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PUBLIC HEARING

before

ASSEMBLY TASK FORCE ON HOMELESSNESS

To elicit testimony regarding creative solutions to the
problem of homelessness

December 13, 1989
Atlantic County
Administration Building
Atlantic City, New Jersey

MEMBERS OF TASK FORCE PRESENT:

Assemblyman Patrick J. Roma, Chairman
Regina M. Purcell

ALSO PRESENT:

Norma Svedosh
Office of Legislative Services
Aide, Assembly Task Force on Homelessness

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New Jersey State Legislature

ASSEMBLY TASK FORCE ON HOMELESSNESS

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December 4, 1989

**ASSEMBLY TASK FORCE ON HOMELESSNESS
ANNOUNCES THE FINAL PUBLIC HEARING
ON CREATIVE SOLUTIONS TO THE PROBLEM
OF HOMELESSNESS**

Wednesday, December 13, 1989

Beginning at 1:00 P.M.

Atlantic County Administration Building - Auditorium
1333 Atlantic Avenue
Atlantic City, New Jersey

The Assembly Task Force on Homelessness will hold a public hearing on Wednesday, December 13, 1989 at 1:00 P.M. at Atlantic County Administration Building Auditorium, 1333 Atlantic Avenue, Atlantic City, New Jersey. The purpose of the hearing is to elicit testimony regarding creative solutions to the problem of homelessness.

Address any questions and requests to testify to Norma Svedosh, (609) 292-1646, State House Annex, Trenton, New Jersey, 08625. Typed copies of testimony are helpful to the task force (12 copies) just prior to the oral presentation, if at all possible. The chairman may find it necessary to limit the number of witnesses or the time available for each witness.

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ASSEMBLYMAN PATRICK J. ROMA (Chairman): We're about ready to commence this hearing of the Homelessness Task Force. We have had a number of hearings throughout the State. I have acted as the Chairman of this Committee. We have a number of members that are either in transit or at different hearings today. I understand that we will be joined by some of those members. Before introducing Regina Purcell who is a member of the Committee, I'd like to give you a brief overview of some of the information that we have obtained throughout the State.

As everyone is aware in reading -- and becoming most aware -- this problem is a national problem. One of the difficulties that we've had, quite frankly, is getting an accurate idea of the number of homeless people. If we take data from HUD from 1984, it would seem to indicate some 250,000 people, where the National Coalition for the Homeless sees that as a 1200% difference -- that there really is approximately 3 million.

We take figures from the Department of Community Affairs in the State, which would seem to indicate that there are 28,000. And yet, with The New York Times editorial back on June 19, 1988; 50,000 people in New Jersey-- So one of the problems that we have immediately is identifying exactly who the homeless people are.

When I first convened the meeting in Hackensack, in Bergen County-- It's ironic. It was snowing that day, just as it snowed last evening, and sometimes there is a tendency to see this issue come up in the context of September, October, and November. That is quite sad because the situation we have is really a year-round problem. The same people that are affected during those months are affected throughout the year.

It is the hope of this Committee, that by taking this information and the recommendations, we will be able to report back to the Legislature as a mandate of this Committee, with many different ideas, obviously, as pointing out who the

homeless people are. There has been a problem from the Federal side all the way down to the State side in terms of funding. Obviously, the idea of housing has to be on a permanent basis. We've heard the stories of motel homes being set up at \$70 a day, and quite frankly, with simple arithmetic, at \$2100 a month it is simply not something that we should have in the future. It would be a definite shift from this temporary type of housing to something of a more permanent nature that not only will save tax dollars, but will address this problem on a long-range basis.

We've looked into a number of initiatives. Obviously, as the money is cut back on the Federal level, with the McKinney Act and also on the State level, we're looking for other initiatives -- the consolidation of the activities of different departments with the Department of Human Services and the Department of Community Affairs.

One thing that I have noticed in talking to the commissioners: There is a definite feeling that there has to be that coordination. All too often in branches of government, they're all well-intentioned but the activities are not addressed on a long-range basis. I've seen a lot of activity in the recent year where the departments have gotten together, both at the gubernatorial and cabinet level, and we see some very positive things happening.

With respect to the funding as I indicated it has been a problem from the beginning. We have reached out not only to the various civic and religious groups, but also to business, and I think what we're talking about is a problem that will need the encouragement of business, either by way of tax incentives or some long-range planning.

I think probably what is the most difficult part of this problem, is the fact that homelessness is quite misunderstood, and unfortunately, until we get to that level of understanding, that people understand that it is not simply the

accounts that you read from time to time; that it is a deep-rooted problem, and until we're able to address it in a positive manner, we will continue to have the problem, and if we simply come up with a band-aid solution, the problem will grow worse each year.

As I said before, we read about this during certain months of the year. Again, it is the hope of the Committee that with these recommendations we will come up with a number of ideas and with the new administration coming in as of January, I feel hopeful that on a bipartisan basis we'll all be able to work to solve this problem. The idea of bringing people together and working on this solution has been something that has been worked over a number of years. Perhaps now, as we're getting that awareness that many of the people who are homeless are single women with children, are veterans, are many different parts of our segment who really do not want to be in a homeless cycle who really do not want to be unemployed, because of the programs that we have such as REACH in this State and other worthwhile programs, we will see a very continued, positive approach.

At this time I would like to ask Regina Purcell who is also a member of the Committee, if she would like to make a couple of opening remarks before taking testimony?

MS. PURCELL: Thank you, Mr. Chairman. I would like to say, simply, that I am pleased to be here today. I think we've learned a great deal about the seriousness of homelessness throughout the State from the testimony we're heard over the last months. I look forward to listening -- and learning -- to the testimony today. Thank you.

ASSEMBLYMAN ROMA: Thank you. According to my witness list we have Mr. Philip Bronzi. Good morning, Mr. Bronzi.

P H I L I P B R O N Z I: Good morning.

ASSEMBLYMAN ROMA: Actually, good afternoon. I'm sorry.

MR. BRONZI: Yeah, good afternoon. I said the same thing.

ASSEMBLYMAN ROMA: If you would, please, give us an affiliation as to your background.

