



# STREETS ARE NOT SHELTERS

CLARIFYING NYC'S DEBATE  
OVER "HOMELESSNESS"

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## EXECUTIVE SUMMARY

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New York City's inability to overcome homelessness ranks as one of the most glaring exceptions to the general improvement in city conditions during the past 30 years. Crime has declined, the local economy has expanded, and the budget is balanced, but the sheltered homeless population is now several times what it was in the early 1980s, and levels of street homelessness remain persistently high. A definitive solution to both these problems has eluded every city administration going back to Mayor Koch. Under Mayor de Blasio, concerns over homelessness are once again on the rise.

Both in its sheltered and street varieties, homelessness results from a complex interaction of social and economic factors. The tendency to group all these features and causes under one term, "homelessness," points in the direction of more government-subsidized housing as the solution. But to what degree is homelessness in NYC a housing problem? This paper examines that question, as well as related questions. Findings include:

- Polls show that most New Yorkers believe that the street homelessness problem has increased under Mayor de Blasio. The statistical evidence about the rise in street homeless citywide is ambiguous. It is possible that it has shifted to areas of higher visibility—mainly, the transit system.
- The market for low-rent apartments in NYC has contracted significantly in recent decades, even while the number of poor New Yorkers has grown. But the notion that NYC's homeless problem is a housing problem should be qualified for two reasons. First, there were times in NYC's history when the vacancy rate was much lower and yet homelessness was practically nonexistent. Second, "doubling up," normally thought of as a transition phase into homelessness, has declined in recent years as a reason given for homelessness. The neighborhoods and populations that have the highest rates of crowding are not those that produce the most entries into homeless shelters.
- Most of Mayor de Blasio's efforts on homelessness, as well as the structure of the Department of Homeless Services (DHS) more generally, are devoted to addressing the sheltered homelessness problem. NYC spends more than \$1 billion addressing homelessness, with the vast majority of those funds devoted toward maintaining the shelter system. Only a small fraction is devoted to outreach efforts focused on moving homeless off the street.



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## ABOUT THE AUTHOR

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## CLARIFYING NYC'S DEBATE OVER "HOMELESSNESS"

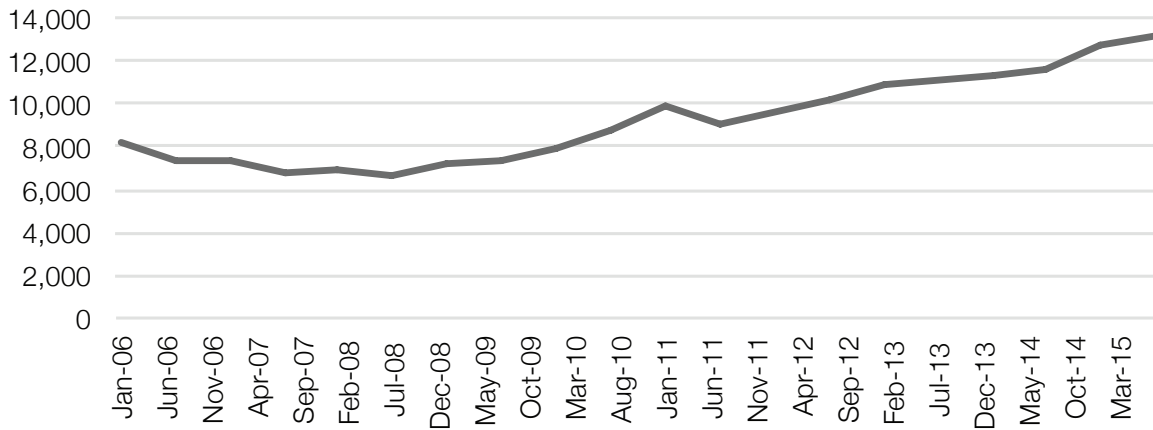
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Stephen D. Eide

### I. STREET HOMELESSNESS

Since Mayor Bill de Blasio took office in January 2014, concern over homelessness has risen, driven mainly by the real—or perceived—increase in individuals panhandling and sleeping on city streets. In a poll conducted in July 2015 by Quinnipiac University, a slight majority of New Yorkers claimed to have “seen more ... homeless people on the streets, in parks and on the subway.”<sup>1</sup> In another recent analysis, Dnainfo.com found that 311 complaints about homelessness have risen 60 percent under the de Blasio administration.<sup>2</sup> A November poll conducted by the *New York Times* and Siena College found that 62 percent of respondents disapproved of “the way Bill de Blasio is addressing ... the problem of homelessness in the city,” with 42 percent “strongly” disapproving.<sup>3</sup> The number of single adults living in shelters, believed by some to be a proxy for the street homeless population, has been growing and is now at a record high (**Figure 1**).

Figure 1. Single Adults Living in NYC Shelters, 2006–15



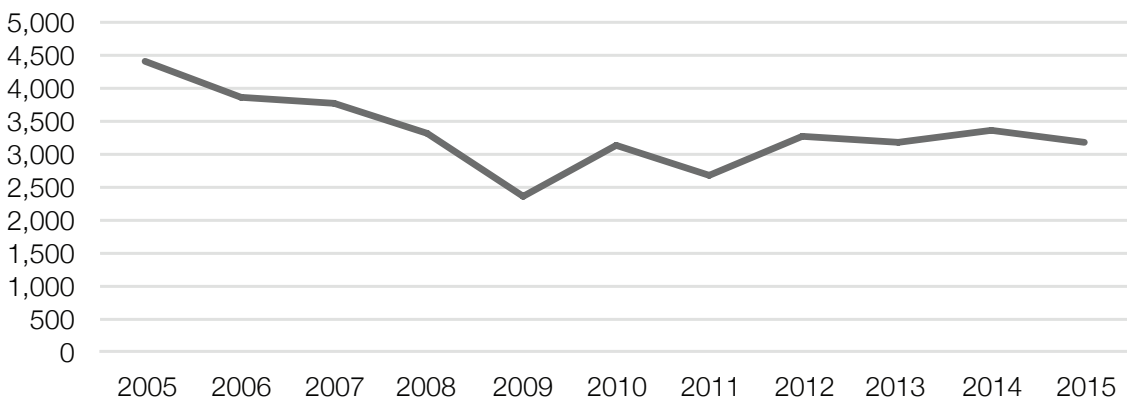
Source: Coalition for the Homeless and Department of Homeless Services

