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COMMITTEE ON CONTRACTS JOINTLY WITH THE
COMMITTEE ON GENERAL WELFARE

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON CONTRACTS JOINTLY WITH
THE COMMITTEE ON GENERAL WELFARE

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December 16, 2019
Start: 10:26 a.m.
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HELD AT: Council Chambers - City Hall

B E F O R E: Ben Kallos,
Chairperson of Committee on
Contracts

Stephen Levin,
Chairperson of Committee on
General Welfare

COUNCIL MEMBERS:
Inez D. Barron
Bill Perkins
Helen K. Rosenthal
Kalman Yeger

A P P E A R A N C E S

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First Deputy Commissioner of the New York City
Department of Homeless Services

Erin Drinkwater
DSS Deputy Commissioner of Intergovernmental
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Catherine Trapani
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Jerry Frohnhoefer
Fiorello Homes for the Homeless

Kassi Keith
Self

CHAIRPERSON LEVIN: [GAVEL] Good morning, good morning everybody. Welcome to this hearing on the City Council's Committee on General Welfare jointly with the Committee on Contracts. I'd like to thank my colleague Ben Kallos; Chair of the Contracts Committee for convening this hearing today.

Today, the Committee's will be examining the process for Shelter Provider Contracts at Department of Homeless Services and how that process effects the quality of shelters and services for the thousands of New Yorkers experiencing homelessness.

In fiscal year 2019, DHS awarded \$2.1 billion in contracts to provide temporary shelter and services to homeless New Yorkers with the majority of shelters operated by not-for-profit providers.

These contracts help the city meet its legal obligation under the right to shelter mandate; however, the scale of the homelessness crisis has resulted in the city spending an enormous amount of money to house people in settings that can be acquired quickly like commercial hotels.

Unfortunately, commercial hotel residents are often disconnected from their communities, schools and services for as long as a year or more.

1
2 And though there is a plan to phase out
3 commercial hotels by 2022, we cannot ignore them in
4 the interim. The nature of housing people in
5 settings like hotels means that there is often no
6 appropriate space for meal preparation, recreational
7 activities or other essential services like mental
8 healthcare or other types of healthcare.

9 Barriers remain in access in such services off
10 site due to lack of availability, scheduling
11 challenges and arduous transportation among other
12 reasons.

13 While shelter spending may sound large, the
14 reality is that the city has continually asked
15 providers to do more with less and it is apparent
16 that these provider contracts are often severely
17 underfunded. These contracts need to be viable and
18 set providers up to succeed in order to attract
19 competitive and quality bidders.

20 It is imperative that agents like DHS, agencies
21 like DHS have procurement evaluation and assessment
22 process that are through thorough and comprehensive
23 in order to ensure that services meet expectations.
24 And that any operational issues will be swiftly and
25 appropriately addressed.

1
2 Maintaining multiyear emergency contracts without
3 significant drops in the shelter census and long
4 length of stay, is not a sound way to do business in
5 addressing a crisis of this magnitude. Inadequacies
6 in the contracting process and its oversight
7 mechanisms is ultimately a disservice to the
8 individuals and families who are in real need of
9 reliable support and quality programming as they try
10 to navigate the system.

11 Those in shelters deserve more from us than
12 merely meeting our legal obligation and minimum
13 standards and the contracting process should
14 facilitate success for both providers and their
15 clients.

16 I want to thank very much Commissioner Banks and
17 his team from the Administration as well as all the
18 advocates that are here today joining us and I look
19 forward to hearing from you all on these critical
20 issues and at this point, I would like to acknowledge
21 my colleagues who are here today; Council Member Bob
22 Holden of Queens; Council Member Brad Lander of
23 Brooklyn; Council Member Barry Grodenchik of Queens
24 and we are expecting others to be joining us as well.
25 I would also like to thank Committee Staff for

1
2 preparation for today's hearing Aminta Kilawan Senior
3 Counsel; Crystal Pond Senior Policy Analyst; Natalie
4 Omary Policy Analyst; Frank Sarno Finance Analyst and
5 my staff as well Jonathan Boucher my Chief of Staff
6 and Elizabeth Adams, my Legislative Director.

7 And with that, I will turn it over to Chair
8 Kallos.

9 CHAIRPERSON KALLOS: I want to start with a thank
10 you to the Chair of the General Welfare Committee
11 Steve Levin and your Committee Members for holding
12 this joint hearing.

13 Steve, I don't know if there is anyone on the
14 Council or the City at large who is more focused on
15 the general welfare of our residents. Who, like the
16 DHS Commissioner Steve Banks is fully committed, all
17 in and has received calls from me in the middle of
18 the night. 11 p.m., midnight about individual
19 constituents who needed our help and the fact that
20 both you and Commissioner Banks are always on call
21 and always there to do what you can to help any New
22 Yorker. So, thank you Steve.

23 I'm Council Member Ben Kallos; I'm Chair of the
24 City Council's Committee on Contracts. For those of
25 you who are watching at home or via livestream,

1
2 please feel free to participate in the hearing by
3 Tweeting at Ben Kallos. Also, if you are member of
4 the media, please also feel free to submit questions
5 to us during this hearing.

6 I'd like to begin by speaking directly to the
7 more than 60,000 people who woke up this morning in
8 our city shelter system. At least 20,000 of which
9 are children who are in our public schools as we
10 speak. We see you, more importantly, we hear you and
11 we want to make things better.

12 The purpose of this hearing is to identify areas
13 where we can do just that. Commissioner Banks and
14 his team have been gracious enough to discuss some of
15 what's going on in the shelters with us and so far,
16 DHS has been responsive to some of our concerns we've
17 raised. We hope to hear a lot of that reflecting in
18 today's testimony.

19 As the Contracts Chair, it is my responsibility
20 to identify areas for improvement in the contracting
21 process and there are still many issues that remain
22 particularly in the way DHS procures services at its
23 homeless shelters.

24 DHS like most of the agencies is bound by the
25 states multitude of procurement laws, which require

1
2 contracting officers to award city contracts to the
3 lowest responsible bidder. Sometimes agencies may
4 also procure through a process called negotiated
5 acquisition, which is what DHS used in these cases.

6 One such negotiated acquisition contract just
7 this summer, was for \$42 million with the Acacia
8 Network with a track record of at least 118 open
9 violations at its shelters, many of which remain open
10 today.

11 In July, the Wall Street Journal reported that
12 the Department of Homeless Services had asked the
13 Department of Investigation to review the
14 relationship between the shelter provider Acacia and
15 the subcontractor who provides security for its
16 shelters.

17 In October the independent investigative
18 journalism website Sludge published an article on the
19 "business of homeless". The reporting showed
20 Acacia's contracts with the city have grown to \$259
21 million as of Fiscal Year 2019. All shelter
22 residents have spoken out about a lack of medical
23 care, security and basic living supplies provided and
24 this is up from contracts of just \$10 million or \$12
25 million before this administration began.

1
2 Our contracts should be structured to ensure that
3 taxpayer dollars go directly to helping homeless New
4 Yorkers and so, I express concern over accusations of
5 self-dealing that may be hindering services that I
6 told the Wall Street Journal that we would hold a
7 hearing on the Homeless Service contracts.

8 Last month the New York Times further reported
9 the death of a resident at an Acacia run facility on
10 the upper west side in Manhattan. As I told the
11 Times, since this reporting began, residents in
12 Acacia Shelters have come forward to tell me about
13 the dangerous conditions they have been put in and
14 that they were threatened with eviction if they had
15 to call the police about the conditions in the
16 shelter.

17 I want to just take a moment because government
18 actually has four branches, just not three. That
19 fourth branch is the media and we wouldn't be here
20 without a strong partnership with them. And
21 reporters like Katie Honan who have been doing the
22 muckraking of finding out what was going on. Also,
23 people who are advocates and sharing similar stories.
24 In particular Josh Dean at Human with whom I've had
25 the opportunity to meet along with him as well as

1
2 peoples who are in the Acacia Shelters or have moved
3 beyond the Acacia Shelters. And with out both of
4 those groups of people, I don't think we would be
5 here today taking a closer look at what's going on.

6 It's simply unacceptable to have reoccurring
7 [INAUDIBLE 15:23], nonworking smoke and carbon
8 monoxide detectors, obstructed passageways, locked
9 exits and defective window guards at the shelters and
10 to proclaim to being in compliance with the City's
11 contractual obligations.

12 As elected representative of the people of the
13 city it's our responsibility to ask these questions
14 in order to ensure that the city agencies are held
15 accountable when their contractors do not deliver
16 mandated services. This is how we product public
17 funds and make sure agencies are doing their jobs,
18 especially if corrected action plans and DOI
19 referrals are not getting vendors back on track.

20 I'd like to thank the Contracts Committee Staff,
21 Legislative Council Alex Paulenoff; Policy Analyst
22 Casie Addison; Finance Unit Head John Russell as well
23 as our new Finance Analyst Peter. My Chief of Staff
24 Jesse Townsen and Legislative Director Wilredo Lopez
25 for their work on this hearing.

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2

I will now turn this back to Chair Levin.

3

4

CHAIRPERSON LEVIN: Thank you Chair Kallos. I want to call now on Members of the Administration for their testimony.

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We are joined this morning by DHS First Deputy Commissioner Molly Park, DSS Deputy Commissioner for Intergovernmental and Legislative Affairs Erin Drinkwater and I believe Vincent Pullo NYC ACCO. And I'll ask Council Committee to swear you in.

11

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COUNCIL CLERK: Please raise your right hand. Do you affirm to tell the truth, the whole truth and nothing but the truth in your testimony before this Committee and to respond honestly to Council Member questions?

16

PANEL: I do.

17

COUNCIL CLERK: You may begin.

18

19

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22

MOLLY PARK: Good morning Chairperson Levin and Kallos and members of the General Welfare and Contracts Committees. My name is Molly Park and I am the First Deputy Commissioner of the New York City Department of Homeless Services.

23

24

25

Thank you for inviting me today to discuss our homeless service provider contracts and the work we have done to ensure shelter providers are true

1
2 partners in making reforms to improve programs and
3 services for New Yorkers experiencing homelessness.
4 Following our comprehensive 90-day review in 2016,
5 DHS undertook a number of reforms to not only create
6 and enforce new processes but also to support our
7 provider partners.

8 To begin, I would like to provide some historical
9 context on the shelter system that built up
10 haphazardly over the past four decades. From 1994 to
11 2014, the shelter population in NYC increased 115
12 percent. Between 2011 and 2014, following the abrupt
13 end to the Advantage Rental Assistance program, the
14 DHS census increased by 38 percent. During this same
15 time, New York City faced increasing economic
16 inequality because of stagnant wages, a lack of
17 affordable housing and increased cost of living.
18 Rents increased by nearly 19 percent while wages
19 increased by less than 5 percent. There was also a
20 loss of 150,000 rent regulated apartments. The
21 resulting dramatic increase in the shelter
22 population, coupled with underinvestment, created
23 real challenges as DHS and the agency's not-for-
24 profit partners worked to adequately ensure safe,
25 clean, and secure conditions.

1 Within that context, DHS has taken steps to
2
3 improve shelter conditions and to support providers
4 by updating our contracts and approach to funding.

5 One of the critical reforms adopted following our 90
6 day review was rate rationalization for homeless
7 shelter services to ensure shelter providers are
8 adequately resourced to provide high-quality homeless
9 services.

10 Additionally, updating our contracts provided a
11 mechanism for DHS to address issues with shelter
12 conditions. With improved contracts and new
13 approaches to quickly make repairs, providers are now
14 better equipped to maintain high quality shelters and
15 deliver services to New Yorkers experiencing
16 homelessness.

17 DHS holds contracts with over 75 human service
18 providers for a range of services that DHS provides
19 to serve families and individuals experiencing
20 homelessness. For new shelters, DHS has an open-
21 ended RFP process, which means proposals from not-
22 for-profit providers are accepted on a rolling basis.

23 When a proposal is submitted, the quality of the
24 proposal is evaluated and scored by agency program
25 experts working with the Department of Social

1
2 Services Contracts Office in accordance with New York
3 City Procurement Policy Board Rules. This evaluation
4 includes an assessment of the need for the proposed
5 shelter population capacity. For example, families
6 with children, adult families, or single adults, the
7 location, the viability of the building, the scope of
8 the client services, the experience of the provider,
9 pricing and other operational matters. The proposal
10 is also reviewed by Agency leadership for consistency
11 with turning the tide's borough-based approach, as
12 well as the capacity and equitable siting goals the
13 plan will achieve once fully implemented.

14 DHS has invested more than a quarter of a billion
15 dollars annually in additional funding in our not-
16 for-profit shelter providers to address decades to
17 disinvestment and to modernize the outdated rates
18 that they had been paid for too long. This includes
19 funding for social workers in contracted families
20 with children shelters, housing specialists in all
21 shelters and standardized rates for services such as
22 maintenance and supplies. This was done to ensure
23 providers can deliver the high quality services
24 families and individuals experiencing homelessness
25 deserve as they get back on their feet. As we

1 developed the funding parameters for the specific
2 components of the services our partners provide, a
3 model evolved: hence the term, "Model Budget."

4
5 The model budget exercise uses a set of templates
6 to assist in evaluating all aspect of the provision
7 of shelter, maintenance staffing and client services.
8 Specific to a particular shelter capacity and type to
9 determine a facility's appropriate annual budget.

10 Moving away from the previous one size fits all
11 approach, the model accounts for different
12 populations. Families with children, adult families
13 and single adults including mental health, substance
14 abuse, employment, assessment and general population.
15 The models reflect the ongoing priority placed by
16 both DHS and the State Office of Temporary and
17 Disability Assistance on shelter repairs and are
18 reflective of State requirements contained within the
19 New York Codes, Rules and Regulations Part 900 and
20 Part 491, as well as city regulations and statutes as
21 appropriate.

22 The per diem is built from various components of
23 the model, which standardizes rates to provide
24 consistent and sustained support for quality
25 services. These rates are calibrated for shelter

1 size, recognizing for example, that a small site may
2 be more expensive to operate on a per person basis,
3 because there are fewer economies of scale.
4

5 The model also includes maintenance, client
6 supplies, food, transportation and shelter
7 administration. Another component of the model is
8 the establishment of staff to client ratios for
9 direct service staff. For example, caseworkers,
10 supervisors, housing specialists, social workers,
11 peer specialists, recreation staff and residential
12 aides, across all contracted shelter providers along
13 with the funding, so that providers can meet and
14 maintain these ratios for their individual shelter
15 capacity. Through the model budget, DHS provides
16 staffing and funding for services based on each of
17 these elements crosschecked with the sites specific
18 capacity and line item costs, which produces this
19 overall per diem and annual budget.

20 Once providers submit a budget proposal using the
21 standard template, the DHS Shelter Program Budget
22 Office compares the proposed budgets to the model and
23 negotiates with DHS program staff to arrive at a near
24 final budget. This process is then completed in
25 close consultation and partnership with the

1 individual provider. After budget proposals are
2 reviewed, the Department of Social Service Finance
3 Office shares budget recommendations with the New
4 York City Office of Management and Budget for
5 approval. Following approval, the contract moves
6 into the amendment phase, which includes legal and
7 procedural checks, culminating in registration with
8 Comptrollers Office.
9

10 Another component of the model budget is a new,
11 unprecedented way of addressing approved one time new
12 needs. An example of this would be a one time cost
13 to replace a boiler that could not be accommodated
14 within the regular maintenance and repair budget.
15 All new contracts provide for an allowance for
16 repairs up to 10 percent of the total annual contract
17 value. Upon approval of a new need, such as a boiler
18 example, a central DHS allocation funds the cost
19 without requiring an additional contract amendment.

20 In the current exercise with providers, in order
21 to make the contract adjustments for the model,
22 funding for rent, utilities, insurance and security
23 is included in individual providers contract
24 amendments to the extent funding is required to bring
25 them to the standard or required levels. The models

1
2 are flexible enough that with proper justification,
3 providers are able to adjust specific line items to
4 simultaneously ensure the budget meets all necessary
5 requirements and also appropriately reflects the
6 unique operation of that particular shelter location.
7 That said, a site's budget typically cannot go above
8 the total model per diem and generally may not exceed
9 the bottom line within a category.

10 While components of a providers budget are
11 defined through the mode, there are some costs that
12 are unique to each site. This includes rent,
13 utilities, insurance, and security. Appropriate rent
14 values are determined by analyzing a number of
15 factors including, but not limited to, the Housing
16 and Urban Development small area Fair Market Rents,
17 comparable sales in the neighborhood, comparable
18 price per square foot in the neighborhood, current
19 published unit rental rates in the neighborhood,
20 current use of the building, rehabilitation costs,
21 average per diem for comparable shelter and capacity
22 needs. Rates for utilities and insurance are based
23 on documented actual costs. Security levels are
24 determined in consultation with the NYPD and consider
25

1 factors such as access control, vertical shifts, and
2 lines of sight.
3

4 Along with our model budget exercise, we have
5 also invested million of dollars to reduce our
6 footprint, while meeting capacity needs and improving
7 physical conditions at family and adult shelters. As
8 part of the Turning the Tide plan, in FY'20. \$600
9 million in capital funding was allocated over 10
10 years to address physical needs, upgrades and
11 improvements in city owned shelters. This builds on
12 over \$52 million over four years in FY'16 for 30 new
13 capital projects at shelter facilities to address DHS
14 shelter conditions and \$90 million added over 5 years
15 in FY'17 for building upgrades at facilities,
16 including 61 new capital projects.

17 Overall, the September Capital Plan includes over
18 \$600 million for construction and rehabilitation
19 projects, with the bulk of the funding projected to
20 be committed over the next several years. DHS
21 manages some of our projects in house, and other
22 generally larger projects are managed in partnership
23 with the Department of Design and Construction.

24 Today, we have 61 projects being actively
25 designed and 24 projects in construction. DHS and

1
2 DDC have 45 projects in the planning stage preparing
3 for design, all of which are planned to begin during
4 this Fiscal Year.

