



NYC Department of Homeless Services

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Good afternoon Chairman de Blasio and members of the Council. I am Robert Hess, Commissioner of the Department of Homeless Services (DHS). I am pleased to testify about topics that have been the focus of my career—efforts to assist the poor and vulnerable move towards independence and self-sufficiency. Before becoming Commissioner, I was Philadelphia’s Deputy Managing Director for Special Needs Housing. I developed Philadelphia’s ten-year plan to end homelessness, reduced the number of individuals living on the streets by over 60%, and created Housing First Programs to move chronically homeless individuals directly from the street to permanent housing. I look forward to leading what is widely considered the largest and most sophisticated shelter system in the country and to continuing the Bloomberg Administration’s efforts to reduce homelessness.

Thank you for this opportunity to testify before you today on the Fiscal Year (FY) 2007 Executive Budget. I’d like to touch upon the agency’s progress in implementing the Mayor’s five-year action plan, *Uniting for Solutions Beyond Shelter*, including: street homelessness, prevention services, Housing Stability Plus, and reductions in the shelter census. I will also briefly discuss the agency’s new initiatives and the Executive Budget.

HOPE 2006

As you may know, DHS recently announced the results of the City’s second citywide Homeless Outreach Population Estimate (HOPE). The HOPE 2006 survey estimated that 3,843 unsheltered individuals are

living on the streets, a 13% decrease in street homelessness since last year’s count. This number represents 1,021 individuals in Manhattan, 778 in Brooklyn, 211 in Staten Island, 66 in Queens, 551 in the Bronx, and 1,216 in subway cars and stations.

When comparing the street homeless population to the general population, New York City’s rate of street homelessness remains among the lowest of any major city for which similarly comprehensive street count data was available and confirmed, including Miami-Dade County, Phoenix, San Francisco, and Los Angeles County.

Comparison of Street Homelessness in Some Major Cities*

City/County	Population	Street Census	Ratio of Street Homeless to General Population
New York City	8,104,079	3,843	1 in 2,109
Miami-Dade County	2,363,300	1,754	1 in 1,347
Phoenix	1,418,041	1,834	1 in 773
San Francisco	744,230	2,655	1 in 280
Los Angeles County	9,935,475	72,413	1 in 137

*This represents a list of the largest U.S. cities with a similar street count methodology for which DHS was able to confirm a recent census. All population figures are from the 2004 U.S. Census Bureau Population Estimate with the exception of Los Angeles County (2005).

The reduction in street homelessness is promising. To reach the 5-Year Plan’s ambitious targets, we are focusing our street outreach work on moving people off the streets and into housing. The agency will employ a new “housing first” approach to outreach, with the goal of stabilizing individuals by placing them

directly into permanent housing and providing services that lead to recovery, stability, and independence. Over the last year, outreach teams have set up community-based networks in high need areas. These collaboratives bring together providers such as drop-in centers, soup kitchens, churches and hospitals to share information with the goal of placing street homeless individuals into transitional or permanent housing. I am excited about these initiatives and their positive impact on the most vulnerable New Yorkers.

HOMEBASE

Too many individuals and families enter shelter each year without receiving services that might have helped them remain housed. The City targets high-risk communities and uses data to identify at-risk households, delivering timely assistance to help many avoid homelessness.

During the Preliminary Budget Hearing in March, Acting Commissioner Winter described the agency's prevention program, HomeBase. I am proud to announce that HomeBase is now being nationally recognized in these efforts. Harvard University's John F. Kennedy School of Government has named HomeBase as a finalist in the Innovations in American Government Award given by the Ash Institute for Democratic Governance and Innovation.

Started in September 2004, HomeBase is a \$12 million program that has helped almost 4,000 clients avoid homelessness. Non-profit partners work with at-risk families and single adults to assist them in stabilizing their housing situation *before* they reach the point of needing emergency shelter. HomeBase offices are located in six neighborhoods with high-utilization rates and offer flexible services designed to meet the individual needs of each client. The most frequently used services and referrals include job training and job

search assistance, entitlements advocacy, assistance with legal action, housing relocation, and in select cases, financial assistance for the payment of rent arrears or broker's fees.

The best news is that families and adults seen by HomeBase case workers are overwhelmingly able to avoid shelter stays. Of the almost 4,000 families and single adults served by the program, 95% are housed and out of shelter.

