New Yorkers exiting the criminal justice system face a myriad of barriers to successful community reintegration, with access to housing being paramount. Housing barriers such as discrimination, affordability, and lack of access to supportive services cause many vulnerable New Yorkers to become homeless or unstably housed, often relying on shelter or three-quarter houses as last resort. Without access to appropriate housing and necessary services, these vulnerable New Yorkers are at increased risk of recidivism and homelessness, and many get stuck in the expensive cycle of long term homelessness and incarceration.

New York faces a number of challenges that make it essential that it address the needs of this population, including the prevalence of mental health disorders in prisons and jails, a record high shelter population in New York City, and growing attention to the predatory, unsafe three-quarter house industry. Time is of the essence. The State prison system released 25,000 individuals in 2015. The NYC Department of Corrections reported nearly 68,000 admissions and releases from City correctional facilities.\footnote{NYS Department of Corrections and Community Supervision, Admissions and Releases Calendar Year 2015.} \footnote{NYC Mayor’s Office of Operations. Mayor’s Management Report, Preliminary Fiscal 2016.}

New York City Mayor Bill de Blasio and New York State Governor Andrew Cuomo took commendable action to improve access to housing this year. The Mayor and Governor both made unprecedented commitments to the creation of new supportive housing. The City and State made strides to revise admission and exclusion policies for public and affordable housing. The City created a voucher program to assist people, including three-quarter house tenants in finding a safe, stable home. At the national level, the U.S. Department of Justice filed a statement of interest stating that when criminal justice history is used in making housing decisions it must include individualized review.

But there is still significant work to be done in bringing successful interventions to scale. The policy reforms in this document aim to ultimately end reliance on shelter and three-quarter houses, improve access to supportive housing for persons with mental health and substance use disorders, reduce recidivism and increase public safety. Improving access to each housing type will increase the chance of the other housing working as intended. Providers, advocates, and researchers across these housing types have come together for the third consecutive year to develop these recommendations.
Supportive Housing

**2016 Update:** In November 2015, New York City Mayor Bill de Blasio proposed the creation of 15,000 supportive housing units over the next 15 years and announced the formation of the New York City Supportive Housing Task Force, comprised of leading practitioners, experts, and advocates in the field, to help the City implement the plan. In April 2016, our workgroup submitted recommendations to the Task Force for targeting and better serving people with criminal justice involvement in this production initiatives. In August 2016, the City released an RFP for the first 500 units of supportive housing. In October 2015, The Mayor’s Task Force on Behavioral Health and the Criminal Justice System launched the first 120 units of the 267 unit Justice Involved Supportive Housing (JISH), focused on individuals with behavioral health needs and a history of cycling through the criminal justice system and homelessness.

In his 2016 State of the State address, Governor Cuomo announced that the State would create 20,000 units of supportive housing over the next 15 years. The Governor and the Legislature allocated $2 billion for affordable and supportive housing in the FY 2017 State budget, but only $150 million has been released to date. The State released funding for the first 1,200 units of supportive housing in June 2016, but the Governor and legislative leadership have yet to fully execute the Memorandum of Understanding to release the remaining funds.

**Problem:** There are not enough supportive housing resources available to persons with criminal justice backgrounds.

People with criminal justice histories have been shortchanged in every City-State supportive housing production initiative to date. The need is growing, as illustrated by the increased proportion of inmates diagnosed with mental illness over the last decade, currently making up about 40 percent of the population of Rikers.

**Solutions:**

1. The City and State supportive housing production initiatives should dedicate 15% of new supportive housing resources to individuals and families with criminal justice histories.
   - Enhanced operating and service funding (both scattered site and congregate) should be allocated to reentry supportive housing providers to serve the special needs of this population.

