



Testimony
Coalition for the Homeless

before the Fiscal Committees
of the NYS Legislature

NYS Executive Budget Proposal
for Human Services 2020

submitted by

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Thank you for inviting us to testify today.

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.

Last year saw homelessness rise again to 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.

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:

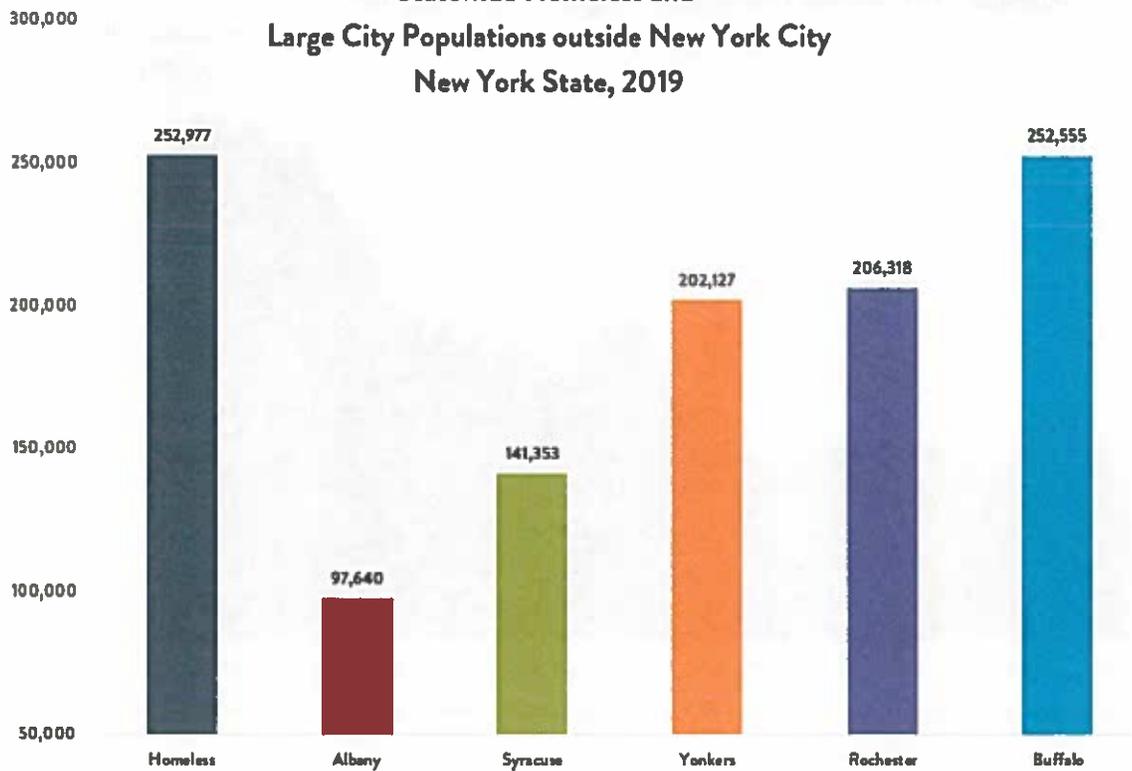
- * 133,284 unduplicated children and adults sleeping in NYC shelters
- * 79,230 homeless students in NYC not sleeping in shelters, including those doubled-up
- * 34,469 homeless students outside NYC, including those doubled-up
- * 5,994 homeless adults sleeping in shelters outside NYC

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.

Statewide Homeless and Large City Populations outside New York City New York State, 2019

