



*City Council Executive Budget Hearing
Fiscal Year 2015
General Welfare and Finance Committees
Monday, May 19, 2014*

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

Today I'll outline Mayor de Blasio's Fiscal Year 2015 Executive Budget for DHS and report on efforts underway at the agency to further prevent homelessness. DHS is fortunate to have resources available to better serve the families and individuals while they are in shelter and to strategically plan for census reduction. However, we also cannot lose sight of the agency's core mission – preventing homelessness wherever possible and providing short-term, emergency shelter and re-housing support whenever needed.

Increased Transparency

In an effort to implement some of the suggestions I've heard from many of you since my appointment earlier this year, DHS has issued a new addendum to our Open-Ended Request for Proposal (RFP) for shelter development. Addendum 10 requires all shelter proposers to now submit written notification of their intent to operate a facility not only to the applicable Community Board (CB) Chair and District Manager, but also to each of the elected officials representing the district in which the proposed facility is located.

The notification letter must now provide highly relevant information, such as the facility's address, the population the organization intends to serve (e.g. families with children, single adults or adult families); the proposed capacity of the shelter; the timeframe for occupancy and pertinent background information about the organization's qualifications. Additionally, DHS is also now requiring the provider to offer to meet with the affected CB within 30 days of receipt of the letter to discuss their proposed program.

With a new administration, a new approach to transparency, and better relations with our neighbors, DHS will strive to regularly keep our community leaders and elected officials fully abreast of relevant issues and concerns.

Homelessness Prevention

While this administration is committed to improving the shelter experience of homeless New Yorkers and expanding opportunities for our clients to obtain permanent housing, the very best outcome for any family would be to prevent homelessness from occurring in the first place.

With this in mind, this administration is increasing funding for Prevention by \$12 million dollars in FY15. These funds include a 50 percent increase in the number of families served by Homebase — that means over 5000 new families will be able to access homelessness prevention services. Based on the program’s previous success, ninety percent of those who receive these prevention services will avoid entering shelter and remain stably housed in the community.

Homebase providers will open at least nine more service centers in the highest need communities across the city, making it easier for community members to access services and to be connected to prevention services in their neighborhood. We will also provide enhanced aftercare services to families exiting shelter and going into public housing and our housing subsidy programs, ensuring that families remain stably housed and do not return to shelter. Homebase will continue to provide an array of services including financial empowerment, employment and training, benefits advocacy and other services that are critical to a family’s transition plan.

The Mayor’s budget also allows the City to provide a million dollars in additional anti-eviction legal services, including funds for at-risk single adults.

Finally, with these services in place, DHS will ensure that families in the community know where to go for help by re-launching our highly successful public awareness campaign that generated tens of thousands of contacts in 2012. The campaign will be featured on subways, buses, and bus shelters, and will also include a public service announcement on local television stations.

This Administration’s package of prevention services and strategies amounts to the greatest increase in Homebase funding since the program began 10 years ago, and indicates Mayor de Blasio’s firm commitment to ensuring that prevention programs are available as the City’s first line of defense in preventing homelessness and as an essential tool in ensuring that families who return to the community do not re-enter shelter.

Rental Assistance Programs

When I testified earlier this year I asked for the Council’s support to advocate in Albany to remove budgetary language that restricted the City’s ability to utilize State funds to provide rental assistance to homeless shelter clients. I’m proud to report that Chair Levin joined us at the State Capitol, alongside homeless Advocates in the successful effort that resulted in the City having the ability to develop a rental assistance program.

Today I can share that we are working on a multipronged approach to assist families with varying needs to exit shelter. As part of the strategy, we are seeking to partner with the State in developing a joint initiative to allow families that are currently in shelter and working full time to be targeted for a new Working Families rental subsidy. The City has proposed to provide a rental subsidy and aftercare to help families transition to the community and maintain independent living after the subsidy ends.

The City is also exploring ways to achieve shelter savings, which we will work with the State to re-invest towards helping families receive permanent housing. We are also looking at how to leverage the Family Eviction Prevention Supplement (FEPS) program to prevent more evictions and to help families who end up in shelter.

Priority Housing

The de Blasio Administration is committed to reducing the number of families in homeless shelters and will leverage as many City resources as possible to address this effort. DHS' rental assistance proposals are part of a larger housing strategy that includes Mayor de Blasio's commitment to building or preserving 200,000 units of affordable housing over the next 10 years. The housing plan includes a commitment to create new supportive housing dedicated to homeless persons.

The Mayor's housing plan also recognizes the important role that public housing can have in addressing homelessness. As part of this Administration's commitment, DHS and the New York City Housing Authority (NYCHA) will use resources in a targeted way to help address homelessness. The City will also connect families previously eligible for Section 8 to available NYCHA Section 8 project-based LLC units where DHS-referred homeless families already have the highest priority for housing. Homebase will provide aftercare services to support the families after they move into their apartments.

Public housing is a critical resource that will continue to be available to those on the waitlist. This is one of many strategies we are fortunate to be able to access to help homeless families transition from shelter to a home of their own.

The City's plan aligns with the national emphasis on using mainstream housing assistance programs as an essential part of achieving the President's goals of the 2010 Federal Strategic Plan to End Homelessness. The HUD Secretary has strongly encouraged public housing authorities to make special efforts to serve homeless households, including establishing limited preferences.

Subway Outreach

Currently, 60 percent of the City's unsheltered population resides in the subway system, but less than 10 percent of the overall outreach resources, or \$800,000, is dedicated to serving this population. In contrast, the City spends over \$10 million in outreach services dedicated to individuals living on the streets.

As part of our effort to bridge this gap, DHS is restructuring our funding associated with street outreach services to all 468 subway stations. Starting in FY15 and working with the MTA, we will enhance our subway outreach program with the goal of significantly reducing the number of homeless living in the transit system by linking them to housing. The MTA will now fund \$3 million of a \$6 million contract for subway outreach services that DHS will manage as part of its portfolio of outreach services. In administering the contract, DHS will implement best practices established through the work with the street homeless population and eliminate any duplication of services between street and subway teams.

FISCAL YEAR 2015 EXECUTIVE BUDGET

DHS' current FY14 expense budget is \$1.047 Billion; for next year, FY15, the budget is \$953.55 million.

Of the \$953.5 million, \$467 million are City funds, \$112.7 million are State funds, \$369 million are federal funds, \$4 million are Community Development grant funding, and \$851 thousand are intra-City funding. The \$953.5 million budget allocates \$393.8 million to services for single adults, \$497.3 million to services for families, and \$62.4 million to support services.

The DHS Capital Plan for the five-year period Fiscal Year 2014 through Fiscal Year 2018 is currently \$112 million. Capital projects for homeless families total \$39 million; projects for single adults total \$52 million; \$11 million has been allocated for support services; and \$10 million is designated for City Council-funded projects.

The Mayor's budget charts a new course, one that invests in better outcomes for homeless households as they achieve independence. Moving forward, DHS will embrace opportunities for solutions as we continue to meet our demands for shelter. We will be creative and develop higher quality shelters with better targeted programming throughout the system. We will reduce our reliance on shelter models that do not encourage supportive environments. We will work with communities to demystify the work that DHS does as a social service agency. We will change the narrative surrounding the theories and stigma about homelessness. We will be better neighbors and will engage our communities and stakeholders to leverage support for our work. As part of this Administration, it is my goal to redefine homeless services - because every homeless shelter client deserves better.

My staff and I will now answer any questions you may have.