

**General Welfare Committee Hearing
Department of Homeless Services Testimony
May 5, 2009**

Good afternoon, Chairman de Blasio and members of the Committee. My name is George Nashak and I am Deputy Commissioner for Adult Services at the Department of Homeless Services (DHS). I am here today to testify about how DHS, in partnership with its shelter providers, assists single homeless adults to move out of shelter and into safe housing in the community. Joining me at the table are Stephen Kramer, Senior Counsel, Department Of Buildings; and Thomas Jensen, Assistant Chief, Chief of the Bureau of Fire Prevention, FDNY. These gentlemen are here today to answer any questions you may have about their enforcement of laws and regulations related to the safety of our City's housing.

DHS Mission: Helping Homeless Single Adults Achieve Permanency

It is the mission of the Adult Services Division of DHS to provide short-term, emergency shelter to single adults experiencing homelessness and to assist them to obtain permanent housing. To achieve permanency for our clients, DHS partners with a group of highly skilled non-profit organizations, many of who have been serving New Yorkers in need for decades. These social services organizations provide case management and other services to homeless men and women residing in our shelter system.

By employing an individualized assessment and developing an independent living plan designed specifically for every client we serve, DHS and our provider partners begin assisting each client to return to permanent housing in the community from the moment he or she enters shelter. Some clients are able to return to permanent housing very quickly with relatively little assistance. These

clients have often experienced a temporary setback, need shelter for only a brief period, and return to housing with some modest support from the caseworkers in the shelters. Other clients, especially those living with significant mental health or medical disabilities, need substantial assistance. For these clients, caseworkers may arrange medical evaluations, complete housing applications, and accompany the clients on housing interviews. While we are responsible for providing safe shelter for as long as a client may need this service, we develop with each client an individualized independent living plan that takes his or her needs into account. This is part of the basic services a client receives in the New York City shelter system. In turn, all clients are expected to work with shelter staff to develop and implement their independent living plans. Given our commitment to ensure that no client needs to call a shelter “home” for a long period of time, we believe this approach best assists clients to return to permanent housing in the community as quickly as possible, taking their specific needs into account.

DHS Guidance on Housing Options

I have no doubt that the members of this Committee, DHS, and our shelter providers all share a common goal: to see that all clients make good housing choices and move into safe and appropriate housing upon exiting shelter. Toward this end, DHS and its providers educate clients about the full range of housing options available to them, and assist them in selecting the housing option most appropriate to their individual needs.

For clients who are unable to live independently without support services, we instruct shelter staff to assist them to move into supportive housing, residential treatment facilities or other residential programs that provide, or are linked to, appropriate services. These housing options include programs licensed by or in contract with governmental entities such as the New York State

Department of Health (NYSDOH), the New York State Office of Alcoholism and Substance Abuse Services, the New York City Department of Health and Mental Hygiene, the New York City Human Resources Administration, and the New York City Department of Homeless Services. New York/New York Housing is one example of supportive housing for homeless men and women who have mental or physical disabilities.

Other clients do not need on-going supportive services following shelter. Their barriers to independent living may be primarily financial; for example, they may be living on a fixed income or they may be newly entering the work force and cannot fully afford the rent for an apartment. DHS assists clients in these categories by providing rent subsidies such as Work Advantage for clients who are able to work full or part-time or Fixed Income Advantage for clients who are unable to work due to a disability.

Most clients leaving shelter, like the majority of New Yorkers, go on to live in housing that is not subsidized. Many clients find apartments on their own and use their own financial resources to pay the rent, while others return to live with family members. Their circumstances mirror those of other New Yorkers seeking private housing: neither DHS nor any other government agency inspects the apartment as a matter of course before a client moves in. However, DHS has put in place a number of measures to help ensure that clients make safe and appropriate housing choices.

DHS Guidelines to Promote Safe Housing Choices

In the case of clients leaving the shelter system to independent living, that is, other than supportive or subsidized housing, DHS requires and expects its providers to advise and educate clients on good

housing choices. The Agency has issued guidelines to shelter providers which prohibit the referral of clients to housing that falls into any of the following categories:

- An address for an adult care facility that that appears on the NYSDOH Referral Suspension List or on the Uncertified Facilities List (i.e., NYSDOH is responsible for licensing and regulating adult care facilities);
- An address in a building against which DOB or HPD has issued a vacate order; or
- An address in a building against which HPD has initiated litigation against the landlord/owner for failing to maintain the building in good repair.

Following these guidelines, shelter staff are required to check lists and public databases made available by these agencies to ensure that a building does not fall into any of these categories before making a referral to that site. Along these lines, DHS requires shelter staff to advise clients against moving into such properties should it be determined that they fall into one of these categories. DHS reinforces the seriousness of its intentions with our providers by imposing financial penalties against providers who violate these guidelines. In an effort to ensure that providers meet the standards of the guidelines issued by DHS, we have in place a quality assurance review process. Monthly, providers submit the total number of exits from shelter to DHS. Of this total, DHS conducts a random sample of 10 percent of these exits, and does a second check against our guidelines to determine whether providers met the standards set forth in the guidelines.

DHS wants to ensure that clients who leave shelter for independent living are making informed choices about housing. To that end, DHS requires shelter staff to give clients the opportunity to view any housing prior to occupancy.

DHS Efforts to Educate Clients about Their Tenancy Rights

DHS also takes seriously its responsibility to educate its clients about their rights as tenants and about the responsibilities of landlords. To that end, DHS requires all shelter providers to provide every client leaving shelter with a “tenant’s rights guide” that DHS has developed. I have copies with me today if any members of the committee are interested in reviewing the guide. The guide educates clients leaving shelter regarding their rights and responsibilities as tenants and about their landlord’s rights and responsibilities. Just as important, the guide also instructs clients about the mechanisms for addressing complaints about safety or maintenance that they may not be able to resolve with their landlords. Among other things, the guide contains the contact information for the agencies responsible for overseeing and enforcing the rules, including DOB, HPD, and FDNY.

Finally, if clients determine that their housing poses a threat to their safety, they may re-enter shelter. As the members of this Committee are aware, DHS takes very seriously its mandate to provide shelter to all single homeless adults who seek it.

Roles and Responsibilities of Enforcement Agencies

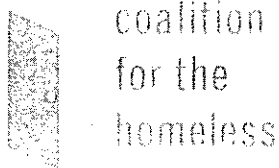
As I mentioned earlier, other City agencies have responsibility for enforcing laws and regulations related to the safety of our City’s housing. The FDNY inspects buildings and enforces compliance with Fire Code regulations, while the DOB enforces the City’s Building Code and the Zoning Resolution. HPD is responsible for enforcing the New York City Housing Maintenance Code and

New York State Multiple Dwelling Laws. These agencies are authorized to issue violations and summonses to owners who have failed to meet their responsibilities. Through their efforts and coordination, they provide effective mechanisms for review and enforcement to ensure the safety of the City's housing stock. Tenants or advocates are encouraged to call 311, the central hotline for City services, to file a complaint if they believe the building or apartment is occupied in violation of applicable laws or regulations, or poses a threat to the health or safety of its tenants.

These review and enforcement processes are in addition to those that the New York State Department of Health utilizes to enforce state laws and regulations governing the licensing of certain facilities for single adults.

We at DHS urge you to work with us to inform your constituents of these various avenues to address any life and safety concerns they may have.

Thank you for the opportunity to explain our efforts to assist single adults to move out of shelter into permanent housing and the efforts of our City's enforcement agencies in ensuring that building owners adhere to the laws and regulations governing housing safety.



