

NEW YORK/NEW YORK III SUPPORTIVE HOUSING AGREEMENT

This Agreement is made on November 3, 2005, by and between the State of New York (hereinafter referred to as “the State”) and the City of New York (hereinafter referred to as “the City”).

Whereas the State and the City mutually agree that supportive housing is a cost-effective tool to address the multiple challenges faced by many homeless persons and that the portfolio of supportive housing programs in New York City needs to be increased to address the problem of chronic homelessness among individuals and families,

Therefore, it is mutually agreed between the parties as follows:

A. Terms of Agreement

The term of this Agreement shall be from November 3, 2005 through June 30, 2016, or until all of the housing and services that are the subject of this Agreement are operational

B. Purpose of Agreement

- 1 The primary purpose of this Agreement is to document a commitment by the State and the City to increase the supportive housing capacity within New York City targeted to homeless persons. The parties agree that for the purposes of this Agreement “supportive housing” shall be defined as a pairing of rental assistance and supportive services in either a congregate building constructed or renovated for this purpose or in scattered-site apartments acquired for the purposes of housing and serving the clients who will be the recipients of this program. The parties agree to fund both the capital and on-going operating expenses of the supportive housing developed as a result of this Agreement.
- 2 This Agreement may not be enforced by any third parties. It is the intent of the parties that no third-party beneficiary rights shall accrue as the result of this Agreement.

C. Target Populations

The target populations intended to be the recipients of the housing and services developed as a result of this Agreement are defined as follows:

- 1 Chronically homeless single adults who suffer from a serious and persistent mental illness or who are diagnosed as mentally ill and chemically addicted (MICA);
- 2 Single adults who are presently living in New York State-operated psychiatric centers or State-operated transitional residences and who could live independently in the

community if provided with supportive housing and who would be at risk of street or sheltered homelessness if discharged without supportive housing;

3. Young adults, ages 18-24, who have a serious mental illness being treated in New York State licensed residential treatment facilities, State psychiatric facilities or leaving or having recently left foster care and who could live independently in the community if provided with supportive housing and who would be at risk of street or sheltered homelessness if discharged without supportive housing;
4. Chronically homeless families, or families at serious risk of becoming chronically homeless, in which the head of the household suffers from a serious and persistent mental illness or a MICA disorder;
5. Chronically homeless single adults who have a substance abuse disorder that is a primary barrier to independent living and who also have a disabling clinical condition (i.e., a medical or mental health condition that further impairs their ability to live independently);
6. Homeless single adults who have completed a course of treatment for a substance abuse disorder and are at risk of street homelessness or sheltered homelessness and who need transitional supportive housing (that may include half-way houses) to sustain sobriety and achieve independent living;
7. Chronically homeless families, or families at serious risk of becoming chronically homeless, in which the head of the household suffers from a substance abuse disorder, a disabling medical condition or HIV/AIDS;
8. Chronically homeless single adults who are persons living with HIV/AIDS (who are clients of the HIV/AIDS Services Administration or who are clients with symptomatic HIV who are receiving cash assistance from the City) and who suffer from a co-occurring serious and persistent mental illness, a substance abuse disorder, or a MICA disorder;
9. Young adults (aged 25 years or younger) leaving or having recently left foster care or who had been in foster care for more than a year after their 16th birthday and who are at-risk of street homelessness or sheltered homelessness.

D. Eligibility and Priority Access

It is understood by both parties that supportive housing is an expensive resource and that an individual or family should be eligible for supportive housing insofar as they are at high risk of failure at living independently if they are not provided with the supportive services available through the program.

Within the group of homeless individuals and families identified in the Section C of this Agreement, there are certain individuals and families who should receive priority access

to supportive housing resources. For the purposes of this Agreement, "priority access" is understood by both parties to mean placement into the next available and appropriate unit prior to an individual or family who does not fall into the priority access category.

For the target populations described in Section C, Sub-sections 1, 4, 5, 6, 7, 8 and 9, both parties agree to provide priority access to clients who meet any of the following criteria of chronic homelessness:

- A single adult who has spent at least two of the last four years in a homeless shelter or living on the street
- A single adult who is disabled and has spent at least one of the last two years in shelter or living on the street.
- A family which has lived in a homeless shelter for at least 365 days of the last two years, not necessarily consecutively.

In the event a supportive housing unit becomes vacant and there is no client who meets the above criteria ready to occupy that unit, the parties agree to prioritize clients who will imminently meet the eligibility criteria.

It is understood by both parties that, for the purposes of evaluating eligibility for the supportive housing created as a result of this Agreement, an applicant who meets any of the criteria of chronic homelessness upon entering an institution will be considered as having met those criteria upon exiting the institution.

