

DHS Executive Budget Testimony

Steven Banks, Commissioner

May 12, 2016



**Human Resources
Administration**

Department of
Social Services

OVERVIEW: NYC Department of Homeless Services (DHS)

- DHS serves New Yorkers through a broad range of programs to address homelessness, including those on the streets as well as those seeking shelter.
 - Outreach initiatives
 - Shelter
 - Housing permanency

Budget Overview

- Operating budget of \$1.32 billion (\$717.1m CTL) in FY16 and \$1.29 billion (\$747.3m CTL) in FY17
- The change between 2016 and 2017 is due to:
 - \$25 million in savings that begin in FY17 and
 - grant funds are added after the new fiscal year starts

Changes from Jan17 to Exec17 Plan

The DHS budget increases in FY17 by \$187 million in total funds (\$169 million CTL) between the January Plan and Executive Budget due to a combination of increases to support the agency's core mission as well as restructuring and repurposing related to the 90-day review.

New funding in FY17 includes:

- \$194 million for shelter capacity (\$160m CTL);
- \$45 million for shelter security (300 Peace Officers, supervisors and clinical intake staff) and related services at mental health shelters, high needs shelters and commercial hotels; and
- \$54 million (\$41 million CTL) for service enhancements related to the reforms.

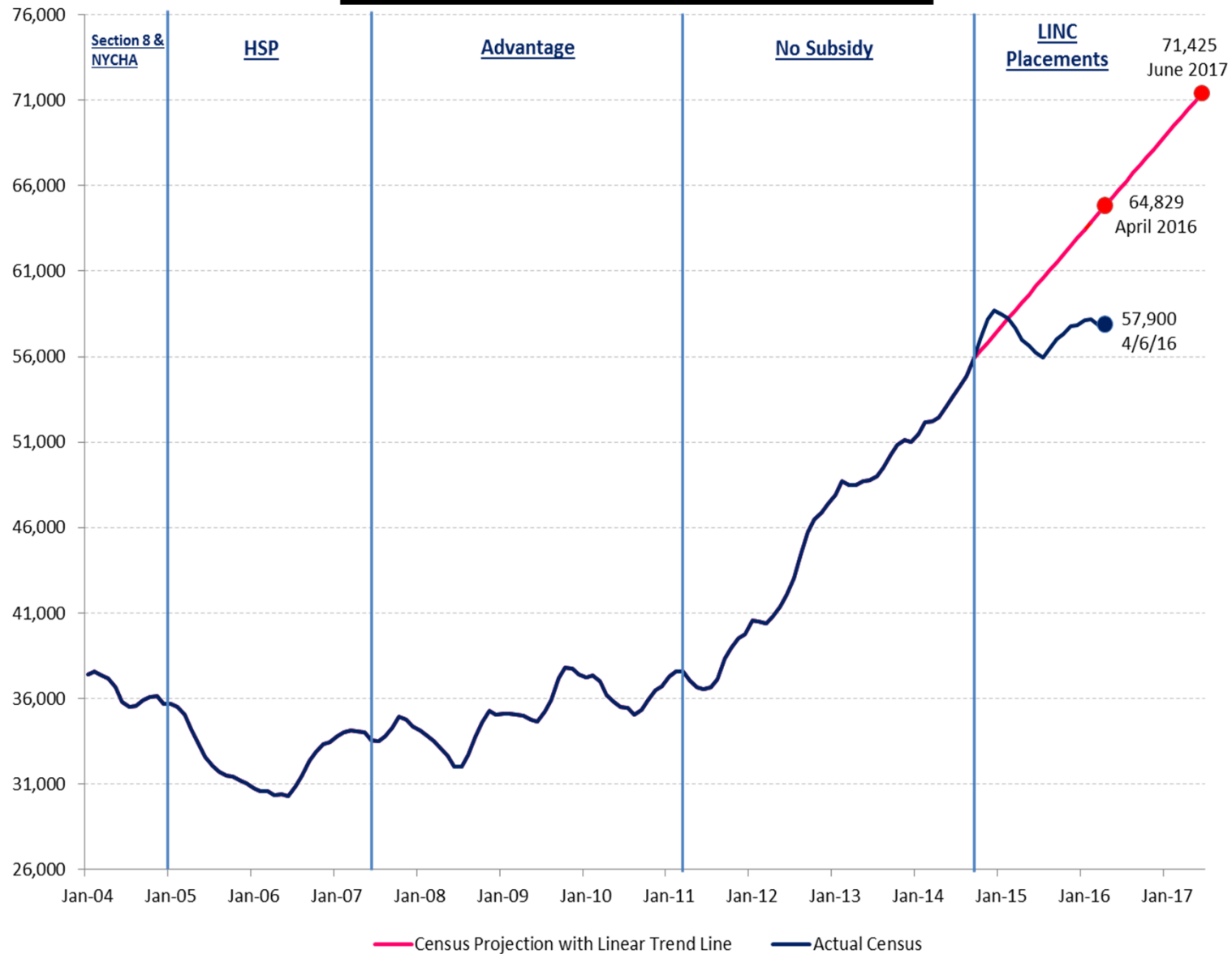
Funds for Reforms

- DHS and HRA will leverage shared administrative operations
- The funding for DHS reforms include:
 - 110 new positions:
 - HOME-STAT/Shelter Repair Squad (70) and
 - family oversight (40);
 - funding for street outreach contract enhancements;
 - shelter rate adjustments; and
 - contracting-in non-contract shelter sites.

Shelter Re-estimate

- 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.
- The FY17 shelter budget will be \$1.05 billion, of which \$587 million are City funds. Another \$65 million will be spent on shelter intake, administration and support. The Executive Budget provided an increase of \$194 million (\$160 million City Funds) for shelter capacity above the January Plan to support capacity for the current census.

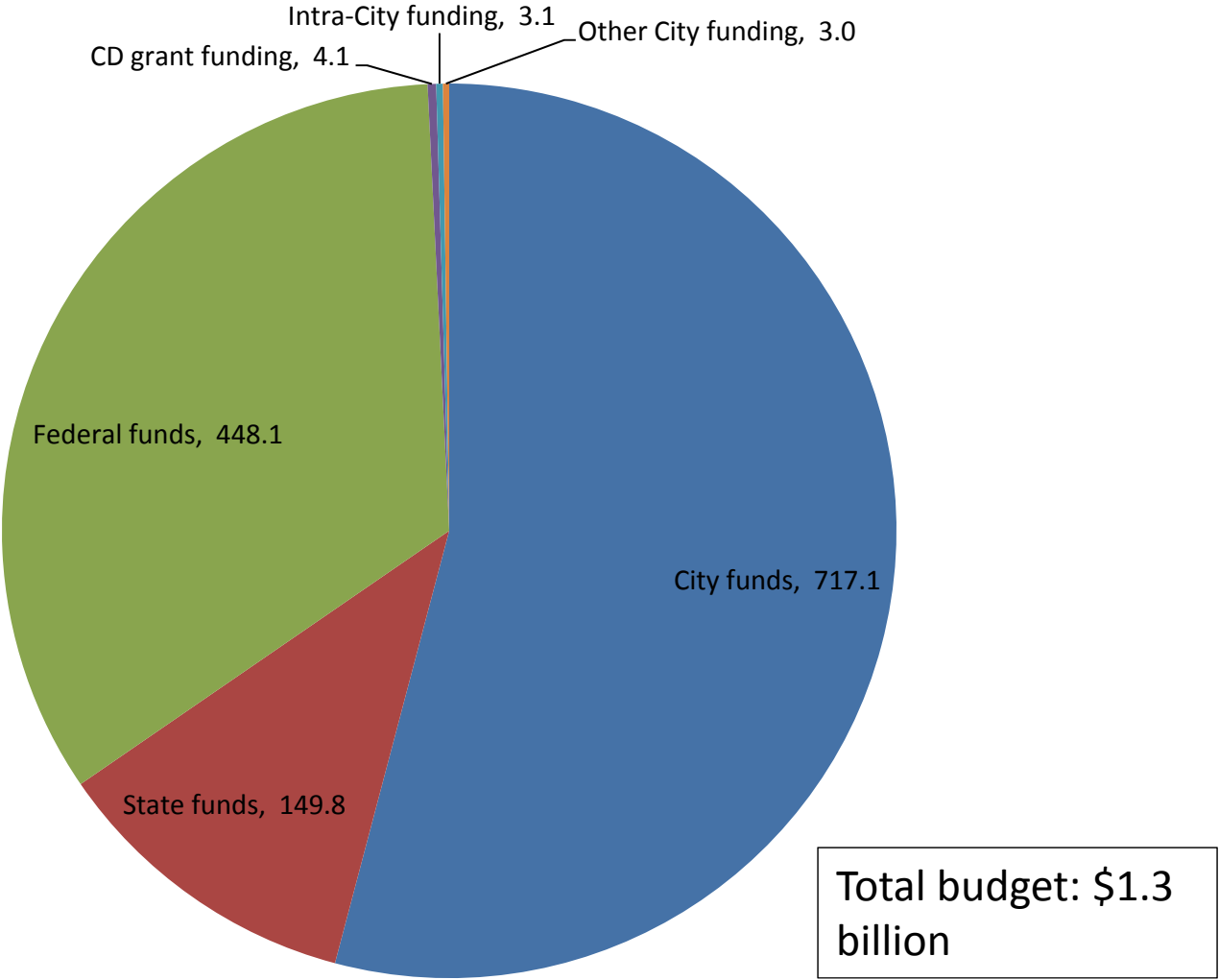
Shelter Census Compared to Historical Growth Forecast