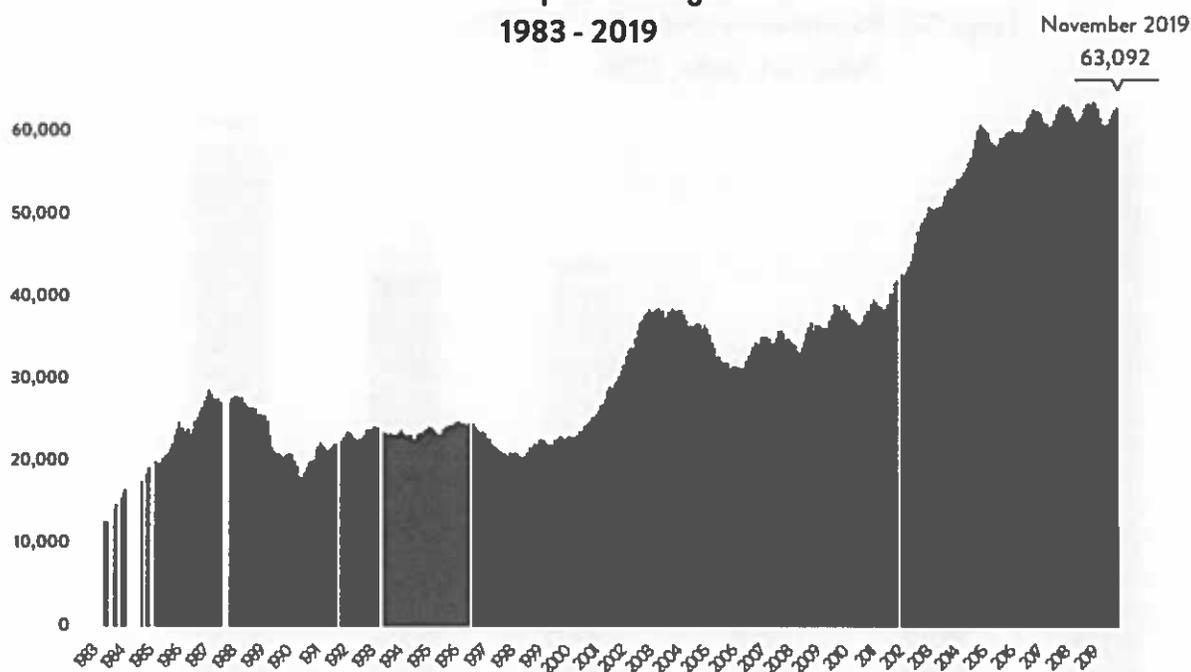


Sources: NYC Department of Homeless Services; NYSTeachs; US Department of Housing and Urban Development; 2020 World Population by Country

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.

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



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).

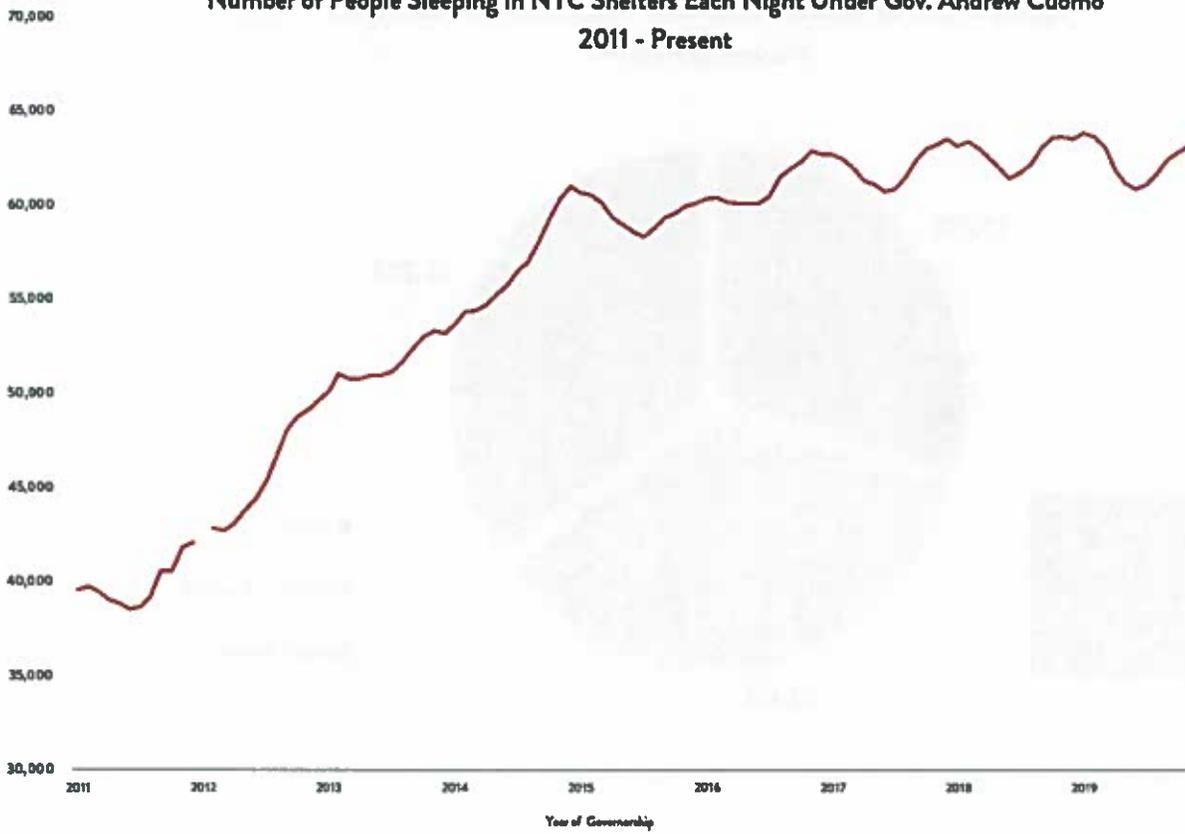
Source: NYC Department of Homeless Services; Local Law 37 Reports

