



City Council Hearing
General Welfare Committee
“Oversight: Update on DHS’ Advantage NY and Homebase Programs”
Thursday, April 15, 2010

INTRODUCTION

Good afternoon Chairwoman Palma, Public Advocate de Blasio and members of the Committee. I’m Robert Hess, Commissioner for the Department of Homeless Services and I’m pleased to be here today with my colleague, Human Resources Commissioner Robert Doar. Thank you for the opportunity to testify before you about modifications to our Advantage NY program and to update you on our Homebase program and the services we provide to Advantage clients and the community at large.

In 2007, the New York State Office of Temporary and Disability Assistance (OTDA) authorized DHS to create an Advantage NY pilot program to invest in homeless families and individuals by giving them the rent support they need to move towards independence. Advantage NY provided a strong motivation to work while empowering clients to move from shelter back into the community. The two year pilot concluded in late 2009 and since then, we have been evaluating our data to build on the successes of and further enhance the program.

We are pleased to report that the results have been promising. Since the program’s inception, Advantage has helped more than 18,000 households exit shelter and return to the community. Currently, DHS continues to serve 14,580 active participants in our Advantage program. In 2009, one family Advantage lease was signed every 15 minutes, for an average of about 136 family lease signings per week. In 2010 the Department is experiencing even greater family lease signings from shelter, averaging over 175 per week for the past month, with a peak of 199 leases signed during the week ending March 26, 2010. Today, more families than ever before are moving from shelter and back into the community in homes of their own, which is the best possible outcome for all involved.

Just as importantly, many Advantage participants have defied the common wisdom that homeless families cannot obtain or maintain employment. More than 80 percent of Work Advantage participants demonstrated strong employment records during the first year and qualified for a second year in the program. For those who were able, but unwilling, to work under the previous program structure, it presented a missed opportunity to enhance their skill set, build savings, and move further on the path toward self-sufficiency. The conclusion of the two-year pilot program has given the City an opportunity to make what has already been a very promising program even better. Consequently, we will expand and strengthen the Advantage program’s focus on employment with new work requirements and related rules that will go into effect on July 1, 2010 pending State approval.

WHAT DOES ADVANTAGE NY LOOK LIKE?

Following two years of a pilot in which the Work Advantage program proved to be the most effective model, Advantage NY will continue to help families and individuals transition from temporary, emergency shelter back to self-sufficiency through a focus on employment.

As is currently the case, the revised Advantage New York program will offer one or two years of rental assistance to households in need as they exit shelter and return to their communities. Supporting our objective to decrease a client's overall length of stay, Advantage NY will now be available to families and individuals who have been in shelter for at least 60 days. We believe this is an improvement to the previous 90-day requirement of the current Advantage program, which will provide clients the opportunity to move more quickly into a home of their own.

The City will continue to supplement rent contributions in an effort to foster independence and responsibility in clients. Beginning on July 1, however, the majority of Advantage clients will be required to engage in work or work-related activities full-time as a condition to receiving a rental subsidy. Eligibility requirements for the revised program are as follows:

Clients entering **year one** of the Advantage NY program will be required to be employed for at least 20 hours per week, and participate in an additional 15 hours per week of housing searches or HRA-approved work activities. Clients will also be required to contribute 30 percent of their gross monthly income toward rent during their first year of participation in the program.

For **year two**, the subsidy will be available to those who are employed for 35 hours per week and remain compliant with program rules. The revised program has raised the income threshold as well, to where clients must continue to have an income that is less than 200 percent of the federal poverty level -- and improvement to our previous program which set the cap at 150 percent of the federal poverty level. During the second year, participants will be required to contribute the greater of half of their monthly rent, or 30 percent of their income, toward their housing costs.

While the new work requirements are critical in enabling clients to be self-sufficient, we also recognize that a small number of households are unable to work due to disability. To be eligible for Advantage NY, these families must also be in shelter for at least 60 days, with all adult members who are unable to work either (1) receiving SSI, SSD, or federal disability benefits, or (2) needed at home as a caregiver to a disabled family member, as determined by HRA.