**TESTIMONY OF COALITION FOR THE HOMELESS
BEFORE THE NEW YORK CITY COUNCIL**

**General Welfare Committee Hearing
May 5, 2009**

**Submitted by Patrick Markee, Senior Policy Analyst,
Coalition for the Homeless**

I present this testimony on behalf of Coalition for the Homeless, a not-for-profit organization that assists more than 3,500 homeless New Yorkers each day. Since its founding in 1981, the Coalition has advocated for proven, cost-effective solutions to the crisis of modern homelessness, which now continues into its third decade. The Coalition has also struggled for more than 25 years to protect the rights of homeless people through litigation around the right to emergency shelter, the right to vote, and appropriate housing and services for homeless people living with mental illness and HIV/AIDS.

The Coalition operates several direct-services programs that both offer vital services to homeless, at-risk, and low-income New Yorkers, and demonstrate effective, long-term solutions. These programs include supportive housing for families and individuals living with AIDS, a job-training program for homeless and formerly-homeless women, a Rental Assistance Program which provides rent subsidies and support services to help working homeless individuals rent private-market apartments, and two buildings in Manhattan which provide permanent housing for formerly-homeless families and individuals. Our summer sleep-away camp and after-school program help hundreds of homeless children each year. The Coalition's mobile soup kitchen distributes more than 900 nutritious meals to street homeless and hungry New Yorkers each night. Finally, our Crisis Intervention Department assists more than 1,000 homeless and at-risk households each month with eviction prevention assistance, client advocacy, referrals for shelter and emergency food programs, and assistance with public benefits.

The Coalition also represents homeless men and women as plaintiffs in Callahan v. Carey and Eleridge v. Koch. In 1981 the City and State entered into a consent decree in Callahan in which it was agreed that, "The City defendants shall provide shelter and board to each homeless man who applies for it provided that (a) the man meets the need standard to qualify for the home relief program established in New York State; or (b) the man by reason to physical, mental or social dysfunction is in need of temporary shelter." The Callahan consent decree and Eldredge case also guarantee basic standards for shelters for homeless men and women. Pursuant to the decree, the Coalition serves as court-appointed monitor of municipal shelters for homeless adults.

The Growing Number of Referrals of Homeless Adults by the City of New York to Illegal Boarding Houses

We offer this testimony today in support of Intro. 963, legislation which will prohibit referrals by the City of New York of homeless individuals to illegally-occupied dwellings such as illegal boarding houses, often called "three-quarter houses."

We also offer this testimony to provide an overview of a growing problem: The accelerating use of illegal, unsafe boarding houses to shelter homeless adults in New York City, a problem that has been

made dramatically worse due to the Bloomberg administration's adamant refusal to adopt safeguards to protect vulnerable homeless individuals and New York City neighborhoods.

For more than three years, the City of New York has referred thousands of homeless individuals – many of them living with mental illness and other disabilities – into a growing number of illegal boarding houses with hazardous conditions, many of which have already been documented by City inspectors.

Coalition for the Homeless first documented this worsening problem in January 2008 in our report Warehousing the Homeless (available at our website). At the time we issued that report last year, the Coalition had discovered 62 illegal boarding houses where the City had referred homeless adults. Of these, 10 illegal dwellings had subsequently been ordered vacated by City inspectors due to serious health and safety hazards, often including fire safety hazards.

The Coalition has now compiled a list of nearly 120 illegal boarding houses where the City has referred homeless adults. Of these approximately 25 dwellings had subsequently been ordered vacated by City inspectors due to serious health and safety hazards, often including fire safety hazards – indeed, nearly 10 illegal dwellings have been ordered vacated in the past six months alone. (Please see attached lists of illegal dwellings.)

The proliferation of these unsafe dwellings is very clearly the result of an illegal, and expanding, market created by the policies and practices of the NYC Department of Homeless Services. In effect, City taxpayer dollars are subsidizing the growing number of illegal, unsafe dwellings. And this is due to the Bloomberg administration's adamant refusal to adopt common-sense safeguards to prevent homeless individuals from being referred to dangerous or inappropriate dwellings, and the failure to enforce existing health and safety standards.

We remain gravely concerned about the health and safety of homeless adults whom the City has already consigned to illegal boarding houses. These dwellings are characterized by the following conditions: illegal occupancy; extreme overcrowding; persistent health and safety violations; a complete lack of services including appropriate mental and physical health services; failure to acknowledge tenancy rights; fraudulent use of public benefits by operators; and serious fire safety hazards.

Following are highlights of the problems involved with the City's referrals of homeless New Yorkers to illegal boarding houses:

- Illegal occupancy: The vast majority of illegal boarding houses are one- or two-family homes that have been illegally converted to multiple dwellings. Commonly called "three quarter houses" (a name borrowed from the old term "halfway house"), these residences are overwhelmingly concentrated in low-income, African-American and Latino neighborhoods of central Brooklyn, in particular East New York, Bedford Stuyvesant, Bushwick, and Crown Heights. Some illegal boarding houses are also scattered in low-income areas of the Bronx, Staten Island, and Queens.

Illegal boarding houses are, by and large, operated in small buildings designated in their certificates of occupancy as one- or two-family homes. However, their operators illegally subdivide rooms and crowd as many as 30 or 40 adults, mostly men, into one house, often packing four to 12 men in bunk beds in sleeping rooms. Frequently the operators pack bunk beds in kitchens, garages, basements and other rooms not intended as sleeping rooms.

- Fire safety hazards: Illegal boarding houses operate in violation of City building codes and housing maintenance codes, which prohibit illegal conversions, and many of them have serious fire safety hazards. In many illegal boarding houses City inspectors have found the following fire-safety

hazards: illegal partitions, defective and exposed electrical wiring; illegal or defective gas hookups; no secondary means of egress; no fire alarm; no sprinkler system; and illegal plumbing work.

- Health and safety hazards: Many illegal boarding houses have additional health and safety hazards, including lack of heat and hot water, collapsed or sagging walls, and cracked and bulging ceilings.
- Homeless adults forced to accept referrals to illegal boarding houses: City employees and shelter staff routinely threaten homeless individuals with ejection to the streets for 30 days or more, or other punishments, if they do not accept referrals to illegal boarding houses, in many cases even when the homeless individual has never seen the building. In many instances homeless adults have been taken in vans to illegal boarding houses and left there, despite fears about safety and the condition of the buildings.
- Inappropriate referrals of individuals living with mental illness and other disabilities: The City has negligently placed many homeless adults living with disabilities in illegal boarding houses, including individuals diagnosed with multiple sclerosis, schizophrenia, bi-polar disorder, and severe depression. The illegal boarding houses used by the City do not offer any therapeutic or supportive services for people living with mental illness or other disabilities. In many cases, the homeless adults sent by the City to illegal boarding houses had been approved for "New York/New York" or other supportive housing, but the City failed to refer them to such appropriate housing.
- Operators do not respect tenancy rights: The operators of illegal boarding houses routinely violate their residents' clear tenancy rights in the following ways: ejecting residents without following lawful eviction proceedings; denying access to the dwelling for many hours of the day; and enforcing curfews and other illegal rules.
- Taxpayer dollars subsidizing these illegal boarding houses: City and State taxpayer dollars subsidize these dangerous boarding houses, despite illegal and hazardous conditions documented by inspectors. Welfare housing allowances and disability benefits are paid by the City and State to the operators of illegal boarding houses, many of whom have converted their buildings in violation of building and housing codes. These payments of taxpayer funds can amount to more than \$100,000 per year per house.

