Housing Works
General Welfare Committee Hearing
September 23, 2009

Thank you for the opportunity to testify today on behalf of the staff, clients and volunteers of Housing Works. Housing Works is the largest AIDS advocacy organization in the country, and we have been providing services to people living with AIDS and HIV in New York City since 1990. We are here today to speak about Resolution 2145 (2009) in support of state legislation to cap HIV/AIDS Services Administration (HASA) clients' rents at 30 percent of income.

It seems that whenever we are in this room talking about HIV/AIDS services, we are talking about housing. This is not a coincidence. Housing is an essential tool in the fight to protect the health of people living with AIDS and HIV. Recent national and local research has confirmed what advocates have always known: people with AIDS or HIV that are stably housed are more likely to attend doctor visits and maintain complex medical regimens, keeping them healthy and increasing their quality of life. In addition, stably housed people with HIV are also less likely to have to resort to behaviors that we associate with HIV transmission, such as trading sex for shelter or money, or increasing their substance use.

In addition, recent research has also shown the cost effectiveness of housing as an intervention. When someone is stably housed, their need to access other services decreases. A randomized control trial recently published in the Journal of the American Medical Association (JAMA) found a 29% reduction in hospitalizations and a 24% reduction in emergency department visits among the homeless people living with HIV/AIDS who received supportive housing in Chicago. The cost of supportive housing for homeless men and women with HIV/AIDS was significantly less than the additional millions of dollars in hospitalizations, nursing home stays and additional services accessed by those who remained unstably housed.

It seems that whenever we are in this room talking about HIV and AIDS services, we are talking about housing. That is not a coincidence. Housing is the single most important intervention we can provide for someone who is poor and living with HIV or AIDS. And yet, we are still trying to convince policy makers what we already know: Stable housing saves lives. Even in this committee, valuable legislation to expand housing eligibility for people living with HIV before they become dangerously ill, HASA for ALL (Int. 691), has been stalled without a hearing for almost two years. While we wait, people with HIV become sick and die in the shelter system. It is time for the City and State to make stable housing a real priority.

Providing quality STABLE housing for poor people with AIDS and HIV is not only the right thing to do, but it saves valuable resources. In times of fiscal crisis, everyone is trying to make ends meet. People on a fixed income are especially vulnerable. Thanks to a short-sighted Pataki-era policy, people with HIV receiving housing assistance from HASA are the *only* New Yorkers expected to pay more than 30 percent, often as much as 60 or 70 percent, of their public benefits (such as Veterans' benefits, or disability) toward their rent. Because of this policy, many people are living on as little as $12 a day.

The 30 Percent Rent Cap bill (S.2664/A.2565) would immediately provide desperately needed financial relief to 11,000 low-income people with AIDS living independently who teeter on the edge of eviction because their rents are not capped. It would also protect all other HASA clients by setting the 30 percent rent cap into law. As it stands, the cap is only being honored for people with AIDS living in supportive housing by verbal agreement, which does not provide long-term protection or stability.

If I may, I'd like to read a short statement by Housing Works' Senior Staff Attorney Armen H. Merjian which succinctly explains the need for this legislation, which he helped to draft:

"As this Committee knows, the 30% cap is critically important to indigent New Yorkers living with AIDS. When HRA and OTDA announced in October 2006 that they would no longer honor the cap, thousands of New Yorkers wondered how they would be able to live, forced to chose between paying rent or paying for the food, clothing, and life's other necessities. Housing Works and attorney Matthew Brinckerhoff worked at break-neck speed to file a class action, federal lawsuit that very month, securing an injunction against the new policy. Months later, with that injunction still in place, new OTDA Commissioner David Hansell announced that the City and State would honor the 30% cap. Still, OTDA's lawyers went to court and insisted that poor people living with AIDS have no right to sue to enforce the 30% cap under federal law. State legislation will unequivocally establish that right under state law, and, in addition, it will extend that protection to so many desperate clients who do not reside in federally funded housing."

Approximately 23 percent of HASA clients on rental assistance are approved for rent arrears payments during the course of a year. Many others simply lose their apartments and become homeless. Passage of this legislation would drastically change thousands of HASA clients' lives. It would allow them to use their income for rent AND much needed necessities. It would allow them to establish stability in the same apartment for more than a few months, not fearing eviction and homelessness. It would prevent people living with AIDS from cycling in and out of unsafe and unhealthy SROs. It would allow them to pay for their medication co-pays, toilet paper and dish soap all at the same time.

We know that individuals on disability are not the only ones trying to stretch resources. Fortunately, this legislation would also allow the city and state to save money that HRA is currently spending on rental arrears, moving costs, eviction proceedings, and high rents for single room occupancy (SRO) units. An analysis by Shubert Botein Policy Associates estimated direct savings of over $19 million from prevented evictions would easily outweigh the projected costs of capping rents at 30 percent.

Please pass Resolution 2145, and tell the Governor and the State legislature to protect people living with AIDS in New York City.

Thank you.

For more information, please contact:

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Testimony for General Welfare Committee Hearing on Council Resolution # 2145 | September 22, 2009

Sean Barry, Director, NYC AIDS Housing Network (NYCAHN)

Thank you for allowing me to speak during today's hearing. NYCAHN strongly supports Assembly bill 2565 and applauds City Council Member Rosie Mendez and Speaker Christine Quinn for introducing this resolution.

City Council's leadership is urgently needed to send a message to Albany that we will no longer allow some of the most vulnerable New Yorkers to lose their homes. The affordable housing bill introduced by Senator Tom Duane and Assembly Member Deborah Glick is the single most important step we can take right now to reduce homelessness and increase housing stability among low-income people living with HIV/AIDS. Although bill has already passed by the Senate by a near-unanimous vote, it could die again in the Assembly Ways & Means Committee. Unless Assembly Speaker Silver and Governor Paterson support the bill, nearly 11,000 low-income New Yorkers living with HIV/AIDS will continue facing the threat of losing their homes due to an unsustainable rent burden.

Put simply, this legislation would create an affordable housing protection for clients of the HIV/AIDS Services Administration (HASA) that would ensure they pay no more than 30 percent of their income (e.g. SSDI, SSI and Veteran's benefits) towards their rent.

The "30 percent rent cap policy" already exists for HASA clients in supportive housing programs. It also exists in similar housing assistance programs in New York, including public housing and Section 8. But here is how HASA's rental assistance program works – there is no cap on the percentage of income required for rent; instead, clients are required to spend down to $344 per month, no matter how much disability income they receive, with the rest going towards rent. This leaves HASA clients with about $11 per day for all other expenses.

Here are some key points about what this legislation would accomplish:

- ***Save New York money.*** Approximately $12 million will be saved annually by reinvesting money currently spent on expensive emergency housing into stable, affordable housing instead. The reality is that the status quo is unaffordable - It costs the government over twice as much to house someone in a commercial SRO than it would be to pay a fair level of rental assistance.