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3 Justice Served: Fair Treatment for the Formerly Incarcerated, Recommendations to the New York City Supportive Housing Task Force April 27, 2016  

2. Supportive housing resources should be targeted to the highest need individuals and families.
   - The State should target resources to people who are otherwise eligible for supportive housing based on their service needs and are at-risk of homelessness due to their long-term incarcerations in State prison and lack of available supports.
   - The City should target these resources to people who are otherwise eligible for supportive housing based on their service needs and meet one of the following population criteria: 5
     1. frequent users of City correctional facilities and shelter or other public services;
     2. at high risk of reincarceration due to technical violations of Parole release conditions related to homelessness and/or chronic physical or behavioral health challenges;
     3. Expectant or parenting adult, (including reunifying) heads of household and their families 6 [See definition in footnote].
   - The City should create a supportive housing pilot program targeting 18-25 year olds with juvenile justice or criminal justice involvement who have a substance use or mental health disorder. This has the potential to reduce utilization of the criminal justice system, child welfare system, crisis services, the child welfare system, shelters, and other services.

3. The City must fully fund JISH. To date, only 120 of the 267 units have been funded.

4. Improve access to supportive housing for the criminal justice involved population by expanding and strengthening referral networks.
   - The City and State should enhance the ability for courts, corrections and probation agencies, and legal/reentry service providers to engage, screen, and refer clients. These referral networks should allow individuals who are homeless to apply for supportive housing placement prior to their release from prison or jail, diverting people from entering shelter post-release.
   - As NYC works to develop a Coordinated Access and Placement System, the City should prioritize connecting and supporting persons exiting the criminal justice system in order to improve access to housing resources for this population.

**Problem: Current definition of “chronic homelessness” doesn’t include persons transitioning between incarceration and homelessness.**

People who have been recently released from State or City correctional facilities and are homeless should be eligible for the housing and support services they need to reenter their communities. Currently, in order to access many of the existing supportive housing units, individuals must meet the definition of “chronically homeless.” In December 2015, HUD changed the definition of “chronically homeless,” stating that jail stays of up to 90 days do

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6 “Head of Household” is defined as a parenting adult who has at least one of the following criteria: 1) has custody of one or more children, 2) is expecting a child at time of release or gave birth while incarcerated, 3) has children in out of home placement and is working towards family reunification.
not constitute a break in homelessness, but rather count towards the cumulative total of one year of homelessness required for chronicity. This is a step in the right direction, but the definition still doesn’t include persons who have had 90+ day stays in prisons, jails, treatment or recovery programs, and halfway or three-quarter houses.

Solutions:

1. The City should adopt a definition of chronic homelessness that includes episodic homelessness in order to include persons cycling between shelters, three-quarter houses, and the criminal justice system, or people who have exited long-term incarceration to homelessness.
2. The State should not require meeting the current definition of chronic homelessness to access supportive housing.

Problem: Challenges in the affordable housing market make it difficult for supportive housing residents to move on, limiting the number of persons who can be served.

Affordability is a primary issue preventing current supportive housing tenants who are no longer in need of intensive services from moving on. This can limit the availability of supportive housing units and the number of individuals who can be served. When permanent affordable housing is not available, the spectrum of options should be evaluated to properly address the immediate needs of individuals returning from incarceration.

Transitional housing programs in New York provide immediate housing for people recently released from incarceration. When transitional housing serves as a conduit to permanent, stable housing – whether obtained through a rental assistance voucher, supportive housing, or through other means – sufficient State funding should be available to support it.

Solutions:

1. The City and State should invest in Moving On resources, including rental assistance subsidies and access to new affordable housing units, to free up more supportive housing.
2. The State should ensure adequate funding is in place for transitional housing programs as required to meet the immediate needs of those returning from incarceration. The State should consider funding this model through the State’s Affordable and Homeless Housing and Services Initiative.  