5 Finally, in the November plan, funds were added
6 to the DHS budget, as well as the other human service
7 agencies, to support adjustments to indirect cost
8 rates for not-for-profit providers. In February
9 2019, the City of New York adopted the Health and
10 Human Services cost manual to standardized cost
11 allocation practices for health and human service
12 providers contracting with the city. The FY'20
13 adopted budget established an Indirect Cost Rate
14 Funding Initiative based on the Cost Manual. OMB and
15 the Mayor's Office of Contract Services formed a City
16 Implementation Team to manage the implementation and
17 roll out and included a provider advisory working
18 group. The November Plan funding fulfills the
19 commitment the Mayor and the Speaker made for the
20 Adopted FY'20 budget.

21 By rationalizing pay rates for our providers, we
22 have improved the conditions of our shelters. At
23 DHS, we conduct bi-annual Routine Site Review
24 Inspections to identify both current violations as
25 well as conditions that may become problematic over

1
2 time. RSRI's play an integral role in the contract
3 process. Before a contract is registered, the
4 provider must provide a well-documented plan to
5 address any outstanding physical issues. Without
6 such a plan, DHS will not submit a shelter contract
7 for registration.

8 RSRI's assist us in identifying and mitigating the
9 most immediate safety hazards, while also providing
10 an opportunity to conduct preventive maintenance and
11 minimize the number of units placed offline at any
12 given time. During the RSRI, a DHS inspector is
13 accompanied by the landlord, building manager,
14 shelter director, head of maintenance, security,
15 owner representative, caseworker, and/or other
16 managerial staff. If any conditions are deemed
17 hazardous or dangerous, the inspector immediately
18 notifies those who are a part of the walkthrough.

19 Upon receiving an email of the RSRI results, the
20 provider has 24 hours to address severe deficiencies
21 in the building. The RSRI report provides detail
22 necessary for the provider to develop and implement a
23 remediation plan for the identified building
24 conditions requiring attention.

1
2 The Shelter Director also submits a Corrective
3 Action Plan or CAP to DHS, which informs next steps
4 to address the conditions identified in the RSRI at
5 the shelter. Multiple re-inspections are conducted
6 throughout the process of completing a CAP, which
7 occur prior to the next scheduled RSRI inspection.
8 This inspection system allows us to work with shelter
9 providers to identify building issues, immediately
10 address dangerous or hazardous conditions, prevent
11 deeper infrastructure issues, and follow through to
12 improve the conditions of each shelter.

13 The Mayor also established the Shelter Repair
14 Squad as a multiagency task force to inspect shelter
15 buildings and identify code violations requiring
16 repair. The task force is comprised of the Fire
17 Department, the Department of Buildings, the
18 Department of Housing Preservation and Development,
19 the Department of Health and Mental Hygiene, and the
20 Department of Homeless Services. Each agency has
21 assigned teams to the Shelter Repair Squad and
22 repairs are done by DHS and landlords.

23 At least twice a year, each agency will inspect
24 facilities for code violations and inform providers
25 of the results. Efforts are coordinated between

1
2 agencies to maximize the efficiency of inspections,
3 minimize duplication of efforts across teams and
4 agencies and reduce the burden of frequent
5 inspections.

6 A critical component of the Shelter Repair Squad
7 is the ability for the city to track all shelter
8 building violations, along with measuring the
9 progress made towards ameliorating the identified
10 issues. To drive this task, the City developed a
11 system to report on all city shelters and every
12 violation attributed to each building. Essentially,
13 this acts as a real time tracker for shelter building
14 violations, allowing the city to appropriately
15 allocate Shelter Repair Squad staff to work with
16 providers to inspect buildings and develop and
17 implement remediation plans. As a testament to the
18 utility of this system, the framework has since been
19 adopted by the state to develop their statewide
20 Shelter Management System, which allows our oversight
21 agency to more efficiently monitor building systems
22 by tracking the status, remediation, and lifecycle
23 deficiencies and their responses by providers and
24 users.

1
2 Information is aggregated from various sources
3 available to DHS to provide a central clearinghouse
4 where users retrieve information about shelters or
5 evaluate and track the status of repairs at shelters.
6 This approach facilitates interagency collaboration
7 in improving conditions in shelters and makes it
8 possible to formulate the monthly Shelter Repair
9 Scorecard, which publicly reports on the conditions
10 of homeless shelter facilities. The scorecard helps
11 define the scope of any problems by publicly listing
12 conditions at all homeless shelters in New York City.

13 The Shelter Repair Squad is a prime example of
14 interagency collaboration to address longstanding
15 issues across the shelter system. In the first year
16 of this program, more than 12,000 building violations
17 were closed or corrected. As we have reported
18 previously, the Shelter Repair Squad conducted more
19 than 63,644 shelter inspections from 2016-2019,
20 reducing violations that went unaddressed for many
21 years by 90 percent. Today, many of the remaining
22 repairs involve normal wear and tear and capital
23 projects which we are funding as just discussed.

24 In conclusion, we've worked closely with our not-
25 for-profit partners so that, together, we can raise

1
2 the bar for the supports that we provide to New
3 Yorkers experiencing homelessness at all of our
4 shelter locations citywide and I'd be happy to answer
5 any questions.

6 CHAIRPERSON KALLOS: Thank you for your
7 testimony. I want to start with the I guess, just
8 addressing the question that brought us all here.
9 When service providers who are up for renewal in
10 particular or even a new provider is applying for a
11 contract, what is the vetting process by DHS and
12 similar agencies that go through the Mayor's Office
13 of Contract Services process and in particular, does
14 anyone at DHS, Law Department or another agency
15 involved, check the agencies sorry, the nonprofits
16 990's or other forms and cross check those with
17 VENDEX or Passport filings, or in a situation where
18 you have a vendor that has I think over a dozen or
19 more different contracts even just check the filings
20 for internal consistency?

21 MOLLY PARK: So, yes, as part of our effort to
22 reform you know, what we have described is that
23 haphazard shelter system that evolved over time. One
24 of the things we are doing is bringing all of our
25 providers into under standard contract mechanisms.

1
2 As we do that, DHS is working with all of our
3 providers and all of their subcontractors to ensure
4 that everything gets entered into the city's passport
5 system. Passport questionnaires are reviewed to
6 determine any potential conflicts and to make sure
7 that everything is in order and whether transactions
8 are consistent with the not-for-profit Revitalization
9 Act.

10 I want to be careful about speaking about any
11 particular cases that are under investigation, we
12 work very closely with our colleagues at the Mayor's
13 Office of Contract Services to strengthen
14 transparency and accountability in the contracting
15 process.

16 CHAIRPERSON KALLOS: We've been joined by Council
17 Member Yeger and Council Member Treyger. According
18 to reporting Acacia as the largest homeless service
19 provider, is that accurate?

20 MOLLY PARK: I don't have that exact figure right
21 at my fingertips, Acacia does have a very large
22 footprint with the City of New York and with the
23 Department of Homeless Services. It is smaller than
24 it was at this point, but yes, they are a large
25 provider.

1
2 CHAIRPERSON KALLOS: Why do certain providers
3 consistently have violations across their contracted
4 shelter portfolio and yet still see Department of
5 Homeless Service continue to award or renew
6 contracts, for example Acacia currently has 1,184
7 open violations. Are we as a city stuck with specific
8 vendors or has DHS been in a position before to
9 restructure deals with specific vendors and let
10 others take over for those parts of the contracts?

11 MOLLY PARK: I think it's very important to
12 nuance that violation data by type of facility. So,
13 of the just shy of 1,200 violations in Acacia
14 facilities, more than 1,000 of those are in cluster
15 sites.

16 DHS has made a very strong commitment to get out
17 of the clusters. We are down more than 60 percent
18 from the peak a few years ago. We have announced the
19 next round of cluster conversions that will be
20 happening in the first quarter of 2020 and more to
21 come. So, we will be out of the clusters by the end
22 of 2021 and I think that will be a substantial drop
23 in the violations. I think we all agree that those
24 are buildings that are not well suited for shelter in
25 part because of the violations there.

1
2 CHAIRPERSON KALLOS: And we received some of this
3 from New Yorkers for Safer Streets who will be
4 testifying later today who actually came by one of my
5 first Friday's, first Friday of every month you can
6 come meet with me 8:00 a.m. to 10:00 a.m. and talk
7 about what ever you want and I guess one of the
8 follow up questions is in terms of these 1,184
9 violations or particularly all the different
10 violations, is there a way to break this down from
11 just open violations where in your testimony you
12 indicated some might be trivial to the extent any
13 violation could be trivial versus breaking them down
14 by class. So, Class A, B, and C which relate to how
15 dangerous something might be.

16 MOLLY PARK: We'd be happy to work with you on
17 that. I can't do it on the fly but that's certainly
18 something that we can talk about.

19 CHAIRPERSON KALLOS: And I guess the second piece
20 of the question is, have you ever had a contract that
21 you didn't renew or a provider that may have had a
22 large footprint that you didn't move forward with?

23 MOLLY PARK: Yes, we have ended our contractual
24 relationships with several providers over the last
25 few years for a variety of reasons. It is in general

1
2 and if I can take a step backwards, it is not in
3 anybody's interests to have a large not-for-profit
4 social service provider fail.

5 Having an organization fail, is not our goal but
6 we have to have the standards that we need met. So,
7 what we do is that we work very closely with whether
8 it's Acacia or any other social service provider that
9 is struggling to invest in capacity development, to
10 institute corrective action plans, to do training
11 where that is necessary. If we cannot there, we can
12 get out of using that provider. We have done so and
13 that remains a tool of last resort.

14 CHAIRPERSON KALLOS: So, you mentioned that
15 you've done it, can you give specific examples of
16 when you've done it for those - where the proof is in
17 the pudding as it were.

18 MOLLY PARK: Sure, housing bridge was a provider
19 was a provider that we use that we no longer use. We
20 Always Care was another provider that we have stopped
21 using. So, there are several.

22 CHAIRPERSON KALLOS: And in those cases, were
23 people just thrown out on the streets and the
24 employees fired or what happened in those situations?

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2 MOLLY PARK: We would never throw anybody out on
3 the street. If somebody is in a facility that is -
4 if a client is in a facility that is closing, whether
5 because we are ending the contractual relationship
6 with the provider or because the provider has opted
7 to do something else with the building, there is a
8 variety of different circumstances.

9 We work with those clients to transfer them to an
10 appropriate alternative shelter. So, wherever we can
11 take their preferences into account, we do that
12 wherever we can place people under permanent housing
13 immediately, we do that but nobody is ever thrown out
14 on the street.

15 CHAIRPERSON KALLOS: Are there situations where
16 you have - whether it's a cluster site or a hotel or
17 a shelter that's operated by a nonprofit, for
18 whatever reason you determine that nonprofit can't
19 move forward responsibly and then you actually have
20 taken over the site and allow the people to stay in
21 place while bringing in a different provider to act
22 responsibly?

23 MOLLY PARK: We have had cases where a site
24 transitions from one shelter provider to another,
25 yes. In the clusters, as you probably know from the

1
2 cluster flip that has completed, we did have as many
3 households as possible remain in place. At that
4 point they were no longer shelter clients, they were
5 permanent housing tenants with leases. That was not
6 possible in all cases. Sometimes the family size
7 weren't appropriate or they needed an environment
8 with more ongoing social support that was going to be
9 available in that cluster site.

10 CHAIRPERSON KALLOS: In terms of your commitment
11 to get out of all of the clusters by 2021, there are
12 some - I have the shelter report, that you posted
13 online and folks can see for themselves at your
14 website and there are a lot of clusters that have
15 violations that are in single digits. With that
16 being said, there is about ten or so that are in
17 triple digits and whether it's Acacia or Bronx Family
18 Housing or Aquila, they represent actually the most
19 of the violations. Are you prioritizing those with
20 the most open violations for the first set of
21 closures in first quarter of 2020? Or how are they
22 being prioritized?

23 MOLLY PARK: So, to be clear, we've closed more
24 than 2,200 cluster units already. So, the upcoming
25 cluster flip is not the first set of cluster

1 closings. I just want to be very transparent about
2 that. We are down more than 60 percent already. The
3 buildings that we are converting from clusters to
4 permanent housing are those that are entirely or
5 predominantly used as housing for homeless
6 households.
7

8 The building that might have just a few scattered
9 units are less appropriate for acquisition through
10 City Financing and Conversion to permanent housing
11 and we will have a different strategy for those.

12 CHAIRPERSON KALLOS: So, just to be clear, so it
13 sounds like – so after first quarter 2020 some of the
14 – so the quick answer is, the closing of a cluster
15 site is not related to the number of violations.
16 Would you be open to prioritizing closing some of the
17 cluster sites with let's just say more than 100
18 violations or it's ten?

19 MOLLY PARK: We have two separate tracks of how
20 we are proceeding with the closing of the clusters.
21 We are converting buildings to permanent housing,
22 financing the acquisition of those buildings by
23 responsible nonprofit organizations, financing
24 rehabilitation of the buildings and making sure that
25 the tenants in place all have long term affordable

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2 leases. The buildings that are being prioritized for
3 that cluster conversion strategy are those that are a
4 majority currently used as cluster shelter housing.

5 There are another universe of buildings that we
6 have that are with a percentage of units used as
7 shelter is much lower. They are less appropriate for
8 this cluster conversion strategy. We can certainly
9 look at whether or not in that universe we can
10 prioritize the ones with the highest violations.

11 CHAIRPERSON KALLOS: Back to the contracting
12 question, when renewing contracts, is one of the
13 factors you are looking at in particular
14 compensation? During my opening statement I talked
15 about wanting to make sure as many of our city
16 dollars actually go directly to those impacted and in
17 the real Sludge reporting, they indicated that the
18 Chief Executive Officer at Acacia in 2017 was making
19 \$815,000 a year. That the next highest paid person
20 was making \$488,206. How does that factor into the
21 contracting process? Is there a limit to how much
22 we're willing to pay these folks and how do you
23 factor that in?

24 MOLLY PARK: We are looking at the services that
25 the shelter provider is providing to the city and to

1
2 the clients. We are looking at their track record
3 and making decisions about whether or not we can move
4 forward. I'd say there is a package of experience
5 and a quality of service delivery metrics that we
6 look at. It's not as black and white that if these
7 highest most paid person makes more than X; we
8 wouldn't renew the contract.

9 CHAIRPERSON KALLOS: Is there a limit?

10 MOLLY PARK: No, there is not a limit.

11 CHAIRPERSON KALLOS: Okay, the Daily News
12 reported that a mother of three had been calling 3-1-
13 1 and that Acacia had said that if she wanted to
14 renew her lease, that that would need to stop. Can
15 you speak to that specific circumstance and what the
16 DHS can do and then similarly, one of the questions
17 we got leading into this hearing is, that we had a
18 number of people who had experience with the various
19 Acacia and other shelters who wanted to testify how
20 can DHS provide protections for folks who may wish to
21 blow the whistle?

22 MOLLY PARK: So, the buildings that were
23 mentioned in those press stories are not DHS
24 facilities, so I'm not going to comment on those. We
25 would be certainly willing to talk to any client who

1
2 feels like they need to transfer to an alternative
3 facility.

4 CHAIRPERSON KALLOS: So, in this case, the person
5 we're talking about is Iesha Poindexter[SP?]. So, if
6 she called 3-1-1 and she feels that she's been
7 retaliated against, what is the best person, who is
8 the right person for her to connect with?

9 MOLLY PARK: Sorry, just to clarify, that's the
10 person in the Press story?

11 CHAIRPERSON KALLOS: Yes, she was the one.

12 MOLLY PARK: Okay, so that is not a DHS building,
13 so that -

14 CHAIRPERSON KALLOS: So, if somebody is receiving
15 services through somebody that DHS has contracted
16 with, who can they reach out to for help when they
17 feel retaliated against? When they call 3-1-1, like,
18 how do they get help beyond calling their local
19 Council Member?

20 MOLLY PARK: So, in general if somebody needs
21 assistance, we have a shelter hotline. It will get
22 answered by a person during business hours and
23 connected to 3-1-1 outside of normal business hours,
24 so that we can make sure that we are tracking it and
25 following up appropriately and that is absolutely

1 something that we can help somebody who is a current
2 shelter client with.
3

4 For a person who is not a current shelter client
5 and the people who are living Acacia's permanent
6 housing buildings are not current shelter clients.

7 That is not going to be the right pathway and because
8 I am not directly involved in administering that
9 particular program, I can't on the record give you or
10 I don't know the right answer for where to direct
11 that person.

12 CHAIRPERSON KALLOS: Okay, would you be willing
13 to work with myself and the General Welfare Chair to
14 create a method of allowing people who are having
15 problems with contracted services providers to flag
16 them for DHS and for your intervention?

17 MOLLY PARK: We are always happy to collaborate;
18 I just want to be very clear that if it isn't a DHS
19 contract, I have limited tools.

20 CHAIRPERSON KALLOS: Okay, I want to acknowledge
21 that we've been joined by Council Member Salamanca
22 from the Bronx and Council Member Rosenthal from the
23 upper west side. I'd like to turn it over to our
24 Chair Steve Levin.
25

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2 CHAIRPERSON LEVIN: Thank you very much Chair
3 Kallos. Thank you very much for your testimony.

4 CHAIRPERSON KALLOS: Oh, sorry, I have one last
5 question.

6 CHAIRPERSON LEVIN: Sure.

7 CHAIRPERSON KALLOS: Sorry, one last question
8 before I turn it over. We understand that one of the
9 providers in question as Acacia expressed concern to
10 members of the City Council that they had stopped
11 being paid as a result of the Press coverage, as a
12 result of the investigation, as a result of this
13 hearing. Has DHS stopped paying Acacia and thereby
14 jeopardize those receiving services from Acacia.

15 MOLLY PARK: No. We would never stop making
16 payments based on press coverage. There are no
17 payments being withheld. We are actively reviewing
18 payments right now. There are some contracts that
19 are not registered yet because we have been working
20 through various technical and accountability issues.
21 We can't make a payment on a contract that isn't
22 registered, but we have been working very closely
23 with Acacia to make sure that are addressing the
24 accountability issues that we need to do, so that we
25 can continue to move forward with that.

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CHAIRPERSON LEVIN: Okay, thank you very much.