MR. BRONZI: I'm a social worker with the General Services Unit, Division of Welfare, Department of Social Services for Atlantic County. My only observation is that as I drive through Atlantic City, I see a lot of apartment houses that are boarded up or are empty. These could probably be fixed up if some kind of program can be established with the State; maybe low interest loans to private business. This would also solve another problem: A lot of homeless people are living in these abandoned buildings. If we could get private developers to fix them up, maybe we could shift the weight someplace else. That's all I have to say.

ASSEMBLYMAN ROMA: Well, let me throw back a question, if I may. I realize you're not here on a question and answer period, but one of the areas that we have looked into is the possibility of using inmates -- and we realize that when we talk about inmates we may have violent and nonviolent people -- but for those people who are nonviolent in nature, the State has looked into the possibility of having them clean up our beaches and get involved in a number of activities. Has any thought been given to the possibility, perhaps, of some renovation or new construction utilizing these services?

MR. BRONZI: Inmates?

ASSEMBLYMAN ROMA: Yes.

MR. BRONZI: I don't know anything about that. I really don't. I haven't dealt with that problem.

ASSEMBLYMAN ROMA: Okay. Perhaps that's something that you may want to take back. As I said, we'll be reporting back to the Legislature over the next month--

MR. BRONZI: Yes.

ASSEMBLYMAN ROMA: --but in this time of budget deficits, what we're looking for is the possibility of many different areas of input.

MR. BRONZI: Okay. That's all I wanted to say.

ASSEMBLYMAN ROMA: Thank you very much for your testimony. Mr. George Williams. Good afternoon.

G E O R G E W I L L I A M S: Good afternoon. My name is George Williams. I'm the Assistant Administrative Supervisor for Social Work with the Burlington County Welfare Board. I wrote down things to say on my drive down. I wasn't expecting to come here today. My immediate supervisor was scheduled, she was shifted to some other activity this morning and I was told at 10:30 to come on down.

ASSEMBLYMAN ROMA: That's the beauty of being flexible.

MR. WILLIAMS: That's true. Now I've been involved with the Welfare Board from an administrative standpoint ever since the original Maticka decision, so I've seen the whole flow of the problem from a public assistance perspective, you know, over the past several years. I've been directly involved administratively with our Emergency Assistance Program with both the AFDC and the SSI populations, and my wife is a local welfare GA Director in two townships in Burlington County, so I have a more than passing familiarity with some of the General Assistance problems also involving the homeless.

Of course, all three populations, the GA, the SSI, and the AFDC, are only a portion of the homeless population that is out there. I certainly agree with your comment that we need to both define and identify who we're really talking about. In my own area we have people living out in the woods, under culverts along an abandoned railroad track -- things like that.

Some of them have income. It may be Social Security; it may be VA benefits. Some choose to be involved with the public assistance program; some people choose not to be. And as you say, weather like this starts to bring them inside, and

we certainly have an upswing during November, December, and January of people looking for our help.

But I'd like to first of all say -- and this is more a personal than an agency comment -- that I think the biggest single problem centers around money, in the sense that anyone who is on public assistance can't afford to live in most of the housing that is out there. I've been following, as have most of my colleagues at the Welfare Board, the court action surrounding the issue of standard of need, and I think, all other concerns aside, the welfare grants both for AFDC and for General Assistance are too low, and whatever else can be done to provide housing, public assistance recipients need more money to afford to live. I think that's a major consideration.

Certainly, agreeing with the concern-- And as a taxpayer the concern about budget constraints and budget deficits in the State are certainly realistic, but obviously, over-- I've been in the welfare system for 18 years, and in that time, I know all too well that welfare grants have nowhere kept pace with the cost of living in this area. Burlington County certainly has a lower cost of living than much of North Jersey, and knowing the problems our clients face, I shudder to think what happens in other parts of the State. But I see that as really a major long-term issue. The welfare assistance payments to clients have to go up to allow them to afford to live.

I'd like to focus, though, on one segment of the population. Since the beginning of the year, I've been directly involved with our various adult social service programs including SSI and Emergency Assistance, but not exclusively. We've had a concern at the agency that the SSI homeless cannot adequately be fit in with the same regulations that cover Emergency Assistance payments to AFDC clients, although that's the way our regulations are set up. It almost

becomes a square peg in a round hole dilemma, because the regulations that are set up to handle AFDC cases do not apply to SSI.

We have found in our county that of the SSI homeless that we've dealt with -- easily two-thirds of them also have mental health problems and most of them are also chemically addictive; either drugs or alcohol, or both. One of the current buzzwords in the field is the MICA client -- the mentally ill chemically addicted. And the distinct majority of our SSI homeless in Burlington County have been MICA clients.

In recognizing the need to deal with this very difficult population, our agency has sponsored an interagency Ad Hoc Committee on the Mentally Ill Homeless that has brought together social service provider agencies, mental health agencies, and representatives from various State departments, to try to work together to target individual clients through a interagency cooperative effort to try to deal with intensively case managing these clients.

What we have found specifically is that, again, looking at the dilemma of the regulations, even with receiving an SSI payment of almost \$400 a month, it's often very difficult for the SSI homeless to find permanent housing. Now it's easy to say there are rooming houses out there, there are boarding homes out there, and residential health care facilities. Many of these clients are not suitable for that type of housing. Many of these clients the operators of such facilities don't want to take, and the few that will take a mentally ill client are often physically far removed from treatment outpatient facilities within the county.

We have found, also -- and this also wraps up in the issue of money-- Our county is in the dilemma where one of the mental health agencies in the county put in a proposal for a mentally ill homeless case manager position, which is in the great limbo area of approved but not funded within the State

budget. This is clearly something that we need in our county, and I know there are other counties in similar situations. Counties that have been able to establish a centralized case management activity for the mentally ill homeless, have been able to accomplish quite a bit by drawing things together, but we're faced with the budget constraints which have created what we have now, where this position is approved, the State thinks it's a great idea, but they don't have the money to fund it.