7 New York FY17 Executive Budget, pp.113-114. “100,000 Unit Affordable and Homeless Housing and Services Initiative. The Executive Budget establishes a $20 billion, comprehensive five year investment in affordable housing and housing opportunities and services for the homeless. The program will invest $9.7 billion to establish 94,000 units of affordable housing, $2.6 billion for 6,000 units of supportive housing and 114 will also establish 1,000 new emergency shelter beds. Over 15 years, the plan will result in 20,000 units or shelter beds, including 18,000 new supportive housing units.”
Public Housing

2016 Update: NYCHA has recently taken tremendous strides towards promoting reentry by partnering with community providers for the Juvenile Re-entry Assistance Program, committing to revise its termination of tenancy policy with respect to tenants who are arrested, and implementing the Family Reentry Pilot. The NYCHA Family Reentry Program wraps up its pilot phase in November with excellent results—86 people were reunited with their families in safe and stable NYCHA housing during the pilot, demonstrating that smart reentry policies can decrease homelessness and increase housing stability, without jeopardizing public safety.\(^8\)

Public Housing Authorities nationwide have been looking to NYCHA to lead the way in improving access for the reentry population. But NYCHA still bars thousands of New Yorkers based on arrests and convictions. In the first part of 2016, the number of termination cases based on arrest doubled.\(^9\) Mandatory ineligibility timeframes and the increase in termination cases based on arrest are still posing barriers to successful reentry by making it difficult for people to reunify with their families.

NYCHA should continue to lead the charge in reforming policies that unnecessarily exclude individuals from public housing and demonstrate that promoting reentry creates safe, thriving communities.

Problem: Persons with criminal justice backgrounds have difficulty accessing public housing.

Solutions:

1. After successful completion of the pilot phase in November, NYCHA should bring the Family Reentry Program to scale, to allow more people exiting jails and prisons to rejoin their families in public housing with appropriate, community-based supports as a normal course of business going forward.

2. The maximum length of time that any individuals should be barred from housing should be three years at liberty without conviction of a new crime. Even when NYCHA determines that a conviction bears a substantial relationship to tenancy, NYCHA should not reject the application based on the conviction if three years have passed since the applicant was placed on probation, paroled, or released.


3. NYCHA should never consider arrests or other unproven allegations, or any sealed records, when assessing an application for housing.

**Problem:** Persons involved in the criminal justice system face eviction from public housing, even though stable housing and family support mitigate the risk of recidivism.

**Solutions:**

1. No conviction should be used as a basis for termination or exclusion from tenancy unless NYCHA demonstrates that it has made an individualized decision based on factors directly related to current risk of recidivism. There should also be a clear process to lift exclusions early based on evidence of rehabilitation.

2. The maximum length of exclusion from a household based on conviction or non-desirability should be three years at liberty without conviction of a new crime. Exclusions should be automatically lifted when the time period expires.

3. NYCHA should not exclude children under the age of 21 unless it can demonstrate that the youth poses an immediate threat to safety and should disfavor exclusion for any young adult under the age of 25. Research has found that keeping youth connected to their family can promote better outcomes for youth, families, and communities.

4. NYCHA should never begin a termination proceeding based upon arrest before a case has been resolved and should not use information that is sealed or confidential to terminate a tenant.

5. NYCHA should promote transparency and accountability through public data reporting. NYCHA should institute a robust system to collect information about its process and publicly report aggregate, de-identified data on admission denials, terminations, or exclusions.
Affordable & Market Rate Housing

2016 Update: The state and federal governments both made major strides toward removing barriers to accessing affordable housing for people with criminal justice histories this year. On April 4, 2016, the U.S. Department of Housing and Urban Development issued guidance noting that the use of criminal records as the basis for a denial of housing, without an individualized assessment of each applicant, may violate the Federal Fair Housing Act. The guidance notes that, because a policy or practice that restricts access to housing on the basis of a criminal history has a disparate impact on individuals of a certain race, national origin, or other protected class, such policy or practice is unlawful under the Fair Housing Act if it is not necessary to serve a substantial, legitimate, nondiscriminatory interest of the housing provider. The guidance makes further note that a policy or practice that does not consider the amount of time that has elapsed since the criminal conduct occurred is unlikely to satisfy this standard, especially in light of criminological research showing that the likelihood that a person with a prior criminal record will engage in additional criminal conduct decreases over time following their most recent conviction until it approximates the likelihood that a person with no criminal history will commit an offense.