WHAT HAPPENS AFTER FAMILIES LEAVE SHELTER?

Advantage NY clients will continue to have access to citywide prevention services through HRA Job Centers and diversion units, DHS aftercare services, and legal service providers and community-based HomeBase programs funded by DHS.

While on Advantage, tenants can access services and information on a full range of issues in the way that best suits their needs and preferences. First and foremost, any Advantage tenant can call 311 and be directed to the community-based provider or government agency that can most effectively address their inquiry. Families can also walk into their local Job Center, or call their community Homebase or

legal service provider to make an appointment for benefits screening, job readiness and job search assistance, legal advice and counsel, landlord mediation services, information about tenants' rights and responsibilities, and renewal assistance. DHS has also created an aftercare helpline that answers tenant questions regarding Advantage, directs tenants to helpful resources, and makes community referrals. In addition, DHS sends tenants a quarterly newsletter highlighting program guidelines and helpful resources.

When the Advantage program ends, tenants can continue to access Homebase, and our legal services providers for employment support, legal assistance, applications for the FEPS program and short term financial assistance and arrears. DHS and HRA have also worked closely with Housing Court administrators to plan for an upcoming Advantage training for judges and staff and to establish service referral procedures for Advantage tenants. Advantage leases require that landlords inform DHS when commencing an eviction proceeding and DHS proactively conducts outreach to these tenants at risk of eviction and provides services and legal referrals. While for some families, homelessness is a short-term set-back that is quickly remedied, for others the road to long-term housing stability is longer and requires varying levels of support at many critical points along the way.

When we began to expand our prevention services in 2004, DHS did not have aftercare services for former shelter clients. One of the lessons we've learned over the past six years is that homelessness prevention services need to incorporate aftercare, and also that aftercare cannot come in a one-size-fits all approach. We enhanced the city's homelessness prevention network to make certain that at-risk families are accessing the full range of benefits that help to ensure housing stability in the long term. Aftercare services need to be available not only on demand to those tenants who are actively seeking such services, but also as a safety net integrated into the community, the courts, and the shelter door for those who do not reach out for assistance.

For example, although some families at high risk of shelter entry require the intensive case work and short-term financial assistance offered by Homebase, the resource has also expanded its reach by providing housing and benefit advice through individual sessions or group activities. Also, Advantage families can attend financial literacy workshops, child care fairs, tax prep sessions, and benefits screenings. Homebase works closely with other community organizations and city agencies that offer services and goods that can serve as an outreach and engagement tool, drawing families to the program.

During this fiscal year, Homebase has already enrolled over 1,000 Advantage tenants. Since opening for business last August, the DHS Aftercare Helpline has assisted over 20,000 callers—70% of whom are Advantage tenants.

WHAT HAPPENED TO THE FAMILIES WHO HAD SECTION 8 REVOKED?

I wanted to update you about the implementation of our Flex Fund to assist the 2,589 households who lost their Section 8 vouchers this winter. At a hearing last month before this Committee, DHS was pleased to announce the creation of the Flex Fund, seeded with one million dollars of HPRP funding.

On March 4th, DHS mailed outreach letters to 2,589 families who lost their Section 8 vouchers and directed them to call Homebase if they were in need of assistance. To date, a total of \$22,226 from the

\$1 million Flex Fund has been spent on rental arrears and utilities payments for 13 of those revoked Section 8 voucher holders. Two of the clients were DHS Work Advantage clients, 5 were clients from the community, and 6 were clients known to DHS. In addition, twenty-five of the 2,589 households have entered shelter to date.

This fund is available to our Homebase offices to assist clients who find themselves in difficult times and in need of assistance due to unique circumstances. When anyone from the NYCHA Section 8 affected list calls Homebase, they will be assessed and served according to their risk of homelessness and available resources. Many callers will likely qualify for Family Eviction Prevention Supplement (FEPS); they will be referred to HRA to apply and invited to call back if any issues arise. Homebase will also assist those who do not qualify for FEPS with services such as budgeting and accessing public benefits, advice and coordination with HRA regarding one-shot payments, maximizing household income through employment or higher-wage employment, and reducing housing expenses by finding roommates and other methods. In addition, those who are at imminent risk of homelessness and can stabilize their housing situation through a short-term subsidy will receive financial assistance. DHS will continue to monitor the overall level of funding and city-wide demand.