For the units allocated to the clients identified in Section C, Sub-sections 2 and 3 (i.e., clients currently residing in psychiatric facilities), it is understood by both parties that these units will be set aside for clients currently residing in State-operated psychiatric facilities, transitional residences or residential treatment facilities as described in Section C. It is further understood that some of these clients may meet the chronic homelessness criteria described above.

Both parties agree that the eligibility criteria set forth in this Agreement are applicable to the original admissions into the supportive housing created as well as to the re-rental of any unit that becomes available due to the move-out of a client. Furthermore, should a client residing in a licensed CR/SRO (Level II) housing unit developed under New York/New York I or New York/New York II move into a non-Level II unit developed under the present Agreement, the vacated unit would be filled based on the chronic homeless admission criteria outlined in this Agreement generally and in the present Section specifically.

E. Types of Supportive Housing to be Developed

The parties agree to develop two general types of supportive housing as a result of this Agreement:

Congregate model: The parties agree that a portion (as identified below) of the supportive housing developed as a result of this Agreement shall be congregate housing in which a site will be acquired and a building constructed or renovated for the purpose of providing apartments of a size and character that conform to applicable State and City laws and regulations. The supportive housing units developed in this fashion may be a part of a larger building. Supportive services will be provided by a qualified provider.

Scattered-site model: The parties further agree that a portion (as identified below) of the supportive housing developed as a result of this Agreement shall be apartments leased for the purposes of housing and serving the clients who are the recipients of this program. Supportive services will be provided to clients by a qualified provider.

F. Development Targets

The parties commit to develop 9,000 units of supportive housing under this Agreement. The development targets identified by type of unit and target population are as follows:

Population	Congregate	Scattered-Site	Total
Chronically homeless single adults who suffer from a serious and persistent mental illness or who are diagnosed as mentally ill and chemically addicted (MICA)	3200	750	3950
Single adults who are presently living in New York State-operated psychiatric centers or State-operated transitional residences and who could live independently in the community if provided with supportive housing and who would be at risk of street or sheltered homelessness if discharged without supportive housing	500	500	1000
Young adults, ages 18-24, who have a serious mental illness being treated in New York State licensed residential treatment facilities, State psychiatric facilities or leaving or having recently left foster care and who could live independently in the community if provided with supportive housing and who would be at risk of street or sheltered homelessness if discharged without supportive housing	200	0	200
Chronically homeless families, or families at serious risk of becoming chronically homeless, in which the head of the household suffers from a serious and persistent mental illness or a MICA disorder	400	0	400
Chronically homeless single adults who have a substance abuse disorder that is a primary barrier to independent living and who also have a disabling clinical condition (i.e., a medical or mental health condition that further impairs their ability to live independently)*	250	500	750
Homeless single adults who have completed a course of treatment for a substance abuse disorder and are at risk of street homelessness or sheltered homelessness and who need transitional supportive housing (that may include half-way houses) to sustain sobriety and achieve independent living*	250	500	750
Chronically homeless families, or families at serious risk of becoming chronically homeless, in which the head of the household suffers from a substance abuse disorder, a disabling medical condition or HIV/AIDS*	750	0	750
Chronically homeless single adults who are persons living with HIV/AIDS (who are clients of the HIV/AIDS Services Administration or who are clients with symptomatic HIV who are receiving cash assistance from the City) and who suffer from a co-occurring serious and persistent mental illness, a substance abuse disorder, or a MICA disorder*	600	400	1000
Young adults (aged 25 years or younger) leaving or having recently left foster care or who had been in foster care for more than a year after their 16th birthday and who are at-risk of street homelessness or sheltered homelessness	100	100	200
Total	6250	2750	9000

* Up to 100 units in each of these categories will be targeted to young adults (aged 25 years or younger).

G. Division of responsibility between the State and the City

The State and the City agree to allocate the financial responsibility for the capital and operating/service expenses for the 9000 based on the unit breakdown contained in the following table:

Population	Capital Development		Operating Support Shares	
	State	City	State	City
Chronically homeless single adults who suffer from a serious and persistent mental illness or who are diagnosed as mentally ill and chemically addicted (MICA)	1450	1750	100%	0
Single adults who are presently living in New York State-operated psychiatric centers or State-operated transitional residences and who could live independently in the community if provided with supportive housing and who would be at risk of street or sheltered homelessness if discharged without supportive housing	500	0	100%	0
Young adults, ages 18-24, who have a serious mental illness being treated in New York State licensed residential treatment facilities, State psychiatric facilities or leaving or having recently left foster care and who could live independently in the community if provided with supportive housing and who would be at risk of street or sheltered homelessness if discharged without supportive housing	200	0	100%	0
Chronically homeless families, or families at serious risk of becoming chronically homeless, in which the head of the household suffers from a serious and persistent mental illness or a MICA disorder	0	400	100%	0
Chronically homeless single adults who have a substance abuse disorder that is a primary barrier to independent living and who also have a disabling clinical condition (i.e., a medical or mental health condition that further impairs their ability to live independently)	125	125	50%	50%
Homeless single adults who have completed a course of treatment for a substance abuse disorder and are at risk of street homelessness or sheltered homelessness and who need transitional supportive housing (that may include half-way houses) to sustain sobriety and achieve independent living	125	125	50%	50%
Chronically homeless families, or families at serious risk of becoming chronically homeless, in which the head of the household suffers from a substance abuse disorder, a disabling medical condition or HIV/AIDS	375	375	50%	50%
Chronically homeless single adults who are persons living with HIV/AIDS (who are clients of the HIV/AIDS Services Administration or who are clients with symptomatic HIV who are receiving cash assistance from the City) and who suffer from a co-occurring serious and persistent mental illness, a substance abuse disorder, or a MICA disorder	300	300	50%	50%
Young adults (aged 25 years or younger) leaving or having recently left foster care or who had been in foster care for more than a year after their 16th birthday and who are at-risk of street homelessness or sheltered homelessness	50	50	50%	50%

H. Placement Procedures

Both parties agree to develop a set of placement procedures that will simultaneously screen clients for eligibility to ensure that the service is used by the clients most at need and that will expedite access to housing and related services for clients who are found eligible.

1. Client Identification and Sponsorship

Any organization serving homeless clients who meet the criteria identified in the Target Population Section of this Agreement (Section C) may identify eligible clients and sponsor them for this program.

2. Client Eligibility Determination/Approval for Placement

The parties to this Agreement will develop procedures to assess sponsored clients, determine eligibility, and prioritize the use of the available resources (placements).

The parties agree that the City will manage the placement approval process through a mechanism developed with input from both parties.

3. Information Tracking

The City agrees to develop adequate tracking mechanisms to ensure that the supportive housing resources developed as a result of this Agreement are used fully and efficiently. The City agrees to report to the State on a regular basis the use of the supportive housing programs developed as a result of this Agreement.

I. Development Process and Schedule

The State and the City agree to commit and/or identify the capital and operating resources required to execute the terms of this Agreement. Both parties commit to develop a procurement plan that will specify the City and/or State agencies that will procure contracts for each of the components of this Agreement. Both parties agree to develop the housing units and related services according to the schedule attached to this Agreement as Appendix A.

The operating shares identified in Section G shall be net of available federal Medicaid funds and TANF public assistance funds for eligible clients. The City and State may utilize other discretionary grant funds to support in whole or in part their respective shares of the operating and services costs.

J. Oversight of Agreement

The State and the City agree to establish a committee for the purposes of ensuring that the objectives of this Agreement are met. This oversight committee will also be charged with identifying and overcoming obstacles to successful implementation. The oversight committee will be required to meet quarterly and will review at each meeting a reconciliation between the Agreement's development schedule and the actual projects implemented. The oversight committee will be composed of one representative from each of five City agencies (Department of Homeless Services, Department of Health and Mental Hygiene, the Human Resources Administration, Housing Preservation and Development, and the Administration for Children's Services) and five representatives to be identified by the State. The parties agree that the terms of this Agreement may need to be modified over the course of its implementation. As part of its responsibilities, the oversight committee will periodically evaluate the needs of the target populations as well as the progress of the implementation of the Agreement. The parties, upon unanimous agreement and acting through the representatives on the oversight committee, reserve the right to make changes to the Agreement, including changes among categories and housing types as needed.

K. High-User Task Force

The State and City commit to form a task force that will be charged with identifying and implementing mechanisms to give priority to the services developed through this Agreement to clients who use a disproportionate amount of Medicaid-funded services and other publicly funded services. This Task Force will also be charged with investigating potential funding mechanisms and opportunities for cost savings, including but not limited to Federal Medicaid waivers, Federally Qualified Health Centers (FQHCs), and changes to laws or regulations.