Of even more concern to us is the fact that some of the mental health agencies in our county are receiving a budget cut in the coming year, and in several of these agencies, the cuts are actually removing workers -- staff that directly deal with this population. So as I say, it all goes back to money. We need, both the additional, you know, grants for clients; we need the supportive services out there, especially to deal with difficult populations like the mentally ill; and certainly, if we're not going to get a massive infusion of money -- which I realize is not realistic -- at least, we certainly can't afford to both have current programs cut and programs approved but not funded.

Our Ad Hoc Committee is currently preparing a position paper on these issues that we want to send to the Legislature, to the incoming administration, and to various State departments, and it just happens that this opportunity to talk comes in the middle of this process, where we've been trying to deal with putting down in writing our position on these issues.

ASSEMBLYMAN ROMA: One of the-- If I may?

MR. WILLIAMS: Sure.

ASSEMBLYMAN ROMA: One of the areas that came up in our last hearing had to do with the difficulty of the Rental Assistance--

MR. WILLIAMS: Right.

ASSEMBLYMAN ROMA: --and that a number of the landlords do not like to take it because of the delay in

processing by the State. The Public Advocate, at that time, had brought this to our attention. Obviously, one of the situations that we run into is the problem of evictions, and one of the recommendations that may likely come out of this Committee would be means of expediting that payment; that, in fact, if the voucher is put in to the State, the landlord has a reasonable expectation of being paid within a reasonable period of time. I think that is probably a positive direction to move in.

MR. WILLIAMS: I would certainly agree with that. Although what I have found in our county, is we have many landlords who don't want to take Rental Assistance because, essentially, we have a landlords' market in our county. Most decent rental units can be rented with no great difficulty, and there are landlords who don't want to be bothered with the paperwork, the added inspections, and so forth that Rental Assistance results in.

I haven't heard complaints about the payment turnaround too much, although I have heard a few rumblings. Certainly, if you could guarantee prompt payment, I think it would improve things a little bit. But at least in our county, there's no incentive to these landlords to participate in the program since they can rent their units anyway.

We have a small but significant to us, handful of landlords who actively seek out Rental Assistance clients. In fact, I can think of several landlords who have a number of rental units -- many of these are individual homes, scattered site type of things -- who will not rent to a public assistance client unless that client receives Rental Assistance. If that client can show a Section 8 certificate, they can get a lease very quickly from some of these landlords. That's because these landlords-- I'm not saying there's some substandard, but some of these units are not in prime areas, and it makes it easy for the landlord to rent, knowing that these clients are

there as potential tenants and knowing that a significant portion of the rent is guaranteed through the Rental Assistance program. That is an incentive to them. As I say, that's a relative minority among the landlords, but we do have some that actively do seek out Rental Assistance clients.

ASSEMBLYMAN ROMA: One of the areas that I'm familiar with from the standpoint of defense of certain areas, has to do with the evictions. Normally what happens with the evictions, is they're put on the calendar for the first of the month, and in New Jersey we have what's called a "summary dispossess," as you're aware. So without that payment forthcoming, you're going to see a lot of those eviction notices being sent out. The theory behind the expedited payment is that the landlord would have some type of motivation on his part to seek out additional people who are on the Rental Assistance.

To a certain extent, perhaps, we don't get much feedback, because in some cases landlords have not indicated the reasons why a person is not chosen for that rental. We had thought that with this type of expedited payment, while it may not cover all 21 other counties -- and certainly in your case it may be a little different-- In other counties we have seen a different situation. I appreciate the comments.

MR. WILLIAMS: Well, one thing along that line: I think sometimes various program regulations get in the way of other regulations. And just one comment here: Some of our landlords, and especially several of the ones who do go out of the way to get Rental Assistance clients, also take advantage of the welfare regulations that allow us to pay up to three months back rent. We have landlords -- and again, it's some of the same landlords that seek out Section 8 clients -- who are very quick to file an eviction action very early in the month knowing that that will generate the necessary paperwork that would allow that client then to come in and say, "I'm behind in my rent," to us at Welfare if they're on AFDC, and request the

back rent payment. I think some of the landlords are manipulating the systems as readily as some of the clients do. That's just, basically, an observation along those lines.

ASSEMBLYMAN ROMA: One of the other areas that we've heard testimony on has to do with the regulations that are imposed, both by municipalities, counties, or State. We've heard testimony to the effect that this drives the cost of housing up as much as 30% in some cases. Perhaps one of the areas that we'll have to look into are those types of regulations, as they apply to different types of housing.

MR. WILLIAMS: It's possible. And as I sort of commented in passing, some of the landlords that tend to shy away from Rental Assistance clients are the ones who object to the additional inspection requirements the Rental Assistance program has. Now I've had landlords tell me, "That if my township will issue me a CO, why does Rental Assistance have to come out and look at it also?" So, yes, I think anything that might be able to streamline the inspection or regulation process would probably have a positive influence.

ASSEMBLYMAN ROMA: Okay. Thank you. Regina, any questions?

MS. PURCELL: Yes, just a few. For a landlord to accept an AFDC client, how often do the apartments have to be inspected. Is it every time a new client comes in?

MR. WILLIAMS: Well, a lot depends on the municipality. Now in Burlington County we have 40 municipalities. Only 11 of those 40 require a Certificate of Occupancy for rental units whenever there's a change in occupancy, and not all of those 11 actively enforce their ordinance. I would say of the 11, only about six or seven of those townships not only actively enforce but go after landlords who rent without getting a CO.

In the other municipalities in our county there is no real inspection effort whenever there is a change in tenancy in rentals. We have established at our agency, a policy where if

we're involved with a client under Emergency Assistance regulations, we have someone from our staff inspect any property where we're asked either to pay a security deposit for a client or to make a back rent payment.

This actually started because of several clients who went into, almost site unseen, some very substandard properties that we paid money for. We felt as an agency, that we could not, in clear conscience, be spending money unless we knew-- Our position used to be, if the client saw it and would accept it, we would accept that. We decided that was not going nearly far enough on our part. So, for about a year-and-a-half we've been inspecting on our own. Now it's superficial; we have no one that's really trained as a building inspector, but sometimes we can pick up on very obvious things. But we only can do this, of course, for the clients that we're involved with expending money.

