



NEW YORK STATE SENATOR

Ruben Diaz

Those Who Make Money Out of the Suffering of the Poor and the Homeless

SEN. RUBEN DIAZ November 30, 2015

| ISSUE: **HOMELESS**

WHAT YOU SHOULD KNOW

WHAT YOU SHOULD KNOW

By Senator Rev. Rubén Díaz

District 32 Bronx County, New York

Tel 718-991-3161

Those Who Make Money Out of the Suffering of the Poor and the Homeless

You should know that there are many people who are making a lot of money out of the suffering of the poor and the homeless.

It is important for you to know that as the homeless population in the City of New York nears 60,000 and everyone talks about ways we can help the homeless – and even though the City and State spend exorbitant amounts of taxpayer dollars on homeless families, the money doesn't really go to the homeless. It goes to people who are taking advantage of the situation, who will go broke themselves if the homeless problem gets solved once and for all.

Some individuals who are exploiting the homeless situation are landlords, who raise the rents higher and higher until they push their tenants out onto the streets. This way, their

empty apartments can be converted to “cluster sites” or shelter units.

Whereas in the past, a landlord may have been charging \$1,000 per month for an apartment for a lease-holding tenant, under these new circumstances, that same landlord can get \$109 per night, in some cases up to \$3,400 per month to use these same apartments as municipal shelters.

Those landlords have many friends in high places, and they are protected by powerful people.

You should also know that throughout the City of New York, they are building more and more self-storage facilities than housing units. There are places where every two blocks you will find a self-storage facility being built. These storage facilities are a growth industry that feed off the homeless situation.

The owners of these storage facilities don't have to employ too many people, pay workers insurance, health insurance and unemployment benefits, because the homeless people who use the facility have to do all of the manual labor themselves to store their furniture and belongings.

As you can see, my dear friend, the self-storage facilities not only feed off of the homeless but also use them to do work for them.

While families are being displaced from their apartments and are being thrown into the streets, the City of New York will place them in cluster site shelters and at the same time, the City will pay the storage costs for the families' furniture and belongings.

My dear friend, it is important for you know that each storage unit can cost up to \$150 to \$200 per month. Add that to the moving costs the City pays to relocate the evicted family

from their home to a shelter – which can run between \$500 to \$1000 per move, plus the \$3,400 landlord charge and the administrative costs to run the shelter. Wow!

Some New York City cluster site shelters only permit families to reside there for 6 months, and if the family continues to remain homeless, more money is spent to transport the families to yet another shelter or cluster housing site. The tax dollars that New Yorkers pay to transport and shuttle homeless families from shelter to shelter continue to keep homeless families with no stability while making other people rich.

My dear reader, it's not just me who says this. The Coalition for the Homeless website states: "The City's "cluster-site" program creates powerful, perverse incentives for owners to displace lease-holding tenants in favor of lucrative shelter deals with the City."

It is important for you to know that there are motels throughout the City of New York that are being transformed into cluster housing shelter sites for families. Without kitchen facilities available, additional funds have to be provided to feed families in those sites. These meals may merely consist of cold sandwiches, and again, the providers get to make even more money.

Instead of using our taxpayer dollars to make some people rich, like paying landlords three times the rent in cluster sites and shelters, and paying for the cost of storage units, along with any number of other expenses that don't directly help our families, the City of New York should be building long-term permanent housing for our families.

Ladies and gentlemen, taking some words out of Reverend Dr. Martin Luther King's Drum Major Instinct Sermon, I would like to say:

You don't have to have a college degree. You don't have to make your subject and your verb agree. You don't have to know about Plato and Aristotle. You don't have to know Einstein's

theory of relativity. You don't have to know the second theory of thermodynamics in physics. You only need to have common sense to know that the City of New York is spending so much money to help some people get rich at the expense of the suffering of the poor and the homeless. Common sense tells us that taxpayers would save so much money and help our families and communities if they would use our money to help provide permanent housing for the homeless.

I am Senator Reverend Rubén Díaz, and this is what you should know.