



Testimony of
Coalition for the Homeless

on the SFY 2016-17
Executive Budget proposals for
Homeless Services in New York State

before the NYS Senate Finance and
NYS Assembly Ways and Means Committees
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presented by

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Thank you for inviting us to testify at 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.

An Unprecedented Supportive Housing Commitment

The members and leaders of the New York State Assembly and Senate are to be commended for spending the last year focusing our entire state on the problem of homelessness and promoting the solution we all know works best: Supportive Housing.

Assemblymember Hevesi and Senator Golden over the last year organized an unprecedented degree of support for their letters to Gov. Cuomo calling for 35,000 units of supportive housing for homeless New Yorkers statewide. Our elected officials from across the state turned out for rallies, forums, news conferences, public hearings, and other events to underscore the importance of gubernatorial leadership to provide the needed resources for this cost-effective housing solution. **Supportive housing, as we have said time and again, solves homelessness, improves neighborhoods, and saves tax dollars.**

A two-year grass roots campaign bolstered by your enthusiastic support delivered big for homeless New Yorkers in this budget: **Gov. Cuomo has committed to building 20,000 units of supportive housing for homeless people over the next fifteen years. These units, combined with the 15,000 supportive housing units for homeless individuals and families announced by Mayor de Blasio in November bring us to the 35,000 units we have been fighting for, and now we all need to make it real.**

We unequivocally support State investments in the capital, service and operating expenses for the first 6,000 units of supportive housing for homeless individuals and families, which Gov. Cuomo proposes to fully fund. **We are most grateful to both Gov. Cuomo and Mayor de Blasio for seeing the need and addressing it, and we call on them to guarantee the future of their respective commitments by signing a fourth New York/New York Agreement for 30,000 supportive housing units for homeless households in New York City.** This will help ensure that the units are developed in a timely fashion, and that investors and banks are confident in their lending for these projects.

Further, we ask that the **Legislature add to this by appropriating additional funds** to fully back the commitment of 20,000 State-funded units over 15 years for homeless New Yorkers. Gov. Cuomo has provided a substantial down payment to fund 6,000 of the 20,000 units over the next seven years. These are all capital units, the first 1,200 of which will not be available for occupancy until 2018-19.

In the absence of a City-State agreement, we recommend that funds for all 20,000 units be appropriated this year, and include 1,000-1,500 State-funded scattered-site units in at least the first couple of years to help ease the shelter census in NYC and in the rest of the state.

Further, the Legislature should ensure that the operating and service rates are adequate for all models of supportive housing, past and future, to enable them to remain financially viable and programmatically effective, and that NYC receives at least 15,000 of the State-funded supportive housing units.

We all stand ready to work together to make this promise to homeless New Yorkers a reality and we thank you all for your steadfast leadership.

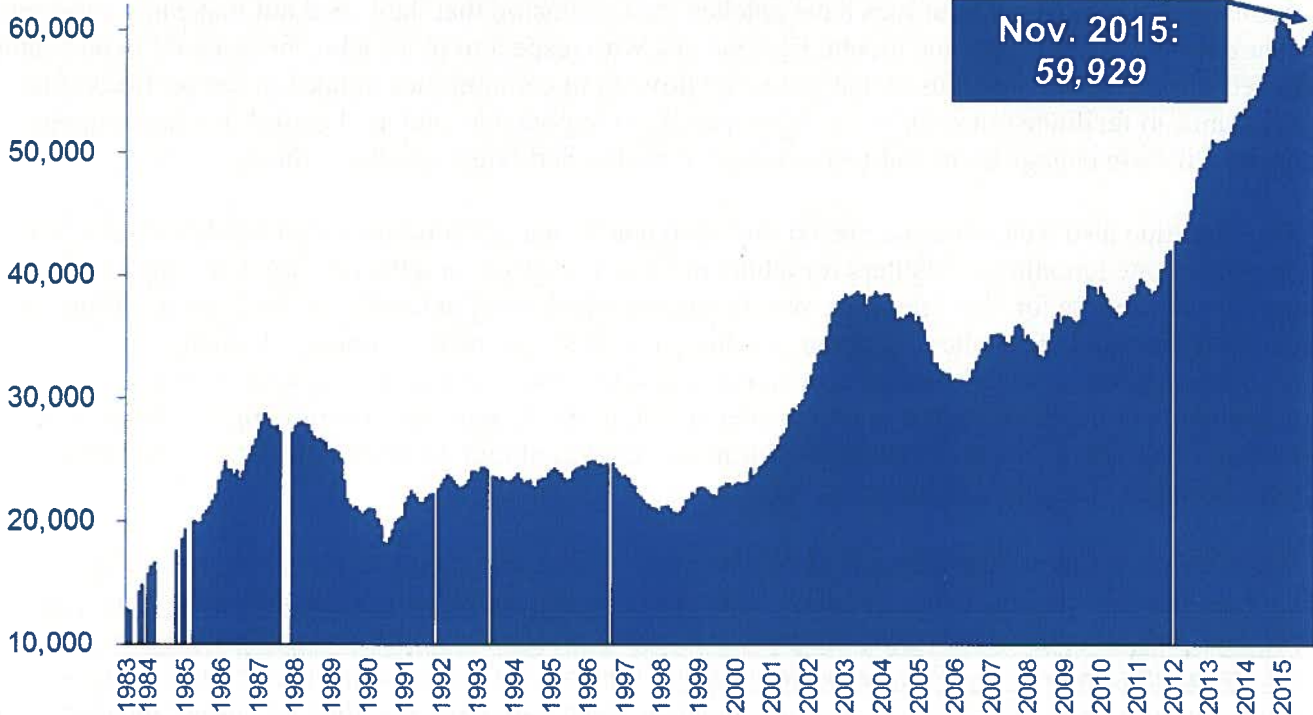
I am going to turn to a brief look at homelessness in New York City and discuss some other matters in the budget that require your attention.