Budget Overview: Capital

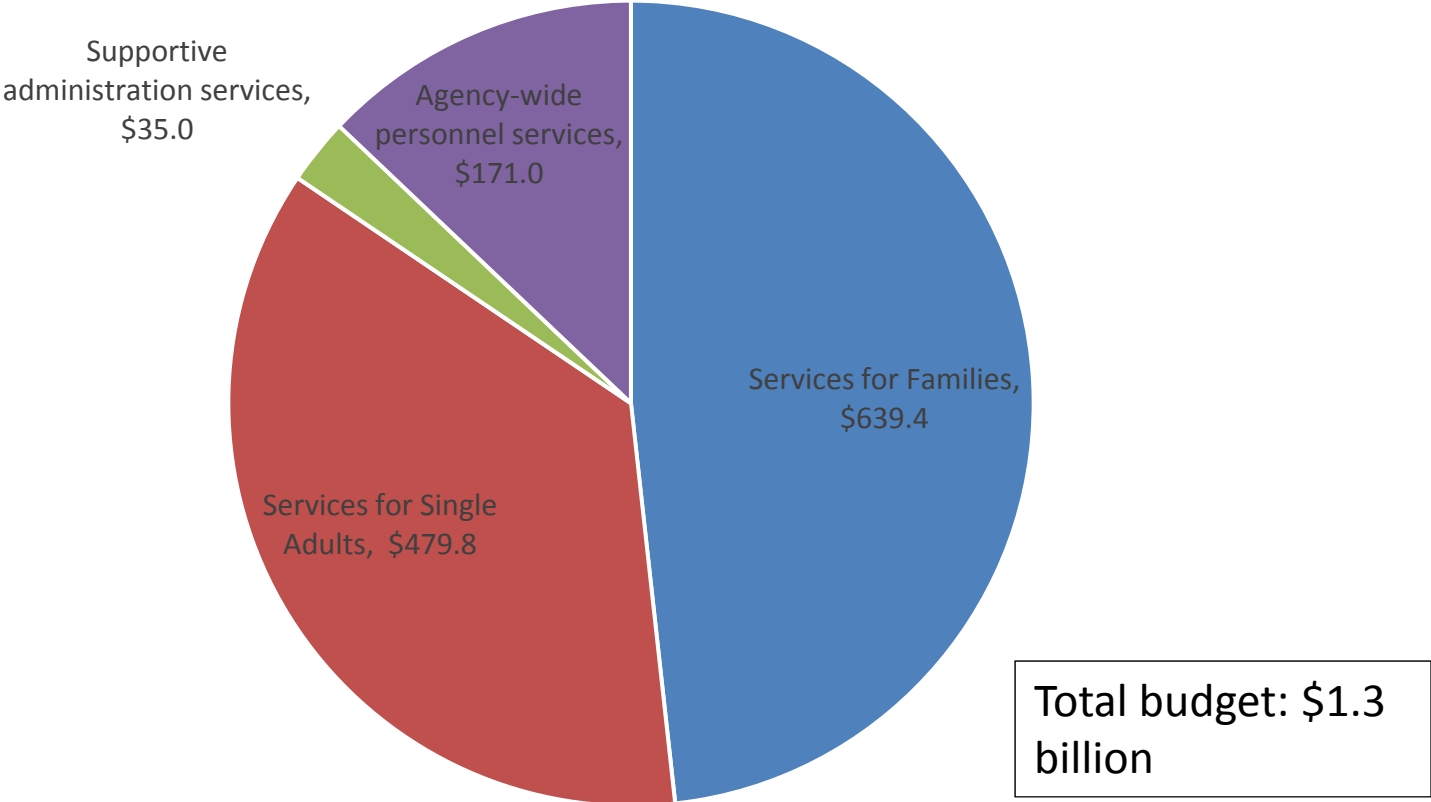
- The Five Year Plan totals \$272 million, including an increase of \$54 million in the September Plan and an increase of \$89.5 million in the Executive Plan.
- The Executive Plan increase supports over 60 new capital repair and shelter upgrade projects.

DHS Budget



DHS Budget

Expense Budget Allocation (in millions)



Summary 90-Day Review Reforms

- As a result of the 90-day review, the Administration developed a comprehensive homeless services plan, focused on prevention and rehousing.
- There are four key elements to the new plan – prevention, rehousing, street homelessness outreach and improving shelter conditions – and a total of 46 individual systemic reforms.
- The City is implementing an integrated administrative management structure with both the Human Resources Administration (HRA) and the Department of Homeless Services (DHS) reporting to a single Commissioner of Social Services (DSS).