However, as **Figure 2** shows, the Homeless Outreach Population Estimate, or HOPE Count, the city’s official tally of street homelessness, does not show a substantial increase under de Blasio. Though New York and other cities have developed more reliable counts of their street homeless populations in recent years, major doubts remain as to their precision.<sup>4</sup> Between 2013 and 2015, Queens’ annual HOPE Count figure went from 98 to 253 to 20. It would be speculative to rest an argument about a given policy’s effectiveness on HOPE Count data

alone, though many in homelessness debates do so regularly. But one way that the HOPE Count does mirror the public-opinion surveys is that it shows an increased presence of NYC’s street homeless population in the subway system (**Figure 3**).

Longer-term trends in street homelessness dating before the HOPE Count are even more difficult to assess because of homeless advocates’ long-standing propensity to exaggerate the scope of the problem,<sup>5</sup> as well as varying definitions of who should qualify

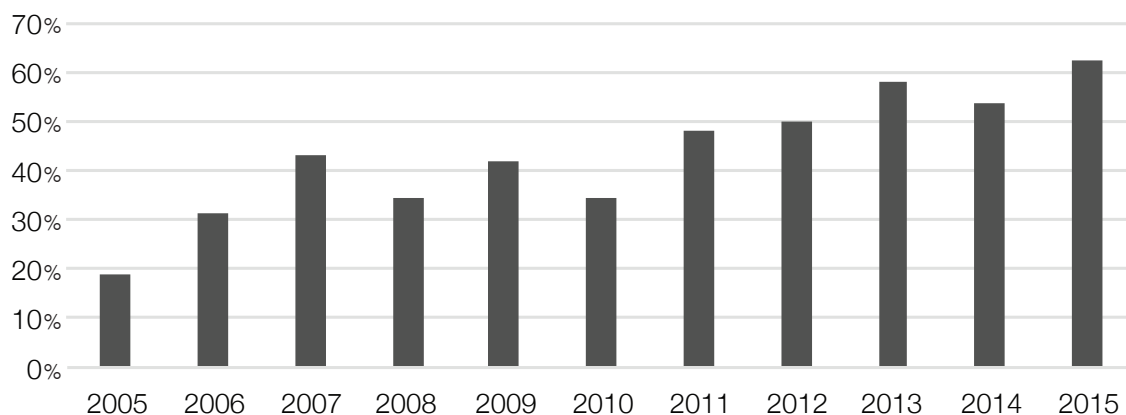
Figure 2. Unsheltered Homeless Individuals in NYC, 2005–15



Source: HOPE Count



Figure 3. Concentration of Citywide Unsheltered Homeless Population in Subway System, 2005–15



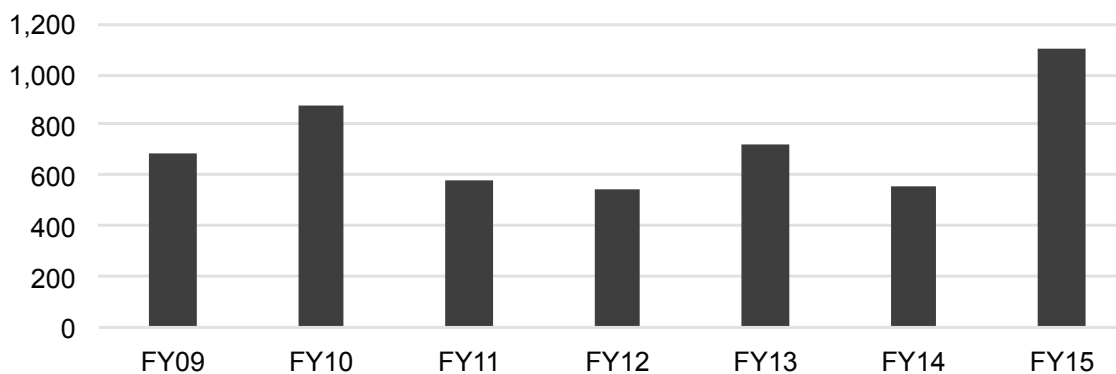
Source: HOPE Count

as “homeless.” In past decades, residents of “skid row” neighborhoods, such as the Bowery, were considered “vagrants” and “tramps”—though many of them slept each night in a private hotel room. Press reports during the early 1980s conjecture that thousands<sup>6</sup> of people were sleeping and panhandling on NYC streets. The street population likely exceeded the sheltered population at that time. By the 1990s, the city’s sheltered population had passed its street population; by any estimation, it has stayed fair-

ly high ever since. Using the HOPE Count data, NYC’s sheltered homeless population currently outnumbers its street homeless population by roughly 18 to 1.