Need for Stronger Safeguards to Protect Homeless Adults and New York City Neighborhoods

For more than three years, and in the face of mounting evidence of the worsening problem of referrals of homeless adults to illegal boarding houses, Bloomberg administration officials have refused to adopt common-sense safeguards to protect homeless individuals and New York City neighborhoods. Indeed, even when City officials have received documented proof of illegal and unsafe conditions in specific dwellings, they have refused to halt referrals of homeless New Yorkers to those buildings.

The current City policy on referrals of homeless New Yorkers to housing – first outlined in a May 21, 2007, letter by Deputy Mayor Linda Gibbs and later in a December 18, 2007, memo by DHS Deputy Commissioner George Nashak – fails to protect homeless adults from referrals to unsafe, illegal boarding houses. Indeed, the policy prohibits referrals only to three very limited classes of dwellings: (1) those with current vacate orders, (2) those involved in City enforcement litigation, and (3) those listed on an very short no-refer list maintained by the State health department – a list that has not grown in two years.

When, on multiple occasions, Coalition for the Homeless has asked Mayor Bloomberg and senior City officials – like DHS Commissioner Robert Hess and Deputy Commissioner Nashak – to alter the policy

or to halt referrals to specific dwellings known to be unsafe or illegally occupied, those officials have adamantly refused to change the City's policy.

In effect, the woefully inadequate Bloomberg administration policy permits referrals to a wide range of illegal, unsafe dwellings. But even worse than that, Department of Homeless Services policies and practices encourage referrals to illegal boarding houses. DHS officials have personally urged homeless adults to accept referrals to illegal dwellings and threatened them with loss of shelter if they failed to do so; DHS officials have instructed shelter providers to accelerate referrals to illegal boarding houses; and DHS shelter contracts include payment incentives that effectively incentivize referrals to illegal boarding houses by penalizing shelters that do not meet unrealistic placement targets.

Given the administration's refusal to address this problem, we strongly support Intro. 963, which is a welcome and important first step towards protecting homeless adults and New York City neighborhoods. The bill prohibits referrals to dwellings that violate certain occupancy standards, a serious problem that characterizes virtually all of the illegal boarding houses that we are aware of.

In addition to this legislation, we think that the following steps should be taken:

- Ensure homeless New Yorkers are referred to safe, legal, and appropriate housing: The City should immediately implement a policy ensuring that homeless New Yorkers are referred to housing that is (1) safe and legal, and (2) appropriate to the needs of the individual. The City and contracted service providers should assess proposed housing placements to ensure that they meet those standards. The City and service providers must also evaluate homeless adults to assess their needs for mental health, medical, or other support services.
- Enforce housing and buildings code requirements and relocate individuals already living in hazardous homes to safe, appropriate housing: For illegal boarding houses that are already in existence, the City and State should enforce the housing maintenance code, building code, and other legal requirements. All formerly homeless individuals currently living in illegal boarding houses with dangerous conditions should be immediately relocated to safe, appropriate permanent housing.
- Expand investments in permanent supportive housing and affordable housing: In order to achieve a genuine and lasting reduction of the numbers of homeless New Yorkers, as well as protect homeless individuals living with mental illness and other special needs, the City and State should expand investments in supportive housing and other low-income housing.

We again urge the City to halt referrals of homeless adults to illegal, unsafe dwellings, and to implement safeguards to ensure that homeless adults are sent to safe, appropriate, and legal housing. Without such safeguards we believe that it is only a matter of time before homeless individuals are injured or killed in one or more of these illegal dwellings.

In closing, we applaud Councilmember Bill de Blasio for introducing this important legislation, and we commit to working with him, his staff, and the New York City Council to ensure that these protections become law. And we thank Councilmember de Blasio and the City Council for holding this important oversight hearing today.

Thank you for the opportunity to present this testimony.

Coalition for the Homeless
 List of Illegal Boarding Houses Used by the City of New York to Shelter Homeless Adults
 May 4, 2009

**Complete Referral List:
 List of Illegal Dwellings Where Homeless Adults Have Been Placed by the
 New York City Department of Homeless Services**

	Street Address	City	Zip Code
1	1067 Lafayette Avenue	Brooklyn	11221
2	109 Sheffield Avenue	Brooklyn	11207
3	1107 Putnam Avenue	Brooklyn	11221
4	1137 Hancock Street	Brooklyn	11221
5	156 Bement Avenue	Staten Island	10310
6	1894 Broadway	Brooklyn	11207
7	199 Halsey Street	Brooklyn	11216
8	2071 Pacific Street	Brooklyn	11233
9	2317 Bedford Avenue	Brooklyn	11226
10	2319 Bedford Avenue	Brooklyn	11226
11	2321 Bedford Avenue	Brooklyn	11226
	291 Pennsylvania Avenue/386 Belmont Avenue	Brooklyn	11207
12		Brooklyn	11207
13	299 Sumpter Street	Brooklyn	11233
14	309 Arlington Avenue	Brooklyn	11208
15	354 Hempstead Avenue	Westhempstead	11552
16	361 Vernon Avenue	Brooklyn	11206
17	405 Essex Street	Brooklyn	11208
18	434 Montauk Avenue	Brooklyn	11208
19	459 Milford Street	Brooklyn	11208
20	536 Georgia Avenue	Brooklyn	11207
21	592 Marcy Place	Brooklyn	11206
22	630 Faile Street	Bronx	10474
23	69 Kingston Avenue	Brooklyn	11213
24	737 Hancock Street	Brooklyn	11233
25	754 Sutter Avenue	Brooklyn	11207
26	790 Quincy Street	Brooklyn	11221
27	806 E. 169th Street	Bronx	10459
28	79 Saratoga Avenue	Brooklyn	11233
29	827 Gates Avenue	Brooklyn	11221
30	23 Pine Street	Staten Island	10301
31	511 Monroe Street	Brooklyn	11221
32	114 Vanderveer Street	Brooklyn	11207
33	1396 Beach Channel Drive	Queens	11691
34	1263 Herkimer Street	Brooklyn	11233
35	357 Monroe Street	Brooklyn	11221
36	1538 Hoe Avenue	Bronx	10460
37	3538 Eastchester Road	Bronx	10469
38	605 Wales Avenue	Bronx	10455
39	44 Pine Street	Staten Island	10301
40	428 St. Marks Place	Staten Island	10301
41	28 Stanley Avenue	Staten Island	10301

