



Human Resources  
Administration  
Department of  
Social Services

## TESTIMONY

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Human Resources Administration/Department of Social Services

*Oversight: Examining the NY/NYIII Supportive Housing Agreement*

*Hearing of the New York City Council  
Committee on Mental Health, Mental Retardation, Alcoholism,  
Drug Abuse and Disability Services*

January 22, 2009

Good morning Chairman Koppell and members of the Committee on Mental Health, Mental Retardation, Alcoholism, Drug Abuse and Disability Services. My name is Robert Doar and I am the Commissioner of the Human Resources Administration. With me this morning are Dr. Frank Lipton of HRA who has been involved in NY/NY III since its inception and leads HRA's efforts on the agreement, and Dr. Adam Karpati, Executive Deputy Commissioner at the Department of Health and Mental Hygiene. Dr. Karpati and I will provide testimony on the program- whose responsibilities are also shared with the Department of Homeless Services (DHS), the Department of Housing Preservation and Development (HPD), and the Administration for Children's Services (ACS). Representatives from each agency are also here to answer any questions you may have. They are Jessica Katz of HPD, Eric Nicklas of ACS, and George Nashak of DHS.

The NY/NYIII document is an historic agreement to develop 9,000 units of supportive housing over ten years. It was signed not only by Mayor Bloomberg and Governor Pataki but also by the commissioners of the City agencies I just mentioned and by the state commissioners of the Office of Mental Health (SOMH), the Office of Alcoholism and Substance Abuse Services (OASAS), the Office of Children and Family Services (OCFS), the Division of Housing and Community Renewal (DHCR), and me in my former role as Commissioner of the Office of Temporary and Disability Assistance (OTDA).

There are two types of NY/NY III housing: "congregate" and "scattered site." Congregate housing consists of single-site programs located in newly constructed or rehabilitated buildings where typically there is a mix of NY/NY III units combined with single or family units for low-income tenants from the community. With scattered-site housing, individual apartments are rented from private landlords throughout the City.

Populations served by supportive housing include those living with serious mental illness, substance abuse disorders, HIV/AIDS, young adults with serious mental illness and those aging out of foster care, as well as families who suffer from chronic homelessness or are at serious risk of becoming homeless.

POPULATION CATEGORIES		
Serious Mental Illness (SPMI)	A	Chronically homeless single adults who suffer from a serious and persistent mental illness or who are diagnosed as mentally ill and chemically addicted (MICA).
	B	Single adults who are presently living in NYS-operated psychiatric centers or State-operated transitional residences and who could live independently in the community if provided with supportive housing and who would be at risk of street or sheltered homelessness if discharged without supportive housing.
Substance Abuse	E	Chronically homeless single adults who have a substance abuse disorder that is a primary barrier to independent living and who also have a disabling clinical condition (i.e., a medical or mental health condition that further impairs their ability to live independently).
	F	Homeless single adults who have completed a course of treatment for a substance abuse disorder and are at risk of street homelessness or sheltered homelessness and who need transitional supportive housing (that may include half-way houses) to sustain sobriety and achieve independent living.
HIV/AIDS	H	Chronically homeless single adults who are persons living with HIV/AIDS (who are clients of HASA or who are clients with symptomatic HIV who are receiving cash assistance from the City) and who suffer from a co-occurring serious and persistent mental illness, a substance abuse disorder, or a MICA disorder
Young Adults	C	Young adults, ages 18-24, who have a serious mental illness being treated in NYS licensed residential treatment facilities, State psychiatric facilities or leaving or having recently left foster care and who could live independently in the community if provided with supportive housing and who would be at risk of street or sheltered homelessness if discharged without supportive housing.
	I	Young adults (aged 25 years or younger) leaving or having recently left foster care or who had been in foster care for more than a year after their 16th birthday and who are at risk of street homelessness or sheltered homelessness.
Families	D	Chronically homeless families, or families at serious risk of becoming chronically homeless, in which the head of the household suffers from a serious and persistent mental illness or a MICA disorder
	G	Chronically homeless families, or families at serious risk of becoming chronically homeless, in which the head of household suffers from a substance abuse disorder, a disabling medical condition or HIV/AIDS

NY/NY III is the third in a series of collaborations between the City and State to develop supportive housing for vulnerable populations. Under the NY/NY I & II agreements between the State and New York City (signed in 1990 and 1999, respectively,) more than 5,000 units of supportive housing for homeless individuals with serious mental illnesses were developed. At least 15,000 individuals were housed and research demonstrated that the program helped to reduce homelessness and enhanced residential stability. There were also significant cost savings from decreased use of emergency and inpatient mental health services, and shelter and incarceration-related costs.

Despite the successes of the first two agreements, there was strong demand for additional housing for individuals with serious mental illnesses as well as other sheltered and unsheltered

homeless persons living in New York City. Recognizing that targeting clients with the greatest needs would bolster our results, we expanded our focus in NY/NY III to the chronically homeless or those at serious risk of becoming homeless. We further addressed the needs of those living with serious mental health conditions by adding housing and supportive services targeted to homeless persons living with substance abuse disorders, HIV/AIDS, and other serious medical conditions. In addition, we included supportive housing for families to the portfolio, a type of housing that did not exist in significant supply in New York City prior to this agreement. Units were also targeted to young people leaving the foster care system and state psychiatric facilities who were particularly vulnerable to homelessness.

Supportive housing, including NY/NY III and its previous agreements, has been a significant contributing factor to the City's success in reducing street homelessness by 25 percent between 2005 and 2008 and reducing the population of chronically homeless persons in shelters by 47 percent since 2004. This is a very ambitious initiative; all of our government and community partners are working together and their efforts have been a success, with even more progress to come.