Though reliable demographic data on the street homeless are even more difficult to come by than data on the sheltered homeless, the qualitative differences between premodern and modern homelessness are fairly clear. Compared with the skid-row

Figure 4. Chronically Homeless Individuals Placed into Permanent and Temporary Housing, FY09–FY15



Source: Mayor’s Management Report

population, the current street homeless are understood to be disproportionately minority and suffering from higher rates of mental illness and drug addiction compared with the population as a whole.<sup>7</sup>

Whereas the challenges with the sheltered homeless population consist in how to prevent them from entering in the first place and settling on a sustainable exit strategy, the main challenge with the street population is how to coax them into temporary housing. According to data derived from the Mayor’s Management Report, the Department of Homeless Services (DHS), in partnership with the Metropolitan Transportation Authority (MTA), has increased its rate of success on homeless outreach, focusing on individuals inhabiting the transit system (Figure 4).

## II. SHELTERED HOMELESSNESS

Whereas the street homeless population consists of individuals, members of families compose 77 percent of NYC’s sheltered homeless population; the share has increased over time (Figure 5).

Currently, around 30 percent–40 percent of applicants (single adults and families) to shelters are found eligible. During 2014, Mayor de Blasio’s first year in office, the eligibility rate increased to as high as 60 percent, but it has since declined to where it was under Mayor Bloomberg (Figure 6).

Over 90 percent of sheltered homeless families with children are headed by single mothers.<sup>8</sup> If street homelessness arose because of social factors, such as deinstitutionalization and the availability of cheap street drugs, the sheltered homeless challenge developed partly because of high rates of single-parent families. A married couple with one income and children stands a very low chance of winding up in a shelter.

It is important to appreciate the housing dimension of NYC’s challenge with sheltered homelessness. Though sheltered homelessness is clearly related to social ills, it is not clear that those factors have worsened in recent years. For instance, NYC now has fewer single-mother families living in poverty than in decades past. According to census data, poor families in poverty that were headed by single mothers stood at 169,422 in 1980, 155,912 in 1990, 165,691 in 2000, and 138,780 in 2013.<sup>9</sup>

The city’s housing market has certainly tightened, especially among low-rent units. Between the early 1950s and 2002, the number of single-room occupancy units in NYC fell, from over 200,000 to about 35,000.<sup>10</sup> On an inflation-adjusted basis, the 1994 New York City Housing and Vacancy Survey (NYCHVS) reported about 9,300 rental units that were vacant and rented at \$800 a month or less. In

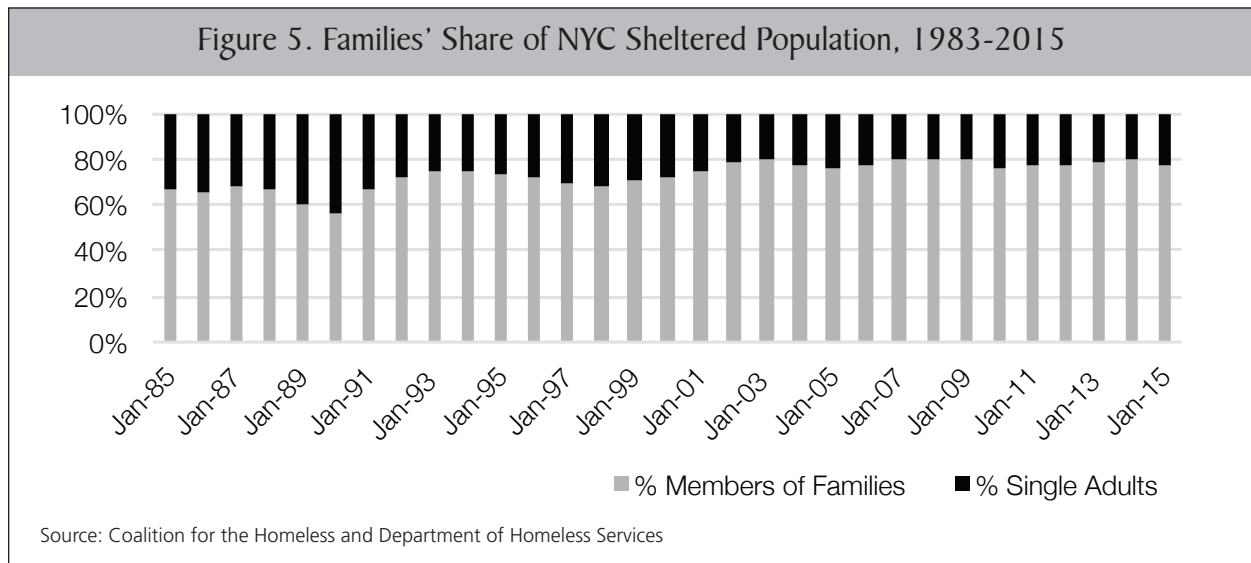
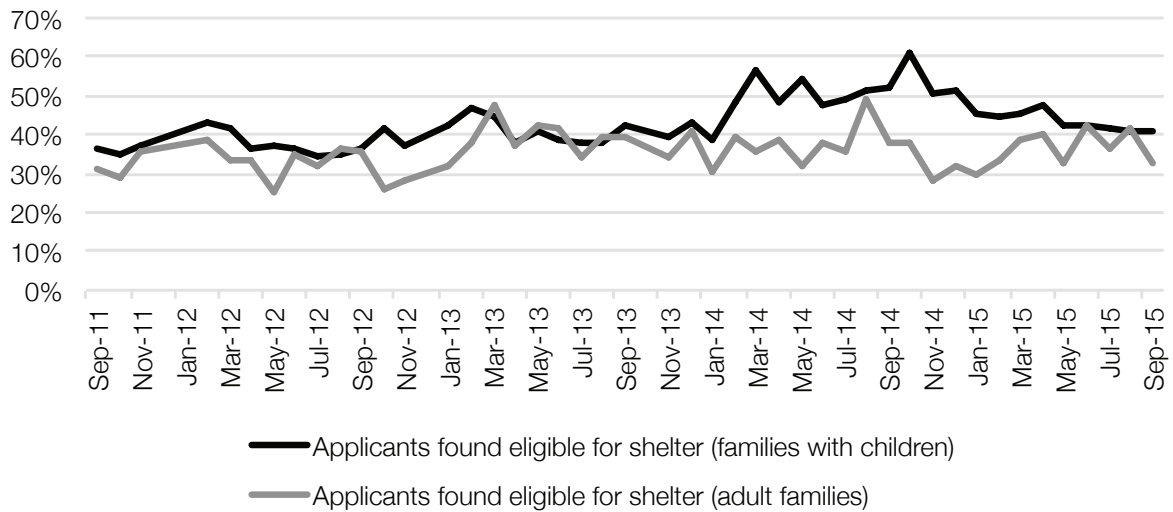


