

Department of Homeless Services Hearing Testimony

New York City Council Committee on General Welfare *Oversight – Homelessness and the Implementation of the LINC Program* Wednesday, January 21, 2015, 1:00 p.m.

Introduction:

Good afternoon Chairman Levin and members of the New York City Council Committee on General Welfare. My name is Gilbert Taylor and I am the Commissioner of the New York City Department of Homeless Services (DHS). I'm here today with Commissioner Steve Banks of the Human Resources Administration. Thank you for the opportunity to testify this afternoon. In today's testimony, I will discuss the major drivers of homelessness, DHS' prevention efforts, and detail the development and implementation of the Living in Communities rental assistance program, also known as LINC.

Overview:

New York City is facing pronounced economic inequality. Due to low wages and lack of affordable housing, the cost of living has increased. Approximately 46-percent of New Yorkers live near poverty and approximately 22-percent of New Yorkers live below the poverty line. One-in-three New Yorkers work low-wage jobs. Working full-time at a minimum wage earns a salary of less than \$20,000 a year. Over 75-percent of low-income households spent one-third of their income on rent; with 47-percent spending over half their income on rent.

The reality of this income inequality manifests itself in the City's shelter system, which currently houses approximately 58,000 individuals. When faced with drivers such as eviction, domestic violence, or overcrowding, individuals and families are unable to afford the basic cost of living. As a result, the number of individuals and families entering shelter continues to exceed the number exiting. The average length of stay in shelter is 412 days for families with children, 536 days for adult families, and 329 days for single adults.

Homelessness Prevention Efforts:

As part of our strategic plan to reduce homelessness in New York City, our agency's initial focus is on prevention. DHS strives to prevent homelessness whenever possible, and believes that shelter should be the last resort. The Homebase Prevention Program is the cornerstone of our agency's efforts to prevent homelessness. Last year, DHS doubled its prevention efforts after obtaining a \$20 million investment in Homebase. The total funding of this program is now \$42 million, from a combination of State, City, and federal funds. At the beginning of this administration, we had 14 Homebase offices. The investment enabled us to add nine additional locations, for a total of 23 offices throughout the five boroughs.

The Homebase Program is nationally-recognized and proven to help families remain stably housed and remain out of shelter. Last year, Homebase served over 12,000 households. Of those served, 95-percent were able to remain stably housed in the community and avoided entering shelter. The recent expansion will allow the program to serve 20,000 households annually. Homebase

interventions have cut shelter applications nearly in half and reduced the number of days spent in shelter by 70-percent.

Homebase is a five-borough network of neighborhood-based services. The program's offices are located in communities where DHS sees the largest numbers of shelter entrants. Homebase provides customized assistance for individuals and families such as eviction prevention, landlord mediation, and short-term emergency funding to prevent evictions and address rent arrears. It also provides financial counseling, and assistance in obtaining employment and public benefits. Legal services are also available in collaboration with the City's Human Resources Administration (HRA), which is now out-stationing staff directly in the Homebase locations to enhance prevention services. These services include anti-eviction legal services and rent assistance for struggling families.

Exits to Permanent Housing:

Though our initial focus is on prevention, once individuals and families have entered shelter our challenge is to connect them to permanent housing. Since the beginning of this administration there has been unprecedented collaboration and coordination between DHS, the Human Resources Administration (HRA), the Department of Housing Preservation & Development (HPD), and the New York City Housing Authority (NYCHA) to address the issues of homelessness. This partnership has allowed us to transition families to permanent housing through NYCHA, HPD Section 8, and to create the LINC rental assistance program.

DHS in collaboration with NYCHA has already housed over 1,000 families in public housing during the first half of Fiscal Year 2015. During the second six months, we are already moving forward with the next 750 families. With HPD Section 8 vouchers, DHS expects to exit 400 families with children and 100 adult families from shelter this year.

Since the Advantage Program ended, there have been extremely limited subsidy programs and resources available to assist families to exit shelter. At the beginning of this Administration in early 2014, we recognized that rental assistance could be a valuable tool and worked with the State to create a program to meet these needs. This led to the creation of the Living in Communities (LINC) rental assistance program.

Living in Communities (LINC) Programs:

The City launched LINC I, II, and III in September 2014. The program's goal is to assist nearly 4,000 families per year to achieve housing permanency outside of the DHS and HRA systems. LINC is designed for families who have been in shelter the longest. LINC-certified families may pay some percentage of their income towards rent, and receive financial rental assistance and aftercare services. LINC certification is renewable each year for up to five years.

