



New York City Council General Welfare and Finance Committees

Executive Budget Hearing For Fiscal Year 2016

Tuesday, May 19, 2015

Introduction

Good afternoon Chair Levin, Chair Ferreras, and members of the General Welfare and Finance Committees. I am Gilbert Taylor, Commissioner of the Department of Homeless Services (DHS). Joining me today are Lula Urquhart, Deputy Commissioner for Fiscal, Procurement Operations and Audits, and Diana Rodela, Assistant Commissioner for Budget and Revenue.

In my testimony this afternoon I will outline Mayor de Blasio's Fiscal Year 2016 Executive Budget for DHS, which is part of an announced \$100 million new initiative to address the needs of New Yorkers who are threatened with housing instability and who are homeless. The Mayor has demonstrated an unwavering commitment to provide the resources that DHS needs to tackle the many issues associated with homelessness. He has increased inter-agency collaboration to an unprecedented level, as to leverage the City's collective power so we can maximize our efforts.

While we are doing our work, we cannot lose sight of the larger systemic forces that result in individuals ending up homeless. Income inequality remains a central issue in our time and a leading cause of homelessness. We continue to witness a tale of two cities, as wages stagnate and the cost of living continues to escalate. Approximately 46-percent of New Yorkers live near poverty and approximately 22-percent live below the poverty line. This stark reality, combined with the drivers of homelessness such as eviction, domestic violence, and overcrowding, manifests itself in the City's shelter system which currently has a census of approximately **56,729**.

Over

the last year we have made significant strides at DHS to fundamentally reimagine how our agency operates. The creation of our 2015-2017 Operational Plan has given the agency a clear framework on how to achieve our vision of reducing homelessness and improving lives. This plan offers a methodical approach towards instituting necessary reforms and improving the quality of our services. Best of all, it's already being executed and is having a tangible result on how the agency operates and the outcomes we are seeing for our clients.

At DHS, we continue to focus our efforts on reducing our census, while strengthening our ability to deliver the highest quality services to our clients. As you will see in this year's budget, we are going further than ever before in terms of ensuring the habitability of our shelters, as well as the security of our clients and staff.

The DHS Fiscal Year 2016 budget will be \$1.1 billion. The \$1.1 billion for 2016 comprises:

- \$552 Million in City funds
- \$135 Million in State funds
- \$382 Million in Federal funds
- \$4.1 Million in Community Development grant funding
- \$3 Million in MTA funding for Outreach
- \$ 851 Thousand in intra-city funding

The \$1.1 billion budget allocates \$522 million to services for families, \$368 million to services for single adults, \$36 million to administrative services and \$149 million to agency-wide personnel services.

The DHS Capital Plan for the five year period of Fiscal Year 2015 through Fiscal Year 2019 is currently \$107.8 million. Capital projects for

family shelters total \$25.6 million; projects for single adult shelters total \$59 million and \$13.5 million has been allocated for IT Upgrades; \$9.5 million is designated for City council–funded projects.

With our \$1.1 billion budget we have the means to reduce our census and improve the quality of care within our system and, as you will see, this plan is netting positive outcomes.

Prevention Services

As you know, prevention services are the foundation of DHS’ efforts to combat homelessness. In collaboration with our partners, we strive to stop homelessness before it begins by providing comprehensive services that combat the many drivers of homelessness.

Our Homebase Prevention Program is nationally-recognized and proven to be effective in helping clients remain stably housed and out of shelter. Of the more than 12,000 households served in FY14, 95-percent were able to remain stably housed in the community and avoid entering shelter. In FY15, a \$20 million investment allowed us to increase Homebase’s offices from 14 to 23, located in the neighborhoods with the

largest number of shelter entrants. The Homebase program's expansion allows us to serve 20,000 households annually.

