



*City Council Oversight Hearing  
General Welfare Committee  
Overview of DHS Family Shelters  
Tuesday, September 25, 2012*

Good morning Chair Palma and members of the General Welfare Committee. I'm Seth Diamond, Commissioner for the Department of Homeless Services (DHS).

Today we are here to discuss the agency's strategies to help families in shelter with successful transitions to sustainable independent living. DHS, working with a Citywide network of community based providers, strives to prevent homelessness wherever possible. We are continually expanding and fine tuning our prevention services, adding new service sites and refining our targeting strategies. We urge every family on the brink of homelessness to access preventive services before seeking shelter. Until we get there, the City must have sufficient capacity in place to meet shelter demand and then work aggressively with those in shelter to gain employment and return to the community as quickly as possible.

Last Friday night, the City, working with our outstanding providers and their employees, many of whom have dedicated their lives to serving those with no housing alternatives, provided temporary shelter to 46,040 individuals. While the rate of growth of those in shelter in the past year is not unprecedented, we have had to move quickly to meet increased demand and since January we have opened ten shelters throughout the City including six new shelters for families with children.

Unlike the period from 2002 to 2003 when the shelter growth rate exceeded what we are experiencing today, there are no shelter based rental subsidies currently available. As you know, the state eliminated the Advantage rental subsidy program and with significant financial issues facing the federal, state and city governments, new rental subsidies are not a realistic possibility. So we must turn our attention to investing in the success of homeless families by giving them the skills and assistance they need to obtain jobs and leave the shelter system.

We begin this discussion from a position of strength, the continued and renewed success of shelter clients in going to work. Since January of 2010, despite continued difficulties in the economy, shelter residents have achieved over 20,000 job placements. Residents work in retail, health care, security and a host of other fields - the same range of industries as many of your constituents who are not in shelter. Many residents had been working recently and only needed a little additional assistance to get back into the job market. In some cases these jobs represent a successful effort to re-enter employment after an absence because of difficulties they faced.

In either case, these jobs represent not a final step but an initial employment opportunity to build on. The research clearly shows that for most people, the best way to increase wages and employment security is not to enroll in long-term training programs but to work, and develop both a solid employment history and skills that are needed in the workplace. And with a range of assistance from

food stamps, to Medicaid to child care to financial planning, the City will continue to strongly support those who are working, especially in the early days when the transition can be most difficult.

We also draw on the tremendous resilience and strength of families in the shelter system. While many predicted that without a subsidy, no one would leave shelter, since Advantage ended nearly 140 families per week have returned to the community. Some families may earn enough income initially to afford an apartment on their own. In other cases, families may have to explore living with other friends or family members to assist them while their income increases. In all cases, through our Homebase offices and through the variety of work supports the City offers, we strive to continue our support of families who have left shelter so they may be firmly established in the community.

To assist more clients in going to work we must look beyond our current efforts. Until now, Homeless Services has focused our efforts to connect those in shelter with jobs through our strong partnership with the Human Resources Administration (HRA). Leveraging the full set of employment services available to those participating in the requirements of public assistance, this year alone more than 4,500 clients have gained employment through that system - but we want to do better. HRA is currently reviewing its full portfolio of employment programs for opportunities to improve services to those in shelter. We look forward to working with HRA's newly awarded Back to Work contractors to place shelter residents into work. The agency has already out-stationed staff at our PATH office enabling immediate job referrals for shelter applicants who arrive and are in need of work. Where there are subsidized job opportunities, we will work together to grow the number of shelter residents participating.

Because of our close relationship with HRA for employment services, we have not fully involved one of the City's main workforce agencies, the Department of Small Business Services (SBS) in our efforts. We are changing that. There are over 2,600 working families currently in the shelter system. Many of those are able to leave shelter now and we will be working with them to do so. Others can be assisted with additional income and SBS is poised to provide the services needed to help. Our shelters are developing and improving their partnerships with Workforce 1 Career Centers and have begun making referrals where there are available job opportunities that meet the qualifications to be a successful potential candidate. Shelters will work to make sure qualified clients attend these sessions and SBS will provide feedback on those who attend. Working with the full complement of SBS providers, we can build on the job placements achieved through HRA.

We also want to target services to young adults in our shelter system. The City's Center for Economic Opportunity (CEO) has a range of programs, offered in partnership with community-based organizations that target out-of-school youth between the ages of 18 and 24. While those programs have always been open to shelter residents, they have not been a traditional focus and shelters have begun a process to more closely collaborate with them. We have already referred over 300 homeless youth in our effort to help them develop essential skills needed to join the workforce. For example, through the Young Adult Internship Program, youth residing in shelter attend educational workshops and obtain short-term paid internships. For educational advancement, DHS is referring youth to CEO programs that offer literacy classes, such as the Young Adult Literacy Program, as well as assisting them in obtaining a GED. Building on the promising experiences of participants in both programs, DHS is also referring youth to CEO's Project Rise, an intensive curriculum anchored with an 18-week paid internship.

For those who are working, research clearly shows financial skills are an essential component to success. To achieve these goals, DHS has recently partnered with the Department of Consumer Affairs' Office of Financial Empowerment (OFE) to offer individual financial counseling for families in shelter earning more than \$1,000 per month. Case managers at shelters are linking those families to OFE counselors to offer financial counseling services including credit repair, household budgeting, banking and savings plans. DHS has already linked 21 shelters from the Bronx and Brooklyn directly to OFE. We will continue to work closely together to increase program participation.

DHS is also partnering with OFE to increase participation in the Earned Income Tax Credit (EITC). While the average tax refund through the EITC is approximately \$2,500, the maximum credit could be upwards of \$5,800 - funds that families can use to transition to housing in the community. We're excited to announce that for the 2012 tax year, OFE will be targeting the Mayor's annual Tax Campaign to offer tax preparation services to shelter residents.

We also recognize that our excellent shelter staff can benefit from additional support in helping our clients go to work. Beginning in October, the Workforce Professional Training Institute (WPTI) will be providing training to shelters throughout the City. WPTI is developing a series of customized training sessions for shelter staff designed to increase their ability to connect job seekers to the public and non-for profit workforce systems. They will be trained to help clients improve job readiness by helping them to identify skill sets, prepare for interviews and develop strategies for job searches. Our expectation is not that shelters provide employment services directly; rather that they understand the range of services available through the City's network of workforce agencies and community resources and how to access these services.

We are aware that the path ahead will not be easy. Grounded in research, we know that employment is a key to stability. A soon to be published study of the NYC shelter system by Dr. Dennis Culhane and Dr. Stephen Metraux from the University of Pennsylvania shows that employment plays a larger role in recovering from homelessness than had previously been understood and there are strong associations between stable exits from shelter and workforce participation. By using the workforce resources of the City, offering the best tools for our providers, and setting high expectations for our clients while also encouraging and supporting them, we can be successful in moving clients to work and out of the shelter system.

I will now answer your questions.