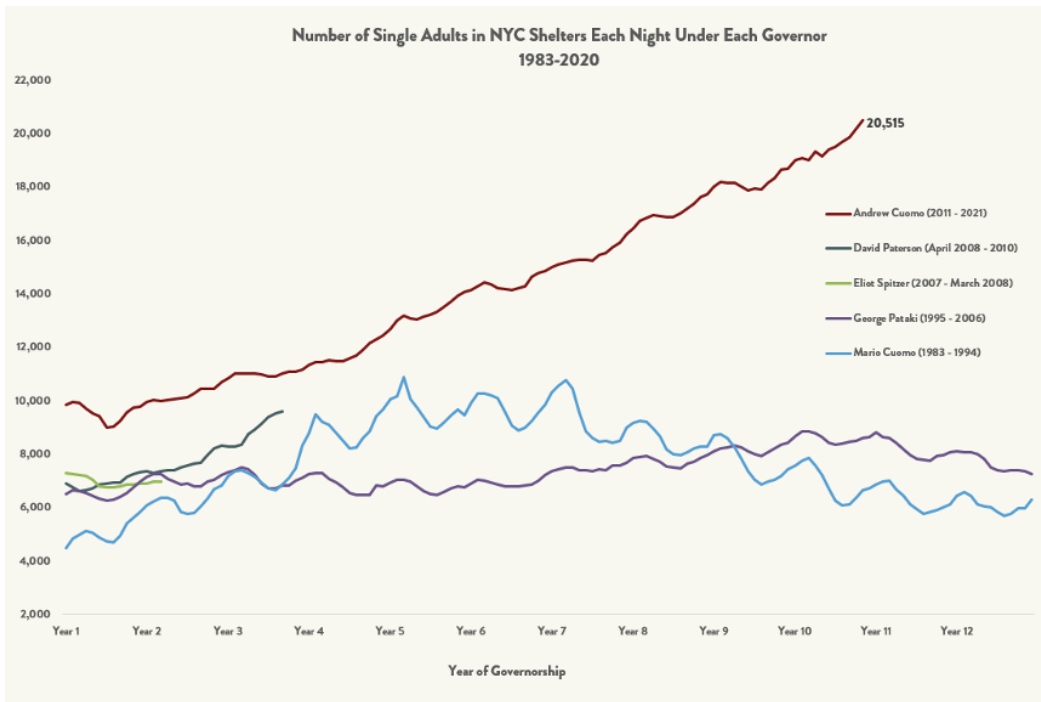
Homelessness: A Crisis Deepening Over Four Decades

It has been more than 40 years since the right to shelter was first established in New York City with the signing of the *Callahan* Consent Decree in August of 1981. At that time, it was inconceivable that the number of New Yorkers without homes would grow almost unchecked for four decades, creating a need for a shelter system that, at its height in January 2019, provided beds for nearly 64,000 people each night.

The root of this problem is, and has always been, the Federal government’s abdication of its responsibility to provide housing for low-income renters, and the subsequent failure of the City and State to view it as a housing crisis and not a homelessness crisis. This mindset has fueled decades of shortsighted policies and a reflexive retreat into simplistic, often ideological attempts to manage the problem, rather than solve it. The cost of this failure has been massive in both its human and monetary quotients.

While the right to shelter in NYC creates a critical baseline of decency in our city – and has, over the past four decades, saved countless lives by providing those who have lost their homes with an alternative to bedding down on the streets – shelters do not solve homelessness. Housing does. The moral imperative of providing all with the dignity and safety of a home has never been more strikingly obvious than it has during the pandemic.

