

# **Council on Homeless Policies and Services**

**70 W. 36th Street, Suite 1404**

**New York, New York 10018**

**Ph: (646)827-2271**

**Fax: (646)536-8185**

**Comments by Lauren Bholai-Pareti**

**presented at**

***Eliminating Chronic Homelessness in New York City: A Progress Report***

**Sponsored by the New York City Bar**

***February 9, 2006***

I am honored to be here tonight on behalf of the Council's members. We are a coalition of sixty non-profit homeless service providers working on the front lines of this city's homeless crisis. I use the word "crisis" deliberately, because despite the progress we have made, 31,417 children and adults will sleep tonight at a Department of Homeless Services shelter and thousands more will sleep on our streets and in other types of shelters.

The Council's members are encouraged that Mayor Bloomberg believes that chronic homelessness can be ended, that his vision is backed by a plan, and that together we are implementing the plan and making progress. Like most things in life, the plan is not perfect. I have been asked to speak tonight to some of the implementation issues.

I'll talk first about the Housing Stability Plus Program. I want to be clear that HSP was a response by the City and State to a problem largely created in Washington. Without enough Section 8 vouchers, we needed some alternative way to help people afford housing so that they could get out of shelter. Otherwise, we would have seen the shelter census and shelter costs explode.

So, the City and State created HSP. I will quickly talk about some problems with the program that those working on the front lines see every day and about some practical improvements that could make the program more effective.

First, people who do not have an active public assistance case are not eligible for HSP. Most people who work or get disability benefits, for example, cannot get HSP. Many are staying in shelter or are moving out to temporary and tenuous situations. The good news is that we could take a big step towards fixing this problem by re-instating priority access to NYCHA apartments for those who are not eligible for HSP. Thousands of NYCHA apartments become available each year, and it is a resource that we could allocate towards ending chronic homelessness.

Second, the HSP program requires that you stay on welfare in order to continue to get help paying your rent. At the same, time it requires you to earn income to offset a 20% annual reduction in the rent supplement. This leaves clients in a catch 22. To illustrate let's consider a single mom with 2 kids who leaves welfare for a full-time job that pays \$7.65/hour. She will lose her HSP rent benefit and will pay 70% of her pre-tax income to keep her apartment. If she stays on public assistance and does not work, she gets about \$290 per month in cash and by the fourth year has to pay more for rent than she receives from PA. Again, there is a practical solution to this problem. The City and State could work together to fund the continuation of the HSP rent supplement for people who do what we want - who find a job and get off of welfare.

Finally, HSP rent levels are significantly below fair market rents established by HUD. So what attracts landlords to the program?

- There are probably a few who are driven by a desire to help homeless people.
- Many like that HSP is less bureaucratic than Section 8. So, they can get their apartments certified and rented more quickly.
- Others might like the fact that there are no occupancy standards. So, they can rent small apartments to big families and are paid based on the family size not the apartment size.

- Many are illegally collecting payment above the authorized rent.
- They might also like the ability to self-certify that they made required repairs. If they are willing to lie, they can rent apartments that do not have a working toilet, a stove, or window guards.

Again, these are problems that are fixable, we could, for example, set occupancy standards for the program, refuse to do business with landlords who have been documented to request illegal side payment (or even prosecute them for fraud). We could require a re-inspection for all apartments that initially do not meet health/safety requirements. We could stop paying rent for apartments that are later found not to meet standards. But we may also have to raise rents in order to keep landlords interested, and we will have to find a way to help some people move to a different and safer HSP apartment.

None of these solutions are a panacea, but the people working on the front lines tell me that they would go a long way towards helping people stay out of shelter and ultimately towards meeting our mutual goal of ending chronic homelessness.

I have also been asked to comment on the City's Home Base prevention programs. Home Base is a good program. People facing homelessness and desperate to avoid going to shelter call my office every day looking for help, and if they live in one of the 6 community districts we send them to Home Base. The problem is if they live in one of the other 53 districts.

We think Home Base should be expanded to be a city-wide program and that, as the Special Master Panel recommended, we should invest more in rental assistance programs to help people before they become homeless. We applaud the mayor's commitment to reinvesting resources saved by reducing the number of people in shelter into Home Base and other prevention services. New York State has a law that says when we close psychiatric hospitals we must reinvest that money into community-based mental health services. It is a good law, and a similar law could help to make sure that savings from

closing shelter beds is available to strengthen and expand Home Base and other prevention strategies, including supportive housing for those with the greatest needs.

We recently made a tremendous stride towards increasing the availability of supportive housing for singles adults, families and youth. Kudos to Mayor Bloomberg and Governor Pataki on New York / New York III. Thanks to work by Dennis and others, we know that it is a smart investment that will help a lot of people put their lives back together. We should remember that NY/NY III is a ten year housing plan and that housing takes time to build.

I have also been asked to comment on the reorganization of the Emergency Assistance Unit, the notorious entry point for families seeking shelter. Mayor Bloomberg and his team at DHS deserve credit for making improvements to a very bad system – one which they inherited. Since opening the new intake office, more eligible families are found eligible on their first application – which is a good sign of progress.

We know that the Special Master Panel found serious problems with the City's eligibility screening process, and that, more recently, Justice Freedman cited her own concerns regarding eligibility decisions. I don't have the answer about whether the changes the City has made are sufficient to ensure that families who need help get it.

I do know that, at the end of the day, what matters to the Council's members, the people working on the front lines of this crisis, is that we retain a well-defined legal right to shelter – to make sure that people in dire need get help and to make sure that we cannot camouflage this city's most visible and costly manifestation of an affordable housing crisis by tightening the front door of the shelter system.

Thank You