



**NYC Department of Homeless Services**

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**Department of Homeless Services**  
**City Council Hearing on the FY07 Preliminary**  
**Budget and Mayor's Management Report**  
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Good afternoon Chairman de Blasio and members of the Council. I am Fran Winter, Acting Commissioner of the Department of Homeless Services. I recently assumed the responsibilities of Commissioner when Commissioner Gibbs was appointed to the position of Deputy Mayor for Health and Human Services. While I have been with DHS in several different capacities, this is my first time testifying before you. Thank you for giving me the opportunity today to testify.

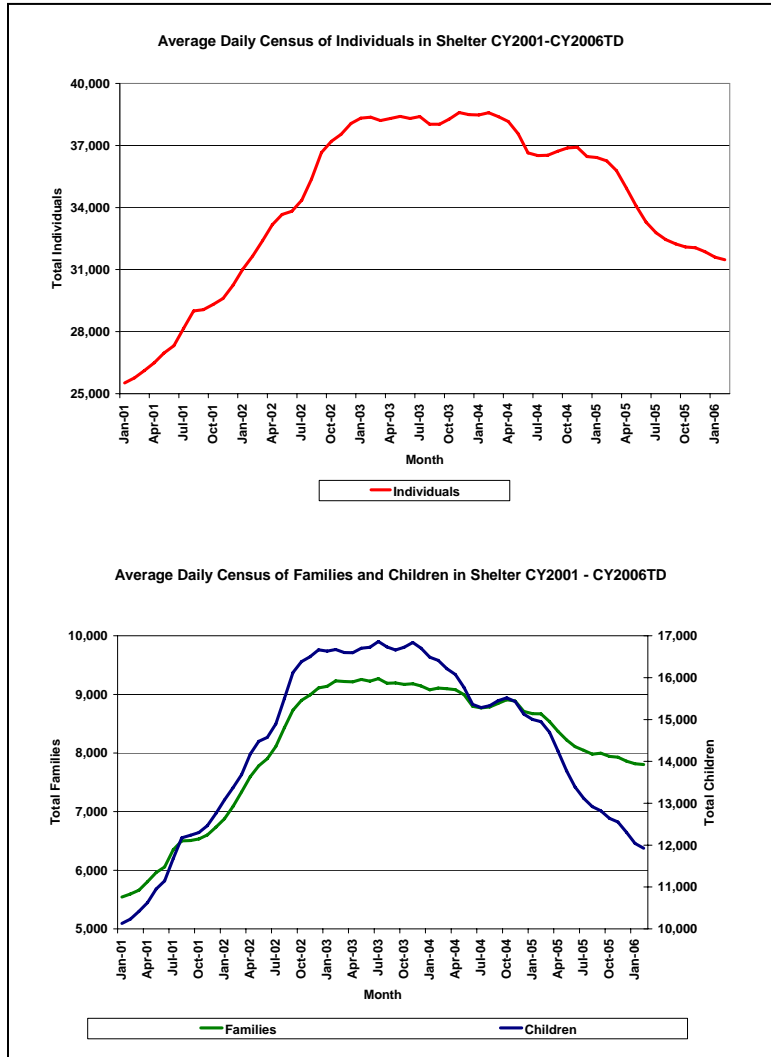
It has been a little over a year and a half since the launch of Mayor Bloomberg's five-year action plan to end chronic homelessness, *Uniting for Solutions Beyond Shelter*. As you know, one of the main goals of the plan is to reduce the number of individuals on the streets and in shelters by two-thirds by 2009. Since the launch of the plan we have already achieved a significant decrease in the number of New Yorkers experiencing the trauma of homelessness. I would like to share with you some of the agency's recent accomplishments, which are helping to improve the lives of the most vulnerable New Yorkers.

