



**Testimony of Steven Banks, Commissioner  
New York City Department of Social Services**

**Before the New York City Council General Welfare Committee  
April 21, 2016**

Good afternoon Chairperson Levin and members of the General Welfare Committee. Thank you for inviting me to appear before you today to discuss the outcome of the Mayor's comprehensive operational review of homeless programs to ensure services are delivered as efficiently and effectively as possible in order to prevent and alleviate homelessness in New York City that was announced on April 11, 2016. My name is Steven Banks and I am the Commissioner of the Department of Social Services, overseeing the Human Resources Administration and Department of Homeless Services.

On December 15, 2015, the Mayor ordered a review of homeless services and he asked First Deputy Mayor Tony Shorris, the Director of the Mayor's Office of Operations Mindy Tarlow, and I to conduct the review. Following her appointment, Deputy Mayor for Health and Human Services Herminia Palacio joined in this effort. During the review, I oversaw the operations of Department of Homeless Services in my capacity as the administrator and commissioner of the local social services district.

As described in the 90-day review report, there has been a 115% increase in homelessness over the past two decades – from 23,526 on January 1, 1994 to 33,194 on January 1, 2002 to nearly 51,000 on January 1, 2014. Based on this trajectory, we were heading to a shelter census of 71,000 next year before this Administration's prevention and rehousing programs took hold. During this two-decade buildup, New York City has faced increasing economic inequality as a result of low wages, the lack of affordable housing, and an increased cost of living. Today approximately 46 percent of New Yorkers live near poverty and approximately 21 percent live below the poverty line. This income inequality and the resulting gap between income and rent, combined with other drivers of homelessness such as domestic violence, overcrowding and eviction, are what bring people to our shelter system. We did not arrive at this point overnight and it will take some time to address the multifaceted drivers of homelessness.

Our review was guided by three principles: providing quality services to vulnerable clients, efficient use of City resources, and achieving cost effectiveness by avoiding duplication. The forty-six reforms developed as a result of this review build on the initiatives this Administration has already undertaken to prevent and alleviate homelessness, including comprehensive rental assistance programs, historic funding allocated for civil legal services for tenant anti-

harassment and anti-eviction programs, and a commitment to the preservation and creation of 200,000 units of affordable housing.

Over the past two years, the new rental assistance programs and other permanent housing initiatives have enabled 32,352 children and adults in 11,038 households to avert entry into or move out of DHS and HRA shelters. And coinciding with the historic increased investment in civil legal services and the increased payment of rent arrears to prevent evictions, we have seen a 24% decline in evictions over the past two years.

But these initiatives alone are not enough. That is why we did not wait until the end of the 90-day review period to implement further reforms.

During the review period itself, we took these actions to enhance client services:

- We moved forward with a plan to provide 15,000 new units of supportive housing over the next 15 years.
- We moved forward with an initiative to provide additional Tier II and Emergency beds for the Domestic Violence shelter system, doubling the number of Domestic Violence survivor beds with the first increase since 2010.
- We moved forward with a plan to triple the number of dedicated youth beds for runaway and homeless youth.
- We moved forward with a plan to double the number of drop-in centers to provide services to help bring homeless individuals off the streets.

And during the review period, we implemented specific reforms related to those residing in shelter:

- We created the shelter repair scorecard to track improvements in shelter conditions.
- We implemented an enhanced shelter repair program.
- We increased security at all commercial hotels that house homeless families and individuals.
- We provided 24/7 security coverage at mental health shelters.
- We overhauled reporting on critical incidents.
- We restored a program for domestic violence services at shelters that was eliminated in 2010.
- We initiated a New York City Police Department (NYPD) shelter security review and retraining of Department of Homeless Services (DHS) Peace Officers.
- We announced and began to implement a plan to end the 16-year-old cluster shelter program and the use of commercial hotels.

## **Review Process:**

For this 90-day review, leadership and staff from this Administration, including the Human Resources Administration (HRA), the Department of Homeless Services (DHS) and the Mayor's Office of Operations, assessed the strengths and challenges of the current homeless services system in order to determine how to deliver client services more effectively and to improve client outcomes. We conducted a comprehensive review of the City's homeless services policies and practices.