L. Evaluation

The State and City agree to implement evaluation protocols to ensure the quality and effectiveness of the services developed under this Agreement. Within the first six months after the implementation of this agreement the State and City will convene a task force to develop data collection and reporting systems to evaluate the outcomes and determine the costs and benefits of the services provided under this agreement. Furthermore, both parties agree to evaluate the use of Medicaid-funded services and other publicly funded services by clients before clients are placed into supportive housing and how their use of these services changes after placement. Such services should include but not be limited to Medicaid, other publicly funded primary and behavioral health care, shelter, jail and prison and public assistance. The parties agree to establish a task force within the quarterly meetings to determine data elements and appropriate methodologies to assess the cost-effectiveness of placing a client into supportive housing. The parties further

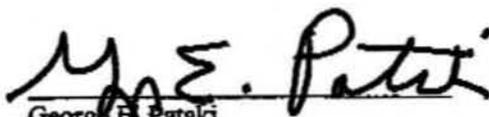
agree to collect all the necessary information to implement the evaluation and to report on data collection to the larger task force on a quarterly basis.

If this evaluation is done without engaging outside resources, the City and State will allocate the staff resources required. If both the City and State agree to engage an external consultant, the City and State agree to share the costs.

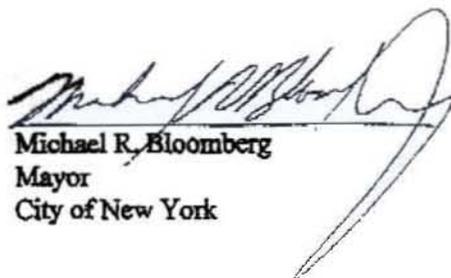
M. Compliance

It is understood by both parties that all services provided hereunder shall conform with and be provided in accordance with the applicable provisions of Federal, State and local laws, rules and regulations as well as those court determinations, including litigation, decisions, orders and judgments, generally or specifically applicable to the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties have duly executed this Agreement on November 3, 2005.



George E. Pataki
Governor
State of New York



Michael R. Bloomberg
Mayor
City of New York

Shari Noonan
Acting Commissioner
Office of Alcoholism and Substance Abuse
Services

John B. Mattingly
Commissioner
Administration for Children's Services

John A. Johnson
Commissioner
Office of Children and Family Services

Thomas R. Frieden, MD, MPH
Commissioner
Department of Health and Mental Hygiene

Judith A. Calogero
Commissioner
Division of Housing and Community Renewal

Linda Gibbs
Commissioner
Department of Homeless Services

Sharon E. Carpinello, RN, PhD
Commissioner
Office of Mental Health

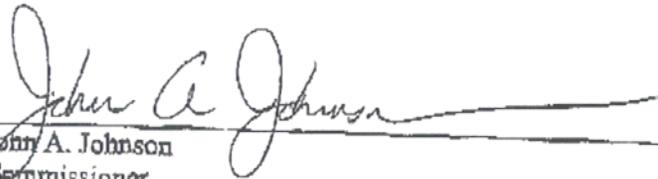
Shaun Donovan
Commissioner
Housing Preservation and Development

Robert Doar
Commissioner
Office of Temporary and Disability Assistance

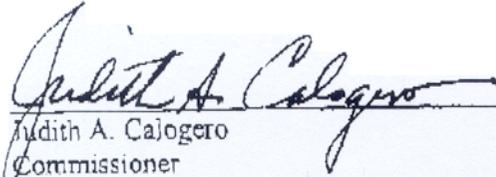
Verna Eggleston
Administrator/Commissioner
Human Resources Administration/DSS

A handwritten signature in black ink, appearing to read "Shari Noonan", is written over a horizontal line that extends across the width of the page.

Shari Noonan
Acting Commissioner
Office of Alcoholism and Substance Abuse Services



John A. Johnson
Commissioner
Office of Children and Family Services

A handwritten signature in cursive script, reading "Judith A. Calogero". The signature is written in black ink and is positioned above a horizontal line. The text below the line is partially obscured by a light blue rectangular highlight.

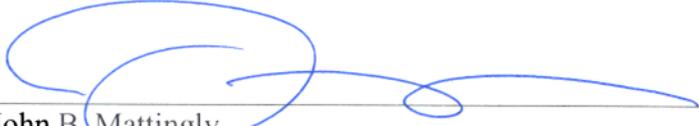
Judith A. Calogero
Commissioner
Division of Housing and Community Renewal

Sharon E. Carpinello

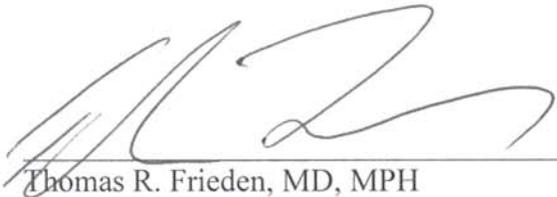
Sharon E. Carpinello, RN, PhD
Commissioner
Office of Mental Health



