



Testimony of the Three-Quarter Housing Taskforce represented by the Mayor's Office of Operations, the Human Resources Administration, and the NYC Department of Housing Preservation and Development

***Committee on General Welfare and
Committee on Housing and Buildings***

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Mayor's Office of Operations

Jeff Thamkittikasem, Director, Mayor's Office of Operations

Good morning, Chairman Levin and Chairman Cornegy, members of the General Welfare and Housing and Buildings Committees, and additionally Council Member Brannan for co-sponsoring this legislation. Thank you for inviting us to appear before you today to discuss Three-Quarter Houses and Introduction 153-A. My name is Jeff Thamkittikasem and I am the Director of the Mayor's Office of Operations. I am joined today by my colleagues, Bruce Jordan, Chief Homelessness Prevention Officer from the Human Resources Administration (HRA) and Anne-Marie Hendrickson, Deputy Commissioner for Asset and Property Management from the Department of Housing Preservation and Development (HPD). Colleagues from the Department of Buildings and the Fire Department are also available for questions. Together, we represent the City's interagency Task Force on three-quarter houses.

From the inception of this administration, the City has made clear it will not accept the use of illegally subdivided and overcrowded apartments to house vulnerable people in need of critical services, and has taken meaningful action to address issues within three-quarter houses. As the former chair of the General Welfare Committee at the New York City Council, now-Mayor de Blasio had introduced legislation that prevented the Department of Homeless Services (DHS) shelters for single adults from referring clients to permanent housing in buildings that meet one or more of a set of detailed criteria for three-quarter houses. In 2010, then-Public Advocate de Blasio pushed for all city agencies to stop referrals to three-quarter houses. In 2015, the City also worked with a federal court receiver and Samaritan Village to ensure that the 1,200 residents that had been receiving services from Narco Freedom, the substance-abuse-treatment provider where an investigation resulted in criminal indictments, were placed in appropriate programs and living conditions.

In 2015, Mayor de Blasio also announced the formation of an interagency Task Force to review the use of three-quarter houses in New York City. The Mayor's Office of Operations, which

works to make New York City government more effective and efficient, is responsible for managing and coordinating multi-agency programs and initiatives by using data to help the City make informed policy decisions and strategic, targeted investments. The Office was called upon to coordinate the work of the Three-Quarter Housing Task Force (“Task Force”). This Task Force was formed to ensure that the issues surrounding three quarter houses were taken seriously, putting steps into place to address these issues systemically, with agencies providing these clients with the appropriate resources while the City addressed immediate health and safety issues at these houses.

This interagency Task Force is made up of multiple City agencies, including the Human Resources Administration (HRA), the Department of Housing Preservation and Development (HPD), the Department of Buildings (DOB), and the Fire Department (FDNY). The work of the Task Force began with a review of all residences identified by the Human Resources Administration that housed 10 or more unrelated adults who receive the \$215 State-set public assistance rent allowance. In addition to the addresses identified using this metric, the Task Force identified locations based on information provided by advocates and through 311. This combination of information has been the best approximation of three-quarter houses locations across the city as there is no registry or other means to identify such locations. In an effort to address the full universe of units, the Task Force continues to try new methods of identifying new three quarter houses, follows up on specific inquiries received from the advocate community or 311, and welcomes input from the public to identify any additional three-quarter houses.

Since the launch of the Task Force, inspectors from Task Force member agencies have visited and inspected the locations to determine whether there are health and safety violations identified at the three quarter houses. Each agency issues its own violations which ranges from housing maintenance to fire safety to overcrowding to lack of adequate utility services. The Task Force convenes regularly for post-inspection discussion and follow-up. If the inspectors from the agencies are unable to gain access to a location, the City follows agency best practices to obtain access, including visiting sites at off-hours or alternate days of the week. The agencies work in full collaboration to address immediate health and safety concerns of these residents.

Each enforcement agency has a unique purview in its inspection and in writing violations – HPD is focused on maintenance issues such as heat and hot water, DOB is focused on structural issues, and FDNY is concerned with fire safety, including smoke detectors and necessary means of egress. These inspections result in a number of actions. Each of the agencies, when appropriate, issues violations and follows up in remediating hazardous housing conditions. For example, the most serious violations result in the agency sending out inspectors to follow up within 30 days. Some conditions are remedied by HPD’s Emergency Repair Program (ERP), a program by which HPD completes the repairs on the most serious conditions on a location and bills the building owner for the repair.

The Task Force agencies conduct inspections every week and follows up on violations and conditions as necessary. As of March 31st 2019, the member agencies of the Task Force have relocated 692 individuals from 57 three quarter houses. Currently there are 115 three quarter houses and this number has remained steady over the past year due to the collaborative efforts of the Task Force and advocates who work with these residents.

Intro 153-A

The administration is proud of the work of the Three-Quarter Houses taskforce since 2015 that has achieved meaningful behavior change among operators of this housing stock, and supports the intent of the legislation to continue to protect vulnerable New Yorkers living in these homes. The administration supports the production of quarterly reports with the given reporting requirements and requests to streamline the meetings and all reporting requirements, including those on fines and liens in the Task Force meetings, to a quarterly cadence. The administration has privacy concerns around converting all Task Force meetings into public meetings. Additionally, as the Task Force is a purely operational agency, the administration welcomes further conversation with the Council on how to include additional agencies, advocates and members of the public in the work of the Task Force. In sum, we look forward to working on this legislation with Council.