**Shelter Census**

We are pleased to report that the number of adults and families in our shelters continues to decline. In the last year alone, the total shelter system census has decreased by 13 percent, from an average of 36,258 individuals in February 2005 to an average of 31,473 individuals in February 2006 – that's almost 5,000 fewer New Yorkers in shelter. Since February 2003,

the year when the total shelter population was at its peak, there has been an 18 percent decline and the largest three year census reduction in almost 15 years.

During the past three years, the greatest decline in the shelter system has been among families and children. From February 2003 to February 2006, the average number of families in shelter decreased from 9,230 to 7,805 – or 15 percent. The average number of children in shelter has also decreased dramatically during the same period, from 16,674 to 11,925 – that’s 28 percent less children in shelter today than three years ago. This is the largest three year decrease since the early 90s.



You will also be pleased to hear that the single adult population continues to decrease. In February 2006, there were 8,095 single adults in shelter on average each day, which represents a 9% decrease since February 2004. This decrease marks the largest two year decrease of single adults in over 10 years.

Unlike the number of families and single adults in shelter, the number of adult families without minor children in shelter has increased slightly, and this population will be a key focus of our efforts in 2006.

We will continue to closely monitor these encouraging trends, and we remain committed to the five-year action plan goal of reducing the number of individuals on the street and in shelters by two-thirds by 2009.

### **Reforms in Family Intake**

We have continued to make improvements to our family intake process over the past year. In November 2004, our agency opened the PATH office to serve as a temporary intake facility for families with children in order to tear down the Emergency Assistance Unit (EAU) and build a brand new, state-of-the-art intake center. We have revamped our intake process based on a series of recommendations issued by the Court-appointed Special Master Panel (in the McCain litigation) to offer families a broader array of housing-related resources to address housing emergencies and to strengthen the eligibility determination process. We now utilize a team approach in which one family worker assists families from beginning to end. We have also implemented safeguards throughout the process, including a mid-point eligibility conference with the family and multiple legal and program reviews.

The PATH office also features a new Resource Room, staffed with 12 MSWs, who provide families, especially ineligible families, with face-to-face counseling, support, and linkages to a variety of social services intended to assist them in returning to their communities. The creation of the Resource Room addresses the Special Master Panel recommendation that the agency develop a process for more effectively handling families who are ineligible for shelter that will ease their transition back into the community.

In addition, the Resource Room plays an important role in our recently implemented Re-Application Program. The Re-Application Program is a common sense approach to serving families who re-apply for shelter shortly after being found to have an existing housing resource: those with an immediate need will receive shelter while we review their reapplication and those who have an alternative housing option will be given an appointment to return to PATH for their eligibility determination.

All of these reforms have resulted in an intake center that humanely serves these families, while linking them to needed resources as efficiently as possible. In fact, a first-time applicant family spends approximately 6 ½ hours at PATH before leaving for their conditional placement. Compare this with the same family applying at the EAU – the family would have spent an average of 20 hours over two-to-three days before completing the application process.

### **Improvements in the Adult System**

We continue to strive to improve intake services for single adult clients in an effort to ensure that shelter is accessible and responsive to each client’s specific needs. With that goal in mind, we are in the process of decentralizing our adult intake system for men from one center to three centers. The purpose of the decentralization is to make it easier for clients to access services through multiple, user-friendly locations, and also to offer a broader array of responses to homelessness. We hope to open an intake facility in each of the three boroughs with the highest concentrations of street homeless individuals – Brooklyn, the Bronx, and Manhattan. The facilities will provide diversion services and provide referrals to community-based social and medical services. By increasing this service component at our front door and strengthening linkages to community-based resources, we believe that it will be possible for some individuals to avoid experiencing homelessness entirely. Of course, we will maintain shelter services for those whose homelessness cannot be avoided.

In addition, our agency continues to be committed to accommodating all people in need and servicing all clients with understanding, dignity, and respect. As part of that commitment, we have recently adopted a new shelter policy to ensure respectful treatment of transgender clients, starting at intake. DHS intake and assessment shelters are segregated by gender. The new policy respects an individual’s gender identity and agency placements will be determined, whenever possible, by a client’s stated identity. To implement this new policy, we are developing a training program to educate our staff about transgender issues. Our agency has worked hard in collaboration with various advocacy groups to develop and implement this policy. Recently, transgender advocates lauded this policy as “the best policy of its kind in the nation.”