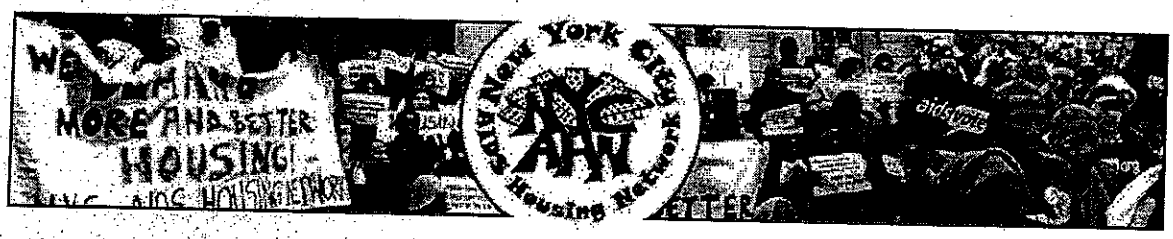
- ***Promote affordable housing.*** Nearly 11,000 low-income people living with HIV/AIDS face the threat of losing their homes because HASA forces them to pay too much of their disability income for rent. The federal Department of Housing and Urban Development (HUD) and most NYC housing assistance programs define affordable housing as paying no more than 30% of income towards shelter costs.

- ***Reduce homelessness and support longer-term housing stability.*** Homelessness among HASA clients has been on an upward trajectory during the past several years, with a 20-30% increase in commercial SRO occupancy rates between 2007 and 2009 despite no overall increase in HASA's case loads. Many HASA clients are caught in a cycle of homelessness because they cannot afford to pay over 60% or more of their income towards rent each month. However, analysis of HASA data on the length of stay in different housing programs shows that an affordable housing protection improves housing stability by at least 40% (Shubert Botein Policy Associates).

- ***Fight HIV/AIDS by improving health and HIV prevention outcomes.*** Housing stability makes it easier for a person with HIV/AIDS to take their medication, make medical appointments and maintain healthy relationships. For example, a landmark research study sponsored by HUD/CDC that examined the benefits of housing stability among people with HIV/AIDS found a 35% reduction in emergency room visits and a 44% reduction in opportunistic infections.

- ***Fix the double standard in New York's low-income housing and shelter assistance programs.*** HASA's rental assistance program is the only one of its kind that does not cap the tenant rent share at 30% of income. For example, Section 8, public housing and supportive housing all cap the tenant rent share at 30% of income.

- ***Stop forcing impossible trade-offs between basic needs.*** Low-income people with HIV/AIDS in HASA's rental assistance program are only allowed to keep $344/month *or about $11/day* from their disability income after rent. This forces them to make tough choices between buying groceries, visiting the doctor or keeping their phone turned on – or even paying the rent, which is why there are such high arrears and evictions among HASA clients.



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Testimony for City Council General Welfare Committee Hearing on Resolution #2145 | September 23, 2009

Wanda Hernandez, NYCAHN Campaign Leader

My name is Wanda Hernandez and I'm from the Bronx. I'm a member of the New York City AIDS Housing Network (NYCAHN), a membership organization led by low-income people living with HIV/AIDS and housing providers dedicated to addressing the root causes of the epidemic.

Thank you to Council Member Mendez and Speaker Quinn for introducing this vitally needed resolution, and to the committee for holding today's hearing.

I am a single, minority, educated woman who worked for 30 years. I've held a variety of jobs, including Administrative Assistant earning $32,000 per year before becoming disabled. I was diagnosed in 1995 and got on HASA in late 2001 when I could no longer work and didn't know how to support myself.

As a HASA client, I pay 71% of my SSD check each month towards rent. Most clients in my situation are left with $344 per month or about $11 per day. But I have to get by on even less because HASA is recouping me for Con Ed bills that I couldn't afford to pay. I don't even see my yearly increases in SSD because HASA just applies it to my rent.

Unfortunately, HIV is not my only health condition. I also suffer from chronic pain, asthmas, arthritis and work-related carpal tunnel. I have no family support. But the amount of money HASA leaves me after I pay my rent is not enough to cover all my expenses – it's very difficult to make ends meet. Once I pay one bill with the limited amount of money I have after rent, I can't always pay the next. There's not enough money left over to clothe myself, get toiletries or make copayments when I have medical appointments. Sometimes I even have to cancel primary care appointments because I can't afford to get there. Even simple things I can't afford – I still owe my 8-year old grandson a Christmas gift from last year.

All of this has a negative impact on my health. Not knowing where the money is going to come for the next bill or medication or how to replace something that's broken is very stressful, and that makes survival more difficult.

If this bill became law it would mean I could go to the doctor when needed, not just when I could afford to. It would mean I wouldn't have to choose between the electricity bill and the phone bill. It would mean I could afford to buy toiletries or

clothes I need for a decent life. I could focus on staying healthy instead of feeling the stress and anxiety that my current living situation creates.

It's not my health conditions that make me wonder how I can survive each morning when I wake up, it's the money HASA leaves me with that makes it so difficult for me to live.

HOUSING AND HIV: IMPLICATIONS FOR CARE AND PREVENTION

Angela Aidala, PhD
Mailman School of Public Health,
Columbia University

Hearing on Proposed 30% Rent Cap for People with Clinical HIV/AIDS Receiving Shelter Assistance or an Emergency Shelter Allowance

September 23, 2009

INTRODUCTION

The goals of this presentation are to:

- Review findings from NYC and national studies on the relationship between housing status, risk behavior, health care, and health outcomes among HIV positive persons
- Examine some implications of the proposed policy change on financial instability, housing instability and housing loss among persons living with HIV/AIDS in New York City

NYC & National Research Studies

Community Health Advisory & Information Network (CHAIN) Project

- Multi-stage probability sampling – representative of larger population of persons living with HIV/AIDS in NYC
- Includes 1661 PLWHA randomly recruited from clinics and agencies in 1994, 1998, 2002 and interviewed yearly

HRSA SPNS/ HUD HOPWA Multiple Diagnoses Initiative

- Interviews conducted with clients of program throughout U.S. providing health and social services to low income PLWHA
- Baseline information from 3191 clients from 24 projects and follow-up data from 891 clients from 16 projects - 1996-2000

MEASURING HOUSING STATUS

- **HOMELESS**
  - -- sleeping in the street, park, abandoned building
  - -- in a public place (e.g. subway) not intended for sleeping
  - -- in a shelter for homeless persons
  - -- in a SRO or welfare hotel
  - -- in jail with no other address
- **UNSTABLY HOUSED**
  - -- in transitional housing, resident treatment, halfway house
  - -- doubled up with other people
- **STABLY HOUSED**
  - -- own, secure housing in regular apartment or house
- **Also ask about housing problems**
  - -- can't pay rent, facing eviction for any reason, unsafe situation etc