Certainly from my experience, I think most rentals, whether they're to the low-income families or not, if there's any review at all, it's only by the parties involved, and there seems to be no consistency as far as any formal inspection of properties. I think that probably is a very major shortcoming across the State. I think some of the townships that complain the loudest about poor housing, themselves, really need to take a more active role in doing inspections and issuing Certificates of Occupancy, because I think it protects everybody's interest; certainly, the tenant and the agencies that are involved, and really in the long run, the landlords, too.

MS. PURCELL: Questions about the MICA clients: What portion of the homeless are MICA clients, in your estimation?

MR. WILLIAMS: I think of the single adult category, ignoring families with children, I would say, easily, half of them probably are. Our Ad Hoc Committee on the Mentally Ill Homeless was reviewing our activity, and in about a

year-and-a-half, we reviewed about 100 clients. Of those roughly 100 clients, well over two-thirds of them-- They all had mental health problems, but easily two-thirds of them were also chemically addicted -- either drugs or alcohol or both.

MS. PURCELL: So you're talking about a substantial need for services.

MR. WILLIAMS: Yes, and they're a very service intensive population. They're also a very service resistive population. In looking over the clients that we have been involved with, trying to sort of categorize them into successes and failures, long-term success has probably been -- and that's by putting someone into a permanent living arrangement and either continuing outpatient care or weeding them out of the treatment system-- Probably no more than 20% of that group really we could call successes that way.

We've had some that have been placed and became homeless again, some who dropped out of the treatment system and became homeless, some who have just disappeared. But, I'm kind of projecting this a little bit because our agency, primarily, has been involved with those who happen to get SSI. We have certainly regular Social Security recipients that fall into this category and a significant number of VA benefit recipients who fall into this category.

And really, as I said earlier, it's a difficult population to house. I mean, no landlord in his right mind is going to go out of his way to attract a mentally ill tenant. It requires really specialized either supportive systems for any kind of group living, or easy and ready access to outpatient treatment for the tenant or for the client, and these are expensive. They're limited right now in our county, and as I said, we're facing budget cutbacks to many of the agencies that are providing these services now.

MS. PURCELL: Thank you.

ASSEMBLYMAN ROMA: Just one other observation: Reading "Time Magazine," it seems there are so many aspects to this problem. And you brought up a very important aspect; that is drug addiction. What was estimated in terms of the drugs being brought into the country -- for that matter, a system of laundering -- in terms of money, where it's estimated into the billions of dollars that comes back in the form of another investment-- And to a certain extent some of the recommendations in that article had to do with banking regulations, and here we're talking about the homeless and creating funding for additional housing. In certain cases, recommendations were made as to identifying the source of large monies coming back into the states which hopefully would cut down to a certain extent on the drug problem.

So, it's really an observation. There are many different aspects, but as we're talking about homeless prevention, we're also talking about drug prevention. And I'm sure, as we hear back from the Federal government and we learn more about the developments that are happening in other countries, to a certain extent this is all going to impact on our same problem. Thank you.

MR. WILLIAMS: I would quite agree. Thank you.

ASSEMBLYMAN ROMA: Is this--

UNIDENTIFIED MEMBER OF AUDIENCE: I think, Roselyn Norrell.

ASSEMBLYMAN ROMA: Okay, thank you for the help. Roselyn Norrell -- is it Nance? (affirmative response) It's always appreciated when you can help the Chairman. Good afternoon.

R O S E L Y N N O R R E L L - N A N C E: Good afternoon. My name is Roselyn Norrell-Nance, and I am the aide to Mayor James L. Usry of Atlantic City. For the past five years I've been working with homeless individuals and families in the City of

Atlantic City. There are a few things that I would like to see this State -- assist cities in providing services and shelter for the homeless.

First of all, I would like to see them enforce existing laws and create new legislation that would require cities to provide shelter and services for their homeless within the boundaries of their own communities. Atlantic City has experienced considerable problems with other communities in New Jersey and outside of the State of New Jersey, busing people into Atlantic City.

There are several reasons for this: One being that many municipalities outside of the State of New Jersey are not aware of the licensing process for casino employment or that there is such a shortage of affordable housing in Atlantic City. People get on the bus-- They are sometimes given bus tickets by General Assistance or AFDC in the neighboring states and are sent here because they have heard that there are many jobs available in Atlantic City because of the casinos. However, they do not know that it sometimes takes up to a year to get a major casino license, and they come here and end up being homeless.

We had a particular problem with chartered bus services who were receiving incentives for having a full bus. They were from the State of Maryland, no less. They were going around-- If the buses were not full, they were going around to areas in Baltimore where they found homeless to frequent, and putting them on the bus and bringing them here.

Baltimore has a three-month limit on the amount of time that they're able to receive assistance because of the suit of the Public Advocate for a time. Until recently there was no limit in Atlantic City. Once the people got here from Baltimore and found out that they could receive assistance indefinitely, they refused to go back to Baltimore.

We have been able to work with the casinos to notify the chartered bus people that we would expect them to provide the transportation for people who were willing to go back to Baltimore, which has worked out somewhat successfully.

But we most certainly do need to see that cities who are even willing to contract with nonprofit agencies in Atlantic City to provide assistance to their homeless people rather than assume the responsibility in their own communities, need to be made aware that they must provide for their own individuals and for their families.

We would also like to see the State provide funding for more transitional housing programs that include intense case management. We have a nonprofit agency here, Atlantic Human Resources, who was doing a project through the county out at the grounds at Ancora. They have been very successful in being able to find permanent housing for the families who participated in those programs and in helping them to correct the different kinds of deficiencies that existed within their families that may have caused their homelessness. Those kinds of programs, if they include intense case management, seem to be very beneficial in helping families, in particular, and in some instances, individuals who can get out of the homeless cycle.

The largest growing population for homelessness in Atlantic City happens to be the working homeless. This occurs when their-- They're low-income families. Sometimes they're making between \$8000 and \$12,000 a year. They have a major disaster in their family, an illness, the loss of affordable child care, the loss of their transportation. They get behind in their rent, and before you know it, they are homeless. We have a most unfortunate problem in that so often, when we find a family who has become behind in their rent or they've gotten behind in their mortgage payments, and the Homeless Prevention Program or the Mortgage Assistance Program is depleted of funds

until maybe three or four months down the road, and there's a family that we probably would have been able to save if that program had funding.

