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New York City Council

Committee on General Welfare

Examining the Issue of Illegal Boarding Houses in New York City

Tuesday, May 5, 2009

Testimony respectfully submitted by

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My name is Christy Parque, and I am the Executive Director of Homeless Services United (HSU). HSU is a coalition of 60 non-profit agencies serving homeless and at-risk adults and families in New York City. HSU provides advocacy, information, and training to member agencies to expand their capacity to deliver high-quality services. HSU advocates for expansion of affordable housing and prevention services and for immediate access to safe, decent, emergency and transitional housing, outreach and drop-in services for homeless New Yorkers.

Homeless Service United's member agencies operate hundreds of programs including shelters, drop-in centers, food pantries, HomeBase, and outreach services. Each day HSU member programs work with thousands of homeless families and individuals preventing shelter entry whenever possible through counseling, legal services and public benefits assistance, among many other supports. Our member agencies provide high quality and compassionate emergency shelter to over 16,000 homeless New Yorkers nightly. Homeless service providers toil at the cross section of many of society's problems. Our clients confront high housing costs, difficulty finding work, mental and physical illness, substance abuse, and domestic violence, and are particularly vulnerable during financially hard times such as these.

We applaud the efforts made by City agencies, advocates and our member providers to ensure that homeless people move from shelter to permanent, safe, and secure housing situations.

The City has largely delegated its responsibility for placing homeless individuals in housing to non-profit shelters (our members), and we have been successful in reducing the numbers of homeless single adults. Entrusted with this enormous task, providers have actively sought and placed clients in the safest and most appropriate settings available.

To fully explore the issue of solving the problem of homelessness and, in particular, the role of boarding houses, we must examine two areas:

1. Housing Options:

For many clients with special needs, the ideal placement is to supportive housing operated by non-profits or subsidized housing. However the supply of supportive housing is much smaller than the number of clients to be placed.

This lack of supportive and affordable housing is key to understanding the complex issue of solving the problem of homelessness and, in particular, the role of boarding houses in the continuum of the New York City Housing stock.

In the first 6 months of the current fiscal year, shelters made 5,580 placements into housing. The vast majority of these placements (4,016 or 72%) are placements to "return to family" or "independent living" according to the DHS critical activities report.

2. Financial Limitations:

Providers' responsibilities are spelled out in contracts with the City and the resources they have available are determined by their budgets, which are almost entirely funded by the City.

Shelter contracts with the City require providers to meet housing placement targets. Up to 10% of our budgets are at risk if we do not make housing placement targets. At the urging of our members, DHS recently increased the importance of the recidivism targets, which creates an incentive to make placements that last. A steadily rising bar for these targets creates pressure for providers to move clients quickly from shelter into lasting housing.

In the face of a 4.3 % budget cut for FY10, adult shelter providers will have even fewer resources with which to undertake the very difficult job of running a homeless shelter and placing clients into permanent housing. Already shelters are forced to combine roles such as case managers and housing specialists, both important but distinct roles in client services, in order to meet increasingly scarce funding and budget reductions.

HSU strongly opposes these cuts. We ask the City Council and the Mayor to recognize that we can't afford to back down in the fight against homelessness, especially in these tough economic times, and to restore these funds to shelter providers' budgets.

Oversight and Due Diligence

Reports by Coalition for the Homeless make clear that historically a small number of placements have been to private residences that have been illegally converted into group homes. Unfortunately, these unscrupulous and predatory housing practices have directly resulted from the scarcity of affordable housing stock and lack of options available to poor and homeless New Yorkers.

In an effort to draw attention to the issue of unregulated boarding houses or 3/4 houses, HSU has offered training to member agencies on how to research the complex web of the many City and State agencies with overlapping jurisdictions and authority to address aspects of the problem. And most recently in an April 2008 memo, DHS has provided guidance about what types of placements are not permitted. Yet, unfortunately, the problem persists.

Recommendations

HSU strongly believes that all of our clients should have the opportunity to exit shelter for safe and affordable housing. Vulnerable clients should be protected from predatory and harmful housing situations. Illegal and unregulated boarding houses must not be allowed to go unchecked and landlords who put our clients at risk must be stopped.

HSU understands how difficult it is to craft legislation that protects our clients but does not prohibit placements into decent housing. However, we have concerns about the proposed legislation because it contains multiple ambiguities that would make it impossible to provide our shelter staff with clear guidance.

- Sections a and b of the proposed law do not provide enough guidance for a shelter to know how to interpret them.
 - The bill is not restricted to placements to housing in New York City.
 - The term dwelling is not defined. Does it mean an individual apartment or the entire building?
 - Our members may place a client in a large apartment building which has Certificate of Occupancy violations on an unrelated unit. In some cases the violation of the Certificate of Occupancy covers issues such as a basement containing a work-out room, a pool table and a lounge.
 - An old violation may be “written off,” but according to the DOB, it is not “resolved.”
 - Prohibited placements may include apartments in which our clients or their families have lived for many years.

- The proposed language under section c is vague. Section c states that DHS may not place clients into “any dwelling where occupancy by a homeless single adult would violate the certificate of occupancy.” It is simply not clear what is intended here.

Any proposed due diligence to prevent referrals to substandard housing must be thoughtful, clear, and unambiguous. Ultimately, it will be shelter staff who are responsible for implementing the new policies before making a housing placement. Consideration must be given to the limited resources available to staff, particularly in the face of serious funding cuts.

We recommend that the City Council, DHS and other city agencies as appropriate (DOB or HPD) come to a consensus on what is the appropriate and reasonable level of research that must be conducted prior to a placement in order to prevent referrals to unsafe or substandard housing situations.

In addition to the above-cited example, HSU staff and member agencies have explored the newly proposed criteria and research necessary to achieve it and have other questions that must be clarified before undertaking this law or setting this forth as protocol. We are prepared to work with the City council and City agencies to develop a set of reasonable criteria that is clear and can be implemented within our current resources.

CONCLUSION

Thank you for your time and commitment to addressing the needs and concerns of homeless and at-risk New Yorkers and those who serve them. Homeless Services United looks forward to working with you to realize solutions that will allow our members’ vital programs to continue to provide our neediest New Yorkers with services that support and motivate them to thrive in the future.