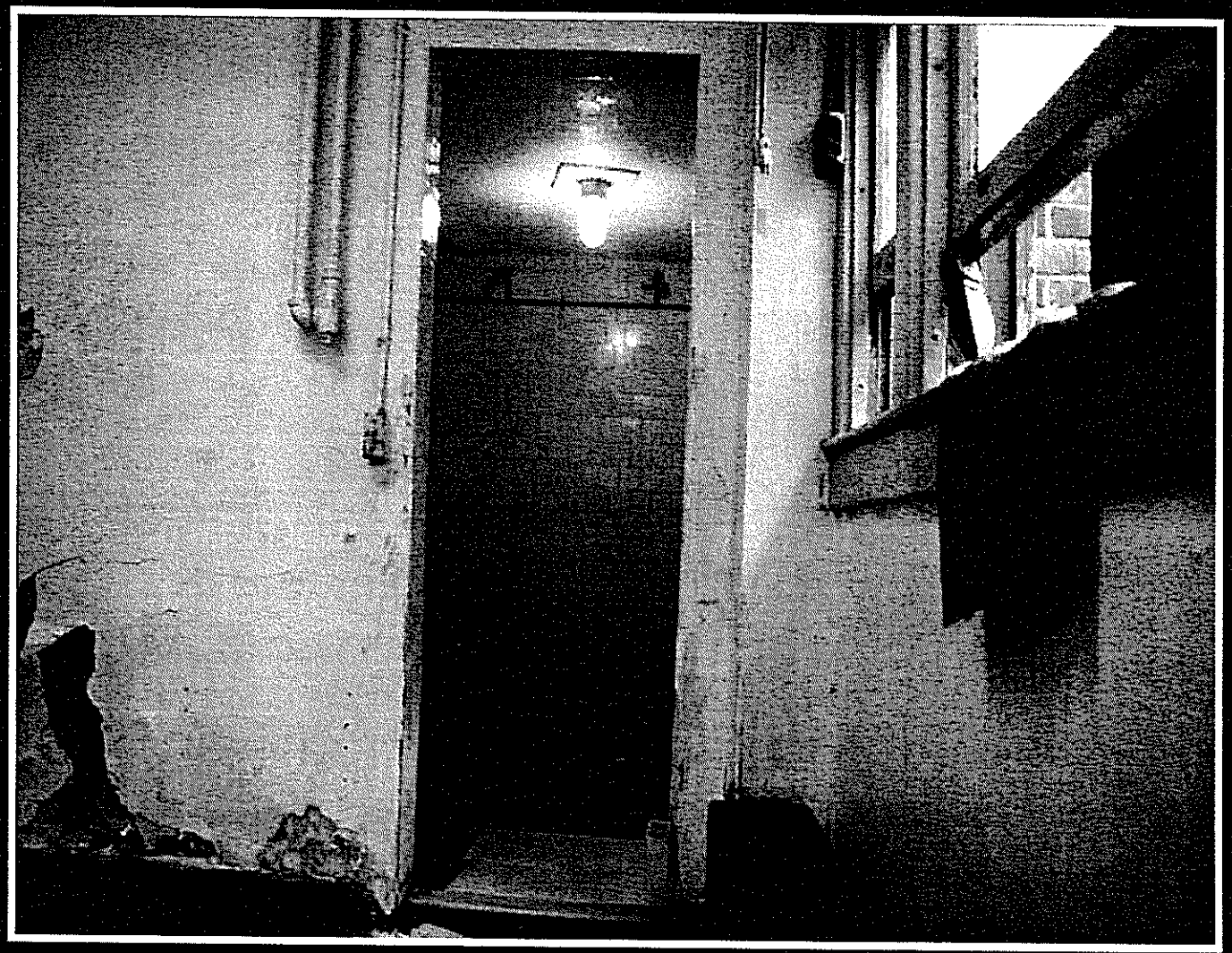
HOUSING NEEDS WIDESPREAD

- **In New York City:**
  - -- Approx 50% each NYC cohort were homeless or unstably housed during the year they were diagnosed with HIV
  - -- Over 60% experienced unstable housing or homelessness over the course of their illness
  - -- In NYC, at any point in time 25%-35% of all PLWH are homeless/ unstably housed or at risk of housing loss
  - -- From a system perspective rates of housing need remain high - as some PLWH get housing needs met, others develop housing problems

HOUSING ASSISTANCE MAKES A DIFFERENCE

- Accessing agency- based housing services significantly improves one's chance of securing stable, adequate housing
- The strongest predictor of obtaining housing and of staying in housing is receipt of rental subsidy
- Supportive services are as important as rental assistance successfully maintaining stable housing
- Housing assistance strongly associated with reduction in sex and drug risk behaviors, and improved medical care and health outcomes

FINDINGS: HOUSING & RISK BEHAVIORS



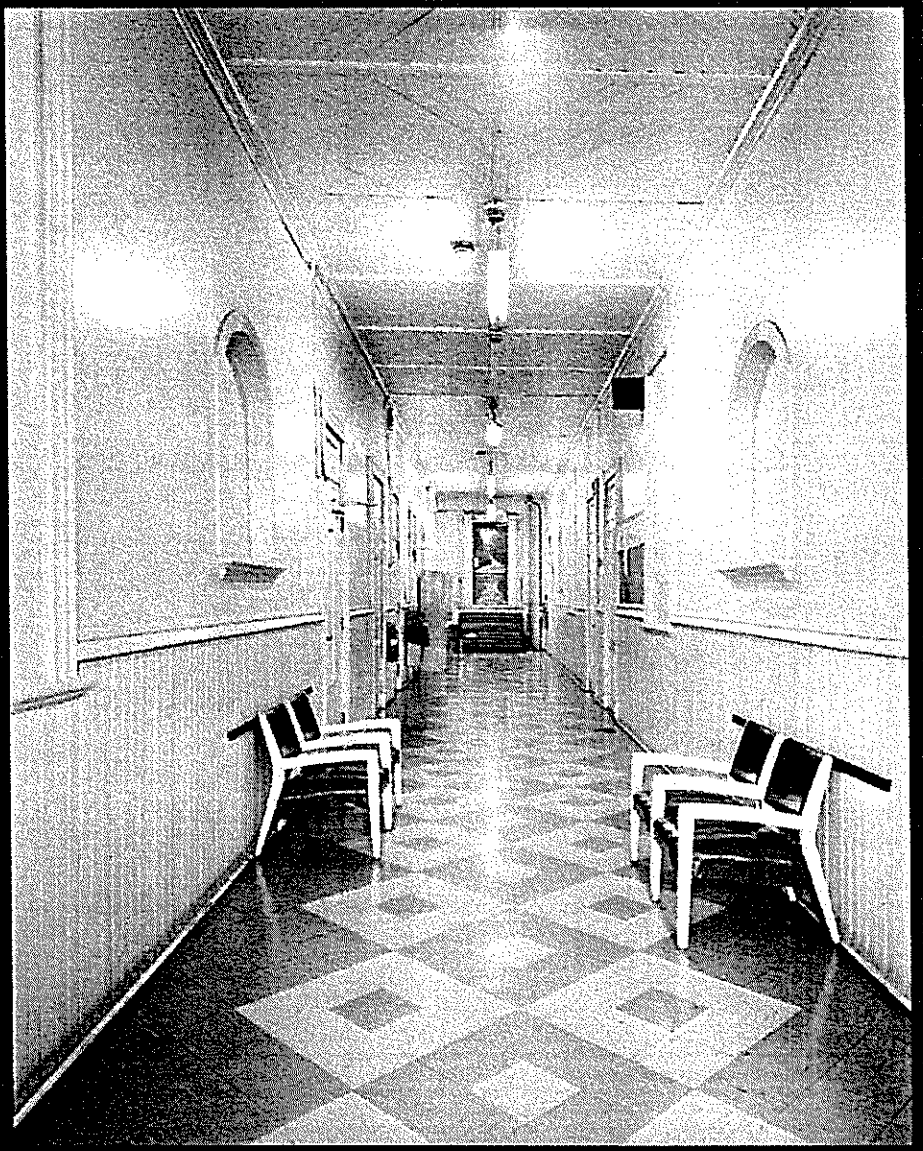
HOUSING & RISK BEHAVIORS

- In NYC and nationally research shows a direct relationship between housing status and risk behaviors
- Homeless or unstably housed persons were 2 to 6 X more likely to use hard drugs, use needles, share needles, have unprotected sex and/or exchange sex than stably housed persons
- The association of risk behaviors with housing status remains controlling for a wide range of client demographic, health, and service use variables
- There is an apparent "dose-relationship" with the homeless at greater risk than the unstably housed, and both of these groups at greater risk than the stably housed