So, I'll start off with a little bit about hotels.

Is it still DHS's policy to be out of hotels by 2022?

MOLLY PARK: 2023 has been the plan.

CHAIRPERSON LEVIN: Okay.

MOLLY PARK: And it's been the plan all along and
yes.

CHAIRPERSON LEVIN: What's the current population
in hotels?

MOLLY PARK: We are in — I have it broken out by
populations. We are in 83 hotels right now.

CHAIRPERSON LEVIN: Okay, but you don't know how
many individuals?

MOLLY PARK: It's about 11,000.

CHAIRPERSON LEVIN: 11,000 in in 83 —

MOLLY PARK: 83 hotels.

CHAIRPERSON LEVIN: 83 hotels, okay. And so,
that's at the end of 2023?

MOLLY PARK: Correct.

CHAIRPERSON LEVIN: Okay, so four years from now.

MOLLY PARK: Correct.

CHAIRPERSON LEVIN: And that number is based on
assuming that new capacity will come on in purpose

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2 built Tier II shelters is that right? Or is it that
3 we're anticipating a reduction census?

4 MOLLY PARK: The premise of Turning the Tide plan
5 is that we are going to be adding shelters that are
6 much better suited for use as shelter, right. Some
7 of them will be ground up, new construction purpose
8 built facilities and some of them will be more
9 thoughtful adaptive reuse than we've had in the past
10 and that that will allow us to get out of the
11 clusters in the hotels that is less appropriate
12 capacity. We are on our way on that path. We have
13 opened 3 Turning the Tide shelters and have notified
14 on 60.

15 CHAIRPERSON LEVIN: Great, but that is - so, if
16 we were to do all 90 purpose built shelters as part
17 of the Turning the Tide plan, that would allow for
18 all 11,000 individuals residing in commercial hotels
19 to be out and to have those contracts closed down?

20 MOLLY PARK: That is our plan, yes.

21 CHAIRPERSON LEVIN: Okay, okay, I'd like to see
22 the math on that.

23 MOLLY PARK: You know, I will say, a shelter can
24 be 50 units and a shelter could be 200 units and I
25 think that we'll have to look at what it is that we

1
2 are sitting and we are happy to continue to work with
3 you on that.

4 CHAIRPERSON LEVIN: Okay, okay, and what's the
5 budget right now for commercial hotels?

6 MOLLY PARK: Hold on, I have that somewhere. Let
7 me just pull up the number. 463 million.

8 CHAIRPERSON LEVIN: 463, and that's broken down;
9 that's really the lion share that is to providers,
10 correct?

11 MOLLY PARK: No, there's a number of different
12 providers. I think the families with children is
13 lion shares to providers but there is more in the
14 adults.

15 CHAIRPERSON LEVIN: Okay, right, right. Okay,
16 now, what are the programmatic element of the hotel
17 contract? What type of services are provided to
18 families?

19 MOLLY PARK: Every facility has housing
20 specialists available. There are case workers, there
21 are a variety of other supports for the clients. I
22 think it is you know, as you noted in your opening
23 statement, these are not facilities that were
24 designed to be used by individuals experiencing
25 homelessness. We agree that we should be out of them

1
2 and that we can provide better services in other
3 facilities.

4 CHAIRPERSON LEVIN: What's the average length of
5 stay?

6 MOLLY PARK: In a hotel, we will have to get back
7 to you on that.

8 CHAIRPERSON LEVIN: What's the average length of
9 stay for a family?

10 MOLLY PARK: Just over a year.

11 CHAIRPERSON LEVIN: So, over 400 days, correct?

12 MOLLY PARK: Yes.

13 CHAIRPERSON LEVIN: That's the average. So, you
14 know, my concern with hotels is if anyone with kids
15 has ever stayed in a hotel with their kids in a hotel
16 room for a night or two or three, you know that it
17 gets a little crowded and a little cramped after a
18 day or two. And just imagine what's that's like 400
19 plus days with a couple of kids, very limited amount
20 of services, no place to run around, no kitchens. Do
21 any of the hotel rooms have kitchens?

22 MOLLY PARK: I can't say that none of them do but
23 certainly the majority do not.

24 CHAIRPERSON LEVIN: So, no place to cook food,
25 full size refrigerators.

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2 MOLLY PARK: Council Member, we agree with you
3 that the hotels are not the right place for any
4 individual or family experiencing homelessness. We
5 are actively planning and active closing capacity in
6 the hotels. With that being said, we have a both
7 legal and moral obligation to make sure that we are
8 providing shelter for those who need it and we cannot
9 overnight increase the better shelter capacity.

10 So, we are going to continue to use that hotel
11 capacity and make sure that we are meeting that legal
12 and moral obligation, but it is not a good long term
13 option and we acknowledge that it is not a good long
14 term option. We'd be more than happy to work with
15 you and your colleagues to identify more sites for
16 the better shelters, so that we can pick up the pace
17 on that. We'd be happy to do that.

18 CHAIRPERSON LEVIN: Okay, why are we not then -
19 we have social workers now in every Tier II, in every
20 family Tier II.

21 MOLLY PARK: Correct.

22 CHAIRPERSON LEVIN: Why are they not in hotels?

23 MOLLY PARK: Sorry, hold on one moment. We do
24 have social service staff in the hotels.

1
2 CHAIRPERSON LEVIN: But not social workers? I
3 advocated for that in the budget this year and it was
4 not accepted by OMB.

5 MOLLY PARK: Let us follow up with you about that
6 offline.

7 CHAIRPERSON LEVIN: Okay, because I mean, you
8 know, I could just imagine the elements of trauma
9 that that child spending 400 plus days in a hotel
10 room without anywhere to go. I mean there's another
11 issue around after school programming, which is that
12 and tell me if I'm incorrect here.

13 That children in shelter often are unable to
14 partake in afterschool programming if their school is
15 there kind of school of origin. You know, if they
16 stayed in the same school but went into shelter
17 because they can't get transportation home after an
18 afterschool program, back to the shelter if the
19 shelter is in the Bronx and their home school is in
20 Brooklyn, there's no real way for them to get back to
21 the Bronx, because DOE is not going to provide a bus
22 after school.

23 MOLLY PARK: About 80 percent of our families are
24 in the same borough as the school of their youngest
25 child. So, we have worked very hard to try and get

1
2 families located near school recognizing exactly what
3 your saying. That school provides an important
4 community. You know, with the larger question of are
5 hotels good places for families to be? We agree with
6 you, we need to be getting out of the hotels. We
7 have a plan to get out of the hotels but given the
8 legal and moral obligation to provide shelter and the
9 time that it takes to add quality shelter capacity,
10 we just can't do it overnight.

11 CHAIRPERSON LEVIN: Have we identified how many
12 youth, school age youth that are residing in hotels
13 are participating in after school programs?

14 MOLLY PARK: I don't have that number but we will
15 look and see if we can do that.

16 CHAIRPERSON LEVIN: So, I want to acknowledge
17 Council Members Reynoso and Gibson. Has DHS, you
18 know given the constraints that are in the hotel
19 setting, would DHS consider either leasing nearby
20 commercial space to provide additional program space?
21 Or additional types of transportation? You know,
22 every hotel run through a DHS contract, is in the
23 catchment area of some social service provider. And
24 as far as I can tell, there's not what I would call a
25 robust relationship between the shelter provider and

1
2 whatever kind of larger social services program is in
3 that neighborhood.

4 So, for example, you know if in Brooklyn, if it's
5 in CAMBA catchment area run by CCS but CCS doesn't
6 have the contract dollars to provide you know, a
7 level of service that probably is warranted, what is
8 DHS doing to foster a relationship between CCS and
9 CAMBA for example, so that the children that are
10 residing in that hotel have the same opportunity for
11 services as a child in a CAMBA shelter for example?

12 MOLLY PARK: So, for all of our providers,
13 whether it's in hotels or any other setting, we
14 actively encourage links to community based services
15 simply because there is no way that any facility, any
16 shelter is going to be able to provide all the
17 programming that anybody could ever need under any
18 circumstance, right. So, fostering those community
19 relationships is something that we look for from all
20 of our providers.

21 We also do a lot of work to try and make sure
22 that we are doing cross training and building peer
23 connections within our system. So, we bring in the
24 Executive Directors to meet and talk together. We
25 bring in Shelter Directors to meet and talk together,

1 housing specialists, things like that. I don't know
2 that we've ever made the service sharing like that.
3 A particular element of any of those meetings, but
4 it's definitely something that we can look at and
5 explore with you.
6

7 CHAIRPERSON LEVIN: So, if I go to a CCS shelter
8 or a commercial hotel on Atlantic Avenue and ask the
9 Case Manager there who is doing your supplemental or
10 complementally social services, where are the kids
11 getting after school programming? Where's the kind
12 of nearby youth center? Where is the financial
13 counseling or job training? They'd be able to say,
14 yes, this is the network that this family has to
15 support them.

16 MOLLY PARK: That is our expectation but we can
17 certainly work with our providers and work with
18 others to make sure that that is happening the way we
19 would like it to happen.

20 CHAIRPERSON LEVIN: Because you know, to me, what
21 I find bothersome is that a family could go into path
22 and it's kind of luck of the draw. They could get a
23 placement in a Tier II, that has a lot of funding
24 behind them. Has Thrive Social Workers, has the
25 ability to raise a lot of private funding and has a

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2 network of services, CAMBA, Henry Street, Bronx
3 Works. And so, there's a kind of support network for
4 that family if they're lucky enough to get that
5 placement.

6 But for the 11,000 individuals that are in
7 hotels, they're placed in you know, a setting that is
8 usually pretty isolated. Hotels are in M-zones
9 often. So, there's nothing really around a hotel in
10 an M-zone, because there's no people there. Nobody
11 that lives there and so, you know, if you're far out
12 on Atlantic Avenue, there's not a lot out there for
13 you and it's luck of the draw. And so, that's why,
14 in particular around the Social workers, it's not a
15 bit deal for the city to say yeah, we'll provide
16 social workers in every hotel but for whatever
17 reason, when we propose it in the budget this year, I
18 made it a priority and it was not accepted by OMB.

19 So, that is very bothersome to me, because those
20 children are already at a disadvantage, already.

21 MOLLY PARK: So, I was not sitting in this city
22 during the budget negotiations, I can certainly
23 follow up and educate myself on the history. I hear
24 your point, that while we have committed to getting
25

1
2 out of the hotels, that we need to look at how we are
3 serving those families in the interim.

4 CHAIRPERSON LEVIN: Now, the contract for hotels
5 is up in 2021 and if we're expecting that we're going
6 to be out of hotels by the end of 2023, are we
7 anticipating to issue a new contract or are we going
8 to extend the current contract or have we thought
9 about that yet?

10 MOLLY PARK: We're still looking at the
11 mechanism.

12 CHAIRPERSON LEVIN: And if we're keeping the
13 current contract, are we going to be looking at
14 enhancements to provide those types of services that
15 a family that's placed at a Tier II is able to
16 access?

17 MOLLY PARK: As I said, we're still looking at
18 the mechanism, but I hear your point and that's
19 something we'll certainly take into account.

20 CHAIRPERSON LEVIN: Okay, sorry, and I'll turn it
21 over to my colleagues in a second here. I just want
22 to ask about model budget, if that's okay.

23 Well, first off, have we gotten feedback from
24 providers whet they've thought about the model budget
25 process at DHS and kind of lessons learned on the

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2 model budget process? I'll be honest with you, I
3 heard some feedback over the last couple of years
4 that is like, you know less than stellar, so I just
5 want to -

6 MOLLY PARK: Okay, certainly it would be helpful
7 to get that in more detail offline. I would say the
8 majority of the providers have seen an increase in
9 their contracts and I think generally that has been
10 well received. We have to do an amendment for every
11 provider that we are putting through the model budget
12 process, that is a contract amendment. There is
13 process, right, and it certainly does take time
14 before the funds are actually flowing for that. So,
15 I think that maybe a source of the frustration but I
16 think we've been able to do a lot of rationalization
17 that from what I've heard anecdotally has been
18 relatively well received.

19 CHAIRPERSON LEVIN: How many have been - so they
20 are either approved, sent to the Comptroller or
21 registered. Do we have a sense of exactly how many
22 contracts fall into each of those categories?

23 MOLLY PARK: So, the total universe under the
24 model budget is 125 that we are working through for
25 this fiscal year. 16 of them didn't need an

1
2 amendment because they were done that way from the
3 get go. 39 of them are registered and the remaining,
4 which is about 70 are still in process. I think one
5 of the issues that we are wrestling with and I think
6 we have seen a lot of progress over the last few
7 months is that when there are some RSRI issues
8 outstanding, as I mentioned in my testimony, we can't
9 send the contract to the Comptroller. Can't send an
10 amendment to the contract for registration.

11 So, we have been working very closely with
12 providers, we've seen a lot of progress in getting
13 plans in place, so that we can move forward with
14 registration and I think we're going to see a solid
15 uptick in those numbers very soon.

16 CHAIRPERSON LEVIN: Okay, this process began
17 when?

18 MOLLY PARK: In the spring.

19 CHAIRPERSON LEVIN: The Model Budget Process?

20 MOLLY PARK: Putting these FY'20 contracts into
21 place again in the spring, yeah. So, there was -
22 bear with me, I'm speaking to history that was not
23 predated to my tenure at DHS, but there was a process
24 of working with the providers. We developed the
25 model budget, we negotiated individual budgets with

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2 providers and got the OMB approval and then the
3 process of actually getting through the registration
4 process, that is something that's for this fiscal
5 year, that's something that started in the spring.

6 Every single one of the providers has an OMB
7 approved model budget, so the piece that we are
8 working on right now is the actual registration
9 component.

10 CHAIRPERSON LEVIN: Okay, I seem to remember and
11 I'll have to go back and check the record that
12 Commissioner Banks testified that we were – maybe it
13 was during the budget hearings earlier this year,
14 that we were very close to every contracting
15 registered but there are still 2/3 of the contracts
16 haven't even been sent to the Comptroller yet right?

17 MOLLY PARK: That was a broad pending
18 registration number, so some of them are with the
19 Comptroller. What I'm specifically speaking about is
20 the FY'20 amendments to align with the model budget.

21 CHAIRPERSON LEVIN: Right, but that's what
22 provides the funding to do the model budget services.

23 MOLLY PARK: Absolutely, and as I say we've been
24 working very closely with providers and with our
25 facilities and logistics team to make sure that we

1
2 are addressing RSRI issues so that we don't have any
3 barriers to that registration.

4 CHAIRPERSON LEVIN: These are contracts that are
5 already registered though. I mean their actual
6 contract is already registered.

7 MOLLY PARK: Providers are being paid and in a
8 number of cases, we've actually been able to align
9 the payment structure, so that they are getting paid
10 in accordance with the model budget and while we are
11 simultaneous registering the contract. So, when I
12 say that we have all of these registrations in
13 process, you should not interpret it to mean that we
14 have all these providers who are floating the cost of
15 providing shelter services to DHS clients. People
16 are absolutely getting paid, but we have
17 registrations in process to get us all the way to the
18 end of the model budget process.

19 CHAIRPERSON LEVIN: And when do we expect all of
20 the contracts to be registered?

21 MOLLY PARK: I think we should be over the finish
22 line in the next few months.

23 CHAIRPERSON LEVIN: Okay, so by our preliminary
24 budget hearing, we expect that every contract
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2 amendment for 20 will have been registered and we can
3 toast the completion of the model budget process?

4 MOLLY PARK: I am optimistic that that is the
5 case. I am not going to commit to that 100 percent
6 because there are factors that are outside of our
7 control.

8 CHAIRPERSON LEVIN: We're hearing from providers
9 around - if there's a new need request that's going
10 in subsequent to the model budget. The model budget
11 by the way, just to be clear, the model budget
12 process began two years ago now.

13 MOLLY PARK: Yes, of course.

14 CHAIRPERSON LEVIN: So, in that time, into the
15 intervening time, you know, certainly it's
16 anticipated there might be new needs brought up.
17 We're hearing that OMB is disapproving any new needs
18 because those new needs are not in the model budget.
19 And we're also hearing that any new needs that are
20 approved are getting stuck in the queue behind the
21 model budget.

22 MOLLY PARK: I don't know that the blanket
23 disapproval is an accurate characterization. We are
24 going back and reaching out to providers to make sure
25 that new needs that may have lingered a little bit

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2 are in fact still an issue because it maybe that
3 actually the model budget has solved some of those.
4 If they are still an issue, we are processing them
5 and moving forward.

6 You know, registering the contracts is a process
7 and we are working very closely with our partners at
8 the Comptroller's Office, working with providers,
9 trying to communicate as clearly as possible with
10 providers to make sure that they understand how the
11 different amendments line up with one another. If
12 there's particular cases that you want to send to me
13 for us to follow up on, I'm happy to do that.

14 CHAIRPERSON LEVIN: Okay, and then last question
15 here before I turn it over to my colleagues. This
16 isn't really a contract question, but it is all
17 related and that has to do with city fast vouchers.
18 You know, in order to get out of hotels, in order to
19 reduce the census so that we're not relying on
20 providers that have you know, demonstrated an
21 inadequate level of service, we're not relying on
22 models, like clusters and hotels that are inadequate
23 for children in order to reduce the length of stay to
24 under a year or under nine months. And in order to
25 reduce the census, so that families are able to get

1 out a traumatic experience and on with their lives.

2 We need to have a move out system that allows
3 families to stay in the five boroughs and get out of
4 shelter and I sent a letter last month to
5 Commissioner Banks requesting some data around city
6 moveouts and how it compares to SODA and it's a whole
7 conversation perhaps for another day.
8

9 But if we don't have a voucher subsidy that is at
10 fair market rent, there is no way that we can expect
11 the shelter to come down, the census to come down,
12 the length of stay to come down. In any of the
13 things that we want to achieve. This \$2.1 billion
14 budget for DHS is going to continue to increase and
15 it's going to be \$2.5 in a couple years and it's
16 going to be \$3 billion in a few more years and it's
17 just going to continue to increase on and on and on.
18 The census will stay I mean, and I give this
19 administration credit because the census have hovered
20 and we've kept everything kind of in place and it
21 hasn't gotten a lot worse since the Mayor took over
22 and that's to his credit. But we've never going to be
23 able to really turn the corner unless we have a
24 voucher program that pays fair market rent, because
25 I'm hearing from too many people that have had a

1 shopping letter for CITYFEPS for a year or two and
2 can't find an apartment for whatever it is \$1515 or
3 \$1268 or whatever that amount is, and even with the
4 bonuses, the bonuses still don't - there's still a
5 CAP on the price of the apartment and by limiting it
6 to where it is, which is much lower than fair market
7 rent, we are closing the door on a huge percentage of
8 the available apartments in New York City.