The review included interviews with a variety of stakeholders. The Mayor's Office of Operations Director Mindy Tarlow, City Hall Health and Human Services staff, PwC consultants, and I interviewed more than 400 people. We met with homeless people in shelters, on the streets and in focus groups; advocates, shelter and homeless services providers, other non-profit organizations, national experts and researchers, former DHS Commissioners, and elected officials; and staff union leadership and managers and staff at DHS, HRA and other City agencies. We also surveyed best practices in other jurisdictions, and received feedback from the United States Department of Housing and Urban Development (HUD). In all, 24 different government agencies and 60 non-profit providers participated in the review process.

### *Client Focus Groups:*

As indicated in the report issued on April 11, 2016, client focus groups were conducted with four homeless advocacy organizations in order to obtain client feedback. The focus groups were convened by the Coalition for the Homeless, the Urban Justice Center's Safety Net Project, Picture the Homeless, and VOCAL. More than 80 clients shared their experiences directly with me and provided feedback on the delivery of services. Clients focused primarily on issues surrounding shelter conditions and policies, social services delivery, and housing. Additional client discussions were conducted in shelters and on the streets.

### *Staff and Client Surveys:*

A survey was also sent to DHS staff and a random sample of clients to assess what services are most important to address homelessness. More than 700 DHS staff responded to the online survey and 630 clients across shelter populations and types were surveyed. Both clients and staff overwhelmingly reported that rehousing programs and processes are the biggest area of opportunity for reform, with 34% of clients and 27% of staff citing it as the most critical issue. Within rehousing, staff and clients commented on the need to streamline rental assistance, have greater availability of affordable and supportive housing, and provide recourse for landlord source of income discrimination.

*Process Analysis:*

A process analysis of prevention and intake, capacity planning and projections, and shelter operations was conducted to identify strengths of the system and areas of opportunity for reform. Through shelter and intake center visits, stakeholder interviews and a review of operations, we were able to identify where clients interact with multiple agencies and where there are gaps and overlap in service delivery.

**Key Programmatic Reforms:**

Over the past two decades, homelessness in New York City, as reflected in the DHS shelter system census, increased by approximately 115%, particularly after the precipitous end of the Advantage rental assistance program in the 2011 State budget. This is a product of today's economic realities – increasing income inequality, rents rising, and stagnant wages.

The reforms resulting from the 90-day review will cost an estimated \$66 million which will be offset by \$38 million in administrative savings. These reforms can be categorized under four broad categories: prevention, addressing street homelessness, sheltering, and rehousing. I will now discuss these reforms in more detail.

***Prevention:***

The old adage that an ounce of prevention is worth a pound of cure is a key component of many of the reforms that we have implemented over the past two years.

In order to enhance our prevention efforts, we will take these actions:

- Move Homebase program management from DHS to HRA.
- Expand Homebase staffing and services.
- Expand the scope of Homebase as the first point of entry for those at risk of homelessness.
- Use data analytics to proactively target prevention services for at-risk clients.
- Target services and rental assistance for youth in DYCD shelters at risk of entry into DHS shelters.
- Target services and rental assistance for clients with mental health needs cycling between jail and homelessness.

We are also proposing two new City-State task forces, one that will develop and implement alternatives to avert discharges from State prisons to DHS shelters, and one that will work to implement community-based programs to eliminate the need for DHS mental health shelters. These two client groups account for a large proportion of the census for the City's single adult shelters.

### ***Addressing Street Homelessness:***

The City's street homelessness reforms work together to better identify, engage, and transition homeless New Yorkers from the streets to appropriate services and permanent housing. The full launch of HOME-STAT (Homeless Outreach & Mobile Engagement Street Action Teams) builds on our street homelessness prevention and response initiatives, and enhanced funding for additional safe haven beds, drop in centers, and supportive housing units ensures that those living on the streets have opportunities to come inside and connect to the services and supports they need.

Implemented in March, HOME-STAT is the nation's most comprehensive street outreach program, with nearly 500 workers to help transition homeless individuals from the streets and into shelters. The program will enable the City to better address the needs of New Yorkers who are homeless and on the streets. We have also committed to developing 500 new safe haven beds. This increased availability of low threshold options for those who need assistance but are not willing to enter shelter will be essential to connecting individuals to the services and supports to ultimately bring them in from off the streets and into permanent housing. The supportive housing plan will provide an additional tool to address street homelessness with a long proven track record of success. These reforms coupled with a citywide HOME-STAT case management system will enhance City service integration, continuous monitoring and outreach, and rapid response to individuals on the street, improving the quality of life for both clients and City residents. We are very grateful that Michael Jacobson will be working with us in this citywide case management initiative. He brings years of experience and government service, having previously served as Commissioner of three City agencies as well as the President of the Vera Institute of Justice.

