

## The Reinvestment Project

**Every night in New York City at least 31,000 people sleep in the principal municipal shelter system and over 3,800 people live on the streets or in the subways.** One study showed that, during just one year, nearly one in six poor, black children under the age of five stayed at a shelter. New York City has undertaken an historic effort to reduce homelessness by two-thirds and to reinvest savings from shelter census reductions into strategies that prevent homelessness. HSU's Reinvestment Project will secure the funds currently spent on managing homelessness to support services that will keep future generations of young people out of shelters.

In 2004, Mayor Bloomberg announced an ambitious plan to shift the city's efforts away from shelter provision and towards effective solutions to homelessness. His administration released a bold plan called ***Uniting for Solutions Beyond Shelter***, which focuses the energies of the government, non-profit, and business sectors around key strategies for ending homelessness:

- Increasing homelessness prevention services targeted to high-risk communities;
- Investing in supportive housing and rental assistance programs that help people leave shelter and the streets;
- Using data to target public investment in approaches that yield the strongest outcomes;
- Reinvesting funds saved by reducing the shelter census into prevention services, housing assistance and other systemic solutions to homelessness.

**Project Goals:** The Bloomberg administration has made an important and laudable commitment to use savings generated from shelter census reductions to support the development of new programs aimed at solving rather than managing homelessness. We believe that this commitment is so important that it needs to be secured for future generations. Our Reinvestment Project seeks to:

- Establish local legislation requiring annual reporting of savings secured through shelter census reductions and disclosure of reinvestment plans, thereby providing a way to track savings and promote public dialogue about how those savings should be spent.
- Establish a local legislative mandate ensuring that savings are reinvested in systemic solutions to homelessness so that New York City never again has tens of thousands of children and adults living on our streets and in emergency shelters.
- Monitor savings, promote public discourse about reinvestment strategies, and establish a model that can be replicated in other localities.

**Anticipated Results:** Assuming that New York City achieves our shelter census reduction targets and fully reinvests the resulting savings, we estimate that the project will help to secure funding that totals as much as **\$100 million annually** moving forward from 2009. These funds will be used to support development of innovative programs that prevent thousands of children and adults from suffering the impact of homelessness each year. This project will also help to ensure that these funds will benefit New York City's most disadvantaged neighborhoods.

---

*Homeless Services United is a coalition of sixty non-profit agencies serving homeless and at-risk adults and children throughout the five boroughs of New York City. We thank the Oak Foundation for their generous support of this project.*