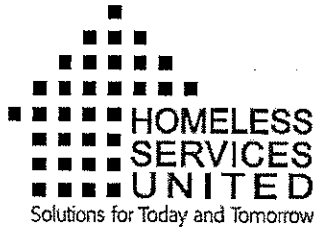
42	975 Glenmore Avenue	Brooklyn	11208
43	367 Decatur Street	Brooklyn	11206
44	362 East 32nd Street	Brooklyn	11226
45	1132 Halsey Street	Brooklyn	11207
46	1139 Decatur Street	Brooklyn	11207
47	3323 Seymour Avenue	Bronx	10469
48	481 East 21 Street	Brooklyn	11226
49	113 Vernon Avenue	Brooklyn	11206
50	11 Somers Street	Brooklyn	11233
51	335 Wyona Street	Brooklyn	11207
52	1432 Needham Avenue	Bronx	10469
53	735 Penfield Street	Bronx	10470
54	609 Glenmore Avenue	Brooklyn	11207
55	778 Mac Donough Street	Brooklyn	11233
56	418 Amboy Street	Brooklyn	11212
57	195-12 Hollis Avenue	Queens	11412
58	116-14 190th Street	Queens	
59	582 New Jersey Avenue	Brooklyn	11207
60	14-09 McBride Street	Queens	11691
61	637 Decatur Street	Brooklyn	11233
62	275 Halsey Street	Brooklyn	11216
63	329 New Lots Avenue	Brooklyn	11207
64	347 Miller Avenue	Brooklyn	11207
65	163-05 107th Avenue	Queens	11433
66	1551 East 15th Street	Brooklyn	11230
67	165 Halsey Street	Brooklyn	11216
68	107-29 164th Street	Queens	11433
69	599 Bainbridge Street	Brooklyn	11233
70	1664 Dean Street	Brooklyn	11213
71	489 Maple Street	Brooklyn	11225
72	781 East 94 Street	Brooklyn	11236
73	863 St. Mark's Avenue	Brooklyn	11213
74	1163 Dean Street	Brooklyn	11216
75	1301 Bushwick Avenue	Brooklyn	11207
76	81 Blake Avenue	Brooklyn	11212
77	31 Pulaski Street	Brooklyn	11206
78	761 Home Street	Bronx	10456
79	85 Blake Avenue	Brooklyn	11212
80	335 New Lots Avenue	Brooklyn	11207
81	540 Central Avenue	Brooklyn	11221
82	345 Milller Avenue	Brooklyn	11207
83	1312 Sutter Avenue	Brooklyn	11208
84	539(A) Monroe Street	Brooklyn	11221
85	437 Howe Avenue	Bronx	10473
86	1305 Bushwick Avenue	Brooklyn	11207
87	1219 Jefferson Avenue	Brooklyn	11221
88	90 Cornelia Street	Brooklyn	11221
89	317 Eldert Street	Brooklyn	11237
90	781 Fairmont Avenue	Bronx	10460
91	565 Crescent Street	Brooklyn	11208

92	32 Rochester Avenue	Brooklyn	11233
93	830 Herkimer Street	Brooklyn	11233
94	2359-2363 Pitkin Avenue	Brooklyn	11207
95	265 Woodbine Street	Brooklyn	11221
96	2427 Prospect Avenue	Bronx	10458
97	24 Suydam Place	Brooklyn	11233
98	1102 Herkimer Street	Brooklyn	11233
99	1178 Washington Avenue	Bronx	10456
100	917 Shepherd Avenue	Brooklyn	11208
101	752 Glenmore Avenue	Brooklyn	11208
102	1057 Hancock Street	Brooklyn	11221
103	166 Junius Street	Brooklyn	11212
104	150-22-28 113th Street	Queens	
105	1998 Bergen Street	Brooklyn	11233
106	558 Euclid Avenue	Brooklyn	11208
107	581 Evergreen Avenue	Brooklyn	11221
108	564 Central Avenue	Brooklyn	11207
109	171 Hull Street	Brooklyn	11233
110	127 Essex Street	Brooklyn	11208
111	44 Aberdeen Street	Brooklyn	11207
112	1088 Hancock	Brooklyn	11221
113	471 Van Siclen Avenue	Brooklyn	11207
114	73 Cornelia Street	Brooklyn	
115	171 Linden Boulevard	Brooklyn	
116	1420 Crotona Avenue	Bronx	
117	778 MacDonough Street	Brooklyn	11233
118	65 Stewart Street	Brooklyn	11233
119	66 Stewart Street	Brooklyn	11233

Vacated Dwellings:

**List of Illegal Dwellings Where Homeless Adults Have Been Placed by the
New York City Department of Homeless Services Which Were Subsequently Ordered
Vacated by City Inspectors**

	Street Address	City	Zip Code
1	1107 Putnam Avenue	Brooklyn	11221
2	156 Bement Avenue	Staten Island	10310
3	199 Halsey Street	Brooklyn	11216
4	299 Sumpter Street	Brooklyn	11233
5	309 Arlington Avenue	Brooklyn	11208
6	361 Vernon Avenue	Brooklyn	11206
7	592 Marcy Place	Brooklyn	11206
8	630 Faile Street	Bronx	10474
9	806 E. 169th Street	Bronx	10459
10	357 Monroe Street	Brooklyn	11221
11	3323 Seymour Avenue	Bronx	10469
12	1551 East 15th Street	Brooklyn	11230
13	761 Home Street	Bronx	10456
14	1312 Sutter Avenue	Brooklyn	11208
15	90 Cornelia Street	Brooklyn	11221
16	24 Suydam Place	Brooklyn	11233
17	1178 Washington Avenue	Bronx	10456
18	150-22 113th Street	Queens	
19	150-24 113th Street	Queens	
20	150-26 113th Street	Queens	
21	150-28 113th Street	Queens	
22	343 Miller Avenue	Brooklyn	11207
23	345 Miller Avenue	Brooklyn	11207
24	347 Miller Avenue	Brooklyn	11207
25	2359 Pitkin Avenue	Brooklyn	
26	2363 Pitkin Avenue	Brooklyn	



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New York City Council
Committee on General Welfare

Examining the Issue of Illegal Boarding Houses in New York City

Tuesday, May 5, 2009

Testimony respectfully submitted by

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My name is Christy Parque and I am the Executive Director of Homeless Services United (HSU). HSU is a coalition of 60 non-profit agencies serving homeless and at-risk adults and families in New York City. HSU provides advocacy, information, and training to member agencies to expand their capacity to deliver high-quality services. HSU advocates for expansion of affordable housing and prevention services and for immediate access to safe, decent, emergency and transitional housing, outreach and drop-in services for homeless New Yorkers.

Homeless Service United's member agencies operate hundreds of programs including shelters, drop-in centers, food pantries, HomeBase, and outreach services. Each day HSU member programs work with thousands of homeless families and individuals preventing shelter entry whenever possible through counseling, legal services and public benefits assistance among many other supports. Our member agencies provide high quality and compassionate emergency shelter to over 16,000 homeless New Yorkers nightly. Homeless service providers toil at the cross section of many society's problems. Our clients confront high housing costs, difficulty finding work, mental and physical illness, substance abuse, and domestic violence and are particularly vulnerable during financially hard times such as these.

We applaud the efforts made by City agencies, advocates and our member providers to ensure that homeless people move from shelter to permanent, safe and secure housing situations.

The City has largely delegated its responsibility for placing homeless individuals in housing to non-profit shelters (our members) and we have been successful in reducing the numbers of homeless single adults. Entrusted with this enormous task, providers have actively sought and placed clients in the safest and appropriate settings available.

To fully explore the issue of solving the problem of homeless and in particular the role of boarding houses must examine two areas:

1. Housing Options:

For many clients with special needs, the ideal placement is to supportive housing operated by non-profits or subsidized housing. However the supply of supportive housing is much smaller than the number of clients to be placed.

This lack of supportive and affordable housing is key to understanding the complex issue of solving the problem of homeless and in particular the role of boarding houses in the continuum of the New York City Housing stock.

In the first 6 months of the current fiscal year, shelters made 5,580 placements into housing. The vast majority of these placements (4,016 or 72%) are placements to "return to family" or "independent living." according to the DHS critical activities report.

2. Financial Limitations:

Providers' responsibilities are spelled out in contracts with the City and the resources they have available are determined by their budgets, which are almost entirely funded by the City.

Shelter contracts with the City require providers to meet housing placement targets. Up to 10% of our budgets are at risk if we do not make housing placement targets. At the urging of our members, DHS recently increased the importance of the recidivism targets, which creates an incentive to make placements that last. A steadily rising bar for these targets creates pressure for providers to move clients quickly from shelter into lasting housing.

In the face of a 4.3 % budget cut for FY10, adult shelter providers will have even fewer resources with which to undertake the very difficult job of running a homeless shelter and placing clients into permanent housing. Already shelters are forced to combine roles such as case managers and housing specialists, both important but distinct roles in client services, in order to meet increasingly scarce funding and budget reductions.