I'm also particularly concerned about the kinds of problems that the children in homeless families have. The summer before last, there were several camp programs in the summer that gave children who were living in motels an opportunity to live a very close to normal life for a few hours a day. I feel that we really need to assure that those kinds of programs for homeless children continue to exist; that schools adopt certain kinds of special counseling programs for homeless children and for children, in general, who are coming in contact with homeless children. There is also a need for latchkey programs or after school programs for homeless children to help them to deal with some of the kinds of educational and social concerns that they have once they are put in the homeless situation.

We also need to recognize that in addition to the mental health and drug and alcohol addicted homeless population, there's another population that is very difficult in working with. That is the homeless who are relocated or are out of their housing because of relocation purposes or because of faults that can lie only within their own causes. Quite often we find people who because of poor credit ratings or criminal activities in their families or poor housekeeping procedures, are not people who landlords want to accept. Many times we find that folks may not have too much sympathy for this particular population, but quite often in those homes there are children who are the victims, who are suffering the most. We must try to develop some types of shelters or whatever for families of that nature so that these children are not going to continue living in motel atmospheres.

I've had people ask, "Why don't we-- If their parents have been that irresponsible, why not put the children in

foster care?" Well, as you probably know, the Division of Youth and Family Services' main emphasis is on keeping families together and trying to work out those problems, and in many, many instances, they do work out the problems. We have seen a growth of tenant counseling programs encouraging people to participate in protective payee programs. However, that credit rating still exists: When the landlord checks the criminal record, that still exists, and it does turn landlords off. But there is a much better situation if they can be in some sort of a transitional shelter situation rather than in the motel situation, and that's something I really hope that we will address quickly.

I guess that's just about all for now.

ASSEMBLYMAN ROMA: Well, I'm sure we have a couple of questions--

MS. NORRELL-NANCE: Okay.

ASSEMBLYMAN ROMA: --but one of the areas that we're addressing has to do with the single parent, and having difficulty in obtaining support. You're probably aware that we recently passed a bill in the Assembly providing for the immediate garnishment of child support arrearages. Now in my own personal capacity as an attorney, I've seen a number of situations where parents have left a state to avoid the court orders, and it's thought that with this law, that it would be helpful with the Federal law to track down those parents who are in arrears. So perhaps that's another aspect of the same support, and the payment of certain types of obligations.

MS. NORRELL-NANCE: That is helpful if it's going to really be enforced.

ASSEMBLYMAN ROMA: Exactly. Regina?

MS. PURCELL: Thank you for your testimony. It was very helpful. You spoke about the need for transitional housing versus motels. Are there any plans at this point for Atlantic County to develop a shelter for the homeless?

MS. NORRELL-NANCE: Atlantic County-- I work for the City. However, I do work cooperatively with the county, and the county is in the process right now of putting together a transitional shelter in Atlantic City. There has also been big help in that our city Rescue Mission now has facilities available for families. So there is some help, but those numbers do grow. It's just at this point it's not enough. We need to see more of those kinds of programs available, and we need to see more of those kinds of programs available in communities outside of Atlantic City.

MS. PURCELL: Do you see any difference between transitional shelter and emergency shelter?

MS. NORRELL-NANCE: The transitional shelter that we have been exposed to seems to be more planned and well thought-out in regard to addressing the case management aspect of making sure that they are looking for other housing, doing some on their own; that they are having the medical kinds of problems that they may have addressed; the mental health kinds of problems addressed; that they are getting tenant counseling, signing up for all the different kinds of services that are available. And in the course of that time, in a transitional program, they're becoming stronger and able to eventually move out into permanent housing.

In the emergency kind of situation there is some case management, but not as intense, in that in the transitional shelter the case management is on-site.

MS. PURCELL: Okay.

MS. NORRELL-NANCE: With the transitional shelter-- With the emergency shelters in the motels the case managers do get there sometimes, but they're not able to provide as intense a service as they do if they are able to be right on-site with the homeless.

MS. PURCELL: I have a question about the children in the motels. How accessible are the schools to those children? Are they being--

MS. NORRELL-NANCE: In Atlantic City there are neighborhood schools and there is-- Every school is within walking distance, except if the children are in motels that are out on the highway. There are sometimes problems in that children have established relationships in certain kinds of very positive rapport with faculty and staff at a particular school, and to have to be housed out of that particular area, does create a problem for the student.

There's an adjustment that has to go on. But I think we're very, very fortunate in that our school system is very sensitive to the needs of these children. However, it's still always a question of funds where there are needs for additional after school kinds of programs. We have been very fortunate that we have a Team Services Program in our school system and that it exists at a community center where many children attend for recreational and other kinds of activities.

So it's helpful there, but that program is always stretched for dollars. The program also only is supposed to handle teenagers who are in high school, and many of the children who have the most severe problems are elementary aged children. At this point there doesn't seem to be any promise of expanding that program to assist elementary school children, though the staff has been very helpful. When we do find a child who is of the elementary grade level, they do provide the services if they can.

MS. PURCELL: Thank you.

MS. NORRELL-NANCE: You're welcome.

ASSEMBLYMAN ROMA: You've covered a number of areas with respect to the different types of people that are affected by the homeless. And one of the things that I found very ironic in my home county of Bergen County-- Many people don't believe that it exists in certain counties, and I think that's part of the problem: To make people more aware. What we found in Bergen County is, in fact, there are a number of people and

quite a cross section, being veterans, being children, being spouses, single spouse families. One of the areas I would like to-- Your tracking system with respect to the number of people that you have been able to identify-- Do you have a generalized breakdown of the total number?

MS. NORRELL-NANCE: We estimate that there are approximately 700 single homeless people and about 1000 women with children, but that does fluctuate from month to month, and those are the families that are receiving some type of services. There are daily telephone calls from people who see a family living in an abandoned building or in a van that have not gotten into a system. So that 1700 is really not the total amount of population in the city itself. We sometimes have great difficulty determining if their origin of homelessness was, in fact, Atlantic City, because we have found that they really have been coached as to what to say to make sure that they are eligible for requirements and that they are not going to be encouraged to return to their true destination of homelessness.