10 MOLLY PARK: Point well taken, and I think it's
11 something that we should talk about going forward.

12 CHAIRPERSON LEVIN: Because it's a wise
13 investment. It's a wise investment rather than
14 investing more and more, hundreds of millions of
15 dollars in the shelter system.

16 MOLLY PARK: Thank you.

17 CHAIRPERSON LEVIN: Thank you, okay, I'll turn it
18 over to my colleagues. Council Member Grodenchik and
19 we've also been joined by Council Member Barron.

20 COUNCIL MEMBER GRODENCHIK: Thank you Chairs.
21 Good morning Commissioner Park, good morning other
22 person, I'm sorry, I don't have your name.

23 Okay, Ms. Drinkwater, good to see you both. Who
24 picks the sites that we select for shelters?

1
2 MOLLY PARK: Providers bring us sites typically;
3 we will review them and determine whether or not we
4 think they are appropriate for a shelter and whether
5 or not they align with the Turning the Tide goals but
6 the providers are doing the initial site
7 identification.

8 COUNCIL MEMBER GRODENCHIK: I would generally
9 assume that there are apartment buildings that are
10 either empty or which is unusual these days or mostly
11 empty.

12 MOLLY PARK: It's rarely apartment buildings per
13 say, it's other kinds of buildings that could be
14 adapted to use for shelter and sometimes it ground up
15 new construction, which obviously takes a lot longer
16 to build. To come online and to be able to serve the
17 needs of our clients but I think has a lot of really
18 exciting potential.

19 COUNCIL MEMBER GRODENCHIK: Thank you, I think
20 that you said before that the budget for homeless
21 hotels is \$463 million, is that correct.

22 MOLLY PARK: I'm going to actually clarify, my
23 colleague corrected me, it's \$486 million for hotels.

24 COUNCIL MEMBER GRODENCHIK: So, it's almost one
25 quarter of the entire budget for homeless services

1
2 which I have at \$2.1 billion. I have to redo my
3 math. At \$463 million divided by the 11,000 persons
4 that you have there, that's over \$42,000 a year for
5 shelter resident in hotels. Do we agree on that
6 number.

7 MOLLY PARK: I will trust your math.

8 COUNCIL MEMBER GRODENCHIK: Alright, my math is
9 usually pretty good. Do you have a breakdown on how
10 much we spend on actually providing shelter versus
11 the reservices such as counseling, you know, all
12 those things that we expect from our providers?

13 MOLLY PARK: We can follow back up with you on
14 those breakdowns.

15 COUNCIL MEMBER GRODENCHIK: Okay, I do want to
16 follow up on a hearing that we held here a few weeks
17 ago under the auspices of Chair Levin regarding food
18 in homeless shelters and I have to tell you I was
19 quite shocked to put it mildly to find out they we're
20 only spending \$8.40 a day to feed people who live in
21 shelters and that's less than two and a half percent
22 of the entire budget for homeless services goes to
23 feeding people.

24 Do you have anything you want to add to that
25 today?

1
2 MOLLY PARK: Well, one thing that I would clarify
3 is that for the families with children, where they
4 have a kitchen, so in all the Tier II facilities,
5 families are providing their own food, so we don't
6 provide food in every single shelter. So, I do think
7 it's important to clarify that.

8 COUNCIL MEMBER GRODENCHIK: And do they buy that
9 food on their own?

10 MOLLY PARK: Correct.

11 COUNCIL MEMBER GRODENCHIK: Alright, because we
12 obviously have to do better. We heard from quite a
13 few people here who are residents of the shelter
14 system. I was dismayed to put it mildly and I hope
15 that you know, it's not that hard. Even I can cook
16 tasty food, so it's really not that hard. But you
17 know, we have plenty of thousands of establishments
18 in the city that provide tasty food called
19 restaurants, so I would hope that we could do better
20 in the future and it's something I think we should
21 talk about more as we go forward.

22 MOLLY PARKS: Happily.

23 COUNCIL MEMBER GRODENCHIK: And I would
24 appreciate a breakdown from the department on where
25 we are with regard to how much we're spending on

1
2 actual rent and how much we're spending on everything
3 else.

4 Thank you, Mr. Chairman, thank you, Commissioner.

5 CHAIRPERSON LEVIN: Thank you Council Member
6 Grodenchik. Council Member Holden.

7 COUNCIL MEMBER HOLDEN: Thank you Chairman.
8 Deputy Commissioner, 83 hotels, 11,000 people living
9 in them, what percentage of the people are families
10 in the hotels?

11 MOLLY PARK: About half.

12 COUNCIL MEMBER HOLDEN: About half, so 5,500
13 let's say. 5,500 families never having - you know,
14 we heard at the last General Welfare hearing that
15 they never - in the hotels especially, they never
16 have fresh food, they have frozen that they just heat
17 up in microwaves, is that correct?

18 MOLLY PARK: I believe so, yes.

19 COUNCIL MEMBER HOLDEN: Yeah, so, if the average
20 day is a year, they go a year our kids and families
21 go a year without fresh food, they just have the
22 frozen variety that in a microwave.

23 MOLLY PARK: Council Member, I think, as I said
24 to Council Member Levin, we fully believe that the
25 hotels are not the right place and that for families

1
2 or for anybody else experiencing homelessness, we are
3 committed to getting out of the hotels and I'm happy
4 to look at ways that we can improve the situation for
5 people who are there in the interim.

6 COUNCIL MEMBER HOLDEN: Well, the vouchers, it
7 sounds like a good idea. We have apartments going up
8 all over the place and they command high rents but we
9 can't find vouchers, we'd rather put people up in
10 hotels and give them microwave food.

11 And it's getting worse, it's getting worse, we're
12 not getting rid of the hotels, we're increasing it
13 and so, the clusters weren't great but the clusters
14 had kitchens but they weren't great but the hotels
15 are better. That's what I never understood and that
16 should have been a priority on that but I want to
17 just go to another aspect of the whole process, the
18 procurement.

19 Now, I've been trying to get a contract from a
20 proposed shelter in my district to see the contract.
21 I wasn't allowed to see it, I had to send somebody,
22 one of my staff members down to view it and I'm still
23 being denied the contract. I can't see it. At the
24 public hearing, that was held downtown, people came,
25 after we looked at the contract, there were several

1
2 things missing in the contract for 7816 Cooper Avenue
3 in Glendale.

4 Blank pages, misinformation, no operating budget,
5 and under Section 1-04D of this New York City
6 Procurement Policy Board Rules and the New York City
7 Charter, Chapter 13, Section 33B, it says, whenever
8 an elected official of the city requests
9 documentation relating to the solicitation or award
10 of any city contract, the Mayor and the agency shall
11 promptly provide such documentation. Yet, I've been
12 continuously denied.

13 MOLLY PARK: It is our agency policy -

14 COUNCIL MEMBER HOLDEN: Oh, oh, your agency
15 policy?

16 MOLLY PARK: The contract is available, it is
17 available at For World Trade, we are happy to make it
18 available to you or anybody else who wishes to see
19 the contract.

20 COUNCIL MEMBER HOLDEN: They haven't done it;
21 I've been asking over and over again. How many times
22 do I have to ask and get denied?

23 MOLLY PARK: It is available at For World Trade
24 Center.

1
2 COUNCIL MEMBER HOLDEN: Oh, it's available to
3 look at, I can't have it.

4 MOLLY PARK: Correct.

5 COUNCIL MEMBER HOLDEN: Right, anybody can look
6 at it. And pieces missing, it's okay and when it
7 says, Commissioner Banks said I'm getting 200 beds,
8 but it says 88 in the contract. Is that an area of
9 concern?

10 UNIDENTIFIED: Hi, the contract that we have
11 available for -

12 CHAIRPERSON LEVIN: Can you identify yourself for
13 the record please.

14 VINCENT PULLO: Oh, sorry, my name is Vincent
15 Pullo; I'm the Agency Chief Contracting Officer for
16 DSS.

17 CHAIRPERSON LEVIN: Thank you, hold on one second.
18 The Committee Council will swear you in.

19 VINCENT PULLO: I was sworn in, I did raise my
20 hand but I can be sworn in again.

21 CHAIRPERSON LEVIN: Your good, thank you.

22 VINCENT PULLO: Alright good. The contracts that
23 we have available for inspection and this is a
24 standard city policy, is that the contracts are in
25 draft.

1
2 I regret that the draft had an incorrect number
3 of beds in it. You know, it was a typo, the
4 contracts are relatively standard and our attorneys
5 neglected to change the 88 to 200 but the contract,
6 that is available for inspections or draft contracts.

7 COUNCIL MEMBER HOLDEN: You know, it's kind of an
8 insult that DHS can't get their act together. They
9 come up with a contract, get the wrong beds, don't
10 even have the right number of beds listed. Don't
11 even have the operating budget, so people take their
12 day off to go down and testify and at least you know,
13 should get the right information. You have to take
14 two days off; you have to go look at the contract and
15 then you have to go back to the public hearing and
16 testify and there's no information that's really that
17 you can use or gather. You can't trust it. So,
18 transparency, are you kidding? DHS, the least
19 transparent agency that I've seen so far in my two
20 years of city council.

21 Also, here we have a hearing believe it or not,
22 where you just talk to the wall. The person that was
23 there from DHS, did not say a word. Even the
24 representative from DHS, whose for the borough, was
25

1 sitting in the back texting or at least on her phone,
2 not listening to the testimony.
3

4 The whole things a joke, and that's what DHS is
5 treating this whole process. The fact that we
6 couldn't get information, correct information. The
7 budget is not even in there, the operating budget and
8 the person couldn't even answer any questions at the
9 hearing.

10 So, I'm sure you're going to say that's all
11 policy, but getting - it's in the Charter that I'm
12 supposed to get a copy of the - I'm supposed to have
13 that available to see and to have a copy of it, even
14 though it's a draft. What's the problem with giving
15 City Council members a copy of the contract? What is
16 the problem? Is that - something is going to come
17 crashing down that the agency will cease to exist if
18 we get a copy of a draft contract?

19 VINCENT PULLO: I don't interpret the rule that
20 way; however, what we will do is we will go back,
21 look at the rule and to see whether or not it can be
22 provided.

23 As I mentioned, it is a draft, as contracts are
24 more fully negotiated, they are certainly subject to
25 the Freedom Information Law. However, during the

1
2 draft contracting process, we do strictly abide by
3 having the contracts available for inspection and
4 then when we do have a public hearing, the person
5 that is holding the public hearing is a procurement
6 official and that person is not the appropriate
7 person to answer during the public hearing. However,
8 we do take every comment back and we do receive the
9 minutes of the public hearing and we do speak with
10 program -

11 COUNCIL MEMBER HOLDEN: Can you tell me any
12 comments that were said during the hearing?

13 VINCENT PULLO: Well, there were a number of
14 comments during the hearing.

15 COUNCIL MEMBER HOLDEN: No, but can you give me
16 one? You said you listen to it and you take it back.
17 Who is listening to it and who is taking it back?

18 VINCENT PULLO: Well, I was not there. It was
19 one of my deputies but if I remember, there was a lot
20 of testimony from the community with regards to the
21 process and there were complaints with regards to
22 where the building is located and the population.

23 You know, when we go back to do final award and
24 during the course of the whole process, we do look at
25

1
2 the testimony and we do consider the testimony and we
3 have on many shelters.

4 COUNCIL MEMBER HOLDEN: To me, this sounds like,
5 it's just bureaucratic mumbo jumbo once again. That
6 people listen and no body is listening, nobody is
7 paying attention to DHS. I don't get feedback, I
8 call the Commissioner, I don't get a call back. I've
9 been dealing with this site for well over a year. We
10 tried to come up with alternate locations, we did, he
11 liked it, the Commissioner said, and yet, again the
12 rug was pulled out at the eleventh hour. This is an
13 inappropriate location; I gave four of the locations.
14 I set up a couple of homeless shelters using City
15 Council money initiatives; however, there's a feeling
16 that at least I have and I think some other Council
17 Members, they can speak for themselves, that DHS does
18 not want to work with us. And we all said that we
19 need to at least get a heads up, have a seat at
20 procurement, not veto power but at least give some
21 feedback as to better locations within the community.
22 You know, it would fit more into the community yet, I
23 got like the agency circling the wagons last winter.
24 When I was working every day with DHS, we were
25 looking at locations, I had proposals for faith based

1
2 shelters, smaller shelters in my community and many
3 communities around the city. 200 person shelter is
4 not going to fit into a one and two family area. It
5 will never be accepted, yet, and I said, I'll set up
6 smaller ones, we'll work it out. It's not cost
7 effective, it's not this, it's not that.

8 Yet, at the last hearing we heard nightmare
9 stories about, oh, listening to your testimony, it's
10 like this cumbia, these are wonderful shelters.
11 That's not what we heard at the last hearing. With
12 the food, with the conditions, how they dehumanize
13 people. How they interact. We're not hearing that
14 from the population, the clients that you supposedly
15 support. But on the neighborhood level, there's no
16 willingness to work with the community. There's
17 dictate from the mouth. That they're just going to
18 just keep telling us what we need and what we can
19 have in our communities, yet they don't want to work
20 with the Council Members.

21 Thank you Chair.

22 CHAIRPERSON LEVIN: Thank you very much Council
23 Member Holden. Council Member Rosenthal and Council
24 Member Rosenthal, we're going to place members on a
25 five minute clock if that's okay.

1
2 COUNCIL MEMBER ROSENTHAL: Well, that makes
3 sense.

4 CHAIRPERSON LEVIN: Thank you.

5 COUNCIL MEMBER ROSENTHAL: Thank you so much for
6 coming to testify today. Thank you Chairs for the
7 five minutes. I want to ask a few broad questions
8 and then one quick question about a specific incident
9 in a shelter in my district.

10 Overall, do you have case worker ratios, case
11 worker to client ratios in shelters and are they
12 different based on the type of shelter that it is and
13 are they available 24/7?

14 MOLLY PARK: Yes, we have specific ratios. Yes,
15 they vary by different population type. There is
16 always programmatic staff – there is always staff on
17 site 24/7.

18 COUNCIL MEMBER ROSENTHAL: Security?

19 MOLLY PARK: There is always security staff and
20 there are programmatic staff that can be accessed at
21 different hours and we do try and make sure that
22 there are different shifts covered.

23 You know, is there a case workers available
24 routinely at three o'clock in the morning. In most
25 cases, no but if –

1
2 COUNCIL MEMBER ROSENTHAL: I have five minutes,
3 sorry.

4 MOLLY PARK: If there's a specific instance that
5 you want to ask about, we can certainly talk about
6 that.

7 COUNCIL MEMBER ROSENTHAL: I'd think what I'd
8 like is, if you could get back to the Committee with
9 the ratios for each of the different types of
10 shelters.

11 MOLLY PARK: Absolutely.

12 COUNCIL MEMBER ROSENTHAL: And then, for each of
13 the types of shelters, who is the on call staff when.

14 MOLLY PARK: Of course, certainly.

15 COUNCIL MEMBER ROSENTHAL: Does that make sense
16 what I'm asking?

17 MOLLY PARK: Yeah, yeah.

18 COUNCIL MEMBER ROSENTHAL: Okay, okay, alright
19 great. And then, for clients who are working during
20 the business day, who do have jobs, which many of
21 your clients do.

22 MOLLY PARK: Yes.

23 COUNCIL MEMBER ROSENTHAL: How do they access the
24 case workers?

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MOLLY PARK: So, we look to make sure that the case workers cover more than just the nine to five time slot. So, there will be some staff who are available earlier in the day. Some who are there later. We would also you know, for people with very irregular schedules, we would encourage them to talk to their shelter director, talk to the staff onsite and to make alternative arrangements but we understand that we are operating a 24/7 system and look to meet clients needs.

COUNCIL MEMBER ROSENTHAL: Can you again send over information to say, I don't care about the specific shelters, but sort of, you know, here are the shelters where case workers are needed in the evening and it's ten and we have case workers there from five to ten p.m. every day. Something like that to indicate where the need is and where the demand is being met.

MOLLY PARK: Sure, I have to think about what would be the most appropriate data, but we will follow up with you and if we don't get exactly what you are looking for the first time, we will continue to work with you on that.

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2 COUNCIL MEMBER ROSENTHAL: I mean, I think we're
3 looking for an honest reflection of what's available
4 for clients and if there are holes, right, if there
5 are places that don't have coverage that need it, as
6 a Council Member, I would prefer that you be upfront
7 about that and just show us, look, there are these
8 five programs that we just don't have coverage for
9 and we are - either because of vacancies or because
10 of the lack of funding and here's what we're doing to
11 try and fix it.

12 MOLLY PARK: Certainly.

13 COUNCIL MEMBER ROSENTHAL: Okay, Chair can I have
14 -

15 CHAIRPERSON LEVIN: Yes.

16 COUNCIL MEMBER ROSENTHAL: Thank you very much.
17 Are you looking to pilot any new initiatives for
18 children in homeless shelters to find additional
19 modes or different ways to get at mental health
20 issues?

21 MOLLY PARK: Well, first of all let me say, we're
22 always open to ideas. So, if you have a specific
23 program you want us to look at, we would be happy to
24 do that.

25

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2 We have invested a lot in our families with
3 children system to try and make sure that we are
4 meeting childrens needs in addition to family's needs
5 in totality. I think the investment of Thrive Social
6 Workers in the families with children system has been
7 a really important investment in that direction. And
8 then, we also have a partnership with some
9 philanthropic partners and other city agencies to do
10 - to Train the Trainer Initiative to do early
11 childhood education around brain development to
12 making sure that we are helping what are often very
13 young mothers, know how to help their kids grow and
14 develop.