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 housing subsidy program that was never replaced and a years-long delay in funding and initiating a new State supportive housing program.

Thousands more 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.

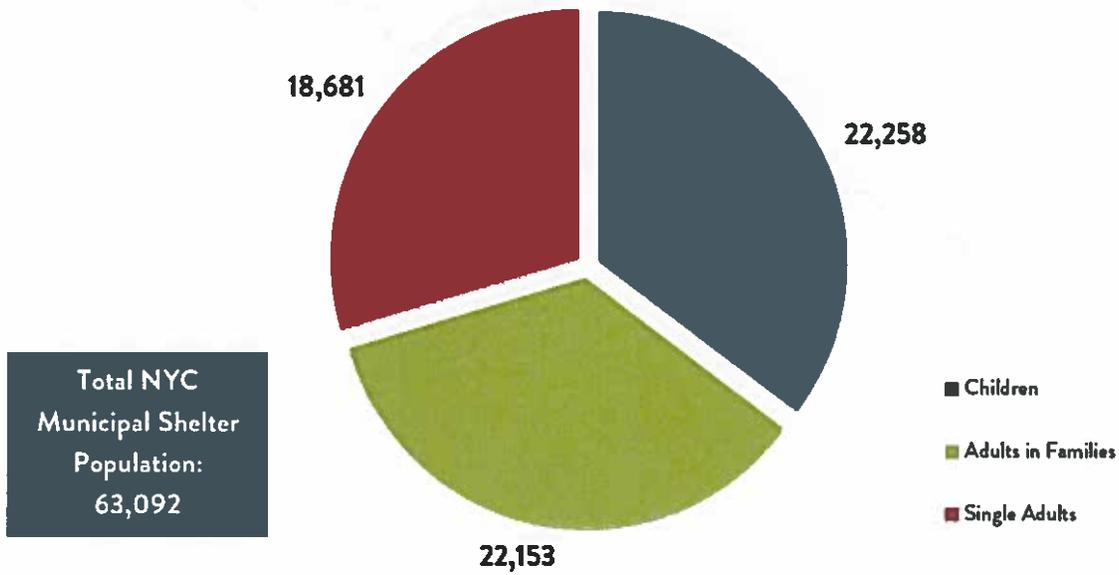
Indeed, the number of people staying in NYC shelters each night rose by 60 percent between January of 2011 and November of 2019, an increase of more than 23,000 children and adults.