There are far more single individuals seeking shelter each night now in New York City than at any point since modern mass homelessness began. The reasons for this are clear: Our former governor, Andrew Cuomo, (1) failed to ever raise the “shelter allowance,” the amount allotted to recipients of cash assistance, which was last updated for families in 2003 and adult households in 1988; (2) eliminated State funds for a mediocre rent subsidy program without ever replacing it with a better one; (3) failed to spend rent supplement funds appropriated by the Legislature; (4) dragged out the process of starting a new State supportive housing program for years; and (5) released increasing numbers of people from State prisons directly to NYC shelters rather than investing in adequate reentry planning.



The supply of apartments affordable to low-income renters, including those relying on a public assistance shelter allowance, has rapidly disappeared, and many New Yorkers have been shut out of the housing 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, and to help those who are already homeless move out of shelters. The FY2022 Fair Market Rent for a two-bedroom apartment in New York City is \$2,026, but the public assistance shelter allowance for a typical family of three with at least one child remains only \$400 per month.

Not surprising, given the outdated and inadequate shelter allowance and the absence of adequate programs to enable New Yorkers to afford rent, a 2016 analysis found that two-thirds of the 171,000 households receiving public assistance shelter allowances statewide 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 Amendment filed in September 2020 with the U.S. Department of Housing and Urban Development (HUD):

“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 HUD (prior to the impact of the pandemic), 23,000 more New Yorkers become homeless than escape homelessness each year. Because homelessness rose 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. In City fiscal year 2021, the **average length of stay** in the DHS shelter system was 476 days for single adults, 520 days for families with children, and 773 days for adult families.

Responses to the Executive Budget

Emergency Rental Assistance

NYS tenants' outstanding rent arrears may now well exceed \$2 billion, even after all of the available funds appropriated in 2021 are disbursed. Securing the funds to fulfill all remaining Emergency Rental Assistance Program (ERAP) applications in 2022, including for NYCHA tenants, is of vital importance, and should remain a priority for the use of Federal pandemic relief resources. It is imperative that New Yorkers at risk of homelessness are assisted in remaining in their homes in order to preserve housing stability and dampen increases in already escalating rents. In addition to supporting those with outstanding arrears through ERAP, OTDA should be required to direct local social service districts to issue rent and utility arrears grants, without requiring repayment, for the duration of the public health emergency and one year thereafter.

Public Assistance

The Executive Budget places certain restrictions on State reimbursements to New York City for various rent supplements, including those funded via Temporary Assistance to Needy Families, Safety Net Assistance, and General Fund appropriations and re-appropriations. We urge the adoption of 30-day amendments to remove all such restrictions in order to (1) maximize the number of homeless and at-risk households that can be assisted with rent supplements, (2) ensure State financial participation in this proven remedy to address homelessness, and (3) ensure that both homeless and at-risk households are assisted simultaneously so that homeless individuals and families can exit shelters, and those at risk can also avoid the loss of their homes. This is the best way to maximize the impact of rent supplements without unintended consequences inherent in the short-sighted restrictions.

Similarly, the Emergency Assistance to Families cost-sharing requirement exclusively imposed on New York City should be dropped in the 30-day amendments.

Further, we again urge the long-overdue adoption by the Executive of shelter allowance schedules for families and individuals that equal current fair market rent levels.

We also support legislation to raise the paltry personal needs allowances (as low as \$45 per month) provided to individuals and families sleeping in certain shelters to a level equal to the non-shelter cash assistance provided to others residing in most shelters or in their own apartments.

Last, we endorse the recommendations of our colleagues at The Legal Aid Society with respect to changes in income disregards, updating basic needs grants, and altering resource limits, waiting periods, utility assistance, and budgeting rules.

State-Funded Rent Supplements

We are grateful that the Executive Budget includes \$100 million for rent supplements in addition to the \$100 million provided last year at the behest of the Legislature. Similar to the proposed [Home Stability Support \(HSS\) program](#), this rental assistance can help avert and resolve homelessness for thousands of individuals and families. Coalition for the Homeless helped design and draft HSS with our esteemed sponsors and colleagues at The Legal Aid Society, Empire Justice Center, and the NYS Coalition Against Domestic Violence.