Figure 6. Percent of Applicants Found Eligible for Shelter, 2011–15



Source: Department of Homeless Services (data from December 2011, January 2012, December 2012, and October 2013 unavailable)

2014, the figure was 6,658. The 2011 NYCHVS referred to the shortage of units renting at below \$800/month as “appallingly acute.”<sup>11</sup> As supply has decreased, demand has increased—in that the number of poor New Yorkers has grown. The poverty rate has inched up slightly, from 19.3 percent in 1990 to 21 percent today. In absolute terms, the number of poor New Yorkers has grown, too: from 1.4 million in 1990 to 1.7 million today.

The decline in low-rent units is, in part, a function of the failure of supply to keep pace with population growth in general,<sup>12</sup> but also city housing policy’s longterm focus on improving housing quality. The 2014 NYCHVS reported finding only 0.4 percent of all occupied units in a “dilapidated” building.<sup>13</sup> The incidence of “physically poor” renter-occupied units declined, from 16.8 percent in 1991 to 10.7 percent in 2011.<sup>14</sup> Compared with 40 years ago, poor New Yorkers are likely to be better housed but less likely to be housed at all.

However, vacancy rates have never corresponded precisely with growth in sheltered homeless. Throughout the 1980s, as NYC’s street- and sheltered-homeless problems both escalated, the vacancy rate actually increased.<sup>15</sup> In 1970, the city-

wide vacancy rate was 1.5 percent, the number of sheltered families was below 1,000, and the DHS did not exist.<sup>16</sup> In 2014, the citywide rental vacancy rate was 3.45 percent,<sup>17</sup> and the sheltered homeless population was above 50,000.

A still more important difficulty with the notion of classifying sheltered homelessness as a straightforward housing problem relates to trends in overcrowding, or “doubling up.” Becoming homeless is not an abrupt occurrence but rather a gradual process, during which the penultimate stage is frequently living with friends or family. Some government agencies even classify the doubled-up as homeless.<sup>18</sup> In recent years, overcrowding has increased citywide as the sheltered population has grown.<sup>19</sup> One might therefore expect neighborhoods with high crowding rates to produce more homelessness, but that appears not to be the case in NYC (Figure 7). There are also significant demographic disparities between the doubled-up and sheltered populations. Whereas the sheltered population is disproportionately black,<sup>20</sup> crowding rates for rental units tend to be highest among immigrant households and among Asian and non-Puerto Rican Hispanic populations.<sup>21</sup> The “severely crowded” rate among Asian households is roughly three times that of black households.<sup>22</sup>

Figure 7. Top Five Most Crowded Neighborhoods vs. Top Five Neighborhoods Struggling with Sheltered Homelessness

Crowding		Entries to Shelter	
Neighborhood	Crowding Rate, 2011	Neighborhood	Entries to Family Shelter, 2002–12
Elmhurst/Corona	31.6%	Crown Heights North	2,483
Borough Park	27.4%	East New York	2,356
Jackson Heights	26.1%	Stuyvesant Heights	2,025
Sunset Park	24.9%	East Concourse—Concourse Village	1,824
Jamaica	21.1%	Brownsville	1,692

Source: IBO and NYCHVS

Figure 8. Changes in Levels of Dependency on Various Government Programs, 2006–15

	SSI	SNAP	Cash Assistance (July)	Total Sheltered Population (July)
2006	189,100	1,095,200	388,692	32,374
2015	265,600	1,706,700	362,264	58,270
# Change	76,500	611,500	-26,428	25,996
% Change	40.5	55.8	-6.8	80.5

Source: New York City

Yet studies of the shelter population’s demographics don’t even mention the presence of Asians.<sup>23</sup>