HSU strongly opposes these cuts. We ask the City council and the Mayor to recognize that we can't afford to back down in the fight against homelessness, especially in these tough economic times and to restore these funds to shelter providers' budgets.

Oversight and Due Diligence

Reports by Coalition for the Homeless make clear that historically a small number of placements have been to private residences that have been illegally converted into group homes. Unfortunately these unscrupulous and predatory housing practices have directly resulted from this scarcity of affordable housing stock and lack of options available to poor and homeless New Yorkers.

In an effort to draw attention to the issue of unregulated boarding houses or ¾ houses HSU has offered training to member agencies on how to research the complex web of the many City and State agencies with overlapping jurisdictions and authority to address aspects of the problem. And most recently in an April 2008 memo DHS has provided guidance about what types of placements are not permitted. Yet unfortunately the problem persists.

Recommendations

HSU strongly believes that all of our clients should have the opportunity to exit shelter for safe and affordable housing. Vulnerable clients should be protected from predatory and harmful housing situations. Illegal and unregulated boarding houses must be not be allowed to go unchecked and landlords who put our clients at risk must be stopped.

HSU understands how difficult it is to craft legislation that protects our clients but does not prohibit placements into decent housing. However, we have concerns about the proposed legislation because it contains multiple ambiguities that would make it impossible to provide our shelter staff with clear guidance.

- Sections a and b of the proposed law do not provide enough guidance for a shelter to know how to interpret them.
 - The bill is not restricted to placements to housing in New York City.
 - The term dwelling is not defined. Does it mean an individual apartment or the entire building?
 - Our members may place a client in a large apartment building which has Certificate of Occupancy violations on an unrelated unit. In some cases the violation of the Certificate of Occupancy covers issues such as a basement containing a work-out room, a pool table and a lounge.
 - An old violation may be “written off,” but according to the DOB, it is not “resolved.”
 - Prohibited placements may include apartments in which our clients or their families have lived for many years.

- The proposed language under section c is vague. Section c states that DHS may not place clients into “any dwelling where occupancy by a homeless single adult would violate the certificate of occupancy.” It is simply not clear what is intended here.

Any proposed due diligence to prevent referrals to substandard housing must be thoughtful, clear, unambiguous. Ultimately it will be shelter staff who are responsible for implementing the new policies before making a housing placement. Consideration must be given to the limited of resources and available to staff, particularly in the face of serious funding cuts.

We recommend that the City Council, DHS and other city agencies as appropriate (DOB or HPD), come to a consensus on what is the appropriate and reasonable level of research that must be conducted prior to a placement in order prevent referrals to unsafe or substandard housing situations.

In addition to the above-cited example HSU staff and member agencies have explored the newly proposed criteria and research necessary to achieve it and have other questions that must be clarified before undertaking this law or setting this forth as protocol. We are prepared to work with the City council, and City agencies to develop a set of reasonable criteria that are clear and can be implemented within our current resources.

CONCLUSION

Thank you for your time and commitment to addressing the needs and concerns of homeless and at-risk New Yorkers and those who serve them. Homeless Services United looks forward to working with you to realize solutions that will allow our members’ vital programs to continue to provide our neediest New Yorkers with services that support and motivate them to thrive in the future.

**Testimony of Bill Lienhard, Project Director
Mental Health Project, Urban Justice Center**

**Submitted to the General Welfare Committee of the
New York City Council**

May 5, 2009

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On behalf of the Mental Health Project of the Urban Justice Center, I would like to thank the Coalition for the Homeless for their excellent work on the issue of unlicensed homes, and I would like to thank Chairperson Bill de Blasio for drawing attention to a very important issue. I believe this legislation is a step in the right direction.

I would like to tell you how I first stumbled across the issue of unlicensed, illegal homes. I was working as a Housing Court attorney for the Mental Health Project back in 2001, and a client, call him Scott, who suffered from severe agoraphobia, called asking for my help. You're going to notice a lot of quotation marks in my story because nothing was as it appeared. Scott said that he was about to be evicted from the "program" because he had complained to the Commission on Quality of Care about the way the "patients" were being treated. He had a very long list of complaints, including:

- walls covered with a thick black mold
- a sewage flood in the basement
- the "director" cut off his meals to punish him
- there were no locks on any of the doors
- overcrowding, there were 2-3 men to a room
- he was charged fees, such as \$10 every time he turned on his hot plate
- the "director" was threatening to throw him out on the street and
- the director's son had threatened him with a baseball bat

Because Scott couldn't leave his building, I had to go out to East New York to visit him. I expected to find a shoddy institution. Instead, I found a decrepit row house. When Scott opened the door to let me in, the sewage smell was overpowering. There were exposed electrical wires, peeling paint, and chipped plaster everywhere. The kitchen in Scott's apartment had been ripped out entirely. Scott and the other residents referred to themselves as "patients," but there were no doctors or nurses present and no sign of any kind of professional assistance whatsoever. The place was just a crowded firetrap.

Over two years of litigation, I was able to win Scott damages and help him find a safer place to live. As I investigated the case, however, I learned that this was a much larger problem. Over the ensuing years, I've seen such places grow like mushrooms all over the city. I've met residents who were imprisoned in the basement all weekend, residents who were controlled by pit bulls, residents who were threatened with guns, and residents whose government benefits were stolen. I've met residents who thought they were going to a government drug rehab program only to find themselves in a run-down house surrounded by open drug use. I've met residents who were forced to participate in religious activities. I've met residents who were forced to shop at the owner's deli. I've met residents who were forced to swipe their food stamps cards to buy the owner's groceries. I've met residents who were deprived of food as a punishment, and I've met residents who were sexually assaulted.

This illegal and dangerous cottage industry is unfortunately fueled by DHS and its contractors. Most of the residents I've met were recruited by the illegal home owners directly from DHS or DHS-contracted shelters. The illegal home owners found them

through connections with low-level employees, made sure that they came with a steady source of income such as Social Security, and then took over their benefits, e.g. by becoming representative payees.

The situation has worsened quite a bit since I worked with Scott. At 11:30 a.m. today, I happened to get a call from a gentleman, call him Jim, who told me his story. It shows how people cycle from DHS shelters, to DHS contractors, into 3/4 homes, become traumatized, and then wind up back in the shelter system. Jim went from Bellevue shelter to a Project Hospitality shelter on Staten Island. Then, in January of 2009, an outreach worker at Project Hospitality sent Jim to a 3/4 house in Brooklyn. Jim said there were 5-6 people to a room and conditions were terrible. He got into an altercation with another resident and the other resident stabbed him 7 times. Jim's now back in another city shelter.

The proposed legislation is a step in the right direction, but it's not enough because it is largely limited to preventing referrals to homes that have recorded Certificate of Occupancy ("C of O") violations. Instead of merely stopping referrals to places with outstanding violations, DHS should obtain the C of O for a building prior to making any referral. Next, DHS should inspect the building and make an initial determination as to whether it appears to be in compliance with the C of O.

Even if a building or program appears to be in compliance with the C of O, it may be operating illegally in a way that endangers the residents. Many of these homes draw in people with developmental disabilities, mental illness, physical illness, and substance abuse. Scott's home, for example, purported to offer all kinds of services, including mental health and substance abuse services. It's illegal to operate adult care facilities without first obtaining licenses from the appropriate state agencies, including the State Office of Mental Health, the State Department of Health, the Office of Mental Retardation and Developmental Disabilities, the Office of Alcoholism and Substance Abuse Services, the Office of Children and Family Services, and the Office of Temporary and Disability Services. Therefore, prior to making any referrals, DHS should verify with the appropriate state agencies that the home has all of the licenses required by state law and regulations.