DHS will also continue to provide this Committee with regular updates on the use of the Flex Fund to assist clients affected by the Section 8 voucher situation, including the number of such clients served by the Fund. As I previously stated, thus far, less than 1% have entered shelter.

WILL FAMILIES RETURN TO SHELTER?

Despite our best efforts, we know from experience and the findings of researchers that some families will return to shelter. While a certain level of recidivism is to be expected—historically 30% over 10 years—we have continually enhanced our services at the shelter door to address this demand. HRA diversion workers successfully help thousands of families return to their housing each year, and have nearly doubled their presence at our family intake center in the past several years. DHS has also posted social workers from PATH's Community Resource Room to help bridge Advantage families back to their community through services and community linkages. We'll continue to monitor this data as we work to enhance integrated and flexible safety net.

HOW IS DHS USING HPRP FUNDS TO PREVENT HOMELESSNESS?

The Flex Fund is one way we're using HPRP funds to prevent homelessness, but let me update you on our other efforts. As you know, we've set aside approximately half of our HPRP funds for prevention programs—funds we expect to be exhausted by next summer.

First, anti-eviction legal services are widely recognized as a valuable tool to prevent homelessness. So far this year, DHS funded community-based legal providers have provided over 2,900 households with legal advice and representation. Also because of HPRP funds, they have been able to serve single adults for the first time. Similarly our sister agency, DOHMH, has funded legal service providers who have served 458 HIV-positive households at risk of homelessness.

Second, HPRP funds have allowed us to continue to expand our Homebase homelessness prevention programs. Since July 2009 through the end of March, Homebase has served over 5,000 households.

Of this number, 3,000 were enrolled for case management and 2,000 received housing advice and referrals to community and public resources. Of all households served, well over 90 percent have avoided homelessness and remained in the community.

Federal HPRP prevention dollars must be targeted to families who would have to enter shelter “*but for*” homelessness prevention services. Homebase providers use community specific data from DHS and over five years of on-the-ground experience to assess and serve those who come to their door. Once clients are found eligible, Homebase is able to leverage the city’s substantial prevention-focused TANF dollars for subsidies and arrears payments to assist them. In fact, in order to serve as many families as possible, the funding for casework services is much larger than the Homebase financial assistance pool. That said, so far this year, Homebase has granted over two million dollars in financial assistance, providing short-term rental assistance as well as assistance with other housing costs.

For example, Ms.W. called 311 just last week. She is employed but has had a very difficult time paying her rent of \$1,394 and is sending a very high percentage of her earnings to her landlord. She had received a Section 8 voucher but had the voucher revoked in December. Ms. W will be working with the CAMBA Workforce Development program to find a higher paying, more stable job and consequently, to increase her ability to afford her rent in the long-term. In addition, Ms. W will also participate in CAMBA’s Going On My Own program, which will provide her with money and household management skills that will help prevent re-entry into the shelter system. Homebase will offer up to six months of financial assistance to supplement her rent payments and help her fulfill the requirements of her current lease. If she still cannot afford her rent after participating in the program, CAMBA will help her relocate to an apartment with lower rent.

CONCLUSION

Thousands of individuals and families like Ms. W are successfully served each year by our homeless prevention programs, demonstrating that we are willing and able to work together with our community partners to meet the needs of families in these challenging times. I’m grateful to have a partner like Commissioner Robert Doar who will update you next on a policy change involving contribution requirements for households seeking temporary shelter.

I am confident that the enhancements we have made to the Advantage program will best assist our clients in returning to their communities and preparing them for the challenges of independent living in these difficult economic times.

I look forward to working with members of this committee and your fellow colleagues on the City Council as we continue to move forward with our efforts to reducing homelessness and encouraging self sufficiency in New York City. Thank you for the opportunity to testify before you today.