**Number of People Sleeping in NYC Shelters Each Night Under Gov. Andrew Cuomo
2011 - Present**



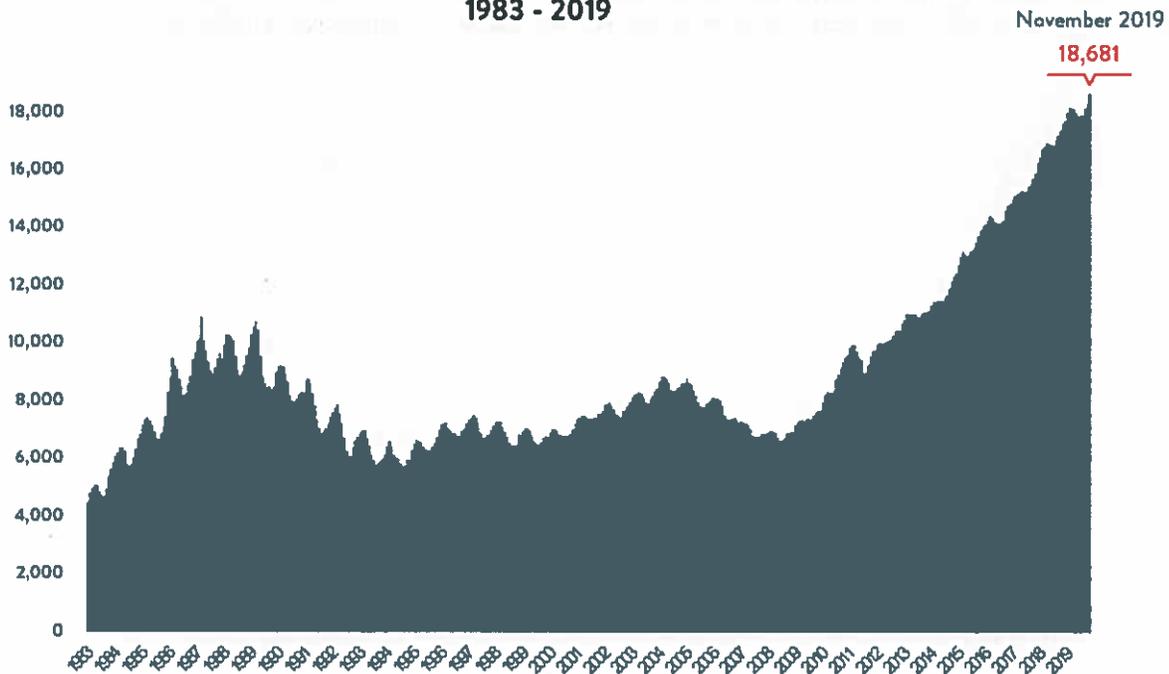
In addition to the elimination of State subsidy funding that caused many families to return to the shelter system as the subsidies ran out, one of the most forceful drivers of the overall increase in the New York City shelter census since 2011 has been the ever-rising record number of homeless single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