To accomplish this, I recommend that the following language be added to the bill:

DHS shall not refer residents to buildings that are subject to licensure under city and/or state law and/or regulations but which lack a license or licenses.

In addition, the bill should spell out exactly what "prohibiting DHS from making referrals" means. Given the many informal, low-level contacts that illegal home owners use to recruit residents, the bill should state that DHS is prohibited from:

- a) providing information concerning suspect homes to shelter residents
- b) providing information concerning shelter residents to suspect homes

- c) communicating with employees/associates of suspect homes, and
- d) transporting residents to or from suspect homes

Finally, since DHS contracts out many of its shelters the bill should state explicitly that it applies to DHS contractors and subcontractors.

DHS will respond that it cannot control where people decide to go after they leave the shelter. That is true. DHS can, however, control its own employees and contractors and subcontractors. It should exercise that control to stop them from enabling illegal adult home operators to profit from breaking the law.

Testimony of Karen Jorgensen, Director, Valley Lodge, Re: Int. No. 963. – May 5, 2009

Chairman de Blasio and Members of the Committee:

My name is Karen Jorgensen and I am the director of Valley Lodge, a DHS contracted shelter for men and women over the age of 50. At this time of economic downturn when newly homeless adults are coming into the shelter system in unprecedented numbers, it is important to pass Intro No. 963 to prohibit referrals of homeless persons to dwellings that fail to meet occupancy standards. In the City of New York we can be proud of the continuum of care we have established to care for our homeless New Yorkers. We have some of the best subsidized and supportive housing in the nation. We just don't have enough of it. This amendment to the law will prevent us from falling victim to the quick fix. It will prevent us from sending people to housing that is far below the minimum standards for New York City shelters set by the Callahan Consent Decree.

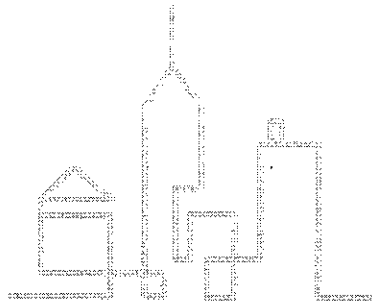
In my 21 years at Valley Lodge I have met many men and a few women who are refugees from three-quarter houses. They have preferred to sit on a chair in a drop-in center or sleep on the subways or return to the shelter system rather than live in one of these places. If you look at the minimum standards set by the Callahan Consent decree for shelters you can see why. Callahan requires that all shelter beds are to be at least 3 feet apart from one another. In many of the three-quarter houses people sleep in bunkbeds – sometimes 8 to 10 people in a room with only enough space between bunkbeds for one person to climb down from the top bunk. Callahan requires all mattresses to be clean, well constructed, and comfortable – not dirty, urine soaked, and inhabited by 4th generation bed bugs as in many of the three quarter houses. Callahan is very strict on the minimum number of working toilets and working showers – one working toilet for every ten residents, for example. Many residents I have spoken

to say that there were just 2 or 3 small bathrooms in a building housing 60 to 80 individuals and that they were filthy and ill-maintained.

The operators of these three-quarter houses create professional looking brochures describing a myriad of services and amenities. At Valley Lodge we once received such a brochure from the now infamous Alberta's House in Brooklyn, whose operator has since been indicted on various fraud charges. We were thinking about sending one of our clients for a look-see when we received a late night voicemail message from an Alberta's House staff member warning us not to send anyone there as "management lies about conditions and services." Not too long ago we received a detailed brochure from another three-quarter house with a very poor reputation - Miracle House, also in Brooklyn. I personally know several individuals who considered it a miracle to have escaped Miracle House and are very happy to now be living in supportive SROs, where their monthly rent is \$228 rather than the \$400 charged at Miracle House and they get to keep their food stamps.

This amendment to the law will hopefully prevent shelters from diverting clients to three-quarter houses when they enter the shelter system, which happened to an 82-year old former client, a World War II Veteran, who was sent to St. Paul's House in Brooklyn by one of the assessment shelters. There they tried to get control of his Social Security check and his food stamps. Conditions were abysmal. He walked out and spent time in a chair at a drop-in center before coming to Valley Lodge where we were able to place him in a quality SRO for seniors where he still resides.

Thank you for the opportunity to speak about this very important issue.



the Network

Supportive Housing Network of NY

**New York City Council
Hearing on Intro No. 963
May 5, 2009**

**Testimony of Ted Houghton
Supportive Housing Network of New York**

Thank you for taking an interest in the ongoing problem of illegal boardinghouses, and for proposing legislation meant to curb the worst of these illicit institutions.

The Supportive Housing Network of New York

I represent the Supportive Housing Network of New York, the statewide member association representing more than 180 nonprofit providers and developers of supportive housing – permanent affordable housing linked to services for formerly homeless and at-risk individuals and families with mental illness, substance abuse, HIV/AIDS, physical disabilities and other barriers to independence.

Together, our nonprofit members have created and now manage over 39,000 safe, attractive and eminently livable apartments across the state that provide homes for extremely low-income New Yorkers with disabilities.

Illegal Boardinghouses are Not Supportive Housing

Some operators of illegal boardinghouses, or “three-quarter houses,” as they are sometimes called, have mischaracterized their buildings as supportive housing. They most definitely are not. These are for-profit residences. They provide no services. Their operations are not regulated or licensed by any government agency. They offer no privacy to residents, or any prospect of independence. They are the polar opposite of supportive housing.

But it’s understandable that illegal boardinghouse operators make this claim. Supportive housing is the great success story of the past twenty-five years. Not only does it provide decent, safe housing that helps tenants become more independent , it also saves money.

Studies Show Supportive Housing is Cost-Effective

Ten years ago, researchers at the University of Pennsylvania tracked over 5,000 homeless individuals with mental illness in New York City, for two years before and two years after they were placed into supportive housing. While homeless, these individuals used an inordinate amount of emergency services – shelters, hospital emergency rooms and inpatient care, psychiatric institutions, and sometimes jail. They relied so much on these expensive interventions that they cost taxpayers an average of \$40,000 a year, with many costing much, much more.

When these same individuals moved into supportive housing, on-site case managers linked them to primary care doctors. They noticed when their mental health deteriorated and intervened before hospitalization was necessary. The housing helped the tenants stay out of trouble with the law. Even though the new tenants increased their use of outpatient substance abuse treatment and addressed long-deferred health problems, they reduced their use of publicly-funded services by an average of \$16,000 per unit of supportive housing created. This paid for all but \$995 a year of the cost of building, operating and providing services in the housing.

Approximately 20 studies have been published since then confirming the savings produced by supportive housing. Just last month, three reports were released. Illinois documented a 39% drop in service use due to supportive housing; Boston captured a savings of \$9,000 per supportive housing tenant, even after housing costs were accounted for; and the Journal of the American Medical Association reported that a Seattle supportive housing program for chronically homeless inebriates reduced service spending by \$4 million for just 95 individuals, a savings of \$30,000 per person in just the first year.

Supportive Housing is Also Good for Neighborhoods

Supportive housing's demonstrated cost-effectiveness has helped increase public support for development and funding. But public support has also grown because supportive housing is a good neighbor in the communities in which it has been built. A study published in November last year by the NYU Law School's Furman Center looked at supportive housing's effect on neighboring property values. A review of 123 newly-constructed or rehabbed supportive housing residences and over 300,000 property sales in New York City found that the value of neighboring properties increased quicker and higher the *closer* they were to supportive housing residences. While this result may be surprising to some, anyone who lives in a New York City community with supportive housing can tell you how supportive housing residences replace vacant lots or decrepit eyesores with beautiful buildings that fit in with and add to their neighborhoods.