Thank you for the opportunity to testify today. I will turn the testimony over to Bruce Jordan to discuss the role of HRA in the Task Force specifically related to the individuals who were relocated.

Human Resources Administration

Bruce Jordan, Chief Homelessness Prevention Officer, Office of Homelessness Prevention Administration

Good morning members of the General Welfare and Housing and Buildings Committees. Thank you for the opportunity to testify today. My name is Bruce Jordan and I am the Chief Homelessness Prevention Officer within HRA's Office of Homelessness Prevention Administration (HPA). HRA strives to keep New Yorkers stably housed and ensure they are connected to resources such as rental assistance and legal services. With this mission, in partnership with our colleagues at the city agencies here before you today, we have undertaken a variety of reforms to ensure that New Yorkers have access to habitable housing.

As mentioned by my colleague, when Mayor de Blasio was chair of the General Welfare Committee of the New York City Council, he introduced legislation that prevented the Department of Homeless Services (DHS) shelters for single adults from referring clients to permanent housing in buildings that meet the definition of three-quarter houses. Today, our colleagues at DHS and my staff work in concert with one another to ensure clients are not discharged to three quarter house locations. As a member of the Three Quarter Housing Task Force, we work diligently with our sister agencies to connect individuals who elect to relocate to appropriate social services that they need.

Since 2014, HRA's program integrity unit has been working with law enforcement agencies to investigate operators of three quarter houses that were requiring residents to participate in specific Medicaid-funded drug treatment programs as a condition of living in a three-quarter house. HRA, in collaboration with the Task Force members, developed a metric to begin to identify three-quarter houses for this investigative and enforcement work. The metric consists of

identifying locations at which 10 or more unrelated adults are receiving the \$215 state-set monthly public assistance rent allowance. Within HRA, the Investigation, Revenue and Enforcement Administration (IREA) unit is responsible for helping ensure the integrity of social services programs administered by HRA, including Medicaid, and they work closely with city and state agencies to provide oversight for Medicaid Fraud in relation to three-quarter housing. These strong and collaborative relationships have led to the successful arrest and prosecution of individuals engaged in fraud which not only diverts much needed funding from the Medical Assistance Program, but frequently victimizes those most in need of health care services.

As my colleague mentioned, a set of bills focused on improving the conditions of three-quarter housing for tenants was passed by the City Council. Int-1164 (Local Law 12 of 2017) which requires HRA to provide rental subsidy recipients with a written statement of protections and rights in the hopes of preventing unlawful evictions, and Int-1166 (Local Law 13 of 2017) which requires HRA to be a part of the Mayor's Three Quarter Housing Task Force, fall within the scope of HRA's responsibilities. Our agency has diligently worked with our partner City agencies to implement these laws to ensure that the fundamental rights of all tenants are protected. We have worked to educate tenants about their rights regarding unlawful evictions, and have actively participated in the Three Quarter Housing Task Force.

HRA also works with three quarter house residents when they are voluntarily relocated to emergency temporary housing. Through partnerships with contracted providers, HRA provides tenants with case management, harm reduction, and rapid rehousing services if they choose to relocate from a three quarter housing site deemed to be overcrowded or unsound. Through our work with three-quarter house residents, 809 clients have secured permanent housing.

I will now turn the testimony over to my colleague Anne-Marie Hendrickson to discuss the role of HPD in this administration's effort to address three quarter housing.

Department of Housing Preservation and Development

Anne-Marie Hendrickson, Deputy Commissioner for Asset and Property Management

Good morning. My name is Anne-Marie Hendrickson, Deputy Commissioner for Asset and Property Management at the Department of Housing Preservation and Development (HPD). In addition to the efforts Operations and HRA spoke to in their testimonies, HPD aggressively enforces the City's Housing Maintenance Code (HMC) by responding to complaints, conducting inspections, and issuing violations with our Task Force partners. HPD inspectors issue violations and conduct follow-up in three-quarter housing, as we would in all residential buildings. For example, if an owner fails to address emergency conditions in response to City orders or qualifying violations, HPD steps in to protect tenants through our Emergency Repair Program. HPD has spent over half a million dollars in emergency repairs to keep residents safe. Some of the emergency repairs performed by HPD have been in response to referrals from advocates, who have been instrumental in assisting us with coordinating access to these dwellings.

In the case of City vacate orders, where a building or units within any residential building are vacated for emergency and unsafe conditions, HPD will provide temporary emergency shelter

for tenants who wish to use this City service. HPD further assists these residents by helping them with affordable housing lottery applications and providing information on long term housing options as needed. Through the Task Force, 34 buildings have received full or partial vacate orders in response to emergency conditions with approximately 230 tenants utilizing the City's assistance for temporary shelter.

On behalf of all my colleagues, I want to take the time to say thank you to everyone who has worked on this critical issue over the last few years. The Council and Administration have taken unprecedented steps in recent years to protect New Yorkers in vulnerable situations. Thank you, Chair Levin, for your leadership on three-quarter housing over your two terms as the General Welfare Committee Chair, and thank you Chair Cornegy, as you dove into this topic with thoughtful consideration in your role as Housing and Buildings Chair.

Finally, the Administration wants to especially thank the advocates, who have tirelessly worked with and for three-quarter house tenants. The Three Quarter-House Tenant Organizing Project (TOP) has been a critical piece of the puzzle and a true partner, keeping open lines of communication with tenants and agencies alike. Together, we have highlighted three-quarter houses in an unprecedented way and worked persistently to improve living conditions and meet the safety standards in the City's housing and construction codes.