HOUSING IS HIV PREVENTION

- Overtime studies show a strong association between change in housing status and risk behavior change
- For most indicators, persons who improved housing status reduced risk behaviors by half; while persons whose housing status worsened were 4 times as likely to exchange sex
- Access to housing also increases access to antiretroviral medications which lowers viral load and reduces risk of transmission

FINDINGS: HOUSING & MEDICAL CARE



HOUSING & MEDICAL CARE

In both the CHAIN sample and the national sample

- Unstable housing is associated with delayed entry into care and discontinuous care - dropping in and out of care and/or changing providers often
- Homeless or unstably housed individuals are less likely than other PLWHA to be receiving medical care that meets minimum clinical practice guidelines
- Homelessness /unstable housing is one of the most important barriers limiting the use of antiretroviral combination therapy

HOUSING & HEALTH OUTCOMES

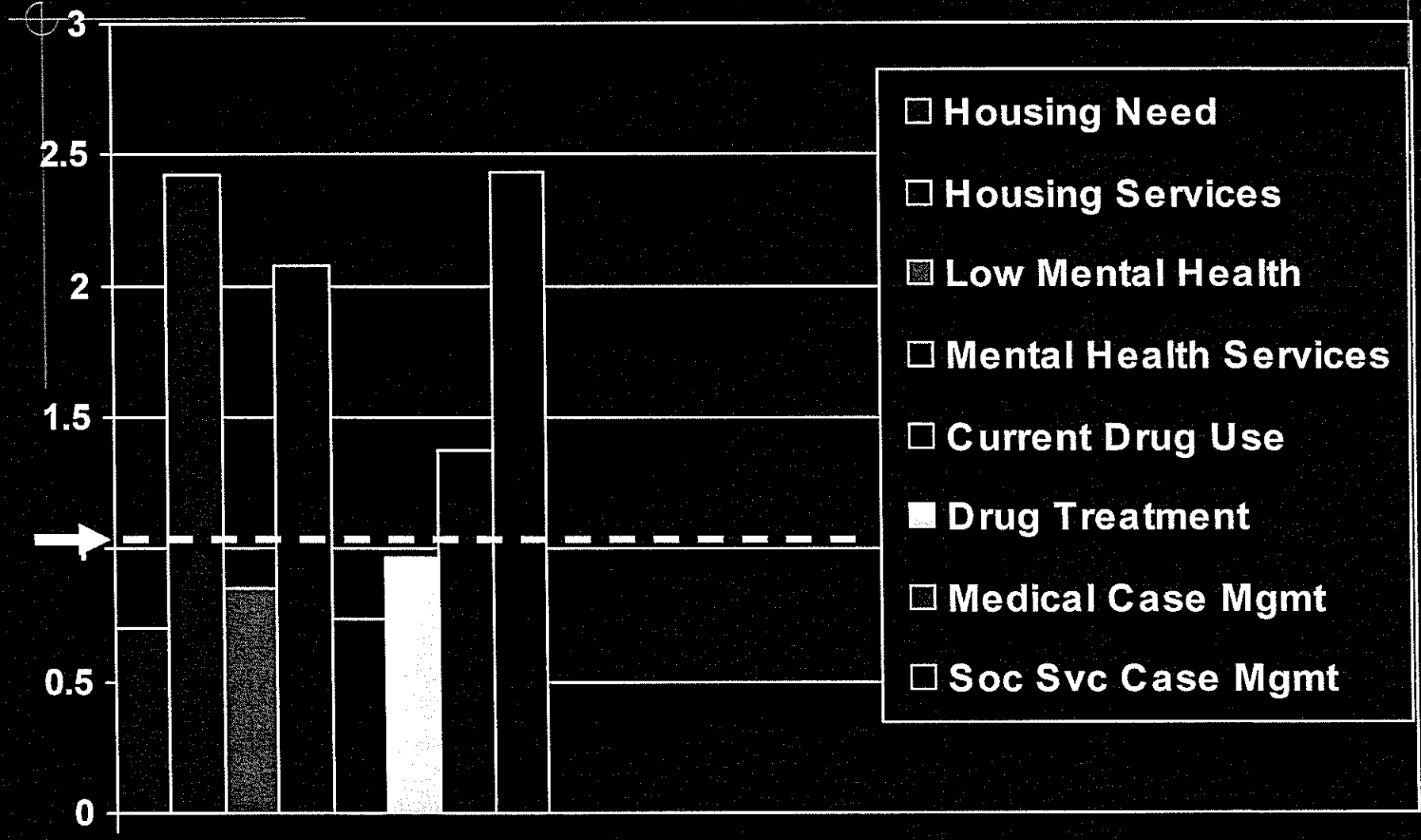
- High viral load, recent opportunistic infection, and hospitalization for HIV related disease are associated with homelessness/ unstable housing
- Homeless/ unstably housed PLWHA have higher rates HCV, other co-morbidities
- Mortality studies: All-cause death rate among homeless PLWHA is 5 times the death rate for housed PLWHA

Housing Improves Access to Medical Care

	Any Medical Care	Appropriate Clinical Care
HOUSING NEED	**0.70 ****	**0.71 *****
HOUSING ASSISTANCE	**2.42 *****	**1.53 *****
Low mental health functioning	(0.85)	**0.80 ****
Current problem drug use	**0.74 ***	**0.73 *****
Mental health services	**2.08 *****	**1.43 *****
Substance abuse treatment	(0.97)	**1.28 ***
Medical case management	(1.38)	(1.09)
Social services case management	**2.43 *****	**1.70 *****

N=1651 individuals, 5865 observations, 1994 - 2007. Models control for demographics, economic resources, risk group, health status, insurance status, transportation services, year of HIV dx, year of cohort enrollment