### **New York/New York III**

As you know, Mayor Bloomberg and Governor Pataki announced the signing of the historic New York/New York III agreement in November of last year in which the City and State committed to fund \$1 billion to develop 9,000 new units of supportive housing in New York City.

The New York/New York III pact will produce nearly twice the number of units that was generated by the first and second New York/New York agreements combined, and affirms the City's commitment to building housing for chronically homeless individuals and families, and reducing the shelter and street homeless populations by two-thirds.

In addition, while the first two agreements produced 5,300 units solely for single adults with mental illness and some history of homelessness, the new pact reaches a broader range of clients to better reflect the population of chronically homeless people on city streets and in shelters today. New York/New York III includes units for clients with substance abuse disorders, HIV/AIDS, and mental illness. Also included for the first time are families with disabled heads of households and young people aging out of foster care and residential treatment. We are working in close collaboration with our City partners (DOHMH, HRA, HPD, and OMB) and the State to implement this milestone agreement.

### **Housing Stability Plus**

Over the past year, we have helped thousands of individuals and families move from temporary shelter to permanent housing through Housing Stability Plus (HSP). HSP is one of the most generous discretionary rental assistance programs ever developed in this country. Since December 2004, 6,165 clients have signed leases for permanent housing. The significance of this number should not be overlooked – in 2005, 4,703 leases were signed by HSP families. By way of comparison, in 2004, under the Emergency Assistance Rehousing Program (EARP), 3,788 families were placed into Section 8 housing. HSP assisted almost 1,000 more clients obtain permanent housing, as compared to Section 8, in its first year alone. HSP also covers adults leaving shelter, unlike Section 8. Moreover, clients who are

moving out have overwhelmingly been able to maintain their permanency; only 45 families and four single adults have returned to shelter since the beginning of the program.

We achieved such impressive numbers in the program's first year by devoting considerable time to educating clients and shelter staff about the program's benefits and how the process works. In addition, we engaged in an aggressive marketing campaign to building owners to encourage them to participate in the program. Our success can also be attributed to the ease with which families on public assistance can qualify for the program and sign leases. Under Section 8, the certification process involved multiple agencies and often took five months or longer to complete; under HSP, families that are in shelter for 90 days who have an active Public Assistance case are automatically certified for the program.

DHS conducts inspections of all apartments prior to lease signing. If a unit has no problems, we will certify the apartment. When only minor repairs are required (i.e., painting, minor plastering, or floor repairs), a landlord must sign a notarized Repair Agreement attesting that these repairs will be made prior to lease signing. When a unit requires major repairs (i.e., completing wall construction or bathtub installation) we will not certify the apartment. We will re-inspect the unit when a building owner has made the necessary repairs, and we will only certify the unit when the repairs have been made. We also have a Quality Assurance Unit that clients can contact for repair issues that arise after the lease is signed.

In order to ensure that our HSP clients continue to receive their rental supplement, our Case Management Field Team monitors the Public Assistance status of our HSP clients and works with them to keep their Public Assistance cases active.

We also continue to lobby for a transitional benefit which would allow recipients with employment income to continue to receive a rental supplement even if they are no longer eligible for Public Assistance. To date, the agency's efforts in approaching the State regarding this transitional benefit have been unsuccessful, but we will continue to work towards securing funding for this important initiative.

## **HomeBase Prevention Centers**

We continue to make progress with our innovative homelessness prevention program, HomeBase. A central theme of Mayor Bloomberg's five-year action plan is homelessness prevention – and using our resources and energy to help more households avoid the trauma of homelessness. Our HomeBase offices were opened in September of 2004 in six of the most at-risk communities in the City. These communities are South Bronx, East Tremont/Belmont, Bedford Stuyvesant, Bushwick, East Harlem, and Jamaica. Since their opening, these providers have served more than 3,000 households.