Rent supplements are considerably less expensive than the \$69,846 annual cost of emergency shelter for each homeless family in New York City. As former NYC Comptroller Scott M. Stringer projected in 2017, a program like HSS that offers rent supplements to homeless and at-risk households as an entitlement 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.

Critical to our design of the HSS program has been the principle that those who are homeless and those at risk of homelessness should 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-type subsidies should they be offered to all who qualify, as we recommend. To place this in context, just over 229,000 households receive Federal Housing Choice Vouchers (Section 8) in New York State, but the waiting lists for this assistance are largely closed. A State HSS entitlement could increase the number of households receiving long-term rental assistance by about 35 percent. The State has largely left localities to fund shelters and preventive services on their own in recent years, so the State's investment in a rent supplement entitlement would represent a long-overdue course correction. As we say often: All levels of government must work together to tackle homelessness.

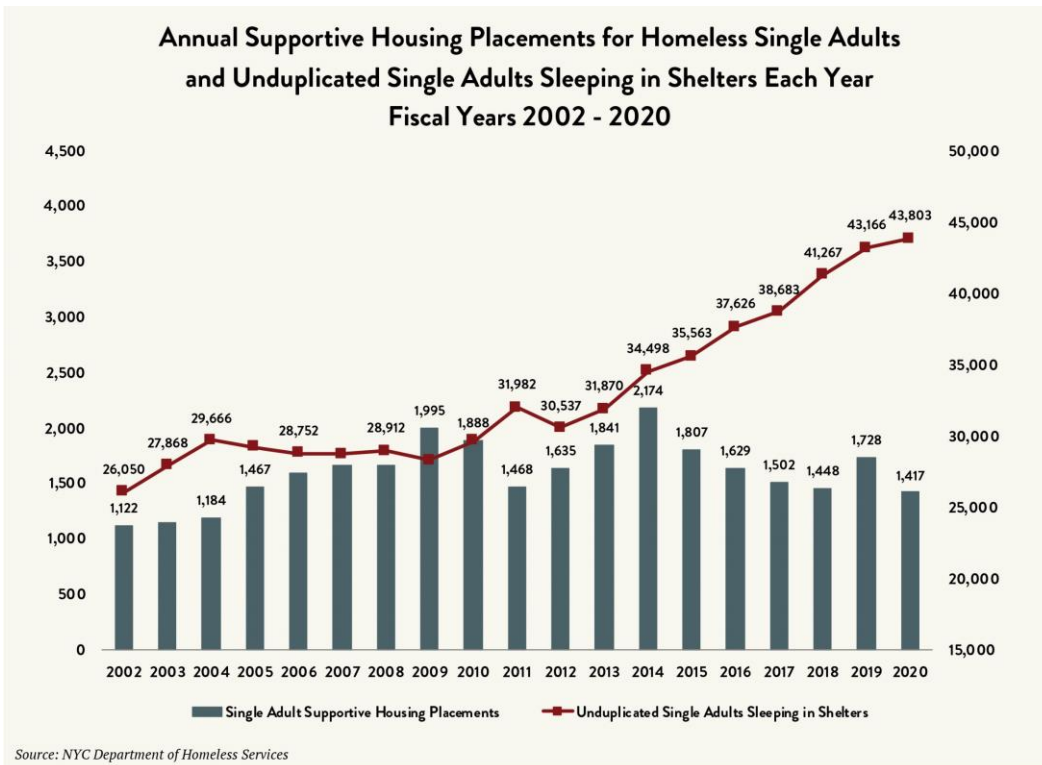
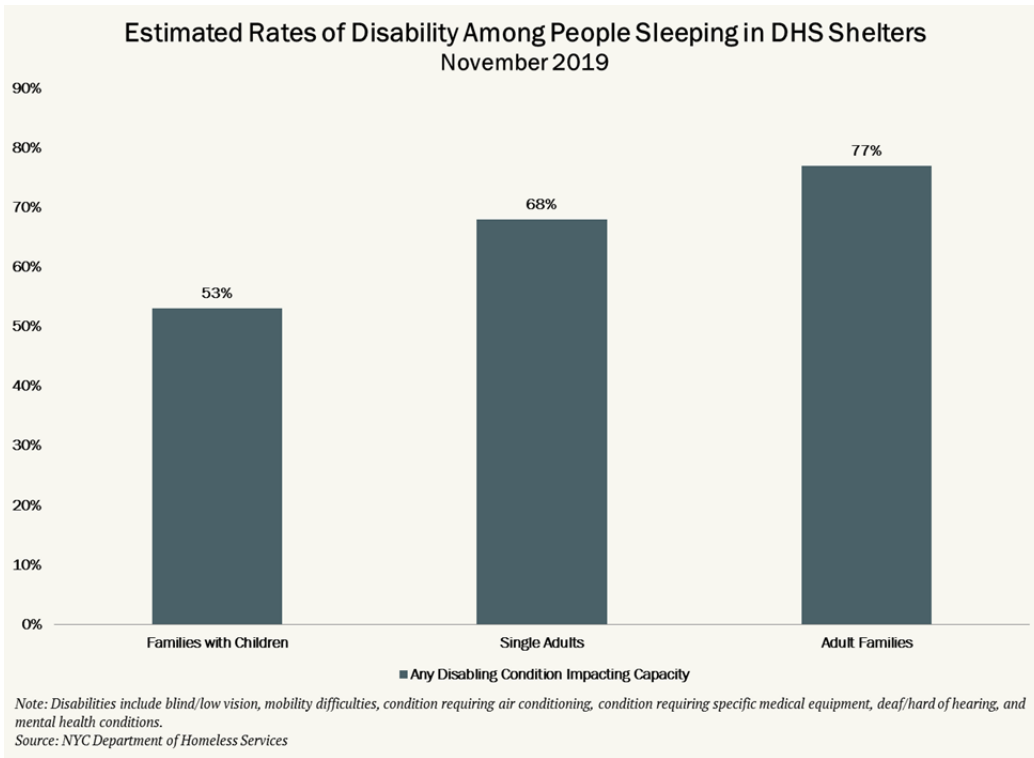
Coalition for the Homeless has also long supported the idea of creating a State housing voucher program like Federal Housing Choice Vouchers (Section 8). The best proposal we have seen to date is the ***Housing Access Voucher Program (HAVP)*** bill. This legislation, like HSS, seeks to address the needs of both homeless New Yorkers and those at risk of becoming homeless through the creation of a new State-funded housing voucher program. It has 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 homelessness. We are pleased that the sponsors have adopted our recommended amendments, and we believe that the most sensible course is for HAVP to be adopted in addition to an HSS entitlement or raising shelter allowances to fair market rent levels (given the distinct target populations).