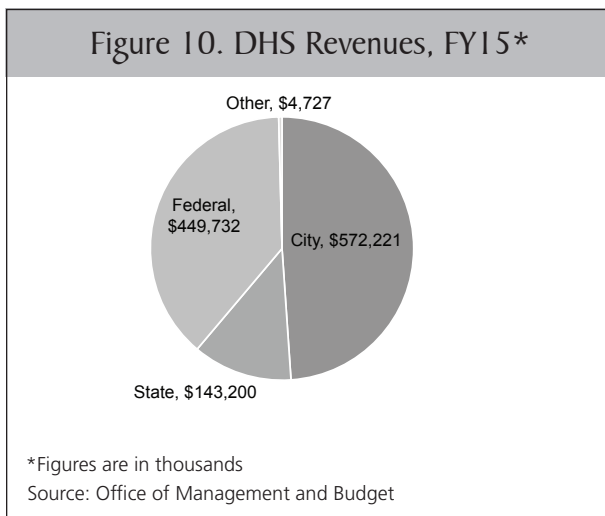
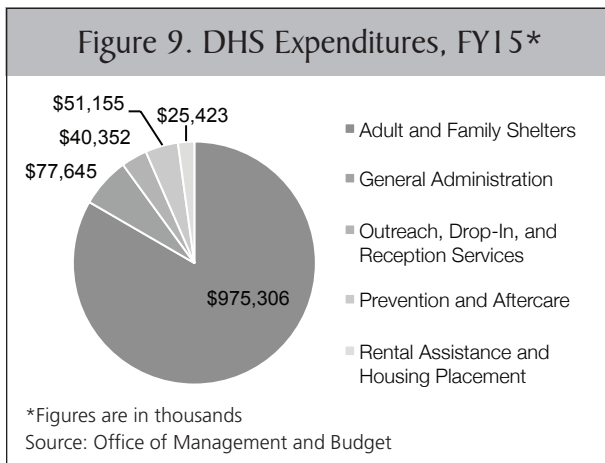
A 2014 Independent Budget Office study found that doubling up has declined as a cause cited for entry into shelter.<sup>24</sup> It has been suggested that rental-subsidy programs—such as Section 8, which the New York City Housing Authority (NYCHA) administers on behalf of the federal government, or the Bloomberg administration’s now-discontinued Advantage program—deincentivize doubling up.<sup>25</sup> According to the Furman Center, crowding has generally declined during the era of “modern homelessness”: from 1970 to 2010, the average number of people-per-unit fell, from 2.7 to 2.4.<sup>26</sup>

The increase in the sheltered population is also sometimes attributed to an inadequate safety net. It is true that the decline in welfare rolls, from roughly 1.2 million in 1995 to 340,000 today, has corresponded with the shelter census’s increase. But what defenders and critics of this development both tend to overlook is

that, as cash-welfare dependency declined, enrollment in all other major government-assistance programs increased (**Figure 8**). At least 2.8 million New Yorkers, or a third of the city’s population, are on Medicaid.<sup>27</sup> Even at the height of the era of welfare dependency, the city’s public-assistance rolls never came close to 2.8 million.

### III. DE BLASIO’S HOMELESS POLICY

Many city agencies contribute to NYC’s anti-homelessness efforts, including the NYPD, the Administration for Children’s Services, the Department of Health and Mental Hygiene, the Department of Housing Preservation and Development, and the Human Resources Administration (HRA). But the DHS has chief responsibility. Its \$1.2 billion budget (**Figure 9** and **Figure 10**) exceeds that of the Department of Parks and Recreation (\$450 million), Department of Transportation (\$880 million), and public libraries (\$363 million).



To exaggerate slightly, the DHS is a pass-through entity by which funds from state and federal public-assistance programs finance the city’s shelter system—the network of 255 emergency-lodging facilities with which NYC fulfills its legally mandated obligation to provide shelter. This system was put in place following recommendations made by the 1992 “Commission on the Homeless.” Appointed by Mayor Dinkins and chaired by Andrew Cuomo, the Commission on the Homeless called for spinning the DHS off from the HRA and the “Not for Profitization” of shelter management.<sup>28</sup> In contrast to other major city departments, such as schools, police, and fire, salaries and wages consume a small fraction (13.7 percent) of the DHS budget.<sup>29</sup> Most of the public thinks of “the homeless” as those sleeping and panhandling on the streets, and the DHS

lists outreach work as one of its top priorities.<sup>30</sup> But the resources devoted to getting homeless off the street represent a fairly small part of the total budget. For instance, only \$40 million of the DHS’s \$1.2 billion in annual expenditures is specifically dedicated to “outreach, drop-in, and reception services.”

Families’ shelter costs are borne by the federally funded Temporary Assistance for Needy Families (TANF) and Emergency Assistance for Families (EAF) programs, as well as the state Safety Net Assistance (SNA) program. The city bears more responsibility for sheltered individuals, though a portion of their costs are also funded by SNA funds. As explained in a 2015 IBO report,<sup>31</sup> the DHS’s heavy reliance on nonlocal funds has two main implications for homelessness policy. First, much of the recent increase in sheltered families has been borne by state and federal governments (though the city has seen its costs related to sheltered individuals increase substantially). Second, the DHS’s administrative flexibility is limited by its dependence on federal and state revenues. New or expanded efforts to address street homelessness will likely have to come from city funds alone.

Examples of policies that the de Blasio administration has pursued to address street homelessness include partnerships with churches and charities to find “at least 500 beds” for the winter months;<sup>32</sup> NYC Safe,<sup>33</sup> a joint effort between the NYPD and the Department of Health and Mental Hygiene to identify mentally ill street and sheltered homeless who are prone to violence and direct them toward treatment; breaking up encampments;<sup>34</sup> and increasing funding for mental health.<sup>35</sup>

However, like the DHS as a whole, the de Blasio administration has mainly focused on the sheltered homeless population. Many existing Bloomberg policies have been continued or expanded, such as legal aid for those threatened with eviction proceedings as well as the Homebase prevention program.<sup>36</sup> De Blasio’s most notable departure from Bloomberg was to grant sheltered families preferential access to NYCHA units and Section 8 vouchers—though this preference is not nearly as generous as it was under Mayors Dinkins and Giuliani.<sup>37</sup>

Probably the most important new initiative is the Living in Communities (LINC) rental-subsidies program.<sup>38</sup> Some inaccurately date NYC's current sheltered-homelessness crisis to the discontinuation of the Bloomberg administration's Advantage program. Advantage was designed to address the DHS's growing problem with extended stays and chronic homelessness. The shelter count was swelling not only because more people were coming in but because people were also staying longer and returning. Advantage was created to facilitate shelter exits by providing two-year rental subsidies. An expensive program, Advantage ended as a result of recession-era cuts by state government. LINC is the de Blasio's administration's attempt to revive Advantage, though it could also be described as a local Section 8 voucher program. In the current FY 2016 budget, rental subsidies were the de Blasio administration's most significant "budget add," outstripping, for instance, the hiring of new police officers.<sup>39</sup>

De Blasio's plan involves rolling out LINC in several stages, each of which will target a segment of the sheltered population. The first stage (LINC I) is targeted at working families with children. As with Section 8, the subsidies will keep rent at 30 percent of household income; in a departure from the federal program, most of the subsidies will be time-limited. Because of its time limits, providing rental subsidies through LINC takes more serious precautions against moral hazard than increasing shelter entrants' access to NYCHA units and/or Section 8 vouchers.