90-Day Review Initiatives

HOME STAT

- Partnering with existing homeless response and prevention programs, HOME STAT is the most comprehensive street homelessness outreach effort ever deployed in a major U.S. city.
- Focus on hot spots from Canal Street to 145th Street and other areas to deploy resources where they are needed most.
- The rapid response capacity built into this initiative will ensure more timely responses to 311 calls and information gathered from our canvasses.
- With HOME STAT the contracted homeless outreach staff will grow substantially.

90-Day Review Initiatives

Shelter Safety and Shelter Security

- NYPD Management Team deployed to DHS to develop action plan to upgrade security at all shelters.
- NYPD retraining of DHS Peace Officers.
- New DV services for shelter residents.
- Reform of Critical Incident Reporting

90-Day Review Initiatives

Improving Conditions and Operations at Shelters

- Expand Shelter Repair Squad 2.0
- Shelter Report Card
- Call for coordinated inspection
- Expanded capital repair program
- Rationalizing shelter provider rates

90-Day Review Initiatives

Addressing ADA Compliance in Shelter

- The City will hire a consultant to evaluate ADA accessibility in the DHS shelter system and formulate a compliance plan.
- Expanding the scope of HRA's ADA coordinator to cover the shelter system:
 - coordinate and oversee ADA compliance and initiatives in the shelter system;
 - develop and implement staff training and address client complaints.

90-Day Review Initiatives

Permanently Ending Clusters

- The City will continue with the plan to phase out the 16-year cluster program through a combination of code enforcement to address inadequate conditions; working with owners to return units to the permanent housing stock, rehabilitate the buildings, and permit families to remain in the upgraded units; and, to the extent necessary, replacing units with a new shelter model that combines transitional housing, permanent housing, and community space.
- Returning cluster units to the market so that the apartments can be restored as low-rent housing.
- 260 cluster units have already been designated for closure during this fiscal year.
- When necessary, replacing both clusters and hotels with models like Gateway and Homestretch.

90-Day Review Initiatives

Career Pathways for Shelter Residents

- Implementing adult literacy and High School equivalency programming at shelters.
- Implementing a training and employment program at select shelters for residents to learn trades by providing system-wide shelter maintenance services in the shelters.

Executive Budget Update

NYC Safe and Provider Security

- Shelter Security and related new needs including the post January Plan announcements include 200 positions in FY16 (\$3.3M) and 300 positions in FY17 and (\$45M) in the outyears.
- Funding includes enhanced clinical services at 11 single adult mental health shelters and enhanced security at 12 of the adult shelters with the greatest number of security incidents.
- This funding is for continued enhanced security and increases that began with NYC SAFE. The NYC SAFE initiative added a total of \$22 million in FY16 to provide support across multiple agencies (DHS received about 50%) to individuals with serious mental illness. The \$45M FY17 increase includes the intake clinical staff that were a part of the January 29 announcement.
- Funding is also provided to support ongoing additional security at four shelters based on the agency's internal assessment. The ultimate numbers will continue to be evaluated based on the outcome of the comprehensive NYPD assessment.

Jan Update: Shelter Conditions

Shelter Repair Squad, Cleaning and Maintenance

- Funding for the Shelter Repair Squad, a multi-agency effort to address conditions in DHS shelters, total funding of \$6.5M in FY16 and \$7.5M in FY17.
- Participating agencies including the Mayor's Office of Operations, DHS and HRA, the Department of Buildings, Housing Preservation and Development, the Department of Health and Mental Hygiene and the Fire Department of New York
- Total violations at non-cluster shelters were 4,500 at the end of April, compared to 5,852 at the end of March, a decline of 23 percent over the past month.
- Total violations at non-cluster shelters have declined by 57 percent since the end of January 2016, down from a total of 10,474.
- Including new violations found and cleared a total of 9,120 violations in non-cluster shelters have been cleared so far this calendar year.

Jan Update

Adult Shelter Programming

- Additional funding for on-site shelter programming at 37 single adult shelters
- This includes 81 positions and \$8.9M total funding, including 81 HC in FY16 growing to \$16.9M total funding in FY17.
- Contract providers have programs in operation for services such as literacy, recreation, employment and other supports.
- Directly run shelters are implementing plans for programs emphasizing employment, life skills and other supports.

Savings Initiatives

Supportive Housing Shelter Savings (FY17 \$3.7M in total and city funds; FY18 \$11.4M; FY19 \$19.5M; FY20 \$28M)

- Shelter savings anticipated from the placement of 15,000 individuals over 15 years in newly created supportive housing units. Research evaluating the impact of previous supportive housing initiatives suggests that individuals placed into supportive housing have reduced utilization various public benefits, including an average of about 160 fewer days of shelter over the two years following placement for certain populations.

Thank you!



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