Number of Homeless People Each Night in NYC Shelters November 2019



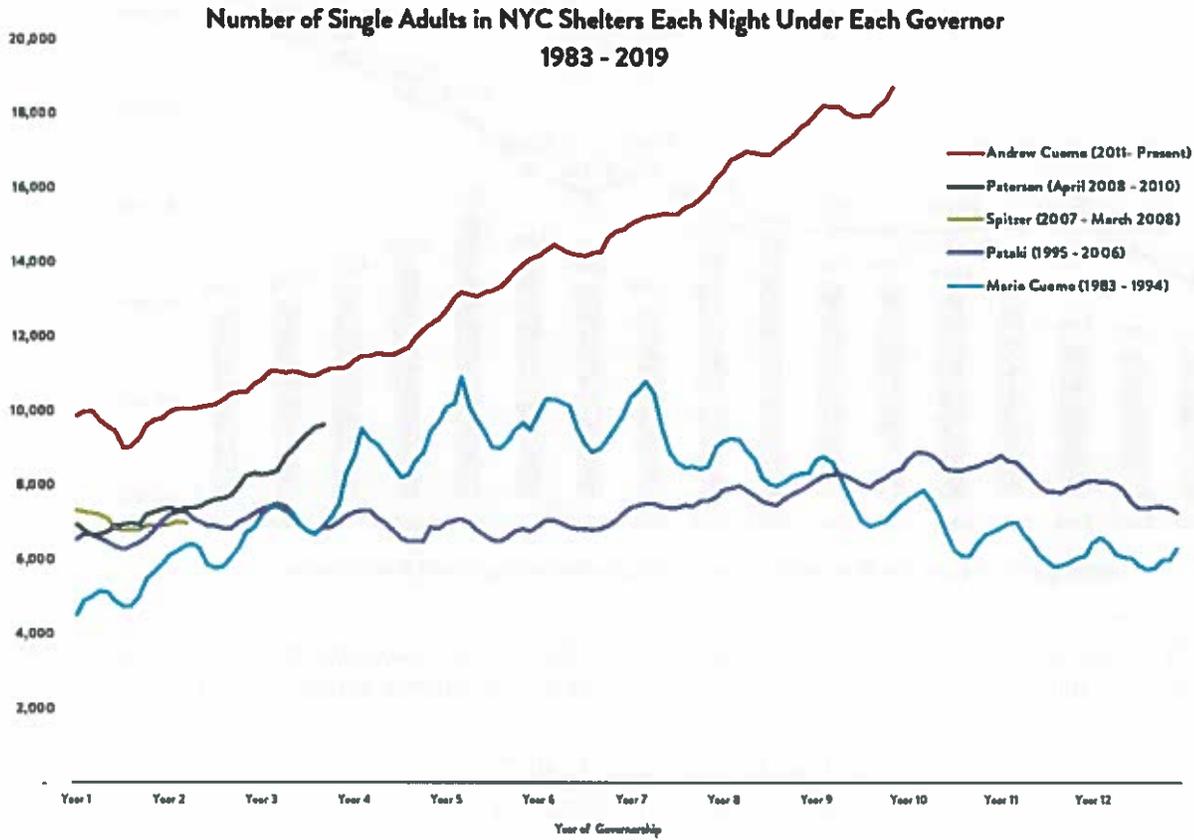
Source: NYC Department of Homeless Services and Human Resource Administration; Local Law 37 Reports