That is a major problem that many communities do not want to admit or do not believe that they have a homeless problem. I have found it very, very interesting to find that some of the surrounding communities are willing to pay our nonprofits -- to contract with nonprofits for beds. But if you speak to them and you see articles in the newspaper, they say they don't have a homeless problem and that's why they don't have shelter. In some instances, they need no more than eight to ten beds. But eight to ten additional homeless people in Atlantic City creates a strain, on not only providing shelters but for providing for the kinds of other social services that they need. If they become ill and are not eligible for General Assistance or AFDC right away and they go to the local health clinic which is free to Atlantic City residents, that is an additional strain on the taxpayers of Atlantic City.

I believe that most people would-- Even though they're homeless, they do want to remain in their communities where they have some ties to families and neighbors and friends, and they can receive some sort of moral if not financial support. And it makes it very, very difficult when communities have made no effort whatsoever to provide any kind of shelter, whether it be temporary or more affordable permanent housing for those who are less fortunate.

And I would also like to say that we are really concerned with the attitude of many who are beginning to recognize that the population of homelessness is growing who are subscribing to this "Greyhound therapy"; buy a bus ticket and send them somewhere else. That does not help the problem.

Closing down shelters does not help the problem, and we've had some who have advocated that. The perfect example of that is Philadelphia. Many of their nonprofits were forced to close, and if you walk in Center City Philadelphia, you see more and more people on the street. They did not leave Philadelphia.

So, closing and not supporting the shelters and the facilities that we already have existing is not going to solve the homeless problem. It is going to make it that much more horrendous because people will be out on the street, and we'll be seeing many more people leaving this earth because they're not able to get the services or the shelter that they need.

So we need to make sure that our cities, our counties, and our State make sure that the programs that do assist homeless people are adequately funded and that when programs such as Homeless Prevention and Mortgage Assistance are low on funds, that they don't have to go through miles and miles of red tape to get the funding that they are going to need to save people from losing their homes.

MS. SMARTH (Majority Staff Aide): Has the city or the county-- This is sort of on the subject of transitional

housing. Has the city or county entertained, or tried to entertain, any sort of concept using private partnerships in approaching the casinos to put up money, because they have something at stake here -- the tourism business has something at stake here -- and people's lives are on the line? I'm just wondering if any sort of partnership programs, whereby you would be leveraging private/public dollars has been looked at?

MS. NORRELL-NANCE: Okay. As part of the agreement between the city, the county, and the Public Advocate's Office, there is a portion in that plan that recommends that a particular fund be set up through casino dollars to assist in providing those kinds of shelters. That is one portion of the plan that has not been addressed.

There is also a proposal right now to acquire funding from the Casino Reinvestment Development Authority to provide shelter assistance to our Rescue Mission. That is something that we hope is going to be accepted by the CRDA.

ASSEMBLYMAN ROMA: Thank you for your testimony.

MS. NORRELL-NANCE: You're welcome.

ASSEMBLYMAN ROMA: Helen Lewis.

H E L E N L E W I S: Good afternoon.

ASSEMBLYMAN ROMA: Good afternoon.

MS. LEWIS: My name is Helen Lewis. I'm the Director of Welfare in Atlantic City. Roselyn spoke to many of the points that I would like to make this afternoon, but I'm going to be very brief.

I feel that the surrounding communities and many communities in New Jersey, do dump on Atlantic City, and I think they're called the "bedroom communities," such as Ventnor, Margate, Brigantine. But what I would like the Legislature to look into is the -- to try to certify welfare directors, because many welfare directors are political appointments. They really don't know their job. Many of their hours are not conducive to the people who need services. If

you have hours at seven o'clock at night and eight o'clock at night, most people that have come to Atlantic City have had their needs met by that time of day.

Some of our suggestions-- I do belong to a welfare directors' organization, and that is one of the things that we are asking for: certification of welfare directors -- people who have some experience, at least have some background, you know, in reference to social services. And I've also spoken about the full-time directors. You know, many mornings I can come to work and our steps are full because the welfare director has not taken applications.

The Department of Human Services has many rules and regulations, but most of these communities don't follow them. Other welfare directors don't even keep a manual handy to find out what the rules and regulations are, you know. I do believe that it is time now for us to become much more sophisticated in the way that we handle, you know, our homeless. Because our homeless--

As Roselyn alluded to, I don't believe they all want to come to Atlantic City. A lot want to remain in their homes, but if you don't have anywhere to spend that night and-- The police in those communities are not going to allow you to loiter. If they see you on the street, they're going to put you on a bus and send you to Atlantic City. In fact, they have a system whereby one police officer will bring you to Hammonton, the next one will take you to Egg Harbor, and the next one will bring you into Absecon, then you finally end up in the Atlantic City Rescue Mission. And then where do you go then? You come into the Atlantic City Welfare Department.

Now you're in here. You spent the night in the Rescue Mission, so you say you're ours. You've seen the casinos and the lights, so you want to stay. Now if you tell us that you want to stay, I have no choice but to take your application. So that's one more person on the welfare rolls of Atlantic City.

It's not that we're trying to discourage people, but we feel our first need is to the citizens of Atlantic City and not to the other communities. Thank you.

ASSEMBLYMAN ROMA: Thank you. Mr. Cosby. I wasn't sure if you had testimony. I realize that you've been before the Committee.

J O H N W. C O S B Y: I think that I'd like to. On behalf of our County Executive, Mr. Richard Squires, and our County Administrator, Ms. Helen Walsh, we'd like to welcome you, Assemblyman Roma, and ladies of the dais, for coming down here to take testimony.

I've been listening to the things that have been said, and I think that they've really covered a scope of subjects that I'm sure will give you a great deal of homework to take back. I have, I guess, a couple of concerns -- I guess a couple of points that were made that I'd like to, kind of, elaborate very briefly upon.