LINC's rollout has been slow. Some landlords have turned down the vouchers, and the de Blasio administration has offered bonuses to landlords who will agree to participate.<sup>40</sup> But the most important questions to ask about LINC are not administrative: Will the outflow created by rental subsidies exceed the inflow? Will more spending on rental subsidies lead to a net reduction of the sheltered population—or simply create a new form of dependency at a time when many other forms of dependency have been increasing? With public concerns focused on street homelessness, why has such an extensive effort been devoted toward sheltered homelessness, which already absorbs the overwhelming proportion of NYC's homelessness resources?

## CONCLUSION

By any definition, homelessness is caused by a mix of social and economic factors. In the words of the 1992 Cuomo Commission on the Homeless, "[h]omelessness is frequently a symptom of some underlying problem, such as lack of job skills or education, a substance abuse problem, or mental illness. It results when one or more of these problems interacts with a number of social and economic factors, including a shortage of affordable housing."<sup>41</sup> One is more likely to become homeless if one lives in a city where rents are high. One is also more likely to become homeless if one is schizophrenic, addicted to heroin, or hails from a broken home. NYC's seemingly intractable problem with homelessness is an exception to its general emergence as a more governable city in recent decades. This paper concludes with the following nine recommendations.

**1. To address public concerns, the de Blasio administration should focus more efforts on street, not sheltered, homelessness.** In the 1970s, the term "homelessness" replaced "vagrants," "tramps," and "hobos" as part of a campaign by advocates to push for a more expansive housing policy to address certain forms of poverty. "Homelessness" has always been a misleading term, but it has been stretched to the limits of coherence when used now to encompass the problems of mentally ill and drug-addicted individuals living on streets as well as single-parent families living in shelters. The development of an effective policy response to homelessness should begin with distinguishing between the two major varieties of the problem. In addition to the more obvious differences (families vs. individuals, outer boroughs vs. transit system), government has a much greater obligation to assist the street homeless as a result of the legacy of deinstitutionalization. Yet, in NYC, most resources and energy continue to be devoted toward bringing down the sheltered census. Whatever the trend truly is about street homelessness, the number is too high and mayor de Blasio should speak more forcefully about the problem's basic intolerability. As the Cuomo Commission put it, "It is totally unacceptable for persons to sleep in our public spaces."<sup>42</sup>

**2. Continue policing policies designed to discourage the street homeless from remaining outside the shelter or treatment systems.** Polling about the de Blasio administration's handling of crime and disorder demonstrates that New Yorkers' standards for public order have risen as crime has declined. The most convincing argument for broken-windows, or quality-of-life, policing is that the public, by and large, prefers order to disorder in public spaces. This strategy dovetails with homeless policy that calls for mentally disturbed individuals to be in shelters, not on the street. In breaking up encampments and thwarting proposals to decriminalize low-level offenses, such as public urination, Mayor de Blasio has generally taken the right decision on what's best for the public and the homeless.

**3. Increase housing supply by easing regulations.** The de Blasio administration has proposed many changes to the zoning code. Some, such as mandatory inclusionary zoning, risk limiting supply but others, such as deregulating minimum-unit sizes,<sup>43</sup> are more unqualifiedly pro-growth. Given the connection between high rent and levels of homelessness, housing growth is what NYC will need to reduce, in particular, sheltered homelessness. Easing regulations, in turn, will be required to develop more, and more varied, rental units. NYC has overlearned the lesson of the importance of housing quality. It is not necessary that newly-developed micro-units be built specifically for those currently homeless or in danger of becoming so. The poor need more options and a healthy housing market would provide them with older, somewhat shabbier, units at proportionately lower rents.

**4. Do not grant those in family homeless shelters preferred access to public housing.** Since NYC's homelessness challenge emerged in the early 1980s, NYCHA has attracted attention as a possible permanent solution for individuals and families in shelters. On the rationale that scarce public resources should be dedicated to areas of greatest need, the Dinkins, Giuliani, and, to a lesser degree, de Blasio administrations embraced this idea. Many NYCHA units are occupied by middle-income families whose housing stability comes at the expense of extreme instability for homeless families.<sup>44</sup> However, the reality is more complicated.