15 So, yes, it is something that's very important to
16 us.

17 COUNCIL MEMBER ROSENTHAL: Great, and I know the
18 Children's Museum does some of that work and you
19 know, one of the museums in my district and they are
20 really proud of that work, it's extraordinary, I've
21 seen it but again, how many shelters do you have with
22 families in them?

23 MOLLY PARK: In all the vast quantity of
24 information I'm brought, I'm not sure I have that
25 particular stat specifically, but about half, sorry,

1
2 two thirds of our shelter clients are families with
3 children and we can certainly get number.

4 COUNCIL MEMBER ROSENTHAL: So, what I'm getting
5 at is, again, if you could let us know how many
6 shelters have children in them and how many have a
7 program like [INAUDIBLE 2:14:51].

8 MOLLY PARK: Sure, absolutely.

9 COUNCIL MEMBER ROSENTHAL: Okay, again, looking
10 for being very honest about where you don't and sort
11 of what you're doing to fill in with social workers
12 from Thrive, maybe that's what's going on there and
13 maybe you could categorize the shelters by what type
14 of program is providing that emotional and mental
15 health service.

16 MOLLY PARK: I will say, all the families with
17 children shelters, Tier II shelters, have social
18 workers.

19 So, the social workers isn't across the board the
20 standpoint. Where there are enrichment programs like

21 -

22 COUNCIL MEMBER ROSENTHAL: I'm looking for the
23 enrichment programs.

24 MOLLY PARK: Okay, that will probably take us a
25 little longer to pull together because that is often

1
2 lead by the nonprofit provider as opposed to lead by
3 DHS, but we can certainly to that for you.

4 COUNCIL MEMBER ROSENTHAL: Okay, that would be
5 great. Lastly, is there a formal grievance process
6 for clients who have a complaint with anything? Is
7 there some place you know, are they told as part of
8 you know, welcome to the shelter, here is FAQs, rules
9 and responsibilities, something like that.

10 MOLLY PARK: Yes.

11 COUNCIL MEMBER ROSENTHAL: Here is where you can
12 complain either onsite or online or something?

13 MOLLY PARK: Yes, so we have an ombudsman office,
14 the number for that is given out when somebody comes
15 into shelter and it's posted in shelters as well and
16 that is where people are directed.

17 COUNCIL MEMBER ROSENTHAL: Okay, is it posted in
18 every single shelter?

19 MOLLY PARK: I'm going to need to confirm that
20 and get back to you.

21 COUNCIL MEMBER ROSENTHAL: Okay, I mean just a
22 good note to self. I'll keep mind of it when I'm
23 looking at my shelters, maybe others can do so as
24 well. We just want to make sure that that's posted
25 really clearly.

1
2 Lastly, there was an incident, horrible incident,
3 of course, in one of the shelters in my district and
4 I spoke with the shelter provider who asked for one
5 thing mainly as a solution. Of course, this is
6 situation where two men who were rooming together and
7 had a dispute over an issue that wasn't something
8 that may have risen to the attention of the case
9 workers on site but got out of hand and someone was
10 killed.

11 The shelter provider is asking for two things.
12 One, that there be cameras with voice abilities as a
13 walk up shelter and there was security on site, but
14 they weren't on the fourth floor. The neighbors
15 didn't really hear it or know what was going on until
16 it was too late. So, they're asking for cameras with
17 audio and they're asking for a metal detector because
18 of course, one of the clients had a pocketknife.

19 I'm wondering what you think about those requests
20 and whether or not - yeah, just sort of what the
21 thinking is on requests like that and whether or not
22 that's an option for other shelters as well? And
23 that's my last question, thank you.

24 MOLLY PARK: Certainly, things that we can look
25 at, I'm not going to comment too much on the specific

1 case, given that it is still under formal
2 investigation.

3
4 You know, I think that first of all, it's a good
5 example of a building that is being used for purposes
6 that is less than ideally suited for, to have two men
7 together in a small room is less than ideal and
8 speaks to the goals that we have about reforming the
9 shelter system, about improving the physical capacity
10 that we have.

11 You know, if we're thinking about cameras with
12 audio, I want to make sure that we are balancing
13 safety needs with also intrusion and to people's
14 privacy concerns, but it's something we can look at.

15 COUNCIL MEMBER ROSENTHAL: Okay, I'm sorry, and I
16 just couldn't hear. Did you say something about a
17 metal detector?

18 MOLLY PARK: I'm sorry, I did not respond on that
19 one. It's also something we'll take a look at, sure.

20 COUNCIL MEMBER ROSENTHAL: Is that at any other
21 facilities?

22 MOLLY PARK: We do have facilities with metal
23 detectors, yes.

24 COUNCIL MEMBER ROSENTHAL: Okay, thank you so
25 much. Thanks Chair.

1
2 CHAIRPERSON LEVIN: Thank you very much Council
3 Member Rosenthal.

4 ERIN DRINKWATER: Chair, if I can just correct
5 the record. Earlier when Council Member Holden was
6 discussing to Cooper Avenue site and the contract,
7 just a reminder that it is a draft contract.

8 However, this agency has been very public in the fact
9 that that is going to be a proposal for a 200 bed
10 men's shelter run by a very reputable provider West
11 Have and this agency has participated in any number
12 of meetings with the Council Member and his community
13 about that location.

14 CHAIRPERSON LEVIN: Okay, okay, turning it over
15 to Council Member Barron for questions.

16 COUNCIL MEMBER BARRON: Thank you to both the
17 Chairs and to the Panel for coming. There, as you
18 probably well know, is Help USA located in my
19 district and they submitted a request - HPD submitted
20 a request that the existing shelter be demolished and
21 a new shelter be built and additional housing as
22 well. The community resisted that and we were able
23 to gratefully come to an adjustment where the new
24 housing that will be developed on that site, which is
25 far more extensive than just the 200 units, will be

1
2 in fact, affordable to families who live in my
3 community where the AMI is about 30 percent of what
4 the city's AMI is. And there will be housing for 200
5 families that had formally been in shelter to now be
6 in embedded in the housing that will be constructed.

7 So, we believe that as we and the Council I
8 believe, is going to consider legislation to talk
9 about having a minimal number increasing that number
10 significantly to make sure that it includes
11 opportunities for families that were present, that
12 were formally in shelters to move into permanent
13 housing.

14 What is your response to that? Which also gets
15 at some of the points about having a voucher system
16 that in fact, matches what the rates are for housing.
17 So that people who are in temporary shelters will be
18 able to move out of shelter and of course, we
19 recognize the Governor and the State and the
20 Advantage Program, which greatly contributed to the
21 increase in those needing shelter.

22 MOLLY PARK: I've spent most of my career in
23 affordable housing.

24 COUNCIL MEMEBR BARRON: Could you pull the mic a
25 little closer?

1
2 MOLLY PARK: Sorry, I've spent most of my career
3 in affordable housing. I am a tremendous believer in
4 the need for affordable housing and the power of
5 affordable housing for communities and so, I am never
6 going to denigrate additions to the affordable
7 housing stock, because I believe it's really
8 important.

9 With that being said, I also think it's really
10 important that we have high quality, nonprofit owned
11 and operated shelter. The reality of our larger
12 socioeconomic system and this goes well beyond DHS
13 but about you know, given levels of income and
14 equality and given the nature of the real estate
15 market in New York City, some of the statistics that
16 I cited early in my testimony, means unfortunately
17 that I believe we are going to need to continue to
18 serve families with children and others in temporary
19 shelter while we help them transition to permanent
20 housing.

21 So, while affordable housing is a critically
22 important part of the equation and I am you now,
23 enthusiastic about all of the ways that we as a city
24 can invest in permanent housing in affordable housing
25 development, I hope that we can do it in ways that

1
2 doesn't come in at an expense of the shelter system
3 because for all of the reasons that we have talked
4 about, about the need to get out of hotels, we can
5 only do that if we have high quality shelter that we
6 can use in the interim.

7 COUNCIL MEMBER BARRON: So, how are we - you
8 know, in the interim, how long do you project this
9 interim to be?

10 MOLLY PARK: I mean the Turning the Tide Plan,
11 which is our guiding document, as you I'm sure, are
12 well aware had a relatively small reduction in the
13 shelter census that is contemplated. We are actually
14 doing relatively well against that goal and we are
15 holding the shelter census steady. I am anxious to
16 work with the Council, with my colleague, we should
17 absolutely be looking for ways that we can reduce the
18 shelter census over the long term, but what we have
19 seen is that you know despite the fact that we as an
20 administration have placed 125,000 people in
21 subsidized permanent housing placements, people then
22 come in to the system, right.

23 So, we have an ongoing need for shelter.

24 COUNCIL MEMBER BARRON: Okay, I'm going to shift
25 a little bit. In terms of the contracts that are

1
2 given to these not-for-profit organizations, have we
3 looked at what percentage of those contracts actually
4 goes to salaries of those who are in the leadership
5 of the organizations requesting. What percentage
6 goes – we know it all goes back. People love to say,
7 oh, it's not-for-profit. Yes, that's fine. What
8 percentage goes to the salaries of those persons who
9 are at the top, not talking about the social workers
10 and the case workers, we know that that's a general
11 range.

12 MOLLY PARK: Right, I don't have that data at
13 hand. I will talk to my colleagues and figure out if
14 that is something that we can produce. In one way or
15 another, we will follow back.

16 COUNCIL MEMBER BARRON: Why would it be a
17 problem?

18 MOLLY PARK: I don't know if we have the data to
19 be able to do it.

20 COUNCIL MEMBER BARRON: If you have to submit a
21 contract and if you have to identify the budget, why
22 couldn't you identify that readily?

23 MOLLY PARK: We should be able to produce some
24 data on that.

25

1
2 COUNCIL MEMBER BARRON: Great, I would be very
3 grateful for that. In terms of visiting a shelter,
4 what's the protocol for any of the Council Members to
5 have a visit at a shelter?

6 ERIN DRINKWATER: You can contact my office and
7 we would be happy to set that up.

8 COUNCIL MEMBER BARRON: So, it has to be
9 prearranged through your office?

10 ERIN DRINKWATER: Yes.

11 COUNCIL MEMEBR BARRON: You can't just stop in?

12 ERIN DRINKWATER: We prefer you to set it up
13 through my office.

14 COUNCIL MEMBER BARRON: But can you just stop in?

15 ERIN DRINKWATER: You can stop in, again, we
16 prefer it to be set up through my office.

17 COUNCIL MEMBER BARRON: Okay, and in terms of the
18 what is it called the RSRI, the Routine Site Review
19 Inspection, who are the panelists or who are the
20 members of that team who conduct that inspection?

21 MOLLY PARK: So, DHS has inspection staff that
22 does the RSRI's.

23 COUNCIL MEMBER BARRON: What are their
24 qualifications or their background?

1
2 MOLLY PARK: They are, I'm going to need to
3 follow up with you on that one, I'm sorry, I don't
4 have that at my fingertips, but then we also do
5 regular inspections with the Shelter Repair Squad,
6 which is made up of HPD inspectors, FDNY inspectors,
7 building inspectors, health and mental hygiene.

8 COUNCIL MEMBER BARRON: Okay, great. Thank you
9 to the Chairs.

10 ERIN DRINKWATER: Can I clarify just one thing?

11 COUNCIL MEMBER BARRON: Yes.

12 ERIN DRINKWATER: So, our providers, our shelters
13 are not you know, public locations and so, if an
14 individual were to come to the shelter, there would
15 be an unauthorized guest. And so, that's why we
16 prefer that visit to be set up through my office, so
17 that doesn't occur and we can have seamless visit to
18 the shelter.

19 COUNCIL MEMBER BARRON: And then what's the
20 length of time that it would take for that request to
21 be considered?

22 ERIN DRINKWATER: It's considered immediately and
23 scheduling is just around staff schedules.

24 COUNCIL MEMBER BARRON: And scheduling, I didn't
25 hear you.

1
2 ERIN DRINKWATER: Staff scheduling and
3 availability.

4 COUNCIL MEMBER BARRON: Thank you. Thank you to
5 the Chairs.

6 CHAIRPERSON KALLOS: Thank you Council Member
7 Lander.

8 COUNCIL MEMBER LANDER: Thank you Chair Kallos
9 and thanks to both of you and Chair Levin for
10 convening this important hearing and thanks to both
11 of you for your long work on these issues.

12 First, I just want to like associate myself with
13 the importance of the questions at getting at shelter
14 conditions doing everything we can to assure really
15 strong decent living conditions. Obviously, so
16 critical at this time of year and always.

17 I will say I was just Thursday night at the CAMBA
18 Women's Shelter in my district at the Park Slope
19 Armory for just like a gorgeous holiday party and if
20 you didn't watch the little snippet on my Twitter
21 feed, go back and watch it. They through just like
22 the most beautiful Christmas party and I think it
23 will probably be our holiday party and I think
24 probably the nicest of the holiday parties that I go
25

1
2 to this season. Boy a lot more heartfelt than some
3 of the other ones.

4 So, there is a way to do and provide and partner
5 with shelter that is about our deep compassion for
6 helping people and like, what are the folks in the
7 shelter want. Like, on the one hand it was this is a
8 place that's building beautifully to help strengthen
9 peoples skills and build in partnership and on the
10 other hand, what do people want? They want housing,
11 of course that's the gift they want for the season
12 and both those things can be true and we have to hold
13 them together. We must do everything we can to
14 create pathways to permanent supportive and other
15 housing out of the shelter system but at the same
16 time, we must do everything we can to build together
17 with nonprofits and the agencies and the shelter
18 providers to provide the kind of shelter where you'd
19 not only want to live but you'd be happy to go to a
20 holiday party. And I know we can, because I was just
21 there Thursday.

22 You guys are rightly bringing some additional
23 shelters to my district in my part of Brooklyn and
24 that is absolutely the right approach under the
25 Turning the Tide plan, the fair share goal of making

1
2 sure that all communities do their part is absolutely
3 critical. I think it goes hand and hand with
4 engaging high quality operators to provide high
5 quality shelter and convert to the system, so that
6 the spaces it has had that are not high quality are
7 removed and replaced with high quality places, with
8 high quality partners fairly spread and shared
9 throughout the city.

10 So, that is why I've stepped up to be a
11 supportive partner in the siting's, which are now I
12 think up to four in my district in the last year, one
13 of them shared with Council Member Levin.

14 But I guess I do want to ask a contracts
15 question, because for absolutely correct and right
16 reasons, the rent in Park Slope is high and if you
17 are going to contract for a shelter in Park Slope, it
18 is going to cost more than a shelter that would be in
19 East New York.

20 So, we have to pay that price if we want to have
21 a fair sharing and high quality in the city. That is
22 what a lot of people have asked questions about. I
23 think some people who you know, frankly are
24 expressing nimbyism have learned rather than saying,
25 I don't want a shelter next door, have learned to say

1
2 the cost is outrageously high and the problem is the
3 cost is outrageously high.

4 So, I guess I want to ask a couple of questions
5 here. One of which is just how you think about that
6 problem. Like, as managers of a budget and people
7 who believe in fairness, how you are thinking about
8 an approaching – how you negotiate with people, how
9 much you try to get the price down. How much you
10 say, we got to pay what the market is if we want to
11 be spread equally throughout the city, but then more
12 deeply, I'd like to think long term about how we make
13 this more of a resource and I have put my cards on
14 the table publicly before, but I'll do it here.

15 I would feel better about the price we're paying
16 if I thought we were really gaining a public asset.
17 So, if there were purchases, I would do it by eminent
18 domain, I would do it by contract and public purpose.
19 I don't mind it being a shelter for as long as it
20 needs to be a shelter to provide it, but some day,
21 when we've gotten the shelter census down and it
22 could instead be affordable housing. We really need
23 that in my neighborhood as well.

24 So, what are some opportunities I guess, how do
25 you think about balancing the challenges of price and

1
2 fair sharing and what could we be doing to think
3 about this as a long term asset and not just a short
4 term emergency, we've got a responsibility to self.

5 MOLLY PARK: Absolutely, so to take the first
6 piece of the question, when we are looking at a
7 particular proposal, we do recognize that if we want
8 to be located in neighborhoods all across the city,
9 we're going to have to be willing to pay rents that
10 align with neighborhoods across the city.

11 It is in some ways an expensive proposition but
12 it is I think, the right thing to do with respect to
13 making sure that we have shelter that is distributed
14 from all the communities where people come from and
15 we have shelters that are located with access to all
16 of the amenities and neighborhood amenities that
17 everybody else expects to have access to.

18 COUNCIL MEMBER LANDER: Agreed.

19 MOLLY PARK: So, you know, we certainly
20 negotiate. We look at comps, we do everything that
21 we can to make sure that we are getting an
22 appropriate deal for the neighborhood but we do
23 recognize the neighborhood differential.

24 And then on the longer term question, I entirely
25 share your goals. I think one of the things that is

1
2 exciting for me and that the agency has been working
3 really hard to develop is what we are referring to as
4 our - now, I'm going to get a little wonky, our Debt
5 Service Contracts, which are longer term contracts
6 where the contract includes rather than rent to an
7 existing landlord, actually the debt service payments
8 to either acquire or build the building from scratch.

9 These are going to only be available to not-for-
10 profit controlled housing development fund
11 corporations. They are going to have long term use
12 requirements attached to them and it's going to be a
13 way that we can make sure that when the city is
14 investing in this high quality buildings, that we
15 have a way to control it for the long term.

16 This was mentioned briefly in Turning the Tide,
17 is that we were going to do 25 of these purpose built
18 shelters. I think it is and we are making good on
19 that. We have a few in the pipeline and are I think,
20 even more importantly, putting out structures and
21 programs so that we have you know, readily available
22 tools for the affordable housing real estate industry
23 to use, so that we are investing in that kind of high
24 quality facility.

1
2 COUNCIL MEMBER LANDER: Are any of those far
3 enough along that there's public information on them?
4 Can we learn a little more about them?

5 MOLLY PARK: Well, unfortunately the Blake site
6 was one of those, so I will not talk about that one.
7 We should have others that are ready to be public on
8 fairly shortly and I would be happy to follow up with
9 you at that point.

