

Mohawk Valley Housing and Homeless Assistance Coalition Utica/Rome/Oneida County Continuum of Care

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Testimony to the NYS Division of Budget

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Thank you for the opportunity to provide input into the NYS budget process this year.

I am the chair of the Mohawk Valley Housing and Homeless Assistance Coalition, a five-year-old active coalition representing over 35 local government departments, not-for-profit agencies, and formerly homeless persons from Utica, Rome, and Oneida County.

Homelessness and the conditions that cause homelessness like mental health and addiction disabilities, the lack of affordable housing, and the high cost of housing and heat relative to low-wage employment currently receive major attention in the NYS budget. Unfortunately, we spend too much to “manage” homelessness and treat its consequences and not enough to address its causes.

Some states and cities in other parts of the nation are now considering investing the millions they have saved by effectively reducing chronic homelessness and its associated healthcare and criminal justice costs into new affordable and supportive housing to generate even further savings while increasing the quality of their communities. This kind of effort is in line with both Governor Spitzer’s and the US Department of Housing and Urban Development’s priorities and we have a new initiative just getting underway here in Oneida County to do the same. We need the support of the State of New York to make it work.

In our most recent census of homeless persons in Oneida County we counted 316 adults, youth, and children who were homeless on a single day (1/24/2007). Hundreds more in our region are homeless at some other point during the year.

Over 40% of those who are homeless in our area are adults and their children in families. While addiction and mental health disabilities are strongly associated with homelessness here, we have an increasing number of working, non-disabled individuals and families just struggling to pay the rent and utilities. They are a single job interruption or family crisis away from asking the Department of Social Services for access to an emergency shelter. We recommend that our state budget reflect efforts to both prevent and address family homelessness, including an increased investment in affordable housing.

In Oneida County, we lead the state in the percentage of children who have been identified with elevated lead levels (7.69% vs. a 1% state average- NYS DOH). These investments will not only help prevent family homelessness and stabilize declining neighborhoods, they will save the untold sums we will on special education, foster care, healthcare, mental health, and criminal justice services for children who have cognitive and other problems related to lead exposure.

Specifically we ask that NYS provide funding to the Division of Housing and Community Renewal to increase the Capital Housing Development Program by \$100 million this coming year, and created new Housing Trust Fund with a dedicated revenue source. These investments in affordable housing for families will pay big dividends to our state.

We also ask that OTDA receive support to:

- **Increase the HHAP capital allocation from \$30 million to \$60 million.** The Homeless Housing and Assistance Program (HHAP) provides capital funding to nonprofit providers to build supportive housing. For most of the last decade, HHAP has been funded at \$30 million annually. As a result, the number of units produced each year has declined dramatically, from almost 800 units in 2003 to under 400 in 2006. Here in Utica, we have used HHAP funding to redevelop neighborhoods and restore historic properties as well as house homeless persons. If this pot were larger we could do much more.
- **Increase Supported Housing for Families/Young Adults (SHFYA) by \$1.5 million**
The number of homeless families is skyrocketing across the state, but the \$5 million SHFYA program funds services for only 1,332 households. Even for these families, funding is limited to \$3,300 per year per household – a rate inadequate to the needs of the multiply-disadvantaged homeless families being served by the program (by comparison, NY/NY III providers receive over \$20,000 per year per household). If SHFYA is to be the state's primary vehicle for addressing the housing needs of homeless families and young adults, then the program rates must be enhanced.

Chronically homeless persons- those with four or more homeless episodes in the past three years- are a special challenge in our community. This group is costly- cycling in and out of shelters, emergency rooms, local hospitals and our county jail. In some cases, we (the public) are spending hundreds of thousands a year for Medicaid- funded and other services to a single chronically homeless person. The most recent cost-effectiveness study (published two months ago) showed that homeless people placed into supportive housing in Portland, Maine, reduced their usage of emergency services by one half, including: a 59% savings in health care costs, 41% savings in mental health care costs, 62% savings in emergency rooms costs, 62% savings in jails, 66% savings in ambulance costs, and 66% savings in police costs.

See: <http://www.mainehousing.org/Documents/HousingReports/CostOfHomelessness.pdf>.
for the executive summary of this report.