On October 18, 2016, the U.S. Department of Justice filed a statement of interest on this issue, arguing that the FHA requires that landlords who consider criminal records do not use overly broad generalizations that disproportionately disqualify people based on a legally protected characteristic, such as race or national origin. Additionally, effective April 20, 2016, New York State’s rules regarding tenant selection policies for people with criminal justice histories were revised. New York State Homes and Community Renewal (HCR) no longer permits State-financed affordable housing providers to exclude applicants based on their criminal history without conducting an individualized assessment of each applicant. This is the first such policy by any state and is a huge step in creating new housing opportunities for people with a history of criminal justice system involvement.

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11 24 C.F.R. § 100.500; see also Inclusive Cmtns. Project, 135 S. Ct. at 2514-15 (summarizing HUD’s Discriminatory Effects Standard in 24 C.F.R. § 100.500); id. at 2523 (explaining that housing providers may maintain a policy that causes a disparate impact “if they can prove [the policy] is necessary to achieve a valid interest.”).
12 El v. SEPTA, 479 F.3d at 247 (noting that plaintiff’s Title VII disparate impact claim might have survived summary judgment had plaintiff presented evidence that “there is a time at which a former criminal is no longer any more likely to recidivate than the average person....”); see also Green, 523 F.2d at 1298 (permanent exclusion from employment based on any and all offenses violated Title VII); see Megan C. Kurlychek et al., Scarlet Letters and Recidivism: Does an Old Criminal Record Predict Future Offending?, 5 Criminology and Pub. Pol’y 483 (2006) (reporting that after six or seven years without reoffending, the risk of new offenses by persons with a prior criminal history begins to approximate the risk of new offenses among persons with no criminal record).
13 According to recent research that period of time is after six or seven years without reoffending, the risk of new offenses by persons with a prior criminal history begins to approximate the risk of new offenses among persons with no criminal record. Megan C. Kurlychek et al., Scarlet Letters and Recidivism: Does an Old Criminal Record Predict Future Offending? 5 Criminology and Pub. Pol’y 483 (2006).
14 U.S. Department of Justice Office of Public Affairs, Justice Department Files Brief to Address the Use of Criminal Background Checks by Housing Providers. October 18, 2016 https://www.justice.gov/opa/pr/justice-department-files-brief-address-use-criminal-background-checks-housing-providers
Problem: Widespread housing discrimination prevents persons with criminal justice backgrounds from accessing affordable housing.

It is widespread practice for landlords and housing providers to engage in blanket discrimination based on an applicant’s history of contact with the criminal justice system, including when screening applicants for affordable housing supported, in whole or in part, by public funding. Frequently, applicants are rejected without fair consideration, solely because of their criminal record. There are strong public policy reasons to justify that housing supported by public dollars should contribute to a range of outcomes that make communities safer and healthier, including reduced recidivism, and reduced spending on incarceration and other services.

Solutions:

1. The City should adopt policy changes similar to that of NYS HCR and HUD by including a requirement in all regulatory agreements with all City-funded projects to prevent blanket housing discrimination based on criminal justice history. Protections against this kind of discrimination should be strictly enforced, with stringent reviews of rejections based on a criminal record.

2. The State should continue providing robust education, monitoring and enforcement of new regulations. Compliance should be monitored as part of the regular audit conducted on state-financed housing. This should also apply to City-financed housing should they adopt the above recommendation.

3. “Ban the box” policy protections should be applied to the screening and qualification process for housing, requiring that record of conviction be considered only after an individual has been determined eligible for an apartment.

4. When providing background checks to housing providers and developers, both the City and State should adopt a policy regarding what information can and cannot be considered, such as sealed records or information older than a specified cutoff.

5. Disqualification because of a criminal record should meet strict criteria directly related to public safety. This decision should be based only upon actual conviction of a crime that justifies a finding of current risk, with length of time and evidence of rehabilitation since conviction considered, requiring an individualized assessment rather than blanket exclusion based upon the conviction(s) alone. However, if a person has been at liberty for 3 years without a criminal conviction, evidence of conviction prior to that period should not be considered in determining eligibility for housing.