All of these initiatives to address street homelessness recognize that the pathway to the streets is not linear and the pathway back off the streets therefore cannot be a one size fits all approach. Especially as we head into warmer months, it is also important to remember that not all who are on the street are in fact homeless. And, as the Mayor has announced with the launch of HOME-STAT, to better understand our street homeless population, we will be conducting more frequent (quarterly) street counts to assist us in determining solutions to the problem of street homelessness and provide transparent reporting on what we find.

### ***Sheltering:***

With the exponential increase in the shelter population that has occurred over the past two decades, it has become increasingly difficult for DHS to adequately oversee and monitor providers, ensure safe, clean and secure conditions, and provide necessary services to clients. Shelter safety can be improved through the deployment of an NYPD management team to DHS

to develop an action plan to upgrade security at all shelters and the NYPD's retraining of the DHS peace officers. The City is creating a multi-pronged approach to improving shelter conditions by: establishing a unit of City staff to observe conditions, monitor services, and determine vacancies; streamlining the inspection process for providers; and expanding the DHS capital repair program.

In addition to addressing the physical infrastructure and safety needs for clients, we are implementing new programs to create career employment pathways and enhance education and training services for clients in shelter. Phasing out the use of clusters and commercial hotels is also essential to improving shelter conditions and services.

In addition to the reforms we already began implementing during the review period, the report includes a roadmap for further reforms, including:

- Rationalizing shelter provider rates;
- Addressing ADA compliance in shelters;
- Expanding the scope of HRA's ADA coordinator to cover the shelter system;
- Targeting services for emerging new trends in the single adult population, particularly for clients 50 or older and between the ages of 18 and 24;
- Targeting services for families based on their individual needs to move away from a one size fits all approach;
- Eliminating the requirement or school-age children to be present at PATH for multiple appointments;
- Aligning access procedures for adult families with procedures for families with children;
- Streamlining access to DYCD shelter for homeless youth;
- Implementing a tripling of DYCD shelter capacity for Runaway and Homeless Youth;
- Providing increased notice prior to non-emergency transfers;
- Increasing transportation resources to reduce placement waiting time;
- Deploying social workers to accompany families found ineligible who are returning to a community resource to provide on-the-spot assistance;
- Expanding the shelter conditions complaint process through HRA's Infoline; and
- Communicating information to clients through flyers, posters, and other media.

### ***Rehousing:***

Rehousing and keeping families and individuals in their homes by assisting them with rent or with legal services are significantly more cost-effective for taxpayers than to pay the cost of shelter for a family or individual. From our recent experience in establishing a unified management structure to achieve the goal of ending chronic veterans homelessness, we will

replicate such a structure to promote overall shelter move outs. The current rental assistance programs will be streamlined through consolidation at HRA and process improvements. And in order to ensure effective usage of the programs, the City will increase enforcement of the source of income discrimination local law.

Additional rehousing reforms include:

- Streamlining the HPD housing placement process;
- Continuing to utilize NYCHA placements to address homelessness;
- Implementing a more effective aftercare program;
- Providing assistance to obtain federal disability benefits;
- Incorporating Continuum of Care strategic planning into homeless strategy development and establish leadership reporting structure; and
- Providing clear and concise information and written materials to clients about available assistance and programs.

We are also proposing to the State to (a) permit use of Medicaid funds for apartment search and shelter relocation services for homeless clients with disabilities; and (b) approve HRA's requested FEPS plan modifications

### **Management Structure:**

The 90-day review concluded that client services can be provided more seamlessly and effectively through integrated management for HRA and DHS. Both HRA and DHS will report to a single Commissioner of Social Services. The City will leverage shared services functions across agencies, resulting in better day-to-day management and building an integrated mission across agencies. Prevention and rehousing will be moved out of DHS operations and integrated within current HRA operations. To advance accountability for preventing and alleviating homelessness across multiple City agencies, the City will create an Interagency Homelessness Accountability Council reporting to the Deputy Mayor for Health and Human Services Herminia Palacio.

The accompanying slides present more detail concerning each of the 46 recommendations contained within the 90-day review report.

However, as we proceed with the implementation of these reform efforts, we will continue to identify ways in which our programs to prevent and alleviate homelessness can be improved. While a lot has been accomplished through the 90-day review, we know there is much more to do.

Thank you again for this opportunity to testify, and I welcome your questions.