HomeBase is also decreasing the number of households who enter shelter in the communities they serve. When comparing 2005 with the previous year, HomeBase neighborhoods saw a 12% decline in shelter entry, while the rest of the city only saw a 7% decline. This represents a 5% greater decline for prevention communities after the program's first full year of operation. Furthermore, before implementation, residents of the six HomeBase community districts constituted 24% of family shelter entrants. So far this year, residents of HomeBase community districts constitute only 20% of family shelter entrants. The data indicates that there is much to be optimistic about in the fight to prevent homelessness.

HOUSING STABILITY PLUS

During the March 2006 Preliminary Budget hearing, Acting Commissioner Winter reported that Housing Stability Plus has been successful in placing families into permanent housing. I am pleased to report that the data continues to look good. Since the inception of the program in December 2004, a total of 6,940 clients have signed leases for permanent housing. This number represents 6,323 families with children, 407 single adults, and 210 adult families.

Clients who are moving out have overwhelmingly been able to maintain their permanency. From December 17, 2004 to May 29, 2006, 94 families returned and were found eligible for shelter (85 families with children and 9 adult families). In addition, 4 single adults returned to shelter. This overall data is encouraging and marks a triumph for each household: an opportunity to attain a solid and stable home life.

SHELTER CENSUS

In March 2006, Acting Commissioner Winter described the declining numbers of adults and families in our shelters.

We are pleased to report that the number of adults and families in our shelters continues to decline. These numbers represent very good news—based on the total number of individuals in shelter, the agency is meeting our 5-Year Plan targets. Since November 2003, the month when the total shelter population was at its peak, the total shelter system has decreased from an average of 38,591 individuals to 31,306 individuals in April 2006. This represents a 19 percent decrease. Today there are over 7,200 fewer New Yorkers in shelter on average each day than at the time of the peak shelter census in November 2003.

During that same period, the greatest decline in the shelter system has been among children. From November 2003 to April 2006, the average number of children in shelter has decreased dramatically from 16,840 to 11,732. This decline means that there are nearly one-third (30 percent) fewer children in shelter on average than there were two-and-a-half years ago. Over the same time, the average number of families in shelter decreased from 9,183 to 7,877 – or 14 percent. The single adult population has also decreased. In April 2006, there were 8,016 single adults in shelter on average each day, which translates to over 300 fewer single adults in shelter than in November 2003.

We will continue to update you as we meet the milestones of our 5-Year Plan.

NEW INITIATIVES

I would like to briefly discuss highlights of the agency's new funding for FY07, aimed to create new programs or expand existing programs to better serve the homeless population.

Under a new program, Moving On, DHS will provide incentives for supportive housing providers to assist stabilized clients to move to independent living, thereby creating capacity for less stable clients who may be either living in the streets or in shelter. DHS will provide a \$2,000 payment to providers when they help a stabilized client find housing and transition to a new apartment. In addition, the provider may use the stipend to make small repairs to the unit to prepare it for a new client. This project was funded as a pilot in 2007.

The agency also will receive additional budget dollars to expand an existing program, Homeward Bound. Under contract with the Salvation Army, the Homeward Bound program provides relocation assistance to approximately 400 shelter clients per year. The agency will expand the program to serve 750 clients per year. Under the program, a shelter client is relocated to a more stable environment in their home community, including reunification with family members. Homeward Bound clients are also given referrals to the Salvation Army branches at their area of relocation, ensuring that clients continue to receive necessary social services. The Salvation Army will also provide three month client follow-up.

Last, the agency has received funding for additional legal staff, including 9 new attorneys and one administrative staff analyst to ensure that the agency maintains the highest legal standards in implementing our procedures at PATH intake. The cost for this additional staff is \$594,000.

EXECUTIVE BUDGET REPORT

Finally, I would like to briefly focus on the FY07 Executive Budget. For the current year, FY06, the department's expense budget is \$767 million; for next year, FY07, the budget is \$696 million.

Of the \$696 million, \$309 million are city funds, \$204 million state funds, \$148 million federal funds, \$4 million is grant funding, and \$31 million is intra-city funding. The \$696 million budget allocates \$284 million to services for single adults, \$356 million to services for families, and \$56 million to support services.

The DHS Capital Plan for the five year period of FY06-FY10 is currently \$196 million. Capital projects for homeless families total \$90 million; projects for single adults total \$81 million; \$21 million has been allocated for support services; and \$4 million for City Council funded projects.

In conclusion, I thank you again for giving me the opportunity to speak on the various agency initiatives aimed to stabilize New York's most vulnerable residents. I am now prepared to take your questions.