10 COUNCIL MEMBER LANDER: Okay, I would really like
11 to learn more. Okay, and that speaks to just you
12 know, whether there is just a plan to acquire them in
13 nonprofit ownership or whether there is this model of
14 partnering shelter and supportive or permanent
15 housing, either way would be great.

16 MOLLY PARK: I think there is absolutely
17 opportunity for doing more co-located shelter and
18 permanent housing. I think we have a couple of very
19 significant flagship projects like that. The one
20 that's most often sited is the Landing Road project
21 in the Bronx, which is a terrific example. There's a
22 Wish Fish project on 108th Street that is in
23 construction right now, but I think there's a lot of
24 smaller scale options to that are really exciting,
25 that I'd be happy to talk through with you.

1
2 COUNCIL MEMBER LANDER: Which is great and then
3 for our long term thinking and this will be my last
4 question.

5 I you know, for reasons that make sense, those
6 tools are going to be easier to imagine being
7 executed in lower priced parts of the city and I want
8 to think about how we do it in the higher priced
9 parts of the city as well. Because I want to be able
10 to keep leaning in and supporting but as you know,
11 it's like a real challenge on a couple of he ones in
12 the neighborhood where what people perceive in the
13 neighborhood is, here's a for profit private real
14 estate developer who aimed to build whatever they
15 could with as little affordability as they could and
16 then they built the thing and then they made
17 calculous as they are just about to go to market.
18 Hey, maybe the city will either pay me a little
19 better or pay me the same but it's easier for me and
20 we need the shelter beds, so I'm supporting them.

21 But then you know, there's some sticker shock in
22 watching what we're paying and then if it's just a
23 rent for however long, then at the end of that time,
24 we're going to hand them back this building, we paid
25 them all that rent for.

1
2 So, I mean, it probably doesn't help you site
3 more shelter systems to have me like threatening
4 eminent domain to take those buildings after you
5 contract with them and bring them into nonprofit
6 ownership, so that they could become permanent
7 affordable housing, after the time that they serve
8 their purpose as shelters. But I want us to keep
9 pushing to think of some way because if we're
10 spending rightly, the people's money on this moral
11 and legal obligation to house homeless people in a
12 fair and decent way all across the city as we should,
13 let's push ourselves harder to do everything we can
14 to make sure it's used to kind of keep acquiring and
15 retaining and building social assets and not just
16 kind of renting that space to provide those services
17 in ways that just you know, largely also wind up
18 having that big benefit to private -

19 MOLLY PARK: I agree entirely.

20 COUNCIL MEMBER LANDER: Thank you.

21 CHAIRPERSON KALLOS: Thank you, I'd like to
22 acknowledge that we were joined by Council Member
23 Torres. How come Brad gets homeless shelters and I
24 don't? Can I get more than he is?

1
2 MOLLY PARK: We would be happy to work with you
3 on siting some shelters.

4 CHAIRPERSON KALLOS: With that being said, I know
5 that you recently started, but I did provide I
6 believe four addresses for Commissioner Banks to
7 provide homeless shelters in my district and we are
8 willing to do rezoning's to make it so. So, I
9 actually have been waiting for hundreds of millions
10 of dollars in funding to make it happen and a
11 response from the city on whether or not we can
12 provide the additional -

13 MOLLY PARK: Apologies, I wasn't aware about that
14 but we will absolutely follow up.

15 CHAIRPERSON KALLOS: I also want to thank the
16 Mayor's Office of Contract Services for being present
17 at the hearing today to provide any questions on call
18 and I just want to mention that following Council
19 Member Holden's question relating to contracts, in
20 our role on the Contracts Committee, we've requested
21 more than a dozen contracts. Which those dozens of
22 requests have resulted in us getting several dozen
23 contracts per request. We are at something like 3.6
24 Gigabits worth of contracts that we've received from
25 the city thus far.

1
2 And so, we did have a quick sidebar with MOCs and
3 the echo for DHS and Council Member Holden that we
4 will get a definitive answer within the next 24 hours
5 and I just appreciate working with folks and just to
6 give a little bit of credit, the Mayor's Office of
7 Contract Services has given this committee the
8 documents within 10 days. Any time we've asked which
9 is under the Charter mandate and it is a tool we have
10 been using.

11 Question for DHS is just around how you evaluate
12 providers and maintain quality. What metrics do you
13 use to measure your return on investment? Are the
14 number of violations a factor? The Chair was talking
15 a little bit about length of stay, another possible
16 metric could be the effectiveness of job training and
17 job placement. Another metric could be successful
18 placement in housing. Can we use objective measures
19 to reduce contracts with bad providers and expand
20 contracts with good providers?

21 MOLLY PARK: We are 100 percent supportive of the
22 overall goal. Implementation of that is something
23 that's extremely complicated because the households
24 that we serve are operating in a larger system of
25 services and needs, right.

1
2 So, when a family comes to us and their primary
3 obstacle to moving out is a mental health issue for
4 example, right. DHS can help with connection to
5 mental health services but at the end of the day we
6 are not the public health agency and so, we are
7 working with colleagues to make sure that people are
8 getting connected to services.

9 In terms of measuring one particular shelter
10 provider against another, you know, you could have
11 two families with children, shelters each of 100
12 units, it looks like on paper that they are serving
13 very similar populations but if one building is
14 primarily one bedroom units and it's you know, a mom
15 and a baby and the other shelter has a whole bunch of
16 three bedroom units and you have you know, five, six,
17 seven person families in them, those obstacles that
18 people have to moving out are different and more
19 complicated.

20 So, yes, we are tremendous consumers of data, we
21 are thinking a lot about where we're seeing success
22 and challenges and how we can help different
23 providers meet the challenges that face them, but I
24 do want to be careful about making the comparisons
25

1
2 that might seem appropriate but actually have a
3 little bit more nuance to them.

4 CHAIRPERSON KALLOS: I think any qualitative
5 measures the shelter report provides metrics. Any
6 more metrics that you can make public would be very
7 helpful and we would love to also see those measured
8 when you grant new contracts or increased budgets.
9 In my district I found that these size task force and
10 homeless outreach and services where we work with
11 churches, synagogues, nonprofit, city agencies,
12 service delivery to the homeless and many residents
13 who are just frankly food insecure, we also focus on
14 doing specific and special outreach to specific
15 individuals in need who have been chronically
16 homeless for as long as I can remember even going
17 back to when I was in high school.

18 Frequently, when we hear from the chronically
19 homeless, they feel safer on the street than they do
20 in shelters and in particular shelters that are
21 contracted by DHS. Where safety is the primary
22 concern, does DHS place additional scrutiny over
23 providers when such as like in the Acacia situation
24 where the contracts are what the related for profit
25 security company and then similarly, how can DHS

1
2 ensure the contracted providers are able to address
3 safety concerns?

4 MOLLY PARK: There's a lot in there, let me try
5 and break up some of the pieces. So, specifically
6 with Acacia, we have been working as I noted earlier,
7 very closely with them to make sure that they are in
8 compliance with all of the procurement rules. One of
9 the things that we are requiring that they have
10 agreed to under the terms of their cap, is that they
11 divest themselves of their affiliated security
12 company. So that will be done by the end of the
13 calendar year. So, I think that is something that we
14 are moving forward with.

15 With respect to individuals who are experiencing
16 unsheltered homelessness, right, who are living on
17 the street, certainly this concern about safety,
18 about coming indoors is something that we have heard
19 a lot. A tool that we have to address that, is Safe
20 Havens, these are in the form of transitional housing
21 for individuals who meet definitions of chronic
22 homeless street homelessness and they provide a lower
23 key setting, right. Fewer rules, smaller spaces and
24 that has been a very successful tool for helping to
25 get people indoors.

1
2 CHAIRPERSON KALLOS: With lengths of stay that
3 can exceed a year, is DHS registering residents to
4 vote at shelters or mandating that residents of DHS
5 contracted shelters are getting registered? And, do
6 you think that if every single resident of the
7 shelter was registered to vote, they might get
8 different treatment?

9 MOLLY PARK: Yes, we are registering people to
10 vote.

11 CHAIRPERSON KALLOS: Including at the sites that
12 are --

13 MOLLY PARK: At shelters, yes.

14 CHAIRPERSON KALLOS: Including independently
15 operated?

16 MOLLY PARK: Yes.

17 CHAIRPERSON KALLOS: Okay, great.

18 MOLLY PARK: No, it is not a mandate that any
19 registered to vote.

20 CHAIRPERSON KALLOS: That's fine.

21 MOLLY PARK: And, I'd like to believe that
22 people's needs are being met whether or not they vote
23 or not, but I you know, I can't speak to that.

24 CHAIRPERSON KALLOS: That is a fair answer to a
25 tough question.

1
2 One of the things we've talked to providers about
3 particularly with regard to the cluster data we've
4 been talking about is that often times a nonprofit
5 shelter operator may not own the building and may not
6 be even empowered to make a lot of these repairs.
7 How does the city support providers in clearing
8 violations in buildings outside of their control?
9 Similarly, how can we work to hold the landlords
10 accountable so in a typical resident situation, you
11 might pay for everything but your rent, because your
12 landlord isn't making necessary repairs.

13 So, could the city allow service dollars to flow
14 to the providers while withholding funding from the
15 building owner as a way to incentivize the repairs
16 without harming services?

17 MOLLY PARK: The structure of our contract
18 mechanism doesn't allow that right now. It's
19 something that I'd be happy to explore with
20 colleagues at MOCs.

21 You know, we certainly provide a lot of technical
22 assistance working with our providers and
23 coordinating with landlords so that we are making
24 sure that the building conditions are getting
25 addressed. And I do want to be very clear that with

1
2 the RSRI's and the corrective action plans that are
3 associated with the RSRI's, what we are looking for
4 is a clear and well documented plan that the
5 conditions are going to be addressed. Right, so a
6 contract with the plumber for example.

7 We understand that some repairs take more time
8 and that frankly the nonprofit is going to need the
9 money to contract with the plumber to get the repair
10 done. So, it's the plan we're looking for to
11 register the contract, not the actual repair itself.
12 Now, if the repair doesn't then follow, then the next
13 time, we're going to have a problem.

14 CHAIRPERSON LEVIN: I'm taking over for Chair
15 Kallos. So, I actually have a couple of additional
16 questions that I wanted to ask before turning it back
17 over to Council Member Holden.

18 You mentioned Safe Havens, I believe and I think
19 a lot of other people it as well, that Safe Havens
20 are key to reducing the unsheltered population
21 sleeping on the street or in the subways. I am not
22 supportive of Outreach NYC; I don't think that it is
23 putting the resources in the right place. I agree
24 with the outreach workers, the anonymous outreach
25 workers that wrote in Gothamist the other day, which

1
2 was that if we don't have housing for people, that
3 there's nothing that an outreach worker can really
4 do, other than just visit somebody that has been
5 visited any number of times by any number of outreach
6 workers.

7 It's not as if we don't know where people are.
8 We need to be able to offer them something and if you
9 talk to anyone that is sleeping on the street as Josh
10 Dean who's here has done and documented, you know, 80
11 percent would except the Safe Haven placement and 80
12 percent would reject going through the traditional
13 30th Street Bedford Armory, Franklin Avenue route and
14 that's just a fact. I mean, everybody I talk to, if
15 I'm on the train or in Grand Central or on the
16 street, it's not as if they done know that Wards
17 Island is an option for them, they know that. They
18 don't want to go there, but they'll go to Safe Haven.

19 So, I don't know if you saw recently the Human
20 Services Council had rated the Safe Haven RFP in
21 terms of how they advise their membership
22 organizations, in terms of the riskiness of
23 responding to the RFP, in terms of the contract and
24 they put it at a high risk contract to respond to.
25 They put it at 67 percent and I mean, I can read to

1
2 you what they said. And it's just concerning because
3 - actually, I would like to read this into the record
4 anyway, so I will do that.

5 The risk profile is 67 percent, which makes this
6 RFP a moderate to substantial risk for applicants.
7 The background is that this request for proposal is
8 for the development and operations of Safe Haven for
9 chronic street homeless adults and/or adult couples
10 without minor children.

11 Utilizing a housing first approach, this
12 resources is provided to the chronically street
13 homeless individual who has historically not accepted
14 other placement options. The goal of this RFP is to
15 provide chronic street homeless adults referred by
16 street and subway outreach teams, a safe place to
17 sleep and various onsite services that will improve
18 the clients standard of living and obtain more
19 permanent housing. "Safe Havens will be flexible in
20 working with the variety of behaviors in situations a
21 chronically street homeless client may present.

22 Some to these may include but are not limited to
23 hoarding, lack of personal hygiene, self-isolation,
24 serious mental illness, substance use disorder
25 including alcohol and opioid dependence and injection

1 drug use and medical condition such as diabetes,
2 heart disease, hypertension, cellulitis, poor
3 dentition, infestation with lice and/or other
4 parasites or ailments of the feet that need to be
5 addressed.
6

7 The New York City Department of Homeless Services
8 is the contracting agency and this is an open ended
9 solicitation proposal submitted. Will be reviewed by
10 DHS on an ongoing basis.

11 Key concern: Inadequate funding; "DHS
12 anticipates funding Safe Havens at an overall per
13 client per night cost of \$110 or less. DHS prefers a
14 Safe Haven with a rent per diem of less than \$35 per
15 client per night and a non-rent per diem (inclusive
16 of all PS costs) of \$75 or less per client per night.
17 Preferences maybe given to providers who bring
18 buildings with lower rents."

19 With this rate, providers must provide full
20 onsite medical services, nutritious meals in
21 compliance with NYC food guidelines and community
22 advisory board at \$110 per client or less.
23 Applicants are unlikely to be able to meet the
24 program deliverables without subsidizing the contract
25

1
2 substantially with other revenue given the high cost
3 of rent in New York City.

4 This RFP states that "DHS also reserves the right
5 to incorporate additional services into the Safe
6 Haven including but not limited to an increase in
7 program size, reduction of the per diem rate, or the
8 imposition of financial disincentives if a program
9 fails to meet program targets set by the DHS." This
10 is a risk for applicants because they need to ensure
11 that they have enough resources to sustain the
12 program in case DHS could decrease this funding at
13 anytime or increases the program size during the
14 contract.

15 ADDITIONAL CONCERN: Lack of cost escalators;
16 the RFP is a five year contract with one four year
17 renewal option meaning providers could potentially
18 receive the same rate for nine years.

19 Nonprofits struggle to meet rising costs as rates
20 on contracts are not increased from year to year to
21 address an increase in the cost of delivering
22 services. With the current underfunding of homeless
23 services programs, it is crucial that DHS include
24 cost escalators in their contracts.
25

1
2 ADDITIONAL RISK FOR NEW PROPOSERS: The RFP is
3 vague in providing enough information for new
4 contractors to make an informed decision about
5 proposing to develop and implement Safe Havens.
6 There are many additional variables that proposers
7 should consider before submitting a proposal. For
8 instance, programs must be able to accept clients
9 within two months of the contract start date.
10 Whereas, the other resources do not only procure an
11 appropriate building while meeting Department of
12 Building requirements but also for building out the
13 specific space you need, including outdoor space for
14 pets and acquiring all necessary staff. It is
15 impossible to start the program on time.

16 It takes an enormous amount of time to find
17 secure and then negotiate the property particularly
18 at the rates provided.

19 In addition to the facility requirements a
20 "system for recording and tracking all maintenance
21 and repair functions", is required and will likely
22 call for an additional investment. Potential bidders
23 should be prepared to both manage the operation and
24 budget of Safe Havens at a very lean rate while also
25 having the expertise capacity and resources to work

1 with a variety of behaviors and issues that
2 chronically homeless individuals may experience.

3
4 Similarly, because this is an open ended RFP and
5 DHS reserves the right to discard proposals to ensure
6 the geographical distribution or funding
7 availability, new contractors should be aware that
8 they may be eliminated due to factors beyond their
9 control.

10 Proposers should also consider the requirement to
11 notify the community of building a potential shelter
12 in the free DHS site approval before opening shelters
13 which could delay the award of a contract. It would
14 be helpful if there were more transparency in the
15 number of units developed and accounted for, so that
16 not-for-profits are cognizant of any funding that is
17 left through this RFP and can make a more informed
18 decision about the likelihood that funding might be
19 available should they decide to submit a bid.

20 I know that was long winded, I wanted to get that
21 in for the record, because as I think a lot of people
22 see, Safe Havens are absolutely essential. With an
23 appropriate geographical distribution to reducing the
24 number of people that are living on the street. We
25 know that, we know what works but if HSC is saying

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2 you know, high risk, it's red, the thermometer there,
3 67 percent. Obviously, that dissuades providers or
4 has the I think the effect of dissuading providers
5 from applying for this RFP and if we can't enough - I
6 mean right now, we don't have a lot of excess
7 capacity in our Safe Havens. If we want to bring on
8 more capacity, we need to be able to work with the
9 provider community to make sure that they feel that
10 the risks are manageable enough.

11 MOLLY PARK: Fair, I think we are very committed
12 to Safe Haven capacity. We have about 350 units in
13 the pipeline right now, we've also been looking at
14 what our budget standard should be for Safe Haven, so
15 that I think we can be responsive to some of that.

16 CHAIRPERSON LEVIN: Okay, because I just don't
17 want to get too far along, I mean it's a rolling RFP
18 right, so then that can be amended at any time or how
19 would I mean, Safe Haven - does that have to go
20 through it's own model budget amendment or whats the
21 -

22 MOLLY PARK: We are working on a model budget for
23 Safe Havens, we don't have one right now. I would
24 say with respect to the RFP, it depends a bit on what
25 we ultimately decide we need to do. If there's some

1
2 minor tweaks, we can work with the one that we have
3 or potentially we'll look at something broader and
4 it's too early at this point to say which route we're
5 going to go.

6 CHAIRPERSON LEVIN: I would recommend sitting
7 down with the umbrella organizations; whether that's
8 HSU, HSC, any others that you think might be
9 appropriate, so that we can get some feedback on the
10 front end. Obviously, not as an applicant but as an
11 umbrella organization as representing the prospective
12 of potential applicants.