Increasing the Odds of Accessing HIV Primary Care

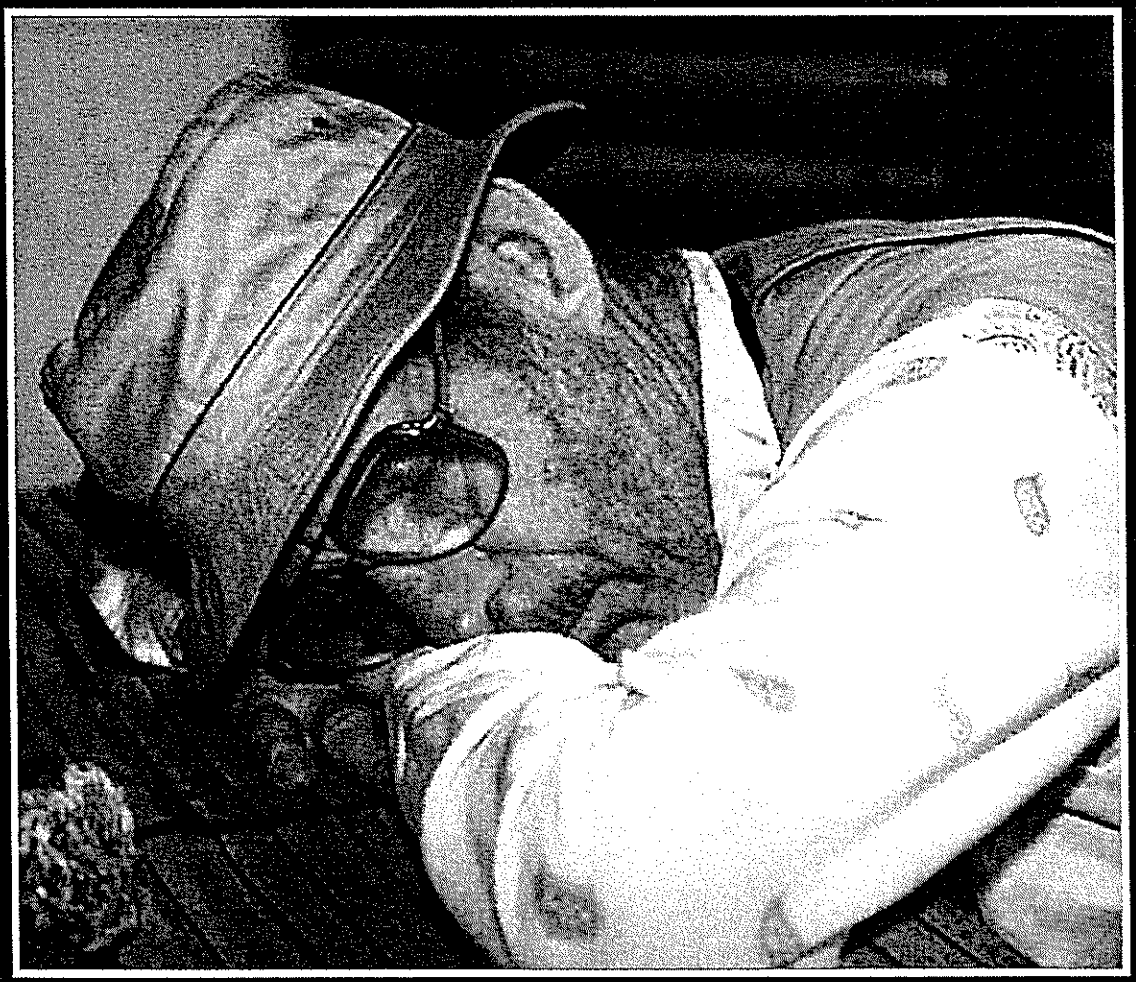


HOUSING
Predicts Improved Medical Care Outcomes

Entry into Medical Care		Retention in Care
Entry into any Medical care	*Entry into care that meets clinical guidelines*	*Continuity of appropriate medical care and services*
Housing Assistance	Housing Assistance	Housing Assistance
Soc Svc Case Mgmt	Soc Svc Case Mgmt	Soc Svc Case Mgmt
Mental health services		Mental health services
		Drug Treatment

N=1651 individuals, overtime analysis 1994 - 2007. Models control for demographics, economic resources, risk group, health status, insurance status, transportation services, year of HIV dx, year of cohort enrollment

Challenges faced by PLWH Receiving HASA Rental Assistance



Challenges of PLWH Receiving HASA Rental Assistance

- 43% Household below federal poverty line
- 43% Not enough money for food, utilities, or un-reimbursed medical care needs at least once past 6 months
- 36% Report housing problems, need for assistance
- 57% Physical health functioning ="disabled"
- 48% Clinically significant mental health needs

N=247, CHAIN new cohort 2002

Summary

- HIV positive persons with housing problems are more likely to engage in sex and drug risk behaviors, are less likely to be engaged in appropriate medical care
- Overtime analyses show improvement in housing situation is associated with reduction in risk behaviors and positive change in medical care outcomes
- Loss of housing or lack of change associated with increased in risk behaviors and less appropriate (or no) use of medical services
- Findings suggest that the condition of homelessness, and not simply traits of homeless individuals, influences risk behaviors and service utilization

Policy Implications

- Provision of housing is a promising structural intervention to reduce the spread of HIV as well as improve the care and well being of infected persons
- Cost of rental assistance and supportive services offset by social and economic costs of ongoing HIV transmission, inappropriate medical care and HIV treatment failure among significant proportion of HIV infected population

HOUSING IS PREVENTION AND CARE

New York State

PLWHA Affordable Housing Legislation

(Bill #: A02565; S2664)

Cost Analysis

Prepared by Ginny Shubert

Shubert Botein Policy Associates

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March 2009

Assumptions: HASA Clients

Income Assumptions	Monthly income*	% HASA cases**
SSI monthly benefit	645	29.0%
SSDI average monthly benefit	750	13.6%
Veterans average monthly benefit	801	0.5%
		43.1%
Rental Cost Assumptions	# HASA cases**	Monthly rent*
Standard Rental Assistance	1,568	75
Enhanced Rental Assistance	1,081	685
Above Enhanced Rental Assistance	8,159	1164***
# of HASA cases rental assistance cases	10,807	

* HASA FOIL Response - data at February 2008

** March 2008 HASA Facts

*** 2007 HUD FMR for 1 bedroom = $1069

Current Rent Burden

Public Assistance Budget	Enhanced RA	Above Enhanced RA
Food & Other	330	330
Rent	685	1164
Total PA budget	1015	1494
SSI Recipient		
Less SSI benefit	645	645
Amount of rental assistance	370	849
Client's rent burden	49%	49%
SSDI Recipient		
Less average benefit	750	750
Amount of rental assistance	265	744
Client's rent burden	56%	56%
Veterans' Benefits		
Less average benefit	801	801
Amount of rental assistance	214	693
Client's rent burden	59%	59%

Incremental Rent Cost @ 30%: Per Person

SSI Recipient	Enhanced RA	Above Enhanced RA	Annual Cost
Average SSI Benefit	645	645	
Rent at 30%	194	194	
Amount of rental assistace	492	971	
Incremental government cost	122	122	$1,458
SSDI Recipient			
Average SSDI Benefit	750	750	
Rent at 30%	225	225	
Amount of rental assistace	460	939	
Incremental government cost	195	195	$2,340
Veterans' Benefits			
Average Veteran's Benefit	801	801	
Rent at 30%	240	240	
Amount of rental assistace	445	924	
Incremental government cost	231	231	$2,768

Incremental Rent Cost @ 30%: Total for 10,807 PLWHA

Incremental monthly cost	Incremental annual cost	NYC share 50% City	NYS share 50% State
$1,348,632	$16,183,589	$8,091,795	$8,091,795
5.6%	5.6%		

Average Length of Stay (days) by housing type

Summary of 12-Month period: March 2007 - February 2008

	Avg days	Avg months
Congregate	779	26.0
NYCHA (30% rent cap)	1,176	39.2
Scattersite I (30% rent cap)	1,180	39.3
Scattersite II (no rent cap)	844	28.1
Emergency Housing	94	3.1
Transitional Housing	83	2.8

Data provided in response to FOIL request

Note: The length of stay (LOS) in NYCHA and Scattersite I housing is 1.4 times the LOS in Scattersite II

Rent Arrears Costs

Rental Arrears payments by HASA

Summary of 12-Month period: March 2007 - February 2008

Number of Approved Requests	2,491
Amount paid	$4,714,414
Average amount paid	$1,893

Data provided in response to FOIL request

Estimated Cost per Eviction

	Cost	Assumptions
Emergency Housing	$12,736	159.2 days* @ $80/day ($2,500/month)
Lost Security Deposit	$1,164	Average rental assistance**
New Security Deposit	$1,164	Average rental assistance**
Moving/Establishment of Home	$500	
Total	$15,564	

*Per 4th Quarter 2008 HASA Report

** 2008 HASA FOIL

Estimated Cost Savings

Estimated Cost Offsets	
Based on costs of eviction alone	
Cost per eviction	15,564
# of avoided evictions to offset cost	1,040
Percentage of recipients	9.6%
Total projected savings	16,183,589

Or Based on costs of arrears & evictions

		Cost per case	Total cost
Assume 20% eviction rate	2,161		
50% retain apartment due to rent arrears	1,081	1,893	2,045,827
50% lose apartment through eviction	1,081	15,564	16,820,521
Total projected savings			18,866,347

Note: On average, the # rental arrears payments due to eviction = 23% of the # of rental assistance cases with income

SHUBERT BOTEIN **POLICY ASSOCIATES**

Testimony of Virginia Shubert
Before the
New York City Council Committee on General Welfare
September 23, 2009

Thank you Chairperson de Blasio and members of the Committee on General Welfare, for this opportunity to testify before you regarding proposed Council Resolution 2145-2009, calling on the New York State Assembly and Governor Paterson to enact legislation that would provide affordable housing protection for New Yorkers living with HIV/AIDS who rely on federal disability or veterans' benefits for survival. My name is Virginia Shubert, and I am a principal of Shubert Botein Policy Associates, a public policy consulting group.