Higher-income NYCHA tenants pay higher rents, a serious consideration for this fiscally-troubled agency which derives one-third of all revenues from rents. In addition to fiscal and social concerns (Dinkins's efforts to dramatically expand homeless access to NYCHA units were met with a firestorm of protest from NYCHA residents),<sup>45</sup> looking to NYCHA to solve homelessness would not be fair to the 270,000 families—of which the vast majority are extremely low income<sup>46</sup>—on its waiting list for units, many for years. As is the case with any question of social services, the more narrowly targeted the relief, the greater the risk of moral hazard. One contributing factor to the South Bronx's arson epidemic was a city policy of providing public housing and other benefits to welfare recipients whose buildings had burned down.<sup>47</sup> It is not a coincidence that the average NYCHA household has been living in public housing for 22 years and that the average gross rent is \$466—approximately one-third of the median gross rent citywide (\$1,325).<sup>48</sup>

**5. Drop plans to spend \$12 million on anti-eviction legal services unless it can be demonstrated that the policy will reduce homelessness.** Noting that “eviction is one of the leading causes of homelessness for families with children,” the de Blasio administration recently announced a \$12 million increase in funding for free legal representation as a homelessness-prevention tactic. (In addition to fighting eviction proceedings, these new legal services will also target “harassment” by landlords by dissuading tenants from taking buyouts.)<sup>49</sup> But, when pressed by reporters as to what share of recent eviction proceedings were illegitimate, HRA commissioner Steven Banks—former head of the Legal Aid Society—simply pointed to “the expertise of organizations that have a tremendous track record in preventing evictions.”<sup>50</sup>

If the goal of homeless policy, generally speaking, is increased housing stability, much rides on whether this \$12 million will produce different outcomes. Studies of foreclosure proceedings during the home-mortgage crisis found that state laws designed to prevent borrowers from losing their homes “lengthen ... the foreclosure timeline but [do] not lead to better outcomes for borrowers.”<sup>51</sup> If there

is no evidence that illegal eviction proceedings are on the rise, that raises the question of whether the proposed funds could be used for a better purpose, such as to increase cash benefits for the (reportedly) third of heads of households (among families with children) in shelter who are actively employed.<sup>52</sup>

**6. Improve the method of counting the street homeless population.** In an era when the concepts of “data-driven government” and “big data” are widely respected, it is remarkable that the high-profile policy debate of street homelessness is so quantitatively uninformed. Though New York’s citywide count has not attracted the scrutiny of Los Angeles, New Orleans, and Detroit, borough-level counts have exhibited striking year-to-year variations. In this respect, homelessness policy is decades behind public safety and K–12 education—and for obvious reasons. Many street homeless are intensely private and suspicious (hence their refusal of shelter), and the date for the street count is announced in advance. The federal government requires that the count be conducted during late January, but intensely cold weather may cause volunteers to administer the HOPE Count without maximum diligence. Ideally, the street-homeless population would be counted twice (winter and summer) and by paid professionals. Teams of police officers and social-services workers should be deployed to ensure that NYC’s decisions on homelessness are formulated using the most accurate information.

**7. Authorize involuntary inpatient commitment for the severely mentally ill.** Homelessness policy has always been highly legalistic due to NYC’s unique “right to shelter.” The “right to shelter” is rooted in a consent decree that NYC signed in the early 1980s with homeless advocates. Its significance has been to grant special oversight over homelessness policy to judges and advocacy organizations. Given the extraordinary increase in the homeless population since the right to shelter was first recognized, it is not obvious that subjecting city authorities to additional accountability—beyond normal mechanisms such as elections, the media, and checks and balances—has led to better policymaking. The current public outcry over homelessness, the existence of the city council’s Committee on General

Welfare, and the extensive efforts and resources the Bloomberg administration put towards trying to end homelessness belie the assumption that, if not for the efforts of an activist legal community, this problem would be ignored.

A more helpful legal change would empower public authorities to compel inpatient hospitalization for seriously disturbed individuals. Recognizing a “right to treatment” would refocus homelessness law on getting mentally ill people off the streets and onto medication; for most of the public, this is a policy challenge that is likely more pressing than the recent rise in the shelter census. Through the NYC Safe initiative, the de Blasio administration pledges “resources to more effectively use Kendra’s Law and the Assisted Outpatient Treatment program.”<sup>53</sup> Passed in 1999, Kendra’s Law, also known as New York State’s “assisted outpatient treatment” law, allows for court-ordered supervised treatment for individuals deemed to pose a serious threat to themselves or others. In NYC, 8,709 individuals have been placed under a Kendra’s Law court order since 1999; 1,445 are currently active, according to the New York State Office of Mental Health.<sup>54</sup> But more forthright methods should be considered, such as an involuntary-commitment law that relies on a broader notion of “harm to self.”<sup>55</sup>

**8. The HRA should revise its policy of emphasizing training and education and relaxed enforcement of program requirements for public-assistance recipients.** In the 1990s, the DHS was spun off from the HRA in an effort to provide more accountability and administrative clarity to homelessness policy. But, to the extent that sheltered homelessness is more a subcategory of NYC’s poverty challenge, the agency that will make the biggest difference is not the DHS but the HRA. Through its administration of public assistance and other social-service programs, the HRA has broad responsibility over city government’s anti-poverty efforts. Under Mayor de Blasio, the local economy has added over 150,000 jobs, but the number of adults on welfare has increased by 26,000.<sup>56</sup> Even by the de Blasio administration’s own preferred “unduplicated 12-month” count, the number of cash assistance recipients has been ticking up since HRA commis-



sioner Steven Banks announced a new approach in May 2014.<sup>57</sup> At a time of relative prosperity, this trend raises questions about what will happen to welfare rolls when the next economic recession hits.