Following the success of the "Imagine" prevention campaign in Spring 2015, DHS requested and received an additional \$1 million in funding for FY16 to continue spreading the word about our homelessness prevention programs. DHS is also enhancing its grassroots efforts to inform New Yorkers of the Homebase program going forward. This summer, we will be working with community-based organizations in the neighborhoods with individuals most at risk of homelessness to disseminate information about the prevention programs. Our Homebase locations are already engaged in this work, and DHS will support and greatly increase those efforts this summer.

Our Homebase providers recently increased their outreach work in communities by giving presentations and trainings; by sending out mass mailings of information to prospective clients and by doing grass roots street outreach. These efforts had enrollment targets for our Homebase programs exceed 100% of the goals for the past 7 consecutive weeks- with providers achieving 137% of their target for enrollment last week.

In addition to the prevention and diversion efforts being made through Homebase, DHS received \$400K for funding each year in FY15 and FY16 to enhance diversion efforts at the front door of the single adult system. These funds are administered through our partnership with Palladia Homebase, which provides on-site diversion services and aftercare. The clients will continue to receive these benefits if they remain out of shelter and maintain regular contact with the provider for aftercare services. We have been able to rapidly return clients to the community who we otherwise would not have been able to divert.

Street Outreach

In addition to prevention, DHS is committed to serving all unsheltered individuals across the city. We deploy teams around the clock, across the five boroughs, to ensure people living on the streets and in subways can move into transitional and permanent housing. We expanded our street and subway outreach work, and developed a network of transitional housing specifically to serve this population.

We have been successful in decreasing the unsheltered homeless population in the City's streets and subways through the use of these

transitional housing programs. HOPE 2015 showed a five percent reduction in street homelessness since 2014 and a 28-percent reduction since 2005, the first year the count took place. Additionally, we have seen significant reductions in Queens, the Bronx, and Staten Island. The DHS outreach teams keep in regular contact with over half of the street homeless population, whom they are regularly working with to bring off the streets and into shelter.

DHS added more Safe Haven and stabilization beds to our system, which are alternative housing options for street homeless individuals who are unwilling to enter traditional shelter. Clients are referred to Safe Havens by outreach teams, who prioritize Safe Haven beds for street homeless individuals who are the most vulnerable and who have been outdoors for the longest period of time. Outreach providers are able to place clients directly from the streets into stabilization beds and provide on-site services. DHS also increased its efforts to work collaboratively with community organizations and religious institutions across the City to help expand the reach of this valuable program.

The approved outreach funding—\$6.8 million in FY16, \$9.2 million in FY17, and \$18.9 million in FY18— will fund 375 additional Safe Haven beds, 63 stabilization beds, and two new 24/7 drop-in centers. This funding, which builds on a \$7.6 million baseline investment made in the November and Preliminary Plans, will assist in expanding the number of low-intensity shelter beds targeted at chronically street homeless individuals from 800 to 1,400 by FY18.

Shelter

Providing shelter and social services for those in need continues to be DHS' core function and mandate. We provide temporary, emergency, and safe transitional housing to eligible families and all individuals presenting needing shelter.

Mental Health Programs

It is essential that we provide appropriate mental health services to clients who need them. The executive budget funds \$16.3 million in FY16, and \$27.2 million in FY17 and the out years to be dedicated to mental health programming at City shelters. These funds will support 362 social workers in 72 contracted DHS shelters for families with children to

coordinate mental health care across city agencies and community-based providers. This is part of a larger City effort to build a more effective and inclusive mental health system in New York City. This investment represents the first step in an unprecedented effort to ensure that we are fully addressing mental health needs of New Yorkers in shelter.

Shelter Security

The safety and security of our staff and clients at our shelters continues to be of the utmost importance. We have a legal mandate and a moral obligation to provide shelter and as such, our system's population reflects that of the greater society at large, in that it comprises many people with a wide array of histories and needs. We are responsible for providing safe shelters for the benefit of our clients and our staff who are dedicated to assisting our clients in their journey towards housing independence. The tragic death of shelter director Ana Charle last month highlights the importance of staff safety and the need to support our staff in the difficult work that they do each day. We will honor her memory by learning from this tragedy and by putting systems in place within our shelters to keep staff and clients safe. Our commitment to security is reflected in this year's

budget which allocates \$5.1 million in FY16 and the out years to fund prevailing wage increases and enhanced security.