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

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

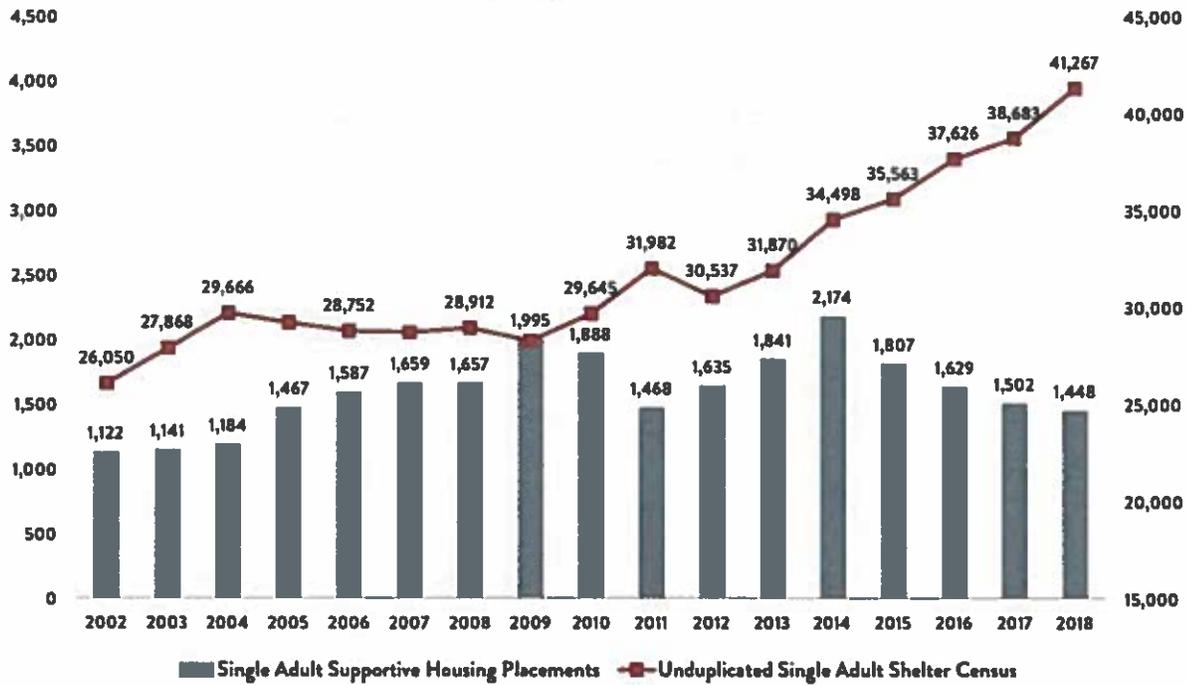


The reasons for this are clear: Gov. Cuomo not only eliminated State funds for a mediocre rent subsidy program without replacing it with a better one, but he also dragged out the process of starting a new State supportive housing program for years, and has released increasing numbers of people from state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

In fact, 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.

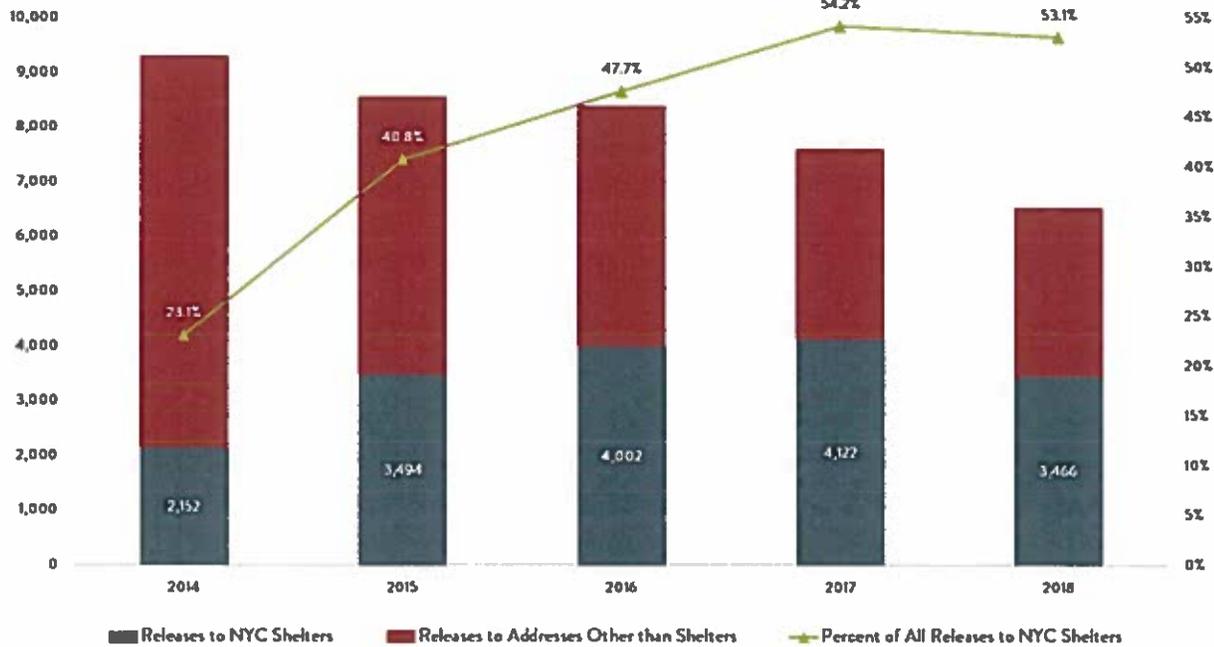
Annual Supportive Housing Placements for Homeless Single Adults Fiscal Years 2002 - 2018



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.

NY State Prison Releases to NYC Including Releases to NYC Shelters 2014 - 2018



Source: NYS Department of Corrections and Community Supervision

So what do we do about this problem that is spiraling out of control? We have two imperatives for 2020: Home Stability Support and additional capital funds to spur supportive housing development.

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 35 Senators as well as 125 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 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.

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. Please, 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.

Finally, we 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.

Thank you. I will be pleased to answer any questions you may have.