Our HomeBase providers serve families and individuals who are facing a significant threat to their housing and have incomes below 200 percent of the federal poverty level. These providers offer flexible services depending upon the needs of each client, including case management, short-term financial assistance, entitlements advocacy, housing relocation, household budgeting, job training and employment services, and family and landlord mediation.

Outcomes from the first year are promising. The number of families entering shelter from the HomeBase neighborhoods in 2005 declined by 12 percent compared to 2004. This decrease surpasses the city-wide decrease in the number of families entering shelter in 2005, which was seven percent compared to 2004. In HomeBase's first year, 96 percent of clients served were able to avoid shelter and remain in housing.

To assist our providers in targeting services to clients that would be at risk of entering shelter, DHS has developed a sophisticated system of data sharing between the shelter system and the HomeBase providers. The system geo-codes data from shelter entrants and generates community maps for the HomeBase Community Districts. We also provide demographic profiles of the clients entering shelter to better inform the HomeBase outreach efforts.

## **Hurricane Katrina**

In keeping with our mission, we took a lead role in assisting Hurricane Katrina evacuees who came to New York and were placed in area hotels. An estimated 2,500 evacuees relocated to New York City following Hurricane Katrina. Of these, the American Red Cross placed approximately 367 households in seven New York City area hotels.

We partnered with six non-profit organizations to provide intensive onsite housing placement services to evacuees in FEMA-funded hotels. The non-profit case management teams (Palladia, CAMBA, Help USA, Salvation Army, Bowery Residents Committee, and Catholic Charities BFFY) worked tirelessly to identify permanent housing resources, assist evacuees to secure all available benefits (including FEMA rental assistance), arrange travel and transportation to any re-housing location, and make referrals to employment resources. In addition, in conjunction with the Department of Housing Preservation and Development, the City hosted three housing fairs where Katrina evacuees were able to learn about and apply for rental housing. As of today, only 33 households remain in the hotels out of the initial 367 households. The agency is proud of its efforts to assist these evacuees.

## **McCain v. Bloomberg**

Our efforts in making New York City's shelter system the most sophisticated and comprehensive in the nation enabled the City to reach another milestone recently. Last month, we filed a Motion in New York State Supreme Court to end 22 years of litigation in *McCain v. Bloomberg*, involving the provision of shelter and related services to families with children. When the *McCain* lawsuit was filed in 1983, the central focus of the suit was insufficient shelter capacity and lack of standards governing shelter. These concerns are no longer at issue as more than 160 family shelters provide not only emergency shelter, but also a tremendous array of support services for homeless families.

It is this dedicated service toward helping the most vulnerable New Yorkers that enabled us to affirmatively state to the Court that full management of the shelter system should be given back to the City and its nonprofit partners. The filing of the Motion and the

anticipated end of litigation does not take away any protections from the families we serve, rather, it will allow us to carry on with the reforms and progress we've made – and continually strive to do better.

### **Preliminary Budget Report**

Finally, I would like to report on the Fiscal Year 2007 Preliminary Budget. For the current year, FY06, the Department's expense budget is \$749 million. For FY07, the expense budget decreases to \$705 million.

Of the \$705 million, \$303 million are City funds, \$211 million are State funds, \$156 million are Federal funds, \$4 million are grant funds, and \$31 million are intra-city funds. The \$705 million total budget allocates \$279 million to services for single adults, \$372 million to services for families, and \$54 million to support services.

The DHS Capital Plan for the five year period of 2007 - 2011 is currently \$125 million: capital projects for homeless families total \$37 million; projects for single adults total \$78 million; \$8 million has been allocated for support services; and \$2 million has been allocated for City Council funded projects.

Thank you again for giving me this opportunity to appear. I am now prepared to take your questions.