Problem: Low-income and vulnerable New Yorkers are forced into unsafe and illegal housing because there are not enough affordable housing resources available.

Affordable housing options for single, very low-income New Yorkers have dwindled over the past four decades. Currently, much of this very low-income, vulnerable population has no option but to rely on the New York State public assistance shelter allowance. While median apartment rents in New York City rose by 75%, from 2000-2012, the shelter allowance has
remained unchanged at $215/month for single adults since 1988.\textsuperscript{15} With only this amount to spend on rent, it is almost impossible for single public assistance recipients to find safe, legal housing.

\textbf{Solutions:}

1. Expand housing options for vulnerable, very low-income individuals, in particular those with criminal conviction.
   - Allocate funding for New York State Office of Alcoholism and Substance Abuse Services (OASAS) residential facilities to develop additional transitional housing with support services for individuals coming out of detoxification facilities and substance use disorder residential treatment programs.
   - Repeal the prohibition on shared household arrangements that include more than three unrelated adults. The prohibition drives for-profit residences, such as three-quarter houses, underground and obstructs opportunities to provide safe, cost-effective and lawful housing alternatives for very low-income single adults.
   - Develop legal shared housing options for unrelated adults. The City should lift the ban on the construction of new Single Room Occupancy (SRO) housing, which provides fundamental housing of last resort for very low-income adults.
   - Increase the allotted shelter allowance from $215/month for single adults.
   - Provide funding assistance to reputable service providers seeking to build permanent affordable housing units but unable to purchase land or buildings.

2016 Update: Mayor de Blasio’s multi-agency Three-Quarter House Task Force continued work this year in inspecting three-quarter houses and facilitating the emergency relocation of residents whose buildings were plagued with unsafe or overcrowded conditions. Since its inception in June 2015, the Task Force has inspected at least 98 houses and the City formally established the Special Exit and Prevention Supplement Program (SEPS), a rental subsidy available for single adults at risk of homelessness, including people in unstable housing such as three-quarter houses. SEPS vouchers and rapid rehousing services have been provided to three-quarter house residents temporarily relocated due to unsafe or overcrowded conditions, and 146 individuals have been permanently housed as of October 2016.

The efforts made by the City should be applauded, but there are changes that can increase the impact. Because the Task Force identifies houses using public assistance records, but houses with tenants on disability or paying rent through their wages remain invisible. Also, many tenants with SEPS vouchers report that landlords refuse to accept rental subsidies despite laws that prevent discrimination based on a tenant’s source of income.

This year brought continued housing instability to residents of the three-quarter houses previously operated by Narco Freedom. In 2015, a court-appointed temporary receiver took over the operation of Narco Freedom clinics and three-quarter houses, which housed an estimated 1,100 residents. OASAS licensed two non-profit social services providers to operate the buildings as Supportive Living Residences (SLRs) in September 2015. Tenants reported that the conditions remained overcrowded and that the operators of the SLRs, evicted residents without court process. OASAS sanctioned these self-help evictions, asserting that residents were no longer “tenants” but rather “patients.” Only after filing a lawsuit did tenants obtain a commitment from the providers that no one would be evicted from the buildings without court process. Despite the City’s commitment, in September 2015, to provide all residents of the former Narco Freedom houses with SEPS vouchers and assistance securing permanent housing through a rapid rehousing program, the non-profit contractor disappointingly has secured housing for just 258 of the estimated 1,100 tenants.

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16 In June 2015, following extensive media coverage and indictments of some of the most notorious three-quarter house operators, Mayor de Blasio convened an interagency task force. More: New York City Task Force to Investigate ‘Three-Quarter’ Homes, The New York Times, June 1, 2015.
17 In 2014 and 2015, the leadership of Narco Freedom, a non-profit organization that operated some 18 three-quarter houses, was indicted by the New York Attorney General and was also sued by the United States Attorney for the Southern District of New York for Medicaid fraud in the operation of its three-quarter houses.
18 Letter from OASAS Associate Attorney Mark Boss dated December 31, 2015.
Problem: Three-quarter houses are unregulated and unsafe, but residents lack housing alternatives.