DHS will also use FY16's funding to enhance security at adult shelter sites. The allocated \$3.6 million in FY16 and the out years will fund new staff. The new staff will comprise 17 security coordinators, including one coordinator for the central office; two housing specialists; and 57 special officers for shelters serving high-risk individuals. We have also begun doing crime prevention surveys with the NYPD to assess existing security protocols and procedures at our various shelters.

Child Safety

Our child safety campaign and the work of the Safety First Teams continues to be a major part of this Administration's vision and efforts. Due to the significant number of children in our system, it is critically necessary that our agency be attentive to child safety and well-being. The Safety First teams include 30 social workers who will engage and assess high risk families with children to determine an appropriate plan of action and services when needed. The Safety First staff will coordinate with DHS Family Services and shelter providers through case conferencing, effective

case management, coaching, and interventions to support the family in keeping children safe while in shelter. DHS has received \$1.7 million in funding in FY16 and the out years for these efforts.

DHS is also actively involved in the Mayor's Safe Sleep Campaign. We are working in partnership with DOHMH, ACS, HHC and other agencies on this critically important initiative.

Shelter Maintenance and Repairs

Preventative maintenance and necessary repairs are essential components of our agency's work to improve shelter conditions for individuals and families within our system. Last week, alongside the Mayor and agency colleagues from the Fire Department, Housing Preservation and Development, the Buildings Department, the Health Department, the Human Resources Administration, and the Department of Investigations, we announced the launch of the shelter repair squads which will address urgent health and safety conditions in the City shelter system. The repair squads will include teams of workers from multiple agencies across the city. Alongside our colleagues, DHS will be working to remediate physical plant issues that have been identified by the inspectors. Teams of city workers

and contractors will address outstanding violations within days of identification. In addition, they will be able to rapidly dismiss violations that have proven to be remediated. Shelters requiring additional assistance complying with health and safety requirements will have their progress closely monitored in a streamlined corrective action process.

In support of this new initiative, DHS has expanded its budget for maintenance and repair work. The executive budget provides funding of \$7 million in FY16 for maintenance and repairs to city-owned and provider-operated shelters where maintenance is not adequately covered in the contract, \$2.4 million in FY16 and FY17 to obtain certificates of occupancy for various buildings, and \$450K in FY16 and the out years for six capital managers to assist in managing the increased number of projected capital commitments.

Housing Permanency

The LINC rental assistance programs are becoming increasingly successful at exiting families and individuals from shelter into permanent housing. We have added staff to further our progress. We received \$1 million in FY16 to fund 16 housing specialists to assist single adults at

DHS directly-operated sites to move to permanency. Anticipated savings from census reduction will fund the added staff in the out years. In addition to LINC we continue to assist individuals to find permanent housing through placements in NYCHA, the use of Section 8 vouchers, and the utilization of the CITYFEPS rental assistance program.

Conclusion

The Mayor's Fiscal Year 2016 budget builds upon this past year's efforts to reduce the census, improve conditions in shelter, and enhance services for our homeless clients across the city. I greatly appreciate the support of the City Council in partnering with DHS as we continue to take aggressive steps on behalf of our most vulnerable New Yorkers.

However, we also know that New York City cannot truly address the issues of homelessness without working with the State. For all the work that DHS does, and continues to do, we all know that we cannot actually combat homelessness without addressing its root causes –poverty and income inequality. It is simple arithmetic. If we increase the salaries of those earning the least, they will be better able to afford housing and not be forced to enter the system.

We need a bold move from the State: to raise the minimum wage, to reform our rent-regulation laws to preserve our affordable housing, and to adequately fund homelessness programs as well as raising the shelter allowance. The city is using every tool that we can to address the problem and now it's time for the state to join the fight.

Thank you for the opportunity to testify today. I look forward to answering any questions you may have.