Since 2008 I have been examining the potential cost impact of the proposal to cap rent contributions by HASA clients at 30% of household income. The attached analysis is based on data maintained by HASA during the period March 2007 through February 2008, which I received in response to a Freedom of Information Law request. Additional data were gathered from the HASA Fact Sheet for the month of March 2008. Although the current number of HASA clients with an uncapped rent obligation may have risen slightly, that change does not impact the cost analysis presented here.

From the data we have, we know that:

- Approximately 11,000 of the PLWHA who receive a shelter allowance through HASA have disability income (SSI, SSDI or Veterans' benefits) and therefore contribute a portion of income towards rent.
- As reflected in the attached spreadsheet, we are able to estimate that 10% of clients with these types of income receive standard rental assistance (basis shelter allowance of $215/month); 15% receive enhanced rental assistance for PLWHA (at an average rent of

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$685/month); and 75% receive above enhanced rental assistance (at an average rent of $1,164/month).

- Currently, PLWHA with income are allowed to keep only $344 of their disability income (approximately $11/day) to meet all non-rent needs, and must pay the balance of his/her monthly benefit towards rent. This means that a PLWHA on SSI must pay 55% of his/or income towards rent; PLWHA receiving $1,000 in monthly SSDI or Veterans' benefits must pay 66% of income towards rent, and all cost of living increases in these disability benefits simply increase rent burden rather than assisting the individual to meet basic needs
- During the 12-month period March 2007 – February 2008, HASA approved 2,500 rent arrears requests, at a total const of $4.7 million (an average of $1,893 per request).
- This indicates at least 23% of all HASA clients with a rent obligation fall seriously into arrears each year and require emergency assistance to prevent housing loss.
- We know that an additional number of clients experience housing loss as a result of rent arrears – either because they do not seek help or are unable to address the housing crisis through the arrears process – though I have been unable to get any data from HASA on housing loss among rent-burdened PLWHA.
- Nor have I been able to obtain data on stability (average length of stay) among this group.
- However, the FOIL data do show that the length of stay among clients in NYCHA and Scatter Site I programs (where rent contribution is capped at 30%) is 1.5 times longer than length of stay in Scatter Site II programs where there is no rent cap.
- Harlem United has conducted an analysis that indicates that housed clients whose rent burden is capped at 30% are twice as likely to make timely rent payments as clients whose rent burden remains uncapped.

Given these facts, the attached analysis conservatively assumes that a lowered rent burden would prevent housing loss among at least 10% of the 11,000 rent-burdened HASA clients. Stated another way – it assumes that at least 10% of rent-burdened clients suffer a housing loss during the course of one year, and as a result fall into the emergency housing system. According to the FOIL data, the average length of a client's stay in the emergency SRO system is159 days. This simple analysis estimates the cost to the City and State of 159-day emergency SRO housing stays for 1,081 clients (10% of the 10,807 clients with a rent burden of 55% or more) – compared to the cost to the City and State of maintaining these clients in independent housing through

implementation of the proposed 30% rent cap.[1] HASA estimates that the average cost/day for emergency housing is $55. In comparison, the average cost to the City/State in rental assistance under the proposed legislation would be $24/day. As you can see, this translates into an immediate cost saving of approximately $4 million over the 159-day period, and annualized savings of approximately $12 million.

Note that these savings would be realized immediately – as spending is shifted from expensive emergency housing costs to more appropriate independent living costs.

Other cost considerations

Finally, just a few words on the additional data included in the attached spreadsheet.

First, while HASA has not produced data on housing loss among rent-burdened clients, it is interesting to note that the number of client placed in the emergency SRO system went up significantly (27%) between 2007 and 2009, despite a level overall HASA caseload. While the number of clients in the SRO system varies considerably from month to month, it is disheartening to note the continued substantial reliance on these costly and inappropriate settings.

Second, it is important to bear in mind the other "costs" of inefficiency in the otherwise-excellent NYC/NYS rental assistance program for PLWHA. As others will testify, there is a substantial body of evidence that shows a strong association between housing instability, health outcomes, and HIV risk behaviors. Thus, greater stability among this group of HASA clients will likely result in reduced viral loads and risk behaviors. Each new infection involves enormous human suffering and an estimated $300,000 in health care costs alone. Greater housing stability would likely translate into reduced risk and averted infections. As outlined in the spreadsheet, even a modest reduction in the transmission rate among PLWHA impacted by this program could produce "additional" savings in public health care costs of an estimated $16 million per year.

[1] A more thorough SBPA analysis of incremental costs compared to anticipated savings is available on request.

Potential cost savings associated with proposed 30% rent cap				
Prepared by Shubert Botein Policy Associates (gshubert@shubertbotein.com)				
Assumption: an ongoing eviction rate of at least 10% among rent-burdened HASA clients				
	Total # HASA Clients on Rental Assistance	SRO costs for 1,081 clients with an average stay of159 days: average City/State cost = $55/Day	Compared to 159 days of ongoing rental assistance for 1,081 clients w/ client's portion capped at 30%: average City/State cost = $24/day	
SSI	7,272	$6,359,145	$2,738,732	
SSDI	3,410	$2,982,220	$1,284,371	
Veterans' Benefits	125	$109,640	$47,220	
Totals	10,807	$9,451,006	$4,070,323	Costs for 159 days
			$5,380,683	Difference for 159 days
		$21,398,504	$9,215,826	Annualized costs
			$12,182,678	Annualized difference
Sources:				
HASA FOIL Response data for March 2007 - February 2008				
March 2008 HASA Facts				
Actual increase in # of clients in SROs - April 2007 to March 2008				
(While the # of clients served by HASA remained constant)				
Apr-07	Mar-09	Increase	% Increase	
777	985	208	27%	
Cost of increase	Monthly cost	Annual cost		
	$1,818,960	$21,827,520	27%	
Estimated costs of increased HIV risk behaviors				
Assuming 5% annual transmission rate among 1,801unstably housed persons:				
Expected transmissons	54			
Lifetime healthcare costs	$300,000			
Total healthcare costs	$16,215,000			

FOR THE RECORD

FEDERATION OF PROTESTANT WELFARE AGENCIES

TESTIMONY

of

The Federation of Protestant Welfare Agencies

Before the
New York City Council General Welfare Committee

Public Hearing on Resolution 2145

September 23, 2009

Prepared by:

Esther W. Y. Lok
Assistant Director of Policy, Advocacy and Research and
Senior Policy Analyst for HIV and AIDS

My name is Esther Lok and I am the Assistant Director of Policy, Advocacy and Research and Senior Policy Analyst for HIV and AIDS at the Federation of Protestant Welfare Agencies (FPWA). For 87 years, FPWA has been a leading policy advocate for individuals and families served by our almost 300 member human service agencies and churches in and around New York City. FPWA promotes the social and economic well-being of greater New York's most vulnerable by strengthening human service organizations and advocating for just public policies.