Supportive Housing Today

The Bloomberg administration has joined previous mayoralities in embracing supportive housing as the solution to homelessness. The Mayor and agencies like HPD, DHS, HRA and DOHMH deserve credit for investing in the expansion of supportive housing, along with State and federal government agencies. Thanks to their unwavering support, New York City's nonprofits now manage over 25,000 units of supportive housing in the five boroughs, with over 90% of them housing single adults.

But despite these laudable efforts, there remains a persistent shortage of affordable housing for low-income single adults in New York City. This shortage is especially hard

on individuals with extremely low incomes, most of whom struggle with homelessness, mental illness, substance abuse, ill health and other disabilities.

History – From SROs to Homelessness to Supportive Housing

In previous decades, these New Yorkers could find affordable, privately-owned Single Room Occupancy (SRO) apartments to live in throughout the city. This housing stock ranged from spartan, but quite livable, rooms on the Upper West Side, to notorious Bowery flophouses packed with hundreds of 4'x 6' cubicles with chicken wire ceilings.

The often-squalid and unsafe living conditions of the city's SROs attracted widespread attention and public crusades to shut them down. Many, like the Times Square Hotel and the Euclid, were saved and converted to model supportive housing residences. But most were lost to gentrification and building codes that outlawed new construction of apartments without private bathrooms. According to one informed estimate, New York City lost approximately 165,000 SRO units over the past 30 to 40 years. Less than 10,000 SRO units remain in the city today.

With the rapid loss of the SRO housing stock, New York City experienced a sharp rise in homelessness in the early 1980s. Instead of SROs, low-income individuals with disabilities ended up in even worse conditions on the drill floors of large armory shelters.

Under the last three mayors, the City eliminated the worst abuses of the shelter system by converting to smaller, nonprofit-operated transitional shelters with skilled staff that focused on helping homeless residents return to permanent housing. Job training programs, Section 8 rental subsidies and the growing stock of supportive housing made it possible for shelter providers to help a steady stream of individuals secure housing again.

Today

The present administration is to be commended for its single-minded focus on housing placement. The aforementioned studies show that placement into supportive housing is cost-effective, and other research shows that decreasing the length of homeless episodes is beneficial for all concerned. And by focusing on placing chronically homeless individuals into supportive housing, the Bloomberg administration has been able to direct scarce resources to those most in need, and reduce the shelter census by moving out the residents who spend the most time in shelters. Performance incentives written into contracts ensure that nonprofit providers will make housing placement a top priority.

But these admirable efforts have had the inadvertent effect of putting so much pressure on shelter providers and staff to make placements into housing, any type of housing, that we have helped create a whole new class of housing, "three-quarter houses."

While they are situated in the city's housing stock, these illegal boardinghouses are by no definition of the word permanent housing. Unlike the SROs of yore that caused so much public anguish, much of this housing offers nothing more than a bunk bed in a room shared with many other individuals. There is no privacy, no personal safety, and no recourse if a resident is victimized by theft, injury or abuse. Worse, many of these buildings are firetraps waiting for tragedy to strike. The chance that this will happen is increased by the overcrowding that is necessary for the business model to work.

It is true that apart from three quarter houses, there are probably many small landlords that rent out rooms in their houses or buildings they own. Some faith-based or mission-driven individuals similarly open up quasi-shelters as waystations for individuals looking for peer support as they leave prison or drug treatment programs. Some of these may violate building codes, or occupancy rules, or may not offer ideal living situations. But they are a viable way to maintain a foothold in a famously expensive city and are best ignored by the authorities until they become a nuisance.

But this does not describe the illegal boardinghouses that have proliferated over the past few years. These are money-making enterprises that profit from subsidies paid for by taxpayers. They offer very little to residents, and perhaps worst of all, they are a dead-end for all but the most resourceful who can quickly leave. Every week, I receive calls from individuals who have had the misfortune to be placed into these residences. Though the places in which they live look a lot like shelters, they are no longer considered “homeless,” and therefore do not qualify for priority placement into any type of subsidized housing. Many had been deemed eligible for supportive housing that would have met their needs, but lost that eligibility when they walked into the boardinghouse.

The Proposed Legislation

This legislation is a well-intended attempt to begin to reduce homeless and other vulnerable people’s forced reliance on these inadequate settings. But I think it can be greatly improved. We have the following concerns about the proposed legislation:

- As written, the legislation does not make clear what remedies and penalties would be provided or imposed in response to violations.
- It could make parties acting in good faith liable for damages. It certainly appears to open a number of actors up to possible lawsuits, including DHS, nonprofit contractors and shelter staff, while ignoring the culpability of clearly unscrupulous landlords.
- Some of the language in the legislation is not clear. Could the language in category C open the door for some perfectly habitable buildings to be legislated as off-limits to formerly homeless people?
- The legislation should distinguish more clearly which C of O violations are relevant. There may be C of O violations in one apartment that have no bearing on the habitability of other apartments at the same address; or there may be C of O violations in commercial space in a residential building with suitable apartments.
- While this legislation is attempting to address a very real problem – the proliferation of unsafe, overcrowded and illegal boardinghouses – will it lead to the opposite situation? One can easily imagine an uneven crackdown on any slightly crowded household deemed undesirable by neighbors. We must guard against a wave of evictions of tenants in marginal, but not dangerous, living situations. Existing law limiting the number of unrelated individuals living together may be too strict, considering the realities of New York City’s housing market.

If these concerns can be adequately addressed, the Supportive Housing Network may support this legislation.

Other Possible Remedies

I testify on this issue reluctantly. Having overseen DHS's housing placement operations in the mid-1990s, I understand how difficult a job it is to house homeless individuals in a city that literally does not have enough units to hold them all. And the City shelter system is by no means the only source of referrals to illegal boardinghouses. It appears that graduates from substance abuse treatment programs, prison and other systems also regularly move into these buildings.

I want to emphasize that this situation, while grave and in need of a remedy, is the result of good intentions on the part of government and shelter providers. The fact is, DHS appears to have made some efforts to give guidance to shelter providers on what housing placements are acceptable (though more could certainly be done). And the fact is, contracted shelter providers are under enormous pressure to make housing placement targets in their contracts, without a lot of resources available (though they have to do more to ensure they stay true to their missions). And shelter case managers and housing specialists are doing their best to respond to management's directions (though they have to better use their best judgment).

The reality is that even with the most dedicated, skilled workers, bad placements can happen. Often, a shelter resident will, on his own volition, leave a City-funded shelter for a three-quarter house, against his case manager's advice. Or an overworked case manager will facilitate a placement into what appears to be a decent placement, only to find out afterwards that it was inappropriate or inadequate.

That said, with over a hundred decrepit and illegal boardinghouses identified, we have responsibility now to address this issue together. Providers and DHS could solve much of the problem by increasing training and reopening the performance incentive plans that require housing placement targets. Some avenues worth exploring include:

- **Increase training, pay and resources for housing placement specialists in shelter and transitional housing programs.** In employment programs, the job placement specialists are the highest paid employees because they have skills and connections essential for successful placements. The same should be true for housing placement specialists, who could be hired from the growing pool of unemployed real estate brokers.
- **Allow more non-chronically homeless, but still disabled, individuals to qualify for supportive housing placements.** Success placing chronically homeless people has reduced the eligible pool so much that there are few left who can live in supportive housing. Including those who have not yet become chronically homeless for this housing will ensure that vacancies don't go unfilled and individuals who need supportive housing do not have to wait longer than necessary for placement, or worse, get placed into inappropriate settings while waiting.
- **Provide Section 8 vouchers and other rent subsidies to some homeless individuals.** Increasing buying power increases housing quality.