One of them has to do with this whole idea of people who are in crisis or people who are at risk. One of the decisions that we've made in Atlantic County in terms of our Comprehensive Emergency Assistance System, commonly known by the acronym of CEAS, is to cover a broader spectrum of people and also develop alternatives for these people that we identify as "at risk" people in our community. It's pretty obvious that the most at risk are the homeless people, and those are the people who get the first attention and the ones who get our first crisis dollars.

We're also concerned about those people that have been mentioned before that are identified as the working poor, many of whom are also in the category of homeless. We're concerned about, in fact, even the people who are considered the marginal middle. Those are the people, I guess, that one would say that if they missed a paycheck, they'd be in deep trouble. If they missed two, they would probably also join the ranks of the

homeless. So we're concerned about that spectrum of people, and what we've tried to do is we've tried to look where we can, to give a safety net to that spectrum within our community.

We're also kind of concerned about what can be done so that the people who ordinarily -- having worked, having received assistance through AFDC or SSI should be able to afford someplace to live. What's being done in terms of Federal and State legislation to address this issue a little bit more forcefully?

I remember reading in 1988 that the National Council on Affordable Housing had set a base of 100 as their index for the number of affordable houses and the balance of people who could meet that. So if they're at 100, it means that supply and demand is equal. Anything above that means that there are more people who can afford affordable houses than there are people who can't. Anything below that 100 index would indicate that there are fewer people who can afford these so-called affordable houses.

Well interestingly enough, in '88 the statistics showed that nationally the index was 111.1, which meant that there were more people who could afford affordable houses than not. In New Jersey, in that same study it was 75, which meant that we were a quarter below that index in terms of the number of people who could afford affordable houses.

Now if that's the problem -- and that seems to be the crux of the concern that we have -- then the only way that we can remedy not only the people who are homeless but those people who are "at risk," will be to find more flexible ways to make available Rental Assistance opportunities and Section 8s.

My belief is this: That while there might be people who are resistant to accepting Rental Assistance certificates or Section 8s, that by and large should be the responsibility of the community of workers, social workers, welfare people to motivate potential landlords to accept that. So I don't think

that it should be a reason or an excuse, for us not to vigorously pursue it because some people might not want to do it. I think it's a matter of that we have to become more proficient, -- when I say "we" I mean those of us in the field -- at persuading potential landlords to accept it. I think that there is a win, win situation when people almost have their rents guaranteed when you're talking about 70% of it being subsidized and only 30% of it having to be provided by the tenant. What that comes out to and what means is that at least 70% of their rent is guaranteed. That's a good selling point. That's a good place to start. And if that's not happening, then we're not doing as good a job as we need to, to sell that concept.

So I think that in terms of where the housing market is and the fact that there are so few houses to go around to people -- and we're including the marginal middle, the working class people -- that the only alternative for those people that are in special categories, are people who are SSI, people who are AFDC clients, are people who are the working poor, then we need to find and use -- not find, but we need to utilize the few alternatives that do exist in this system, and I'm saying that the Rental Assistance certificates and the Section 8s are probably one of the few areas that we can turn to and get some help.

I'd like to thank you.

ASSEMBLYMAN ROMA: Thank you. We do have a couple of questions. I realize it's not a forum for questions and answers, but to the extent that we can give you some of this information, perhaps before we finalize the report, you can get back to us with some of your observations. But obviously we see the shrinking of the low-income housing; even COAH has indicated that. With respect to what is needed, we're talking about 145,000 units. We're talking about since 1975, over 450,000 homes have been built, and yet in that same period only

3500 of affordable housing. So we really need to look at some of those areas. And looking here in Atlantic City, many times planning boards or different types of zoning boards will provide for certain types of conditions as a result of that approval. I'm wondering if that's one of the directions that we should be moving in? That as a result, or that approval of a license or certain types of development, that sort of infrastructure, if you will, donation or money be applied. If it be done by way of additional housing, by way of a partnership, perhaps there are some other areas that we should be looking into.

MR. COSBY: Well, Assemblyman, I think that it probably would take kind of a eclectic approach to solve the problem. I think that in my presentation I sort of identified, you know, that was the way. I didn't mean to imply that. It seems to me that it's the most feasible under the circumstance, at least as a starting point, but what you're saying, also, is another strategy, that coupled with several other strategies should be utilized.

We should make an all-out effort to increase our housing stock. There's no doubt about it. If that's part of what we're going to set about doing and we're going to identify ways that that can be funded, that's a giant step. There's no doubt about it.

ASSEMBLYMAN ROMA: Right. A second question: And certainly we realize that in New Jersey all 21 counties are affected by a drug problem, but we recently had a bill before the Assembly which, provided for eviction for cause in the case of drug use and drug convictions. And being very sensitive to the fact that creates the possibility of another homeless situation, I wonder if you had any observations concerning that bill? On the one hand, we have the eviction for cause being drug use and at the same time, to a certain extent, the rest of the family can be penalized.

MR. COSBY: Well, that's always been our concern. I'm the Department Head of Social Services here in Atlantic County, and one of the things that we've used very judiciously, very carefully,, are sanctions with our AFDC people, because I always have viewed our AFDC parents as the caretakers, really, of our clients, the children, because without having the children they wouldn't be eligible for Aid to Families of Dependent Children.

Now what happens is if there is a decision that's made by that parent that's not in the best interest of that parent, it's also not in the best interest of that child. If I penalize the parent -- and I say that there has to be a judicious mix of sanctions and also assistance-- If I do that, then I'm really punishing my client, the child. It's the child who ends up on the street. It's the child who ends up having to be deprived. It's the child who ends up being hungry and without shelter.

I don't want to see that happen. I'm sure that you don't want to see that happen. So what happens is that it's that tenuous balance between doing that which you have to do in terms of those people who create problems or who are breaking the law, and the children of these people who are the ones that suffer the penalty. I don't have an answer for that. I know that we try and do it in a way that says we want to send a message, but I don't want the child to pay the price.

ASSEMBLYMAN ROMA: One last question dealing with the REACH Program. Obviously, this is one of the initiatives of Governor Kean to try to get more people back into the workplace. We've had a number of experiences in different parts of the State, and what we're trying to do is to expand that program. I wonder in your capacity, what observations you would have to give to the Committee?