Supportive Housing

People with disabilities are disproportionately represented among the homeless population. As part of the settlement reached in our disability rights case *Butler v. City of New York*, DHS was required to conduct a population analysis measuring the estimated rates and types of disabilities among people utilizing shelters. In November 2019, DHS reported that 77 percent of adult families and 68 percent of single adults sleeping in shelters were living with at least one disability, such as mobility impairments, conditions requiring the use of air conditioning or medical equipment, and other types of disabilities.

Many of these New Yorkers are eligible for supportive housing, but are unable to access it. The State's unnecessary delays in funding and initiating supportive housing production created a worsening shortage of supportive housing placements for homeless single adults in New York City: Just 1,417 single adults were placed in supportive housing in fiscal year 2020, or 3.2 percent of adults who spent time in shelters that year, down dramatically from 6.3 percent of single adults in 2014.

We are pleased that Gov. Hochul provided additional funds for 7,000 more units of supportive housing in her Executive Budget proposal, along with resources to preserve older developments, and ***urge that the Legislature include the proposed \$1.5 billion in capital and \$110 million in operating appropriations in the final budget***. Given that supportive housing placements for single adults in New York City are near an all-time low, even as the shelter census rises, this 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.



Other Budget Recommendations

Emergency Homeless Needs

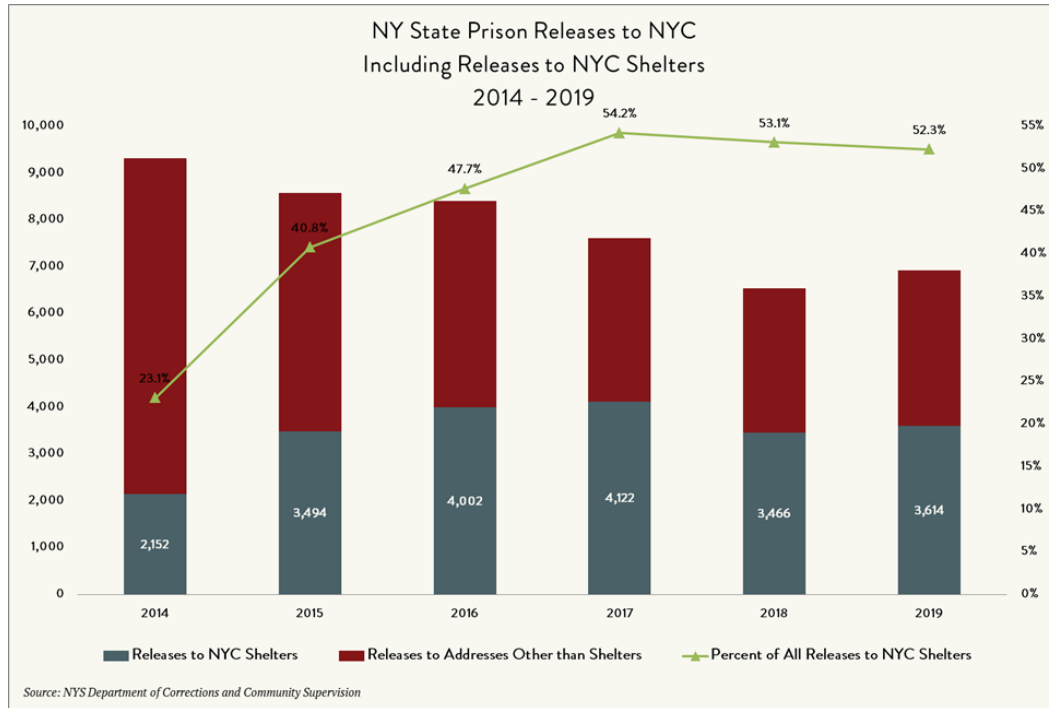
The Executive Budget includes \$1 million for emergency homeless needs that supports the Coalition for the Homeless and other organizations in our eviction prevention, crisis intervention, and emergency food distribution efforts, and we urge the Legislature to retain this appropriation.

Prohibit Shelter Savings and Shelter Rent

The Legislature should *repeal the NYC Shelter Savings law and prohibit Shelter Rent requirements.*

Re-entry Housing

New York State prison releases directly to NYC shelters contribute to record homelessness for single adults, representing more than half of all prison releases to NYC.



Although the Executive Budget contains a modest re-entry housing initiative, people need more than 90 days of housing assistance when they return to the community. The time has come for a much bolder approach. The Legislature should 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 for this purpose. New York can and should do better than the current prison-to-shelter trajectory for people who have served time and need to get back on their feet, and too many New Yorkers are kept in the correctional system beyond their release dates because they do not have a place to live after their incarceration.

Thank you for the opportunity to submit testimony. We look forward to working with the Legislature in the coming weeks and months as you work on the budget and legislative remedies to address homelessness.