We ask that NYS:

- **Increase (OTDA) SRO Support Services from \$19.8 million to \$22 million**
The SRO Support Subsidy reimbursement rate was increased last year, the only increase in nearly 10 years. Providers in other systems that serve similar populations have recently received a 3% COLA every year for three years. An additional \$550,000 applied to the SRO Support subsidy would make up for recent years' losses as a result of stagnant funding over many years. The remainder of the increase would cover new units coming on line in the upcoming budget year. In New York City, this amount is \$880,000, and in the rest of the state it is \$570,000. The total increase for the SHFYA program would be \$2.2 million.
- **Allocate an additional \$50 million to OMH capital housing development**
The New York State Office of Mental Health is an efficient funder of nonprofit developers building supportive housing. Recent and pending administrative and legal changes will

position OMH to fund units fully integrated with other affordable housing tenants. Capital construction at OMH is funded by the issuance of tax-exempt bonds and as-of-right 4% federal tax credits that would not otherwise be put to use. These investments will ultimately realize significant savings as populations are reduced in expensive psychiatric centers and Medicaid-funded nursing homes.

- **Support a Pilot Program for Housing-Based Services: \$2 million**

More than half of supportive housing residents in our state have histories of substance abuse, including many with dual diagnoses. But supportive housing providers have historically provided supports to people in recovery with no OASAS funding as is the case here in Oneida County where we have the largest HUD-funded supportive housing program for persons in recovery in Upstate NY, but are the only county not receiving any OASAS or other state support to provide case management or the other services necessary to keep this program running. At the same time, thousands of people leave in-patient rehabilitation each year to unsupported living situations, sharply increasing relapse rates. According to OASAS's own data, this has added millions to the cost of detox programs, as a small cohort of heavy users use detox as a substitute for housing.

Such a program should include basic supportive services, case management, and most importantly, vocational training so that people in recovery can quickly reintegrate into the world of work. A pilot initiative in the 2008-2009 Executive Budget will ensure that OASAS' most challenging (and expensive) clients will for the first time gain access to housing developed by DHCR, HFA, and OTDA's HHAP.

Additional challenges related to housing and homelessness we face here that require the support of NYS include:

The return of servicemen and women from combat in Iraq and Afghanistan- especially those who are members of local National Guard and Reserve units.

These vets are beginning to show up in our emergency shelters and our Addictions Crisis Center, and their family members are struggling as well. We have also had incidents with vets suffering from PTSD threatening the public or their family members with weapons. Funding for affordable housing is critical for this group- especially for those who are homeless: we have already asked for your support in this area and we are looking to the VA and HUD for additional support.

Where we need additional help from NYS to support our returning veterans is with upgrading our support service knowledge and skills. Community mental health and other front line human service workers here and elsewhere around the state are currently unequipped to identify, treat, and/or refer veterans' for care for their mental health and related issues. They need training and technical assistance. Appropriate early intervention is most the effective approach, and will lead to long term cost savings in Medicaid, corrections budgets, hospitals, and other social welfare agencies.

Given the number of soldiers returning to our community with posttraumatic stress disorder, traumatic brain injury, and other mental health problems, it is critical that we prioritize funding for the training of community mental health providers in the treatment and identification of these disorders. A large proportion of deployed and returning soldiers are National Guard and Reserve who return directly to their communities, families, and jobs, and whose federal VA benefits expire after two years; it is crucial that

they can access quality mental health care in the communities where they live, especially in areas like ours that are remote from VA healthcare facilities. Furthermore, adequate training of other frontline workers such as police officers, doctors, physicians assistants and nurse practitioners, and social service staff will assist communities in intervention and prevention of crisis situations involving veterans with PTSD.

By training our human service and healthcare provider workforce in identifying and treating trauma-related disorders up front, we can avoid the long-term costs of ignoring such problems, such as emergency room utilization, incarceration, emergency housing, and intensive inpatient treatment. For the cost of one emergency room stay, or a week of inpatient substance abuse treatment (often paid for by Medicaid), we could train a mental health provider for a lifetime.

We ask for your support to fund a statewide training and education initiative to support community mental health providers and front line human service and law enforcement workers who are currently unequipped to identify, treat, and case-manage veterans' mental health issues.

Nearly 400 individuals are released from NYS correctional facilities to Oneida County communities each year. With the support of a new DCJS Prisoner Reentry Initiative, we have a little funding to facilitate the reentry of some in this group and support their effort to find housing and employment and desist from criminal behavior. Unfortunately many are still released homeless to a local shelter, lack basic job skills, family support and a place to stay. They struggle to find housing and work with a felony record. Too many re-offend and return to prison- representing a poor use of public resources and an unnecessary threat to public safety.

We strongly recommend that the Governor and the Legislature continue to support and fund existing DCJS monitored Prisoner Reentry Task Forces now in 12 Upstate counties and expand their capacity to reduce recidivism by providing an additional \$6 million in funding to these 12 counties for vocational training and transitional housing targeted to those with the highest risk of re-offending and returning to a NYS prison facility.

On behalf of the Mohawk Valley Housing and Homeless Assistance Coalition, I thank you for the opportunity to provide input into this year's budget process. We look forward to working with you to find well-designed and cost-effective ways to create a safer, healthier, productive State of New York.