MR. COSBY: Is that the REACH Program you're talking about?

ASSEMBLYMAN ROMA: Yes.

MR. COSBY: I think the REACH Program is one of the more innovative programs that have come along. There are a lot of asides to the program that we see manifested vocally, and that is that there is a esprit de corps in terms of people feeling that they are working towards some realizable goal. In many instances the work that takes place, as you know, is one of maintenance. I mean, by and large, in our Division of Welfare we're assisting people to maintain. This is a program which goes a step beyond that. What it says is that, through a series of activities, you can work toward self-sufficiency. Now that is a goal that not only do we try and get the client caught up in, but our people that are doing it are caught up in it. So that's a positive right there.

The other thing is that I think that-- It's one that will take some time and that at some point I think that the new Federal legislation -- the Family Support Act and the program that is subsumed under that called JOBS, Job Opportunity and Basic Skills Program-- Those are the programs that will at some point be the program which it will be identified in place of welfare at some period in time.

ASSEMBLYMAN ROMA: Any questions from the Committee?

MS. PURCELL: Thank you very much for your testimony.

MR. COSBY: You're certainly welcome.

MS. PURCELL: It was very good.

MR. COSBY: Thank you.

ASSEMBLYMAN ROMA: I think you've been traveling with us as much as we have been traveling, and we certainly appreciate not only your testimony which has been very informative, but your keen interest in this problem.

Is there anyone who did not sign up who wishes to give testimony? (affirmative response from audience) Yes, sir. If you would, please, state your name for the Committee.

J O H N S C A R C E L E T T I: John Scarceletti. I don't represent any group, but I've been around for over 10 years

with the city government. In reference to your question concerning casinos and their involvement, I don't know whether you're familiar with it, but the casinos are governed by the Casino Act. They contribute probably, I think it's either 1% or 2% of their gross every year into CRDA. CRDA is the Casino Redevelopment Authority, which is redeveloping the Inlet. They are restricted as to how far they can go. As a matter of fact, they're building homes down there right now that cost \$155,000, and they're selling them for \$75,000. The people have been relocated which means their houses were taken, let's say, at 40,000. They're picking up the difference between 40 and 75.

But in reference to taking care of the homeless itself, they will not be involved. For the simple fact is, they are restricted because it doesn't fall in the category of allowable credit, so to speak, which is the restriction on it. But then again, the money is already committed to the Inlet, which means there's no money left for the next 10, 15, 20 years. So they're already committed to what's going on.

Now Atlantic City has been carrying the brunt. Whether you realize it or not, Atlantic City doesn't get a dime of casino money, and we've got almost half the population we had before casino gambling.

Atlantic City pays approximately over \$100,000 a month for these motels which they're talking about. Now you just mentioned the Rescue Mission. They just built that. I think they got Federal funds to build it, a 250-room (sic) facility. Yet there's no provision for them to pay the debt. Right now, today, at three o'clock, City Council's going to pass a resolution to bail them out.

Atlantic City has been carrying a lot of this debt, where the surrounding counties have been ignoring it. Now Atlantic City is becoming, more or less, a magnet for the homeless, because let's face it, with a brand new facility like this, and to know you can come in here and get room and board

free-- Let's face it, it's a way of life. But the thing is, when these people come in, there is no real, shall I say, counseling to the fact. If they have a problem, they're ignoring the problem and giving them free room and board, which is not solving the problem or helping these people out.

Now the State should come in someplace along the line because Atlantic City is just going to be able to support so much. They're so far in debt, it's not even funny. They're spending money like crazy, and they don't have the money. You have less people to pay. It's fine to take out a bond issue, but let's face it, it's got to be paid sooner or later.

Just like you mentioned infrastructure. When they built that facility down here in the Inlet, there was a \$28 million bond issue. Yet by law -- stated in the law -- CRDA and the builders were supposed to pay for it. So Atlantic City has been taking a lot of this on their back. You talk about the county and the surrounding counties. Hey, they're sending their homeless over here. This is becoming a real mecca for these people.

Let's face it, there was an article in the paper the other day where they go into the casinos to get warm, use the facilities, and everything else there. They know their way around. And, of course, they go to these other places, it turns into a flop house.

It's a problem, but the problem is these people have problems. Let's start looking at the people's problems, to solve the problem. Thank you.

ASSEMBLYMAN ROMA: Thank you.

MS. PURCELL: Thank you.

ASSEMBLYMAN ROMA: This is our last meeting, and I think it is fate that we're here in Atlantic City, having traveled all over the State. First, I would like to thank the officials for allowing us to hold this meeting. It has certainly been informative, and from the standpoint of our

traveling around the State, it has given us a perspective of the homeless issue as it applies to all 21 counties.

Not only would I like to thank all of the people who have participated, but in particular the Committee members for giving of their time -- the many hours in order to get the testimony that was necessary. I would also like to thank the staff that put together not only the meetings, but does a lot of the work necessary to make this into a most worthwhile mission. We have from the Office of Legislative Services, Norma Svedosh, on my right, and Deb Smarth from the Majority Services. They have done an excellent job as have all of the staff members in order to make this happen. All too often we don't get the opportunity to say thank you, and I'd like to make that comment here.

I'd also like to thank Regina Purcell and the other members. As I said, it has been a number of hours, a lot of time being put together. Hopefully these recommendations will be given to the Legislature come this January, and following this meeting, the Committee will convene and discuss all of the input that we've had. Our eyes have been opened as to a lot of the ideas and certainly without the input of the people of this State, we'd not be in the position to make those final recommendations. So to all of you, I say thank you.

Committee member, Regina Purcell.

MS. PURCELL: Thank you, Assemblyman. I would like to just formally thank you for your efforts over the last months in bringing this Committee together and listening to testimony. The process has been very enlightening for me in hearing what people across the State have had to say. I look forward to the concluding report and continuing to address the very serious issues of the homeless.

ASSEMBLYMAN ROMA: Any other comments? (no response)
This meeting is closed. Thank you.

(HEARING CONCLUDED)