Record Homelessness in NYC

More than 109,000 different homeless New Yorkers, including more than 42,000 children, slept in the NYC municipal shelter system last year, and this constitutes more than 85 percent of the homeless population in all of New York State.

In 2011 I testified that we had 38,000 homeless people staying each night in NYC homeless shelters, including 15,000 children. In November 2015, the number was just shy of 60,000 homeless people staying each night in the shelters including 24,000 children – 58 percent more homeless people staying in NYC shelters each night since 2011. As you all know, thousands more live on the streets or in makeshift arrangements underneath roadways or in abandoned buildings.

Number of Homeless People Each Night in the NYC Shelter System, 1983-2015



Source: NYC Department of Homeless Services and Human Resources Administration and NYCStat, shelter census reports

Homeless Services Budget

It is within this context that we note the following:

None of the new JP Morgan Settlement funds programmed to address homelessness via supportive housing in the current budget year were spent, nor has the City's plan for rent supplements related to the allocation of youth facilities reimbursement savings been approved by the State. **Therefore, the two largest State budget initiatives to address homelessness in 2015-16 have not actually been available to help homeless New Yorkers move out of shelters into housing, and have effectively been delayed by a year or more.** It is unsurprising, therefore, that the shelter census is virtually unchanged from a year ago.

As we have previously warned, City investments alone are not sufficient to bring the shelter census down substantially, and greater State investment is required.

That said, the Executive Budget does continue for a second year enhanced funding of \$15 million for NYC to support rent supplements to prevent and address homelessness, as added initially by the Assembly last year, and we support this continued investment.

In addition, we support the Executive's provision of \$1 million in general funds for emergency homeless needs, and ask that the TANF line for emergency homeless needs for groups with specified expertise be restored at \$1 million as well.

We ask that the Legislature provide \$1 million for the Client Advocacy Program (at one time annually funded in the budget by the Legislature) through which chronically homeless disabled people are assisted in securing Federal SSI/SDI, veterans benefits, and housing.

The Executive Order, Outreach, and Homeless Shelters

Gov. Cuomo's January executive order created some concern and confusion in the initial days after it was issued, but most communities have reached the conclusion that they need not make any substantial changes in how they apply the mental hygiene law with respect to those who are assessed to be a danger to self or others. We are advised that funds are flowing to communities in need of the proffered State assistance to facilitate outreach to homeless people living outside, and are hopeful that new outreach teams will help engage them and foster access to shelter and housing opportunities.

The Coalition also welcomes the greater attention paid to shelter conditions and needed repairs. As the court-appointed monitor of shelters for adults in New York City, and the recently City-appointed monitor of shelters for NYC families, we are eager to work hand in hand with the City, the State, the Comptrollers, and the shelter operators to bring all shelters and other temporary housing accommodations up to the standards of health and safety we all agree are required. Indeed it is refreshing that the State wishes to play a greater role in this regard and is deploying resources, since we have at times had difficulty in gaining traction on State regulation of some notoriously bad facilities that have been left unregulated against our advice.

While we do not think that the State should be opening and operating homeless shelters in New York City, as has been proposed, we do believe that **the State should share equally with New York City in the non-federal costs of providing temporary housing assistance and rent supplements to single adults, adult families, and families with children.** Recent years have seen a great reduction in State funds for both shelter costs and rent supplements in New York City, and this has shifted the costs of the system from the State to the City, which now bears the lion's share of the non-federal costs. New York State is now providing only 21 percent of the cost of sheltering single adults in New York City.

Further, we urge the Legislature to reject language in the Safety Net Assistance appropriation that would permit the State to withhold funds from New York City in order to reimburse costs the State might incur for its own possible shelter operations.