I would like to thank the City Council for the opportunity to submit testimony on Resolution No. 2145, which calls upon the New York State (NYS) Assembly to pass A.2565. The proposed NYS legislation is intended to amend the New York State Social Services Law to limit the amount of income that persons living with clinical/symptomatic HIV or AIDS who are receiving monetary assistance for their shelter are required to contribute towards the cost of shelter.

FPWA believes that A.2565, with a companion bill, S.2664 which passed the Senate in July 2009, should become law because it not only alleviates the financial burden of low-income persons living with HIV or AIDS, but it is also a cost-saving measure that will benefit both the City and State governments of New York.

Under this bill, the rent paid by low-income persons with HIV or AIDS who are receiving rental assistance through New York City HIV/AIDS Service Administration (HASA) would be capped at 30 percent of their household income. Currently, HASA clients who receive income through Supplemental Security Income, Social Security Disability Insurance or Veteran's Benefit pay an average of half or more of their income towards their rent. *In some cases, these clients are left with $300 per month or $11 per day to live on, forcing them to make extremely difficult decisions, such as choosing between paying their medication, food or shelter.*

The existing policy is in contrast to tenants in other enhanced rental assistance program, such as supportive housing, NYC Housing Authority and Section 8, where the

rent share burden is calculated at 30% of income, which is the HUD-established standard for affordable housing. It also leads to disproportionate rates of rent arrears and eviction among HASA clients receiving rental assistance. HASA ultimately pays either the cost of rent arrears or moves clients who have been evicted into emergency housing that costs an average of 2.5 times as much as a private market apartment.

Consider the following scenario that was developed by Shubert Botein Policy Associates in August 2009:

Of the total current number of HASA clients (10,807), assume the eviction rate of this group on average is 10%. This means that about 1,081 HASA clients are evicted because they can no longer afford to pay more than 30% of their total income towards the cost of shelter. Assume these clients are then transferred to Single Room Occupancy (SRO) units for a maximum of 159 days at $55 per day. The cost for NYC for each evicted HASA client would be $8,745, and the total cost for NYC for 1,081 HASA clients would be more than $9 million. However, if this group of clients continues to receive rental assistance for 159 days, the cost to NYC would only be about $4 million -- $5 million less than the cost incurred as a result of eviction.

A.2565 will directly help New York save money by reducing the frequency of evictions and rent arrears. According to the National AIDS Housing Coalition[1], the prevalence of HIV and AIDS is up to nine times higher among persons who are homeless or who have unstable housing. Research findings demonstrate that stable and permanent housing is essential to treatment adherence and favorable health outcomes for persons with HIV or AIDS. This bill will help promote housing stability which will indirectly save on cost of emergency room visits and inpatient admissions.

FPWA believes a limit on the amount of household income paid towards rent will allow medically-vulnerable, low-income New Yorkers with HIV or AIDS to stay in stable housing, while retaining sufficient resources to meet medical and related needs. FPWA

[1] http://www.nationalaidshousing.org/HousingandHIV-AIDSResearchSummit.htm

urges the City Council to pass Resolution 2145 and help advocate for the enactment of A.2565/ S.2664 into law.

Thank you for the opportunity to present testimony on this subject matter.

GMHC

GAY MEN'S HEALTH CRISIS

TESTIMONY TO THE NEW YORK CITY COUNCIL IN SUPPORT OF RESOLUTION #2145

COMMITTEE ON GENERAL WELFARE

Sep 23, 2009

Good morning and thank you for this opportunity to testify before your committee today.

Gay Men's Health Crisis (GMHC), the nation's oldest provider of services for people with HIV/AIDS strongly urges the New York City Council to pass this important resolution. Stable housing plays a crucial role in the ongoing health and well-being of people living with HIV/AIDS. Housing benefits, such as those provided by New York City's HIV/AIDS Services Administration (HASA), help clients reduce high-risk behaviors and adhere to HIV treatment.

While we recognize the important role that HASA plays in maintaining the health and well being of PLWHA, it remains the only rental assistance program of its kind in New York State that does not have an affordable housing protection capping tenant rent share at 30% of income. This means that clients receiving benefits from HASA who also have other forms of income – including SSI, SSDI, veteran's benefits or work – are forced to pay all but $330 of their monthly income towards their rent. This leaves these clients with an unlivable budget of $11 a day.

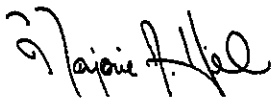
As you can imagine in New York City $11 dollars a day does not go very far. As James Lister, a GMHC client advocate who receives HASA benefits put it, "To say I have difficulty making ends meet would be an understatement. Even when my SSD increases for inflation HASA just takes more for rent so that my monthly income remains the same. After rent each month I worry about how to pay for bare necessitates. It used to be that an extravagance I saved up for was a vacation; now its things like dish sponges, light bulbs, deodorant, pens, house-cleaning supplies, underwear, socks, winter shoes, or the ultimate luxury of a cup of coffee with a friend. About four years ago I started wearing clothes from friends who have died. And two years ago, I was forced to start collecting bottles and cans to save money. I live in constant fear that I could fall behind in rent and lose the apartment that has been my home for more than 30 years."

Jim's case is not an isolated one, about 11,000 low income New Yorkers living with HIV/AIDS receiving benefits from HASA who also have other forms of income must currently pay in excess of 30% of their income towards rent. Current allocation of benefits makes it difficult for them to remain stably housed. In fact, HASA records show that while the total number of clients remained constant from April 2007 – March 2009 there was a 27% increase in the number of clients who were unstably housed. A recent study by Shubert Botein Policy Associates indicates that the legislation supported by this resolution can save New York $12 million annually by reducing costly arrears and evictions that drive up the number of HASA clients who are unstably housed in commercial Single Resident Occupancy units.

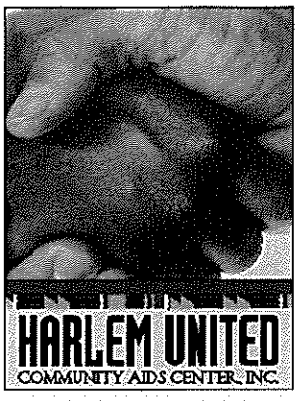
It is time to act, GMHC calls on the state to standardize HASA benefit calculations to be consistent with federal Department of Housing and Urban Development (HUD) policy, specifying that clients pay 30% of

their income towards rent. The legislation supported by this resolution will accomplish this goal, save money and allow people living with HIV/AIDS to stay in their homes and better afford to live in our expensive city. More stable housing will make it easier for people maintain HIV treatment adherence and stay healthy.

Thank you again for this opportunity to testify.