As under Mayors Giuliani and Bloomberg, the de Blasio administration defines the ultimate goal of government-assistance programs as helping recipients “achieve increased economic security by obtaining employment, moving off the caseload and out of poverty.”<sup>58</sup> However, commissioner Banks has placed more emphasis on education and training programs over work experience, and has relaxed enforcement of program rules and requirements.<sup>59</sup> The strategy is to maximize the amount of time HRA clients remain on welfare rolls, because greater generosity will, supposedly, lead to more economic mobility in the longterm. But during a time of economic expansion, the emphasis should be on maximizing participation in the workforce. According to the Census Bureau, the official poverty rate for adults who did not work at all (33.7 percent) was about eleven times greater than that of those who worked full-time, year-round.<sup>60</sup>

**9. Moderate plans to develop supportive housing and focus instead on addressing severe mental illness.** Supportive housing (or “permanent supportive housing”) was originally conceived as a way to compensate for the mistake of deinstitutionalization and to provide an alternative to streets and prisons, where vast numbers of the mentally ill are now housed.<sup>61</sup> In providing services as well as low rents, supportive-housing policy is premised on the notion that homelessness is not purely a housing problem. In 1990, the city and state entered into the first “NY/NY” agreement to build about 3,000 units with wraparound services for the homeless mentally ill. Its mission has since expanded to provide permanent housing to many other populations, such as youths aging out of foster care, those with HIV/AIDS, and the disabled. According to the federal Department of Housing and Urban Development, there are now 21,813 permanent supportive-housing units in NYC.<sup>62</sup> The city has also announced its own 15,000 unit supportive-housing plan, at a capital cost of \$2.6 billion and net operating costs of about \$100 million through FY19.<sup>63</sup> Advocates

have claimed that New York needs 30,000 supportive-housing units.<sup>64</sup> (After the second city-state effort in the late 1990s, advocates claimed that the city needed 10,000 units.)<sup>65</sup>

So long as a return to full-scale reinstitutionalization remains impractical, supportive housing should remain central to city and state policy towards severe mental illness. However, it should only be one part of homelessness policy. The advocacy community ascribes to supportive housing an effectiveness that is much in doubt. A recent study by Kevin Corinth of the American Enterprise Institute found that supportive housing programs had no longterm effect on levels of homelessness.<sup>66</sup> This has also been NYC’s experience: if supportive housing has been as successful as its proponents maintain, why are there still so many homeless people on the city’s streets? Has the rate of severe mental illness changed since the 1990s? Again, NYC’s official street homeless count is about 3,000, including many who are not severely mentally ill. 30,000 units of supportive housing would not only more than double NYC’s current stock, it would represent an almost 40 percent increase on the number of affordable units projected to be built under Mayor de Blasio’s ten-year housing plan. Will there ever be a limit to how many supportive-housing units NYC “needs”?

If supportive housing is the only solution to homelessness, the problem will never be solved. There could be more than a thousand mentally-ill New Yorkers sleeping on the streets who are not receiving antipsychotic medication to which they would respond positively. That problem, the original concern of supportive housing, should be revived as its exclusive focus. Scaling back current plans to increase NYC’s supportive-housing stock would free up funds to devote to other solutions that may prove equally effective at addressing street and/or sheltered homelessness, such as giving more funds to transitional housing providers with a strong record of success and providing additional cash assistance for working adults living in shelters.

## ENDNOTES

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- <sup>15</sup> J. Phillip Thompson, "The Failure of Liberal Homeless Policy in the Koch and Dinkins Administration," *Political Science Quarterly* (winter 1996/97): table 3; and Jencks, *The Homeless*, chap. 8.
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- <sup>31</sup> Independent Budget Office, "Albany Shifts the Burden: As the Cost for Sheltering the Homeless Rises, Federal & City Funds Are Increasingly Tapped," October 2015.
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- <sup>33</sup> See <http://www1.nyc.gov/assets/home/downloads/pdf/press-releases/2015/NYCSafeFactSheet.pdf>; and <http://www1.nyc.gov/office-of-the-mayor/news/540-15/mayor-de-blasio-nyc-safe-evidence-driven-public-safety-public-health-program>.
- <sup>34</sup> "The administration ... recently started a multi-agency effort to address and clean encampments and areas where street homeless congregate to target services and outreach, and help move people off streets and into safe spaces." See <http://www1.nyc.gov/office-of-the-mayor/news/636-15/on-eve-pope-francis-visit-mayor-de-blasio-cardinal-dolan-archdiocese-provide>.
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- <sup>46</sup> See <http://www.ibo.nyc.ny.us/iboreports/dhspriorityletter61412.pdf>.
- <sup>47</sup> "Arson was set by welfare recipients who wanted out of their apartments and into something better (preferably public housing), but knew they could do so only if they got onto a priority list. Large signs in the welfare centers stated very clearly in Spanish and English, the only way to get housing priority is if you are burned out by a fire. The welfare department also paid two or three thousand dollars to burned-out families for their destroyed goods." Jill Jonnes, *South Bronx Rising: The Rise, Fall, and Resurrection of an American City* (Bronx, NY: Fordham University Press, 1986), p. 232.
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- <sup>55</sup> E. Fuller Torrey, "Albany Psychosis," *City Journal* (autumn 2014).
- <sup>56</sup> See [http://www1.nyc.gov/assets/hra/downloads/pdf/facts/hra\\_facts/hrafacts\\_2014/hra\\_facts\\_2014\\_01.pdf](http://www1.nyc.gov/assets/hra/downloads/pdf/facts/hra_facts/hrafacts_2014/hra_facts_2014_01.pdf); and [http://www1.nyc.gov/assets/hra/downloads/pdf/facts/hra\\_facts/hrafacts\\_2015/hra\\_facts\\_2015\\_10.pdf](http://www1.nyc.gov/assets/hra/downloads/pdf/facts/hra_facts/hrafacts_2015/hra_facts_2015_10.pdf).
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- <sup>59</sup> Compare the HRA's "Our Services and Goals" sections in the "Mayor's Management Report" in 2013

(Bloomberg's last year) and 2015. "Mayor's Management Report," City of New York, September 2013, p. 93 and "Mayor's Management Report," City of New York, September 2015, p. 175.

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