Funding responsibility for NY/NY III is shared by the City and the State. With respect to funding for services, the allocation of responsibility is based on the population served. The State provides 100 percent of the funding for services to individuals with mental illness. For those individuals with substance abuse disorders, persons with HIV/AIDS and other medical conditions, and for the youth population, the funding responsibility for services is shared 50/50 between the City and State. With respect to funding for capital projects, funding responsibility is also shared equally between the City and State.

## **ROLES OF NYC AGENCIES AND PRESENT STATUS**

Here in New York City, responsibilities for executing the NY/NY III agreement are shared across several agencies and are coordinated through an interagency State and City workgroup co-chaired by the State Office of Mental Health and the NYC Department of Health and Mental Hygiene. Primary tasks of the city agencies involved in NY/NY III are: (a) procurement and oversight of supportive services, (b) site development, (c) eligibility determination, (d) client placement, and (e) contract monitoring and evaluation.

### **Procurement**

As of December 31, 2008, there were 1,805 units of NY/NYIII supportive housing units awarded and in the process of being filled through the efforts of both the City and State. Of these units, 1,670 are scattered site and 135 are congregate. At the City-level, DOHMH has the primary responsibility for the service contracts to community-based providers for almost all NY/NYIII units. Of these available units, 1,080 were brought on by DOHMH which also procured 62 units awaiting certificates of occupancy; and 50 units were also brought on by the State AIDS Institute and then transferred to HRA.

HRA's HIV/AIDS Service Administration (HASA) is responsible for the procurement of contracts for services in the 1000 units being developed for chronically homeless clients living with HIV/AIDS (600 congregate and 400 scattered-site). There are 350 scattered-site units to be provided by eight vendors and initial units will start to come on-line next month. In addition, we anticipate that 278 congregate units will start to come on-line for occupancy in the early spring and intend on issuing an RFP later in the year for the remaining 322 units.

At the State level, SOMH is responsible for the procurement of the units for three of the targeted populations: individuals who are chronically homeless with serious mental illnesses, those discharged from State psychiatric centers and at risk of homelessness, and youth with serious emotional disorders being discharged from State facilities. To date, they have brought on 425 of these units. OASAS is responsible for contracts for a portion of those housing units for homeless individuals with substance abuse disorders who have completed treatment. They have recently brought on 250 of these units in the fall of 2008.

### **Site Development**

The City's Department of Housing Preservation & Development (HPD) is responsible for meeting the City's capital development. HPD has made progress in the capital development of 2,181 congregate units, which represents approximately 70 percent of the 3,125 congregate units for which the City is responsible. To date, 270 units are complete, 586 units are in construction and more than 1,325 units are in pre-development. Pre-development includes the identification of a site, closure of sale of the site, ULURP approval when applicable, filing construction documentation, and community board meetings.

### ***Eligibility Determinations***

HRA is responsible for determining the eligibility of individuals for all NY/NYIII housing using an electronic application process. In January 2007 HRA began reviewing applications for the two categories of housing dedicated to individuals with serious mental illnesses. By December 2007, all NY/NYIII as well as NY/NYI and II, and other supportive housing for the serious mentally ill were part of one electronic application. Eligibility is based on an assessment of an individual's history or risk of homelessness, diagnostic conditions, and need for supportive services. Clients determined to be eligible for housing may ultimately be placed in other NY/NY and/or supportive housing units in the City.

So far, 7,610 individuals have been determined to be eligible specifically for NY/NYIII housing. The source of these applications comes from hundreds of organizations including but not limited to shelters, street outreach teams, drop in centers, hospitals, community based treatment programs, correctional facilities, and case management programs.

### ***Client Placement***

In order to properly prioritize the utilization of this resource, responsibility for placement was assigned to four government agencies. DHS is responsible for overseeing the referral and placement of chronically homeless single adults and families. HASA places and refers those single adults living with HIV/AIDS and ACS places youth aging out of foster care. At the state level, SOMH places those individuals being discharged from State psychiatric facilities. According to the most recent data, there have been a total of 1,211 provider-reported placements for the various NY/NYIII populations. Not surprisingly, year after year provider-reported placements have more than doubled (306 in 2007 and 905 in 2008, for a total of 1,211 placements). With slightly over 120 clients moving out, the current number of occupants is 1,089 and the overall occupancy rate is 60 percent, while occupancy rates for specific populations are as follows: families (88 percent); individuals with serious mental illness (76 percent); individuals with HIV/AIDS (i.e. HASA clients at 90 percent); youth aging out of foster care (64 percent); and individuals with substance abuse disorders (50 percent).

The difference between units filled and units procured varies among the population categories. There are several reasons why this is the case. A placement into a scattered site unit takes place at the point when the provider has rented an apartment. There is sometimes a delay between registration of a contract for a scattered site program and the date when the provider

has secured all of the committed apartments. The City and the providers work daily to coordinate referrals to units in the process of being filled. In addition, contracts for a large number of units identified for individuals with substance abuse disorders (approximately 200 units) were registered at the end of last year and are only now in the process of being filled.

The retention rate of placed clients for over 20 months, the timeframe from which the first client was placed in NY/NY III housing, is 72 percent for the mentally ill population with the understanding that many of the target population units were actually only available for a shorter period of time but are showing positive results.

As you can tell, much good work and effort on the part of many agencies has been invested in NY/NY III. At this point, I would like to stop and defer to my colleague, Dr. Karpati who will discuss the remaining components of our City's NY/NY III efforts.

Thank you.