13 MOLLY PARK: That's a good suggestion, thank you.

14 CHAIRPERSON LEVIN: Yeah, I think that's a good
15 idea. And then, just one other thing. I think we
16 should go back and look at what has been said at
17 previous hearings about contract registration for
18 model budgets, because I'm pretty sure that it's been
19 told to us that all these contracts should have been
20 registered, all these amendments should have been
21 registered a long time ago. The amendment
22 specifically, not the contracts themselves. Contract
23 registration has been another issue, but we're
24 talking about the model budget amendments.

1
2 We were under the impression that all of these
3 amendments were going to be registered by now. I'm
4 pretty sure that DHS is the last agency to be
5 registering its model budgets. So, if we can go back
6 and look at that.

7 MOLLY PARK: Okay.

8 CHAIRPERSON LEVIN: Thanks, turn it over to
9 Council Member Holden.

10 COUNCIL MEMBER HOLDEN: Thank you Chair, I'll try
11 to be brief. Have DHS worked with the state on
12 developing the Creedmoor property? Because I know
13 there's a few programs running in there, there's some
14 very nice transitional housing. I took a tour from a
15 provider there, model supportive housing, model
16 transitional housing, is there any plan to work with
17 the state to try to create more of those there?
18 Because there's ten empty very large buildings, they
19 developed a couple into supportive housing. And then
20 there's a whole community built in there of smaller
21 kind of suburban houses, brand new that are not lived
22 in.

23 MOLLY PARK: We work collaboratively with the
24 state in a lot of different settings. I'm actually
25

1
2 not familiar on this particular site where we stand,
3 so I'm going to need to circle back on that.

4 COUNCIL MEMBER HOLDEN: I would suggest that
5 somebody from DHS go there and look at it. There's
6 so many opportunities, there's a lot of space. It's
7 wasted, it's a beautiful location and for us to be
8 putting people in hotels and motels instead of
9 supportive housing or transitional housing when the
10 opportunity is there and it's New York State. New
11 York City should work together and if you take a tour
12 your jaw will drop when you see the quality of the
13 buildings there, the space, the park like setting
14 that's just rotting away.

15 MOLLY PARK: Okay.

16 COUNCIL MEMBER HOLDEN: And it's almost criminal
17 when you see it.

18 MOLLY PARK: Thank you for the suggestion.

19 COUNCIL MEMBER HOLDEN: Just a couple of
20 questions, I have on the edge of my district, it's
21 just out of my district the Pan Am Shelter. I think
22 the capacity is 800 families, 800 people, something
23 like that, no?

24 MOLLY PARK: Well, I don't have that right at my
25 fingertips, but can get back to you.

1
2 COUNCIL MEMBER HOLDEN: Oh, you can get back - I
3 mean, I don't expect you to have this right away in
4 your notes but what I also, if you can get back to me
5 is because I know the provider was in violation of
6 the contract for several years of not providing the
7 contract called for - the new contract called for
8 installing kitchens. I just want to make sure that
9 all the kitchens were installed and what the
10 population is and what the capacity is.

11 So, if you can get back to me on that because
12 that was an area of concern for the community that
13 the children were there without kitchens for a very
14 long period of time.

15 MOLLY PARK: Certainly.

16 COUNCIL MEMBER HOLDEN: And also dealing with
17 7816 Cooper, I just want to go back to that. I would
18 hope that the agency would understand that providing
19 a boiler plate contract which is apparently what was
20 done, which we heard, is wasting everyone's time when
21 it's not even filled out properly and we knew, I knew
22 it was 200 but why the contract reflected 88 while
23 nobody even bothered to fix that and so, that got
24 through - it lands a lot of other questions.

1
2 But not making it available to the duly elected
3 Council Member in the district and having to work
4 with DHS on basic information which I still haven't
5 gotten. That means I was given a fluctuating number
6 of the number of homeless in Community Board 5 or the
7 large part of my district and it fluctuated from 285
8 to 250 in the entire Community Board 5 District.

9 I asked for a breakdown to Commissioner Banks
10 because I was trying to set up smaller facilities in
11 faith based; I have a lot of faith based
12 organizations that are willing and able to provide
13 for the homeless. So, I wanted to create smaller
14 shelters. So, I just wanted to know a breakdown of
15 how many women, how many women and how many children
16 out of those 250 and I was refused by Commissioner
17 Banks saying, that oh, I can find out who they are
18 that way. Which I still can't figure that answer
19 out. I can't but why would I? I don't want to
20 identify them, I just want to know a number but
21 you're talking about DHS working with the Council
22 Member, it's ridiculous to say that they worked with
23 me. Because I couldn't even get that number. I was
24 trying to do my part as a Council Member, I was
25 trying to lead. I was trying to address the homeless

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2 situation in my district. In a meaningful way that
3 the community can accept, yet, I couldn't even get
4 basic numbers and I still can't.

5 So, I'm going to try as Chair of Technology, to
6 try to do that because we deserve the right to have
7 that and it shouldn't be hidden and it shouldn't be
8 denied. So, I'm asking once more that I get that.

9 MOLLY PARK: I wasn't part of the sidebar, that
10 happened while the testimony was continuing, but I
11 will follow up with my colleague who were and we will
12 circle back.

13 COUNCIL MEMBER HOLDEN: Thank you Chair.

14 CHAIRPERSON LEVIN: Thank you Council Member
15 Holden. Okay, well, I want to thank you very much
16 for your time. I know it's been a couple hours here
17 that you've been with us, so I very much appreciate -
18 over two hours, two and a half hours. So, I want to
19 thank you so much. Welcome.

20 MOLLY PARK: Thank you.

21 COUNCIL MEMBER LEVIN: Commissioner Drinkwater,
22 thank you as well and we look forward to following up
23 with you on all of these matters in the coming year.

24 MOLLY PARK: Thank you.
25

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2 COUNCIL MEMBER KALLOS: Thank you so much. We
3 will have one panel of public testimony. Catherine
4 Trapani Homeless Services United, Felix Guzman Vocal
5 New York Coalition for the Homeless, Wendy O'Shields,
6 Diane - I'm sorry Diane I'm Pajeon[SP?], Caroline
7 Contiguglia and Towaki Komatsu.

8 UNIDENTIFIED: Steve, thanks for the three
9 minutes after they testified for two hours.

10 Steve, can you get the rest of the Council
11 Members present for our due process rights?

12 CHAIRPERSON KALLOS: So, we'll sub out but yes,
13 Kassi Keith as well. Okay, so Ms. Keith, if you want
14 to take one of those seats, as somebody testifies,
15 we'll rotate out. Okay, whoever wants to begin, we
16 have a four minute clock.

17 UNIDENTIFIED: Hello, is this on? Yeah, okay,
18 thank you very much. Boy am I disappointed that all
19 of the fine people from DHS have left the room.

20 I wanted to just note a couple of things. I'm a
21 social worker and that's the reason that I'm here. I
22 feel like it's a duty of all social workers to do
23 some policy advocacy. I did my own research last
24 night and this weekend as I often do. I wanted to
25 know how it is that the Department of Homeless

1
2 Services awards a contract to, for example, you can
3 see on Checkbook NYC, there's a contract of course,
4 for Childrens Community Services; a lot of people are
5 familiar.

6 They have apparently a \$368 million contract and
7 when I went to their website, I'll tell you what data
8 they don't have there. They don't have any
9 photographs of the facilities that the taxpayers are
10 hoping they're using to help our most vulnerable New
11 Yorkers. They don't have any client testimonials of
12 their treatment in their facilities. They don't have
13 any data of success rates of placing people in
14 permanent housing.

15 They have no descriptions of their services and
16 we have used that word here a lot this morning.
17 Services, what is that? That could be a range of
18 things. The taxpayers, New York residents need to
19 know what these services are. Furthermore, I was
20 looking at their employment opportunities and I
21 noticed that the description for housing specialist
22 for Childrens Community Services and for other
23 shelter operators does not require any specialized
24 knowledge of housing of any kind.

1
2 As a social worker who has a graduate degree, I
3 am offended by the idea that we would give a \$368
4 million contract to a shelter care operator and not
5 at a minimum seek detailed information immediately
6 available to the public about what qualifies them to
7 have that contract.

8 I further want to point out that on the website
9 for Childrens Community Services, there is a header
10 that says Board of Directors but the Board of
11 Directors is blank. So, if it's blank, how do we get
12 any accountability? The three people that are listed
13 as being in charge of this organization, there's
14 nothing on the website that talks about what their
15 qualifications are unfortunately, but I was able to
16 find a dead link that went to a page with grammatical
17 errors and it didn't seem to point out that they had
18 any specialized knowledge of either family trauma or
19 poverty or psychological support or housing.

20 So, this is one of our major shelter operators.
21 The second thing I'm going to say because I do want
22 to try to you know, please cut me off when I reach my
23 time out of respect for the people who really need to
24 be heard.

1
2 I have a friend who is in a shelter for homeless
3 men in the Bronx, that shelter provider, I looked
4 them up yesterday, NYKAA, and they have at least two
5 contracts I was able to identify. One of which is
6 for \$86 million and it's a ten year contract. I
7 question why the city would award a ten year contract
8 to a shelter provider. That's a long time and I
9 really think that we need to look at this. To close,
10 I will say, because the fine person from DHS who I
11 don't know her name, got very, I think she used the
12 word exciting to describe the construction of a few
13 dozen more shelters.

14 As a social worker who goes in and out of
15 shelters every day and talks to people who are in
16 shelters, what I can tell you is, there is nothing
17 exciting to ordinary people about building shelters.
18 What's exciting is building airy, safe, functional
19 housing in the community and providing income
20 transfers or rent transfers to be able to house
21 people in real apartments. I think what is going to
22 need to happen at DHS, we will see an end to
23 homelessness when we don't have DHS employees who
24 think that shelters are exciting.

25 Thank you very much.

1
2 CHAIRPERSON KALLOS: Thank you for your
3 testimony, thank you.

4 Whoever wants to go next. Turn on the microphone
5 please.

6 CAROLINE CONTIGUGLIA: My name is Caroline
7 Contiguglia; I'm a member of New Yorkers for Safer
8 Streets, which is a grassroots group of over 1,000
9 concerned and proactive New York residents.

10 On behalf of New Yorkers for Safer Streets, I
11 have been conducting research on the safety and
12 security of New York City's facilities for the
13 homeless. I stand before you today to share our
14 findings that are relevant to DHS's homeless service
15 provider contracts.

16 Dangerous and deplorable conditions persist in
17 many New York City homeless shelter facilities. We
18 believe that the number of open violations at
19 homeless shelters can serve as a proxy for overall
20 quality of shelter management. Therefore, non-profit
21 organizations that are managing numerous shelters
22 with high levels of open violations are providing
23 substandard service. We've analyzed the most recent
24 New York City Shelter Repair Scorecard data and found
25 that three non-profit organizations manage 23 of the

1
2 top 25 worst performing buildings as measured by
3 total open violations. These organization are:
4 Children's Rescue Fund, Bronx Family Housing and
5 Acacia.

6 When we focused on just the high priority open
7 violations, we found that these same three
8 organizations managed 19 of the 25 worst performing
9 buildings. The building with the most open
10 violations is managed by Aguila, and this building
11 has a total of 196 open violations, 38 of which are
12 classified as high priority.

13 As New Yorkers, we all have a moral obligation to
14 provide safe shelter to the homeless residents of our
15 city. As our elected officials, you have the duty to
16 require that DHS utilize quality shelter service
17 providers.

18 Thank you.

19 CHAIRPERSON KALLOS: Thank you so very much for
20 your testimony, thank you.

21 CATHERINE TRAPANI: Sorry, I'm trying to be
22 respectful of my colleagues. Good afternoon, my name
23 is Catherine Trapani, I am the Executive Director of
24 Homeless Services United.

1
2 I have submitted written testimony for the record
3 but just indifference of time, I want to go over a
4 couple of issues just verbally and if I could take a
5 step back a little bit into sort of how we got here
6 and acknowledge that although I'm very proud of the
7 work that HSU's membership does in partnering with
8 the City of New York to uphold the right to shelter
9 to everyone in the city that needs it, I want to
10 acknowledge that there are challenges in our system.
11 Much of which has to do with the structure of the
12 contracts, the reimbursement, and decades of
13 disinvestment that have really allowed the systems
14 decay.

15 So, I think Commissioner Park did a good job of
16 spelling out that history but I do just want to point
17 to a couple of things. I hear a lot of concerns in
18 this hearing about large providers, particular
19 nonprofits that have an outside share of shelter
20 census and therefore an outside share of the
21 challenges that we're all trying to face together. I
22 will say that the city has relied on nonprofits to
23 uphold the right to shelter throughout the history of
24 the Department of Homeless Services and it's the
25 largest shelters and the largest nonprofit providers

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2 I should say that are best poised to take on the risk
3 to actually bid on those contracts and be able to
4 take things to scale quickly.

5 So, I do just want to hold for a second that
6 there are some correlation between the size of
7 nonprofits, there ability to uphold the right to
8 shelter and why we tend to have challenges in our
9 portfolio.

10 I also want to hold that the model budget
11 amendments as you pointed out Chair Levin have yet to
12 be registered, so while we're very happy for the
13 investment that exists on paper, the results of that
14 investment has yet to really hit the streets and so
15 that's why our clients and our providers are still
16 not seeing the results associated with that, that we
17 all very much look forward to. So, I think that's
18 really important to note.

19 The other piece that's important is that even
20 when all of those amendments are ultimately
21 registered and they will be, the model budget did not
22 answer every need of homeless folks in New York City
23 by a long shot. There are certainly, you've spoken
24 about the need for investment in vouchers, permanent
25 supportive housing and all the different housing

1
2 initiatives that would ultimately reduce the reliance
3 on shelters in the first place. We haven't spoken
4 about the service components that were left out of
5 the model budget. You talked about what we still
6 need in hotels, namely client care coordinators,
7 social workers that are not available to folks in
8 homeless hotels.

9 But other things that were left out were salary
10 increases, salary parity across different shelters.
11 We were told over and over that when we ask for more
12 money to better compensate our staff, which
13 presumably would lead to higher employee retention
14 and easier recruitment, we were told over and over it
15 is not an exercise in salary parity, that's what the
16 bottle budget is for.

17 We have instances where some of our shelter
18 providers who are already at or above the model, were
19 told that they could not have new invests in their
20 facilities, even in situations where DHS had told the
21 nonprofit that they were approving additional case
22 management staff and security to respond to some
23 community concerns that were in the area. DHS had to
24 prove the spending, the nonprofit spent the money, \$2
25 million later, OMB said no. Now that nonprofit is

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2 faced with a \$2 million deficit and no way to
3 continue those specialized services going forward
4 breaking their promises to the community and to their
5 clients.

6 So, we are not finished. So, I just want to
7 point out where there's still work to do and I want
8 to thank you for giving the opportunity to talk about
9 some of the things that we still need and for your
10 advocacy frankly, Chair Kallos and Chair Levin on
11 what we can do moving forward.

12 And I just want to close and I know I'm going to
13 be just a little bit over time to say that there's a
14 spectacularly cruel irony when we are sitting in this
15 room, talking about how terrible homeless hotels are,
16 talking about you know, how much our homeless clients
17 deserve better and then still talking about how when
18 an award winning design comes to your district and
19 would provide 195 families with trauma informed
20 services and care that this Council can say no. And
21 when we are voting down new purpose built shelters
22 because we have this magical thinking that landlords
23 would accept the next 200 families that showed up at
24 Path and we know that's not how permanent housing
25 actually works, we have a real problem.

1
2 So, I applaud Council Member Kallos, Council
3 Member Lander for asking how we can site new shelters
4 in their districts. We need to do more of that and
5 we really need to cut it out with the hypocrisy of
6 saying that shelter is not a necessary component of
7 the safety net. We protested when families were
8 sleeping overnight at the EAU, I will not go back to
9 those days. We must uphold the right to quality
10 shelter.

11 Thank you very much for the opportunity to
12 testify.

13 CHAIRPERSON KALLOS: Thanks, so much Catherine,
14 thank you.

15 WENDY O'SHIELDS: My name is Wendy O'Shields and
16 I'm an Advocate in the City of New York and Co-
17 Founder of the Urban Justice Safety Net Activists.

18 City Council please include in the DHS Homeless
19 Service Provide contracts the following for single
20 adult shelter residents:

- 21 1. DHS implement HUD Housing First and HUD Rapid
22 Re-Housing as the first line of defense to
23 house single adult shelter homeless residents.
24 Both components should be utilized for either
25 independent or supportive housing. Supportive

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2 housing should not remain the 99.9 percent
3 path for most single adult shelter residents
4 as their main path to housing. Independent
5 housing should be developed and made a clear
6 path for single adult residents.

7 2. DHS Homeless Service Provider Housing

8 Specialists intake should be completed withing
9 48 hours of residency at the Assessment
10 shelter or a newly assigned shelter. Each
11 shelter resident shall have a housing
12 specialist assigned to their case. The
13 resident should have a bi-weekly appointment
14 with their housing specialist to develop a
15 housing plan with the goal of securing
16 independent or supportive housing.

17 3. DHS single adult Long Term Shelter Stayers

18 are residents that have received zero to very
19 little contact with the housing specialist.

20 a. Most long term shelter stayers are blocked
21 from having an appointment with a housing
22 specialist because DHS says they are not
23 housing ready.

24 b. Most long term shelter stayers have resided
25 in shelter for 5,7,10 or more years without

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2 having one appointment with a housing
3 specialist.

4 4. DHS Homeless Service Provider contracts
5 shall include a clause to not retaliate
6 against the single adult shelter resident with
7 a DHS Administrative Transfer or a Sanction to
8 the Streets for asking for an appointment with
9 a housing specialist. For asking to spend
10 their money from their employment to buy food,
11 toiletries, essential clothing, pay their cell
12 phone bill, child support, alimony, or a court
13 mandated bankruptcy payments or creditors.

14 5. DHS Homeless Service Provider contracts
15 shall include the terms and definitions for
16 formally homeless or currently homeless.