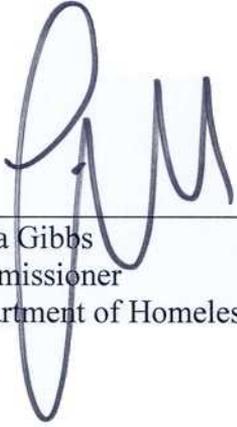
Robert Doar
Commissioner
Office of Temporary and Disability Assistance



John B. Mattingly
Commissioner
Administration for Children's Services



Thomas R. Frieden, MD, MPH
Commissioner
Department of Health and Mental Hygiene

A handwritten signature in dark ink, appearing to be 'Linda Gibbs', is written over a light blue rectangular background. The signature is stylized and cursive.

Linda Gibbs
Commissioner
Department of Homeless Services



Shaun Donovan
Commissioner
Housing Preservation and Development



Verna Eggleston
Administrator/Commissioner
Human Resources Administration/DSS

APPENDIX A

New York/New York III - PROPOSED TOTAL BED DEVELOPMENT SCHEDULE

POPULATION	UNITS			FY 2006-07		FY 2007-08		FY 2008-09		FY 2009-10		FY 2010-11		FY 2011-12		FY 2012-13		FY 2013-14		FY 2014-15		FY 2015-16	
	Total	NYS	NYC	NYS	NYC	NYS	NYC	NYS	NYC	NYS	NYC	NYS	NYC	NYS	NYC	NYS	NYC	NYS	NYC	NYS	NYC	NYS	NYC
SPMI Single Adults (from community)																							
Congregate	3200	1450	1750	20	0	30	0	135	0	420	150	145	249	170	269	130	269	130	273	130	273	140	267
Scattered-site	750	750	0	185	0	315	0	250	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SMPI Single Adults (from state facilities)																							
Congregate	500	500	0	5	0	20	0	45	0	90	0	90	0	60	0	50	0	50	0	50	0	40	0
Scattered-site	500	500	0	240	0	260	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SPMI families Congregate	400	0	400	0	0	0	50	0	50	0	50	0	50	0	50	0	50	0	50	0	50	0	0
SPMI/SED Youth Congregate	200	200	0	0	0	0	0	20	0	40	0	40	0	20	0	20	0	20	0	20	0	20	0
SPMI SUBTOTAL Congregate	4300	2150	2150	25	0	50	50	200	50	550	200	275	299	250	319	200	319	200	323	200	323	200	267
SPMI SUBTOTAL Scattered-site	1250	1250	0	425	0	575	0	250	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SPMI SUBTOTAL	5550	3400	2150	450	0	625	50	450	50	550	200	275	299	250	319	200	319	200	323	200	323	200	267
Substance Abuse (Service Intense)																							
Congregate	250	125	125	25	0	25	0	25	25	25	25	25	25	0	25	0	25	0	0	0	0	0	0
Scattered-site	500	250	250	125	125	125	125	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Substance abuse (Supportive services)																							
Congregate	250	125	125	20	0	30	0	25	25	25	25	25	25	0	25	0	25	0	0	0	0	0	0
Scattered-site	500	250	250	125	125	125	125	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Families (Substance abuse or medical)																							
Congregate	750	375	375	0	0	0	75	25	75	25	75	25	75	50	75	50	0	50	0	50	0	100	0
Scattered-site	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HIV/AIDS + Co-occurring MH SA Congregate	600	300	300	0	150	25	75	25	75	25	0	25	0	50	0	50	0	50	0	50	0	0	0
Scattered-site	400	200	200	50	25	75	100	75	75	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Youth (Supportive Services) Congregate	100	50	50	30	20	20	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Scattered-site	100	50	50	25	25	25	25	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-SPMI SUBTOTAL Congregate	1950	975	975	75	170	100	180	100	200	100	125	100	125	100	125	100	50	100	0	100	0	100	0
Non-SPMI SUBTOTAL Scattered-site	1500	750	750	325	300	350	375	75	75	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-SPMI SUBTOTAL	3450	1725	1725	400	470	450	555	175	275	100	125	100	125	100	125	100	50	100	0	100	0	100	0
TOTAL Congregate	6250	3125	3125	100	170	150	230	300	250	650	325	375	424	350	444	300	369	300	323	300	323	300	267
TOTAL Scattered-site	2750	2000	750	750	300	925	375	325	75	0													
TOTAL	9000	5125	3875	850	470	1075	605	625	325	650	325	375	424	350	444	300	369	300	323	300	323	300	267