LINC I is targeted towards working families in the DHS shelter system and can also accommodate some working families in the HRA system. LINC I families will pay 30-percent of their income toward rent. A member of the family must work at least 35 hours per week, and have been employed for at least 90 days before certification. The family must also have an Active or

Single Issue Public Assistance case, and not exceed 200-percent of the federal poverty line. LINC I will assist 1,101 families to move to housing permanency annually.

LINC I families will receive aftercare services first from DHS' Homebase Prevention and thereafter from HRA's revamped employment program. The program model will center on the following three components: initial assessment and career advancement, financial counseling, and individualized coaching and case management. The employment program will also provide ongoing client engagement; referrals for social supports; job retention, replacement, and advancement; and training.

LINC II is targeted towards families with recurring shelter stays. LINC II families will pay 30-percent of their income toward rent. Eligible families are required to have experienced two or more previous shelter stays of 30 days or more, with at least one of those prior stays having been within the past five years. LINC II families must have some income (whether earned or unearned), be eligible for Public Assistance in the community, and have an Active or Single Issue Public Assistance case. LINC II will initially assist 950 families to move to housing permanency.

The LINC II aftercare component will also focus on prevention, which is of particular importance since these families are chronic shelter stayers. The services will adhere to the "Home to Stay" program model, which relies on the practice of Critical Time Intervention (CTI) to engage families through intensive case management. CTI is an evidence-based practice proven to assist vulnerable populations to make successful transitions in a specific amount of time: generally nine months divided into three phases. The practice focuses on developing and strengthening each client's long-term ties with formal and informal community supports. The program will also include budgeting assistance and regular check-ins to ensure that the family maintains stable housing.

LINC III is for domestic violence survivors in DHS shelters or in HRA Domestic Violence shelters. Eligible families are certified by HRA as domestic violence survivors. They also should be eligible for Public Assistance in the community and have an Active or Single Issue Public Assistance case. Unlike LINC I and LINC II, a LINC III family's contribution is a calculation of their shelter allowance and existing income. LINC III will assist 1,000 families in DHS shelters and 900 families in HRA shelters to move to housing permanency this year.

My colleague, Commissioner Steve Banks, will also discuss LINC III and the aftercare services for the same in his testimony.

Recognizing the need to support single adults and adult families to exit to permanent housing, DHS introduced two additional LINC programs in late December 2014. LINC IV will assist 1,100 elderly and medically frail singles or adult families to move to housing permanency. LINC V will assist 1,000 working singles or adult families to move to housing permanency. Similar to the other programs, LINC IV and V clients will pay 30-percent of their income toward rent. Clients are eligible on the basis of being in a DHS shelter for single adults or adult families, or DHS safe haven or drop-in centers; an Active or Single Issue Public Assistance case; and a household income that does not exceed 200-percent of the federal poverty line. LINC IV is renewable for as long as assistance is required, and those eligible must have a member of the household age 60 or above. LINC V individuals must have been working for at least 30 days to be eligible for the program and can receive assistance for up to five years.

LINC rental assistance programs are funded with a combination of City, State and Federal funds. The State committed \$40 million over four years for LINC I and the City is, at minimum, matching this amount. The LINC II program is being funded with savings derived from reductions to the Agency's shelter system. The total annual allocation for LINC II is approximately \$15 million, with the source of funding being a mix of City, State, and federal revenue. LINC III, IV, and V are all funded with City Tax Levy dollars.

Implementation of LINC:

In order to ensure the success of LINC, we have focused on learning from past experiences with similar programs. We have made a number of enhancements intended to support our clients and those who decide to host them as tenants. We have been collaborating with landlords and brokers, whose partnership is an essential component in ensuring placements for our clients. In October 2014, we issued two incentives for the LINC program, a landlord lease signing bonus and a Special Supplemental Assistance Fund. These program enhancements will provide bonuses to landlords for signing LINC leases and additional protections in the event of rent arrears or apartment damage. We also raised LINC maximum rent levels to match Section 8 rent levels.

Conclusion:

We are appreciative that our collaboration with the State and HRA allowed the LINC Program to come to fruition. However, the LINC program is still in its early stages. We still have a long way to go and anticipate accomplishing a great deal with these programs. More work must be done to reduce our census and LINC is a significant tool that we will use to do so.

These programs are not "one-size fits all," but rather are tailored approaches to support the different populations that we serve. We truly believe that this will be an effective pathway to permanency for our clients. There have been hundreds of LINC placements to date, and we are committed to reaching the projected number of shelter exits in our first year. To achieve our annual goals, we need the support of the Council and housing providers to ensure that our families are able to transition to permanent housing. Thank you for the opportunity to testify before you today on such an important issue and bringing attention to the LINC program.