Testimony of Mary M. McKay, Ph.D.

Director, McSilver Institute for Poverty Policy and Research

before the

New York City Council General Welfare Committee

regarding

Proposed Resolution No. 123-A.

in partnership with

The Institute for Community Living
& Comunilife

9:30 AM
March 26, 2014

City Hall Council Chambers
New York, NY 10007
Good morning and thank you to Council Member Levin and the members of the General Welfare Committee for the opportunity to speak today on behalf of the McSilver Institute for Poverty Policy and Research, with the support of our partners at the Institute for Community Living and Comunilife, about Proposed Resolution No. 123-A.

The McSilver Institute is housed in the Silver School of Social Work at New York University and oversees numerous applied research studies aimed at addressing the root causes and consequences of poverty. McSilver’s work is defined by research partnerships with policy makers, service organizations, and community stakeholders in New York and globally. An understanding of the links between individuals, families, and communities to their external environments, as well as the interrelatedness of race and poverty, guide our research efforts.

Despite an improved general economy following the financial crisis of 2008 and the following recession, homelessness is still on the rise in New York. According to the Coalition for the Homeless, 53,615 individuals used city shelters in January 2014, a 7% increase from the same time the previous year and the highest level ever recorded. In 2011, housing subsidies for homeless New Yorkers were eliminated due to the need to close of a $10 billion state budget gap. Federal matching funds were also lost, and the program could no longer be maintained. Since Advantage housing funds were eliminated, 8,500 families and 18,000 children who had subsidized housing under the program have been forced back into the shelter system.

At McSilver, we approach homelessness as a serious physical and mental health issue, which ultimately becomes an expensive living condition from which people seek services. In addition to it costing New York City $3,000 to house a homeless family for one month and $2,300 for an individual adult, emergency room visits, temporary incarceration, and other realities, all too familiar to homeless New Yorkers, are far more costly than investment in subsidized housing and preventative services. Research has shown that investing in subsidized housing in New York City can reduce health costs by 40 to 60%.

In addition to significant health care costs, lack of housing is a significant barrier to employment for homeless individuals. Coordinated efforts linking job training and preparedness along with housing assistance have shown positive results. Our partners at the Nathan S. Kline Institute created an extensive literature review on children and

---

homelessness.\textsuperscript{4} The report highlights recent research that found that homeless and “highly mobile” children who changed residence three or more times in a twelve month period did significantly worse in school than their peers who were also living in poverty, but in more housing secure situations.\textsuperscript{5} Dating back to the mid-90s, studies have found homeless families who receive housing subsidies are far less likely to return to the shelter system\textsuperscript{6} and far more likely to attain long-term stability.\textsuperscript{7}

Per the Center for Housing Policy, an astonishing 59\% of low-income New Yorkers spend over half of their incomes on housing. Under this unfortunate and unsustainable reality, more than 1 in 4 homeless adult New Yorkers are employed, yet without a place to live.\textsuperscript{8} At the same time, homelessness has decreased nationally, including in the forty-eight largest cities, other than New York and Los Angeles. New York’s lack of affordable housing options is a leading cause of the record-level homeless and shelter populations in all five boroughs.

In closing, now is not the time for finger-pointing or assigning blame, even though with tens of thousands of homeless New York families, there is plenty to go around. The City and State must work together to ensure access for all to shelter and assistance through subsidies or other programs. The evidence is clear that having a place to live is a critical component to helping get housing insecure families back on their feet. The McSilver Institute strongly supports any city, state, or federal effort, and ideally the coordinated partnership of resources and services from all three, that will help make this a reality.

Thank you.

\textsuperscript{4} Samuels, J., Shinn, M., Buckner, J., “Homeless Children: Update on Research, Policy, Programs and Opportunities.” \url{http://aspe.hhs.gov/hsp/10/homelesschildrenroundtable/index.shtml} (May 2010).