17 6. DHS Homeless Service Provider contracts
18 shall require safe, clean, up to building code
19 shelters and independent or high quality well
20 run supportive housing to be offered to single
21 adult residents.

22 7. The New York State new shelter regulations
23 take effect January 1, 2020, DHS and their DHS
24 Service Providers will abide by the new
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regulations for single adult shelter
residents.

8. DHS Homeless Service Provider contracts
define the process for a single adult shelter
resident and securing a DHS Homeless Set Aside
apartment.

Including my suggestions in the DHS Homeless Service
Provider contract will hold providers accountable for
the single adult residents 5, 7, 10 or more years of
detention as a billable in shelters unnoticed and not
uncounted.

Thank you for including my suggestions in the new
city contract with the DHS Homeless Service
Providers.

CHAIRPERSON KALLOS: Thank you very much Ms.
O'Shields.

FELIX GUZMAN: Hello, my name is Felix Guzman, I
part of several different housing movements with
Vocal New York coach for the Homeless Fortune Society
Community access and also Street Homeless helping out
Human. NYC.

I am here actually representing the formally
incarcerated as well as those with mental health

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2 impacts. Also, the fathers require housing to be
3 with their housing.

4 Again, having said that, I am also a regular
5 tenant of a building turn cluster site which impacted
6 my livelihood and able to provide for my child.

7 Again, imagine being a housing specialist at the same
8 time that your building is turned into a shelter.

9 Imagine having to turning to HRA to find out
10 where you can take your child because your building
11 becomes a war zone. They told me to take my kid into
12 shelter. If I would have done that, I would have
13 gotten Amber Alerted without my partners permission
14 and later on, as a result of that DV relationship
15 that I was in, I actually found myself in shelter and
16 the madness of what I experienced outside as a
17 cluster site residence was magnified. Imagine your
18 building where you have lived, where you have nowhere
19 else to go as a formerly incarcerated person because
20 no one will rent to, imagine coming back home, broken
21 mailboxes, people trapping out the apartments, you
22 got sex workers and their employers or whatever have
23 you and then you got drug dealers overtly broken
24 mailboxes. People going up and down the fire escape,
25 rumors of breaking and entering. People using drugs

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2 overtly in the hallways. That is madness. Imagine
3 going to work and actually trying to work a 9 to 4 to
4 keep your credit score in line so you can try to find
5 an affordable apartment where your apartment is rent
6 stabilized. A two bedroom where you can provide for
7 your shelter.

8 Imagine going into shelter, then going to the
9 corrupt ones that you actually hear the headlines;
10 CCS, Eddy Harris Center, Bedford, Atlantic, Acacia.
11 These people receive hundreds of millions of dollars
12 every few years, maybe Acacia's gotten over a billion
13 whatever in the last ten to twelve. Where is there
14 permanent housing being provided to people that are
15 in shelter? Do the taxpayers know how much is
16 actually being paid to a shelter provider by the city
17 itself?

18 The city is cannibalizing itself to pay itself to
19 provide permanent housing to create - that's actually
20 causing these lawsuits to happen that people are
21 getting violated in shelter and all types of stuff
22 because they cannot find safe, affordable housing as
23 a result of landlords refusing to take vouchers and
24 the market not providing re-entry points for the
25 homeless.

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2 As a formerly incarcerated person, also the face
3 of something that's going to happen, I employ you to
4 understand that when you put people in situations
5 where it's dog eat dog, there are victims and victims
6 become bully victims and then bullies. At the
7 expense of the taxpayer, we are actually spending
8 money where it should not be. As a shelter monitor,
9 I go into the shelters for the homeless, so I see the
10 flimflam from the operation staff talking to me. As
11 a resident, I saw the staff taking advantage. Why
12 are we hiring security staff that are not
13 accountable? They go onto another shelter, then they
14 still keep that same license that the state provides.

15 Why aren't they being civilly and criminally held
16 liable? And then again, as a former housing
17 specialist understanding the very integrate details
18 of housing, the vouchers, also what supportive
19 housing means to the mentally ill and the formerly
20 incarcerated. I can see that homelessness is a
21 manufactured problem. It's a manufactured problem,
22 meaning that what came first, the chicken or the egg.
23 Being the only city in the world with a right to
24 shelter mandate, this should be the example and not
25 the epicenter of the crisis that keeps growing and

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2 growing and growing because we're throwing money at a
3 problem allowing it to continue because we're not
4 even treating or curing anything, we're just allowing
5 people to line their pockets. And I don't know, but
6 when I was incarcerated, that looks like the same set
7 up when I was in shelter. That looks like the same
8 set up I had when I was incarcerated. Like a two or
9 three inch mattress, a green locker and all my
10 possessions were in there.

11 Now imagine having to find a home so you can be
12 with your child and the I'm a dead beat father
13 because I can't have safe, affordable housing. I
14 don't understand. I don't know how you people sleep
15 at night but it's definitely, I do not sleep on
16 Egyptian, cotton, 10,000 thread or none of that. I
17 sleep with a heavy heart trying to actually do right
18 and actually live with a moral conscious because
19 wherever I hold space, the formerly incarcerated, the
20 ill, those in recovery and those that are trying
21 desperately to be moral, upstanding citizens of the
22 City of New York are and I refuse to be dishonest.

23 Thank you.

24 CHAIRPERSON KALLOS: Thank you very much for your
25 testimony.

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TOWAKI KOMATSU: Hi, I'm Towaki Komatsu; Ritchie Torres illegally kicked me out of a hearing on November 13th, this testimony is for the benefit of federal judges. I have a lawsuit against the city. In my preliminary remarks, there was a death in my building over the weekend; it's run by Urban Pathways. I told all of you about that previously. All have you have done Jack about it, so this testimony is for Federal Judges, not for you. I don't trust any of you.

AUDIO PLAYING 4:01:49

UNIDENTIFIED: You have a right to review contracts and we have arranged for you to be able to do that. We cannot arrange for you to do that in our buildings - let me just finish. We made a reasonable accommodation for you because the building security, not HRA security made a determination about remarks that you made when you were on premises. If you disagree with that determination, you - sir let me finish. It would be one thing to just say that we're denying you the right to see the contract. We are not denying you the right to see the contract. Every time you request to see a contract, we make it available to you to be seen at another location.

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2 There's nothing in the law that requires it to be
3 viewed at a particular location.

4 TOWAKI KOMATSU: Where should I go?

5 UNIDENTIFIED: Then I would urge you to go to the
6 City Bar Association and have a [INAUDIBLE 4:02:55].
7 You can review the decisions that we've made and if
8 they agree with you, then you could certainly bring a
9 lawsuit against the city.

10 TOWAKI KOMATSU: [INAUDIBLE 4:03:06]. I was
11 assaulted in the building. I submitted full request
12 to find out after I recorded to speak with HRA back
13 in I think it was March of 2016, my complaints
14 against Urban Pathways, like, what actually they took
15 in regards to my complaints. HRA had refused to
16 comply with those to all of us, that I have a first
17 amendment right to.

18 UNIDENTIFIED: So, you've raised this with us
19 before and HRA made a determination. If you don't
20 agree with it, you can go to a legal service
21 provider, you can go to City Bar Association and you
22 can challenge it. We don't agree with your
23 conclusion.

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2 TOWAKI KOMATSU: Well, just to let you know, I'm
3 willing to take a different route. They told me to
4 either go the [INAUDIBLE 4:04:04].

5 UNIDENTIFIED: I don't recall saying that to you.

6 TOWAKI KOMATSU: So, the bottom line is I'm
7 willing to file papers today for my lawsuit and I'm
8 going to file it.

9 UNIDENTIFIED: What kind of lawsuit do you have
10 with the city? Is that against HRA.

11 TOWAKI KOMATSU: It implicates HRA personally.
12 So, basically, I'm going to tell the judge that you
13 lied to the press yesterday in City Hall.

14 The instructions say to call you to schedule an
15 appointment in this public notice. I'm doing that
16 right now. So, are you going to make those contracts
17 available to me to see before that hearing on
18 December 12th?

19 INAUDIBLE 4:04:49.

20 TOWAKI KOMATSU: Why is that exactly, I have not
21 been told why?

22 UNIDENTIFIED: I don't know, I don't know sir, I
23 wish I could tell you.

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2 TOWAKI KOMATSU: But the point is, if the notices
3 say to call you to make this appointment to see those
4 contracts on the 37th Floor at 150 Street.

5 UNIDENTIFIED: Why don't you send me an email.

6 TOWAKI KOMATSU: I did, that's the point. I sent
7 you an email on November 28th and I did not get a
8 response.

9 UNIDENTIFIED: Oh, yeah, I did get someone to
10 respond to you.

11 TOWAKI KOMATSU: No, no one did.

12 UNIDENTIFIED: Yes.

13 TOWAKI KOMATSU: No one did.

14 UNIDENTIFIED: When did they respond to you was
15 it yesterday?

16 TOWAKI KOMATSU: Nope, I didn't get any response
17 about that email.

18 UNIDENTIFIED: Well, there was an email addressed
19 to you yesterday or no, it was not yesterday but it
20 was Friday.

21 TOWAKI KOMATSU: I did not get any email about
22 that meeting on those contracts, none.

23 UNIDENTIFIED: Let's see.

24 TOWAKI KOMATSU: I did not get any phone call, I
25 did not get any email, I did not get any letter,

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2 nothing. Oh, and another question I had for you, do
3 you know, has anyone from the public been to
4 [INAUDIBLE 4:06:25] office?

5 So, let me wrap up my testimony, I testified for
6 your previously on the Federal Lawsuit against the
7 City. I have a federal lawsuit against the city,
8 Judge Showfield[SP?] issued a decision on September
9 30th in my favor against the city, saying that she
10 would intervene on my behalf to prevent his practice
11 from continuing to violate my constitutional rights
12 at public forums. So, after today's meeting, I'm
13 going to go straight to DOI. I'm going to play back
14 that same audio that I just played for your benefit
15 and I'm going to ask them to pursue criminal charges
16 against Mr. Romain[SP?] and others at HRA for witness
17 tampering. I have the legal right to see those
18 contracts prior to today's hearing. They violated
19 Section 175.25 of the New York Penal Code, as well as
20 215.10. So, yeah, I'm going to pursue criminal
21 charges against Mr. Romain[SP?] as well as Steven
22 Banks whose been fully aware of this fact that it
23 prevented me from accessing those contacts prior to
24 public hearings.

25 Thanks.

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2 CHAIRPERSON KALLOS: Thank you very much Mr.
3 Komatsu, thank you. Okay, we have two more people to
4 testify; Kassi Keith who I called up earlier and
5 Gerald or Gerald Frohnhoefer, thank you.

6 Thank you all very much for your patience and
7 thank you to Transportation Committee people who are
8 waiting to come into the room.

9 COUNCIL MEMBER LEVIN: While we are waiting for
10 the next panel, I want to thank the members of the
11 public who came and spent approximately five hours
12 waiting to testify and to share their voice. Folks
13 who are blowing the whistle for making their voices
14 heard and that we will work with you to make sure
15 that you are safe and protected and that your voices
16 are heard.

17 JERRY FROHNHOEFER: Thank you, good afternoon, my
18 name is Jerry Frohnhoefer; I'm the founder of the
19 Fiorello Homes for the Homeless Campaign Association
20 and a CUNY faculty member in Urban Sociology.

21 I am here today to challenge you, our Mayor, our
22 Comptroller as well as our City Advocate. Tonight,
23 as you well know, over 114,000 children and more than
24 30,000 families in our city have no bed of their own
25 to sleep in tonight. We see our shelter population

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2 growing to over 60,000 men, women and children. 70
3 percent of our homeless are families with children.

4 Ms. Christine Quinn, a former speaker of this
5 body, recently said in an interview on New York One
6 and on Christine Amanpour's program that more than 43
7 percent of our homeless adults go to work every day.
8 They are caught in the crossfire of low wages and
9 high rent.

10 Ladies and gentlemen how many of us want to live
11 in a shelter tonight? And we heard some very
12 significant testimony before I spoke of what that
13 means. How many of us want to double up and triple
14 up with our friends, neighbors, for an indeterminate
15 period of time? Let's not raise our hands all at
16 once.

17 Let's get real. We are facing a moral crisis, an
18 ethical crisis, a spiritual crisis. We are
19 condemning a future generation to a life of misery
20 and dependency on a faltering shelter system and a
21 nonworking so called affordable housing plan of our
22 Mayor and his Commissioner, Mr. Banks. They're
23 talking about 1,000 permanent housing units per year.
24 This has to be a joke. We are the richest city in
25 the world. We definitely can do much better than

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2 that. We have the land, over 1,100 city owned vacant
3 lots. We have the money, by sun setting tax
4 abatements and more efficiently using the 2.5 billion
5 that we are spending each year on homeless services,
6 we have the technology to build new public, green,
7 low density modular housing for our homeless and
8 offer to many of them over the years an option to
9 buy. I left on the table or just asked Councilman
10 Holden, he knows our plan as well as State Senator
11 Addabbo and Assemblyman Hevesi.

12 In short, what the homeless need are homes, not
13 shelters. If Houston Texas under the leadership of
14 its Mayors, Eric Samuels and Sylvester Turner can
15 bring down its homeless population by 54 percent in
16 less than six years why can't we? Where's the
17 leadership? Let's not just say, homelessness in New
18 York City is unacceptable, let's work and do
19 something about it. Our Mayor is the hallmark of the
20 unacceptable. Lets gain back our morality and solve
21 this horror and not dump it on others like New
22 Jersey.

23 Pass a resolution in favor of Assemblyman
24 Hevesi's Home Stability Program. Pass a resolution

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2 to stop and building shelters and start building
3 homes.

4 Pass a resolution to make our Mayor accountable
5 to our elected representatives, our community
6 planning boards and to our public will.

7 Lets build Villages of Hope not shelters of
8 despair.

9 Thank you.

10 CHAIRPERSON KALLOS: Thank you very much. Ms.
11 Keith.

12 KASSI KEITH: Good afternoon, my name is Kassi
13 Keith and I'm here to testify about what happened to
14 me at one of the Acacia Network Shelters called
15 [INAUDIBLE 4:14:51] Shelter.

16 Many things happened but one example is one, that
17 I was attacked by two clients in my room with a cane
18 that left me with multiple injuries including blood
19 all over my bed that could be clearly seen by the
20 Acacia Security Officers and DHS Officers.

21 DHS Officers informed me that if I press charges
22 against my attacker, I will also be arrested. A
23 manager recorded a second attack by the same people
24 with my phone and showed it to the Acacia Security
25 Officer, who then alerted my attackers that I had

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2 them on video. My attacker for the third time
3 attacked me and took my phone and threw it against
4 the wall destroying it. This is the phone that they
5 destroyed.

6 The next day, I met with Social Service and aske
7 the security guard about the video and she admitted
8 seeing it of people attacking me. I expected
9 composition but instead I was attacked for supposedly
10 getting another security officer fired at the
11 previous shelter.

12 I was informed had I not done that; I would have
13 been compensated. Acacia runs it own security firm,
14 this is a clear conflict of interest. It means
15 security staff are not accountable to anyone. DHS
16 staff and Acacia Security are working to back each
17 other up. They encourage the resident to call 3-1-1
18 to complain because their name will be revealed and
19 this is a threat.

20 I believe Acacia has gotten away with a lot for
21 so long because DHS is not doing their job of holding
22 them accountable, nor are they holding any other
23 shelter accountable. DHS has to do a better job.
24 Complaints need to be taken seriously, especially
25 when people are talking about sexual harassment,

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2 abuse, violence, physical intimidation by employees.
3 DHS and Acacia staff and other shelter staff consider
4 you an enemy when you file a complaint and work
5 together to transfer you to some of the worst
6 shelters and laugh about it.

7 They also protect perpetrators of violence or
8 those who value DHS rules and regulations and
9 retaliate against the one that filed the complaint
10 making shelters unsafe for nonviolent resident. We
11 need a separate oversight agency to receive shelter
12 complaints in addition to DHS. My experience with
13 the entire shelter system is that DHS can hold any
14 company such as Acacia or NYKAA the present shelter
15 accountable.

16 Residents, we have lost trust in DHS and we've
17 never stopped fighting for our dignity and our right
18 but we need an oversight and an agency that will
19 receive those complaints in addition to DHS. Because
20 recently, like last week I filed a complaint against
21 my current shelter NYKAA in the Bronx and they
22 retaliated against me by making me do my laundry from
23 9 a.m. to 9 p.m. just retaliation right away and I am
24 lactose intolerant, DHS told them to order lactose
25 free milk or almond milk, single use, they refused to

1 do it. They buy the big you know, gallon and sit in
2 the refrigerator, everybody drinks it and since they
3 retaliated against me, when they give me the cup, I
4 find stuff in it and it sits in the refrigerator. I
5 refuse to drink milk like this. Everybody else
6 receive the carton milk, except me because I'm
7 lactose intolerant. DHS told them to order
8 substitute food that has no milk in it whenever the
9 cook brings food that have milk in it, cheese, they
10 refuse to do it. Some days I have no breakfast, no
11 breakfast because every breakfast that they bring has
12 milk in it and they will tell me there's no bread,
13 just juice. This is your breakfast, no fruit,
14 nothing.

15
16 Thank you.

17 CHAIRPERSON LEVIN: Thank you very much for your
18 testimony and you can follow up with either Council
19 Member Kallos or myself on any of these issues.
20 Okay, I want to thank my Co-Chair.

21 CHAIRPERSON KALLOS: I just want to thank you for
22 telling your story for me before, so that we could
23 share that story and in the press to hold folks
24 accountable and somebody's who lactose intolerant, I
25 feel and hear where you are coming from and they do

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2 need to accommodate you and if you are still
3 experiencing that, for those who spoke out today who
4 are concerned about retaliation, DHS has offered to
5 provide transfers for those who need them.

6 CHAIRPERSON LEVIN: Okay, and I want to thank
7 everybody that testified today for your very helpful
8 testimony. We look forward to working with all of
9 you and I want to wish everybody happy holidays and a
10 happy new year.

11 And with that, at 1:24 the hearing is adjourned.

12 [GAVEL].
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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date April 1, 2018