Marjorie J. Hill Ph.D.
Chief Executive Officer



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Prevention Fax: 212-860-9280

COBRA Community
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TESTIMONY FOR THE NEW YORK CITY COUNCIL GENERAL WELFARE COMMITTEE

By

SORAYA E. ELCOCK
VICE PRESIDENT FOR POLICY AND GOVERNMENT AFFAIRS
HARLEM UNITED COMMUNITY AIDS CENTER

SEPTEMBER 23, 2009

Good Morning, my name is Soraya Elcock and I am the Vice President for Policy and Government Affairs at Harlem United Community AIDS Center. Let me begin by thanking Councilman Deblasio and the General Welfare Committee for sponsoring this resolution that urges the NYS Assembly to pass and Gov. Paterson to Sign the "30% Rent Cap Bill" for People Living with HIV/AIDS who Receive Shelter Assistance

You may know that Harlem United provides a full range of medical, housing, prevention, and supportive services predominantly to African-American and Latino individuals living with HIV/AIDS, whose diagnoses are often complicated by addiction, mental illness, and homelessness. Each year we touch the lives of more than 6,000 people through an array of services and locations, including two Adult Health Care Centers and a full continuum of housing options from emergency transitional to permanent housing, utilizing both congregate and scattered site models.

We provide our clients with a comprehensive model of care that includes HIV testing; treatment and education; primary medical care; substance use counseling; mental health services; and a range of expressive therapies. We are proud of our long and successful track record of delivering evidence-based, outcomes-driven, comprehensive, and medically-necessary care in a cost-effective and supportive setting.

"Housing is healthcare". "Housing is prevention." "Housing saves lives." These statements are not rhetorical; we all know they are factual. The research and data demonstrates their truth and if we are serious about improving the lives of PLWAs in our State, then we must adopt policies and laws that support fair and affordable supportive housing to some of our most vulnerable New Yorker's living with HIV/AIDS.

The "30% Cap" bill that is pending in the NYS Assembly is a critical piece of legislation that needs to be passed **NOW**. I applaud and thank the members of the General Welfare Committee for introducing the resolution that should send a wake up call to your colleagues in Albany to pass this bill that caps the rent of people in supportive housing at 30 percent of their income. I want to focus on three key reasons why this is important;

1. **First, it is the right thing to do.** The bills introduced by Senator Tom Duane and Assemblywoman Debra Glick, would establish the same affordable housing protections for low-income PLWHAs that individuals in other rental assistance programs benefit from by capping HASA client's rent contribution at 30% of income. Currently, the over 11,000 HASA clients who receive supplemental income, do not have a cap on the percentage they pay towards their rent. For some, this amounts to upwards of 70% of their income going towards their rent leaving as little as $11 dollars a day for individuals to live on.

Let me be clear, this is not an issue of PLWAs not wanting to contribute towards their rent. A study of rent collection at Harlem United showed that only 40% of HASA clients whose rent was NOT capped were able to contribute to their rents versus 85% of clients whose rents are capped at 30 percent of their income. This is an issue of different and clearly unfair standards for poor New York residents living with AIDS. This policy makes it impossible for individuals with HIV/AIDS in supportive housing to have resources for basic living expense. When individuals have to make a choice between paying the phone bill, doing laundry or buying food, the system has failed them.

2. **Second, not signing this bill into law serves as a barrier to maintain PLWAs in supportive housing.** Of course, everyone needs a roof over his or her head in order to survive. But the value of permanent housing for PLWAs is vitally important. Today with the advancements in HIV/AIDS treatments, supportive housing is the foundation for living well and long. When most community based AIDS organizations first became housing providers, our challenge was to provide a safe and secure place to fend off death. While, we are now able to prolong the lives of our residents, due to better and effective HIV treatments, the principles still remain. Everyone deserves a roof over their head. Forcing PLWAs to spend between 50 and 70% of their income on rent serves as a barrier to keeping them in their homes. Without a reasonable rent share policy, HASA clients risk falling behind on rent and becoming homeless, returning to expensive and unsafe SROs. This has a direct impact on their health, lives and management of their disease.

3. **Third, stable housing is crucial to supporting the success of both HIV/AIDS treatment and prevention.** The Duane/Glick bills are directly linked to the ability to provide optimal health outcomes for PLWAs and reduce HIV incidence and prevalence. A growing body of research shows that persons who have stable and affordable supportive housing reduce their risks of drug use, unprotected sexual behaviors and are more likely to adhere to treatments and access care. Housing is a key structural intervention to reduce the spread of HIV and support the clinical care for PLWAs. There is a demonstrated relationship between HIV/AIDS supportive housing and HIV medical care.

Again, thank you for allowing me to provide testimony today and for your leadership in adopting this resolution. Passing the "30% Cap bill" must be a priority of the State legislature.

Soraya Elcock
Esoraya@harlemunited.org
212-803-2890

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☒ in favor ☐ in opposition

Date: Sept. 23th 2009

(PLEASE PRINT)

Name: Yves GERHARDT

Address: 1997 Lexington Ave: #3A

I represent: People Living with HIV/AIDS

Address: in NYC.

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☒ in favor ☐ in opposition

Date: 9/23/09

(PLEASE PRINT)

Name: Deborah WEICH, Asst Dir. GMHC

Address: 119 W. 24th Street, NYC 10011

I represent: Gay Men's Health Crisis

Address: 119 W. 24th Street NYC 10011

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 9/23/09

(PLEASE PRINT)

Name: SORAYA ELCOCK

Address: 255 EASTERN PKWAY

I represent: HARLEM UNITED

Address: 306 LENOX AVENUE NY 10027

Please complete this card and return to the Sergeant-at-Arms

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☑ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Gina Quathrochi

Address: 1751 Park Ny 10035

I represent: Bailey House

Address: 1751 Park Ny Ny 10035

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Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Evelyn Lopez

Address: _____

I represent: _____

Address: _____

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THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Ed Viera, Jr.

Address: _____

I represent: Consumers (HIV/AIDS)

Address: _____

Please complete this card and return to the Sergeant-at-Arms

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 2145 Res. No. _____

research ☐ in favor ☐ in opposition
to inform policy

Date: Sept 23 2009

(PLEASE PRINT)

Name: ANGELA AIOALA

Address: 310 W. 107th, NYC

I represent: deputy in research

Address: _____

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. 2145

☐ in favor ☐ in opposition

Date: 9/23/09

(PLEASE PRINT)

Name: Virginia Shubert

Address: 68 Pineapple St BC

I represent: Brooklyn, ny 11201

Address: Shubert Boston Bldg Asso

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Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. 2145

☑ in favor ☐ in opposition

Date: 9-23-09

(PLEASE PRINT)

Name: ROBERT TOLBERT

Address: 1345 FRANKLIN AVE 1F BX, NY

I represent: NYCAHN

Address: 80A 4TH AVE BKLYN NY

Please complete this card and return to the Sergeant-at-Arms

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. 2145

☒ in favor ☐ in opposition

Date: 9/23/09

(PLEASE PRINT)

Name: WANDA HERNANDEZ

Address: 684 E. 189th ST. 1B BX, NY 10458

I represent: NYCAHN

Address: 80A 4th AVE BKLYN NY

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Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. 2145

☐ in favor ☐ in opposition

Date: 9/23/09

(PLEASE PRINT)

Name: Kristin Goodwin

Address: _____

I represent: Housing Works

Address: 57 Willoughby St. Brooklyn NY

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THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. 2145

☐ in favor ☐ in opposition

Date: 9/23/09

(PLEASE PRINT)

Name: Sean Bayes

Address: 302 Eastern Pkwy, Brooklyn, NY 11225

I represent: NYC AIDS Housing Network (NYCAHN)

Address: 80-A Fourth Ave, Brooklyn, NY 11217

Please complete this card and return to the Sergeant-at-Arms

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. 2145

☑ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Annie Soriano

Address: 2890 Roebling Ave, Bx, NY 10461

I represent: Friends House

Address: 130 E. 25th St., NY, NY 10010

Please complete this card and return to the Sergeant-at-Arms