Other Budget Matters

We support:

- The Executive's recommendation to extend the exemptions granted to social services groups from the requirement to employ only licensed professionals including social workers to provide

certain services including counseling, and the related requirement to obtain a waiver from the State Education Department in order to continue employing certain licensed professionals;

- Raising the monthly amounts for the OCFS preventive, reunification and independent living rent subsidies to \$600 per month;
- Expanding rent increase exemptions and related real property tax abatements to include families with a disabled child or other family member who is not the head of household, and low income tenants on fixed incomes;
- Providing a substantial increase in the shelter allowance for public assistance recipients because so many are forced into homelessness due to the massive gap between their current allowances and even the most meager housing options; and
- Reforming how applicants and recipients of Public Assistance are assessed for and assisted with their needs for supports, training, and opportunities consistent with their abilities, disabilities, skills, and needs. We need to make sure that each person has the support they need to live safely and successfully in the community, ideally with the best opportunities for education, training and employment.

Coalition for the Homeless Background

The Coalition for the Homeless, founded in 1981, is a not-for-profit advocacy and direct service organization that assists more than 3,500 homeless New Yorkers each day – clients who come from nearly every zip code in the five boroughs and beyond. The Coalition advocates for proven, cost-effective solutions to the crisis of modern homelessness, which now continues into its fourth decade. The Coalition also protects the rights of homeless people through litigation concerning the right to emergency shelter, the right to vote, and life-saving housing and services for homeless people living with mental illness, HIV/AIDS, and other disabilities.

The Coalition operates eleven direct-services programs that offer vital services to homeless, at-risk, and low-income New Yorkers, and demonstrate effective, replicable long-term solutions. These programs include supportive housing for families and individuals living with AIDS, job-training for homeless and formerly-homeless women, rental assistance which provides rent subsidies and support services to help working homeless individuals rent private-market apartments, 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 900 nutritious meals each night to street homeless and hungry New Yorkers, and our client advocacy program helps homeless people with disabilities obtain Federal disability benefits and housing. Finally, our Crisis Intervention Department assists more than 1,000 homeless and at-risk households each month with eviction prevention assistance, referrals for shelter and emergency food programs, and assistance with public benefits.

The Coalition also represents homeless men and women as plaintiffs in *Callahan v. Carey* and *Eldredge v. Koch*. In 1981 the City and State entered into a consent decree in *Callahan* in which it was 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. Consistent with this responsibility, the Coalition was also more recently appointed to serve as the City-designated monitor of shelters for families in New York City.

When modern homelessness first emerged in the late 1970s, thousands of homeless New Yorkers were forced to fend for themselves on the streets, and many died or suffered terrible injuries. Indeed, public health officials in those days often remarked privately that literally hundreds of homeless men and women were perishing each year on the streets of the city, often from hypothermia and other cold-related causes, although no public record was ever made available.

In response to this crisis, in 1979 founders of the Coalition for the Homeless brought a class action lawsuit in New York State Supreme Court against the City and State called *Callahan v. Carey*, arguing that a constitutional right to shelter exists in New York. In particular, the lawsuit was based on *Article XVII of the New York State Constitution* – an amendment which was enacted in the midst of the Great Depression – which declares that "the aid, care and support of the needy are public concerns and shall be provided by the state and by such of its subdivisions...."

The lawsuit was brought on behalf of all homeless men in New York City. The lead plaintiff in the lawsuit, Robert Callahan, was a homeless man suffering from chronic alcoholism who lived on the streets in the Bowery section of Manhattan.

In December 1979, the New York State Supreme Court ordered the City and State to provide shelter for homeless men in a landmark decision that cited *Article XVII of the New York State Constitution*. And in August 1981, after nearly two years of intensive negotiations between the plaintiffs and the government defendants, *Callahan v. Carey* was settled as a consent decree. By entering into the decree, the City and State agreed to provide shelter and board to all men who met the need standard for public assistance or who were in need of shelter "by reason of physical, mental, or social dysfunction." (A companion lawsuit, *Eldredge v. Koch*, extended the right to shelter to single women, who are now protected by the consent decree. Separate litigation by the Legal Aid Society has guaranteed similar rights for homeless families.)

The decree established a right to shelter for all men and women in need of shelter from the elements in New York City, and it has been responsible for saving the lives of countless homeless New Yorkers who might otherwise have died on the streets of the city.

Nevertheless, one tragic footnote to the history of the litigation is the fate of Robert Callahan himself. The autumn before the consent decree bearing his name was signed, Mr. Callahan died on Manhattan's Lower East Side while sleeping rough on the streets. Thus, Robert Callahan was one of the last homeless victims of an era with no legal right to shelter.

In addition to litigation and vital services, the Coalition for the Homeless has engaged in a broad array of advocacy and public education work to deliver such vital and far-reaching victories as the Community Mental Health Reinvestment Act, laws guaranteeing a right to educational services for homeless children and youth, the SRO Support Services program, the Foster Care rent subsidy preventive and reunification rent subsidies, the "Year of the Homeless" social services programs that brought \$20 million in new homeless housing and mobile food, shelter repair, housing subsidies, and mental health services largely to the outer boroughs, the New York/New York II and III agreements, the Disability Rent Increase Exemption program, Timothy's Law, and ombudsman services for Medicaid Managed Care enrollees beginning in 2014, the Campaign 4 NY/NY Housing, as well as the Federal Stewart B. McKinney Homeless Assistance Act, and local laws relating to shelter and other homelessness and housing policies in New York City.