- **Ensure that performance incentive placement targets are realistic.** It appears that providers' inability to make housing placement targets is driving much of the bad placement activity.
- **Increase bonuses for good performance and decrease penalties for underperformance.** Shelter and transitional providers are grossly underfunded. Losing significant funding for missing targets may facilitate continued underperformance.
- **Increase performance incentive credits for longevity of placements.**
- **Increase performance incentive penalties for placements into illegal boardinghouses with C of O and building code violations.**

Implementing the above measures will improve the quality and appropriateness of housing placements from the shelter system. Placements will most likely go down as fewer shelter residents are placed into illegal boardinghouses, but placement longevity can be expected to increase as the quality of the placements improves.

Supply-side Solutions

The proposed legislation attempts to address the problem with prohibitions on the demand side. This strategy may end up punishing a lot of well-intentioned people, and restraining them from making housing placements that actually help the people they serve. It may also merely cause boardinghouse operators to search out new referral sources.

The City Council can alternatively pass laws that impose far greater penalties on individuals who violate C of O regulations, fire codes and building codes, when those violations are an essential element of their businesses. These landlords are putting lives at risk for their own profit. They should be held accountable.

Once again, I'd like to thank you for holding this hearing and seeking to address the problem of illegal boardinghouses. I hope this testimony is helpful and I am available to answer any questions you may have.

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TESTIMONY OF THE LEGAL AID SOCIETY BEFORE THE COMMITTEE ON GENERAL WELFARE OF THE NEW YORK CITY COUNCIL

May 5, 2009

The Legal Aid Society welcomes this opportunity to testify before the Council concerning Int. No. 963 and illegal boarding houses in New York City. We appreciate the leadership of Chair Bill deBlasio on these critical issues.

Founded in 1876, the Legal Aid Society's Civil Practice is the oldest and largest program in the nation providing direct legal services to the indigent. Our legal assistance is focused on enhancing family stability and security by resolving a full range of legal problems, including immigration, domestic violence, family law, and employment, in addition to housing, public benefits and health law matters. Through our housing and community development work, we also foster the development of community-based organizations, job creation, and neighborhood revitalization. Annually, the Society's Civil Practice provides free direct legal assistance in some 30,000 individual closed cases through a network of 6 neighborhood offices in all five boroughs and 17 specialized units and projects for under-served client groups. When it is the most efficient and cost-effective way to help our clients, we provide legal representation to groups of clients with common legal problems, including those referred by elected officials.

As you know, The Legal Aid Society provides legal assistance to homeless New Yorkers as well as homelessness prevention civil legal services with support from the Council. The Society is counsel to the Coalition for the Homeless in the Callahan and Eldredge litigation in which court orders require the provision of shelter to homeless men and homeless women. Since the early 1980s, the Society has also been counsel in McCain, Boston, and other litigation on behalf of homeless children and their families. We also represent tenants in all five boroughs through our housing practice.

We are here today to testify in support of Int. No. 963 because we are very concerned about the City's practice of referring, or permitting its contractors to refer, homeless single adults to illegal boarding houses, also known as "three-quarter houses." It is only a matter of time before a tragedy occurs at one of these dangerous and illegally overcrowded residences, which are being occupied by far more people than contemplated under the regulations of the City's Department of Housing Preservation and Development, Department of Buildings, and the Fire Department.

My colleague Ellen Davidson recently won a decision in the Appellate Division on behalf of the 12 residents of one of these buildings, the "AJ Family House" at 3323 Seymour Avenue in the Bronx, which according to the City's own records is a two-story, two-family house with less than 2,500 square feet of living space. One of our clients in that case, who had been a shelter resident, described in an affidavit how he came to live there.

... I learned about the AJ Family House through my caseworker at [the shelter]. She gave me a letter telling me to be outside the shelter at a date and time certain because a van would arrive. When the day came, a week later, I was driven to the AJ Family House.

Our client goes on to describe the building:

... The basement has two rooms that each house one person. The basement has a kitchen, a bathroom and a separate entrance. The first floor has four rooms. There are about thirteen people living on the first floor. The first floor also has a kitchen and a bathroom. The second floor also has four rooms that house sixteen people. The second floor has a kitchen, bathroom, living room and a fire escape in one of the rooms.

I share a bathroom and a kitchen with roughly eleven other residents. I do not have a key to my room. It remains unlocked. There is an unlocked closet that my roommate and I share. I mostly keep my belongings in a suitcase and in my small dresser.

...

The conditions of the building are as follows: The boiler does not work consistently. There has been no heat since November. The owner has not been responsive to our complaints. Also, the radiators are not covered with steam caps and this causes water to leak all over the floor. The bathroom is often in disrepair as the toilet and sink are routinely clogged. The bathroom ceiling leaks occasionally. Everyone shares in the bathroom cleaning duties. There are some mice and roaches in the building. There is a terrible leak in the kitchen ceiling. ...

Bolder v. Livingston, Index No. 400163/08 (Supreme Court N.Y. Co.), Affidavit of Michael Bolder, sworn to January 22, 2009. The Court described what happened next:

... On December 26, 2007, the HPD inspector found six class B violations, including illegal conversion to a multiple dwelling, and directed that the premises be restored to lawful occupancy.

On January 3, 2008, HPD issued a vacate order to the owners, lessees and occupants of the building. The vacate order charged that the dwelling had conditions rendering it dangerous to life and unfit for human habitation, including an illegal apartment created in the basement and illegal rooming units and/or single room occupancies on the first and second floors. HPD directed the owner to provide an adequate supply of heat, seal up accessible openings in the cellar apartment, and to legalize the conversion from a private dwelling to multiple dwelling use, if legally feasible, or else restore to lawful occupancy. HPD also directed a fire watch for the entire building.

Smith v Donovan, 2009 NY Slip Op 02885 (App. Div. 1st Dep't), April 16, 2009.

Not all of the residents of these illegal boarding houses come from shelter. Some come from hospitals, correctional facilities, and directly from the street. Many are disabled, in recovery, or suffering from acute or chronic health problems. They are likely to be vulnerable people coming from congregate care situations, and are often unequipped to advocate for themselves to enforce legal requirements with regard to their housing. If they were placed in adult care facilities, the State's regulatory scheme would protect them. But these illegal boarding houses are by definition unregulated, unsupervised and uncounted. No one knows how many of them exist or how many people live in them.

The Coalition for the Homeless today offers testimony about its findings regarding how many of the illegal boarding houses it has uncovered which have subsequently been issued vacate orders by City agencies. It should not be incumbent on advocacy organizations, with their scarce resources, to identify which placements offered to homeless clients and other vulnerable individuals are lawful and safe, and which are unlawful and dangerous. Given the number of City agencies with responsibility for assessing the integrity and safety of the housing stock, the City is in the best position to make these determinations, and if it cannot confirm that a potential housing option is safe, it should not refer a homeless or otherwise vulnerable or impaired client there.

Int. No. 963 would require the City to live up to its obligations to insure that vulnerable homeless adults are protected from dangerous living situations. It mandates that the City use the information already collected by City agencies to identify buildings that should not be used as boarding houses. It would bar the City from referring homeless single adults to buildings that already have current, unresolved structural violations, or that have a history of such violations in the recent past. It would also bar the City from referring homeless single adults to buildings where their occupancy would violate the City's own occupancy standards. In doing so, it would ensure that the City made the best use of its own resources by not sending vulnerable people to live in places the City already knows are not safe.

Testimony of the Legal Aid Society
May 5, 2009

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We appreciate the opportunity to testify before the General Welfare Committee.

Respectfully Submitted:

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