



New York City Comptroller
John C. Liu

NEWS RELEASE

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Contact: Jack Ryan, (212) 669-3747

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LIU: BLOOMBERG'S SHELTER POLICIES FAILING COMMUNITIES AND HOMELESS

Faults Process for Siting Facilities; Offers Vouchers for Families

NEW YORK, N.Y. – Mayor Bloomberg’s homeless policies have failed both the homeless and the communities asked to accept homeless shelters, according to policy papers released this week by the office of Comptroller John C. Liu.

“It is a disgrace that in a City where luxury abounds nearly 21,000 children go to sleep in a shelter each night,” Comptroller Liu said. “The Mayor’s disastrous homeless policies exclude communities from having a real voice in the shelter siting process and waste millions of taxpayer dollars each year. We desperately need a new approach to address the record homelessness in our City.”

A report released by the Comptroller’s office, “Down and Out: How New York City Places its Homeless Shelters,” details how the City is not meeting the goal of early and open public consultation required by the so-called Fair Share siting process, and makes recommendations for making the process fairer and more transparent. In an accompanying brief, Comptroller Liu recommends the creation of a Strong Families Rental Voucher Program that would provide housing vouchers for up to 10,000 families living in the City’s shelters at a substantial budgetary savings to taxpayers.

“Our report found that homeless shelters tend to be clustered in the poorest neighborhoods. The siting of the shelters in these neighborhoods may permanently condemn these areas to poverty,” Comptroller Liu said. “Moreover, there needs to be complete transparency and significant community involvement in this process. That is not happening.

“Homeless families need concrete rental assistance that will enable them to have stable residences and join their communities. Our proposal is a win-win for homeless families and taxpayers alike,” said Comptroller Liu. “Struggling families will be empowered and given an opportunity to start over, and, at the same time, taxpayers could save as much as \$237.5 million annually.”

As of May 3, 2013, the Department of Homeless Services reported that there were 11,890 families in the City's shelters, representing 18,108 adults and 20,668 children. The number of families has increased 60 percent under the Bloomberg Administration, from an average of 7,100 families in FY 2002 to an average of 11,500 during the current Fiscal Year. The rental assistance program proposed in this report would cost about \$11,000 a year per family, compared to the current cost of sheltering a family, which is about \$35,000.

All told, 275 of the City's 370 homeless shelters are located in Brooklyn and the Bronx, many in struggling neighborhoods.

"When communities are excluded from prior discussion about the siting of shelters and given little or no notification of the City's plans, the consequences for both the homeless and the neighborhood are dire. Buildings owners make large profits at inflated cost while providing poor services; local food pantries are swamped with new clients; families do not feel welcome; permanent residents are victimized; neighborhoods become polarized and resentful, and policy makers are prevented from working together to avoid these problems. The Comptroller's sound and reasonable recommendations can help us house the homeless properly and advise and protect affected residents and neighborhoods," said **Council Member Gale Brewer of the Upper West Side**.

"The Comptroller's report shows that the Bloomberg Administration is failing both homeless families and New York City's communities. As a result of the Administration's policies, homelessness is at an all time high, shelters are more concentrated in low-income communities of color, and contracts regularly bypass good-government protections against corruption and fraud. It is time for a change," said **Council Member Brad Lander of Brooklyn**.

"The Partnership for the Homeless believes planning and transparency are critical for effective solutions to homelessness. We are concerned that equitable access to resources is not being taken into consideration when distributing homeless shelters. The report's findings reinforce our organization's work and raise important issues for communities, advocacy groups, and City leaders alike," said **Roksana Badruddoja, Vice President of Research for The Partnership for the Homeless**.

"The health, mental health, and emotional well-being of New York City's almost 21,000 children living in homeless demands that the City take action today. Citizen's Committee for Children supports the creation of a rental subsidy program that will assist families in leaving shelter to permanent housing," said **Jennifer March-Joly, Executive Director of the Citizens' Committee for Children of New York**.

"The 2010 canceling of rent subsidies by the City and State is a leading factor in the skyrocketing number of homeless families and individuals in New York City – to levels not seen since the Great Depression almost 80 years ago. Right now, more than 50,000 men, women, and children are staying in shelters when many could be living in homes. New York City must invest in a rental subsidy program to halt the growth of the homeless population and to provide a path

out of homelessness for those already mired in the shelter system,” said **Allison Sesso, Deputy Executive Director of the Human Services Council.**

Background

Comptroller Liu’s report on shelter siting and its accompanying fact sheet:

http://comptroller.nyc.gov/press/pdfs/20130509_NYC_ShelterSiteReport_v24_May.pdf

http://comptroller.nyc.gov/press/pdfs/20130509_ShelterSite_FactSheet_v23.pdf

Comptroller Liu’s rental assistance proposal:

http://comptroller.nyc.gov/press/pdfs/20130509_NYC_RentalSubsidyProgram_v12.pdf

January 28, 2013 testimony by Comptroller Liu submitted to the New York City Council in support of Int. No. 193, which would require that agencies notify the City Council of emergency procurements:

<http://comptroller.nyc.gov/press/pdfs/12813-Liu-Int-193-Testimony.pdf>

August 21, 2012 letter from Deputy Comptroller for Contracts and Procurement Geneith Turnbull to Department of Homeless Services Commissioner Seth Diamond, raising concerns about the proliferation of emergency contract requests made by the agency:

<http://comptroller.nyc.gov/press/pdfs/82112-Turnbull-DHS-Letter.pdf>

March 25, 2010 audit published by Comptroller Liu finding that DHS paid out millions of dollars to non-contracted service providers based on an “honor system” of unwritten agreements, invented rates, and duplicate client lists:

http://comptroller.nyc.gov/press/2010_releases/pr10-03-035.shtm