Three-quarter houses are unlicensed privately operated for-profit residences, some of which masquerade as treatment facilities or programs that accept the public assistance shelter allowance or a portion of other benefits as rent. Three-quarter houses frequently require tenants to attend a treatment program affiliated with the building owner, regardless of the tenant’s needs, to collect Medicaid payments. Three-quarter houses tend to be overcrowded, with multiple housing code violations. Three-quarter housing operates in the shadows of the housing market with no clear metrics to identify them. Therefore it is difficult to locate, track, and improve the conditions in the houses.

Solutions:

1. Expand housing options for very low-income individuals who are unstably housed.
   - The State should fund and support a permanent housing subsidy—like the SEPS program instituted by the City—that targets low-income single adults at risk of homelessness, prioritizing clients of the New York State Department of Corrections and Community Supervision (DOCCS) and the New York State Office of Alcoholism and Substance Abuse Services (OASAS).
   - The State should allocate monies to DOCCS and OASAS, earmarked for discharge planning and housing location services, to assist people to secure permanent housing.
   - OASAS providers should be required to offer voluntary services to assist individuals to secure stable housing prior to release or discharge.
   - Allocate funding for residential facilities to develop additional transitional housing with support services for individuals coming out of detoxification programs, residential treatment, or incarceration. All such transitional housing must honor tenants’ right to court process prior to eviction.

2. Implement new approaches to housing for people with histories of substance use and incarceration.
   - The City and State should create a pilot that would provide an enhanced shelter allowance rate to three-quarter houses that meet uniform building and code standards.
   - When making referrals to housing, OASAS and City agencies should be required to utilize public records to ensure that the housing facilities meet basic occupancy and safety standards.

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• The City and State should create a pilot program that embraces the Housing First approach, prioritizing housing stability and tailoring the structure of housing and services to the population it serves.

3. The City and State should continue to relocate residents of three-quarter houses that do not meet basic safety standards.
   • The Task Force should ensure that efforts to identify three-quarter houses include houses inhabited by people with disabilities and other people who do not receive public assistance shelter allowances.
   • The State and City should commit that all three-quarter house residents displaced as a result of litigation, government action, or the acts of private landlords be relocated to safe temporary housing, and provided a housing subsidy and rapid rehousing services to secure permanent housing.
   • Funding should be allocated for emergency repairs to correct unsafe conditions and ensure continuity of all essential services.
   • The Task Force should improve efforts to communicate directly with three-quarter house tenants. Task Force membership should be expanded to include advocates and affected individuals.

4. End housing discrimination based on source of income.
   • The New York City Human Rights Commission should continue to work with city and state agencies to identify and hold accountable landlords that decline to rent to individuals with Section 8, LINC, SEPS or any other rental subsidies.
Conclusion

This document was jointly prepared by experienced, thoughtful re-entry housing and service providers, gathered together by CSH, a national leader in supportive housing. It builds upon years of previous work by a wide array of coalitions and task forces and, in effect, stands upon the shoulders of work done by a broad community of advocates and service providers. We believe that, by implementing these recommendations, thousands of New Yorkers will avoid recidivism, reconnect with families, find stable housing and begin to lead productive lives in our communities. We will continue to provide our support and expertise in order to make these recommendations a reality.

Submitted on behalf of:

- The Bronx Defenders
- Brooklyn Community Housing & Services
- The Center for Alternative Sentencing and Employment Services (CASES)
- The Center for Community Alternatives
- The Coalition for Behavioral Health, Inc.
- Community Service Society of New York
- The Corporation for Supportive Housing (CSH)
- The Fortune Society
- From Punishment to Public Health, John Jay College
- Hour Children
- Housing + Solutions
- Katal Center for Health, Equity, and Justice
- Legal Action Center
- MFY Legal Services
- Neighbors Together
- Osborne Association
- The Prisoner Reentry Institute, John Jay College
- Providence House, Inc.
- The Women’s Community Justice Project

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