Moving Stories

A state program pays for mentally ill people to live on their own—
but not enough to keep them from getting evicted.

By Nora McCarthy

When Gary Goldstein arrives home from work, he flits the key in the door to his one-bedroom in the Bronx with deep satisfaction. The apartment is his alone, and it is his first ever. He is 41.

For 18 years, Goldstein battled depression by downsizing a cocktail of drugs he prescribed for himself and filled on a street corner. Through it all, he worked—until New York State and run by the Metropolitan Council on Jewish Poverty, he not only gets much of his rent paid for but also gets a caseworker and counselor from the Post- graduate Center for Mental Health. Like other tenants in the building who are unsubsidized under the program, he contributes one-third of his income. Most tenants receive a Social Security disability check, and give about $200 toward the rent.

But in October, Goldstein came home to find an eviction notice pinned to his door. He and 29 other tenants in Met Council’s supported housing are being kicked out of co-op and rental apartments owned by Ronald Edelstein. Their story is much like that of the 120,000 or so other New Yorkers who received eviction notices last year. A few months earlier, Edelstein had informed the agency that apartments Met Council was renting from him for between $550 and $600 a month each would now be exempted.

There was no way Met Council could pay that. It receives just $577 a month from the New York State Office of Mental Health, and this is supposed to cover not only housing and social services for each client, but administrative costs, too—even furniture. Out of desperation, the organization was forced to pay all the tenants in the building, and Edelstein delivered the eviction notices to panicked tenants. Under a settlement reached in February, Met Council will have to vacate the apartments within 14 months.

The story is much the same on East 94th Street, where the Association for Rehabilitation Case Management and Housing is fighting to make sure a dozen mentally ill tenants don’t get kicked out of their apartments. The agency has rented these rent-stabilized apartments from another nonprofit, Faith Ministries, since seeking only stability. Michael Belo and Gary Goldstein will have to move instead. They’re getting evicted from their apartments, and their mental health agency is powerless to stop it.
1994, But last year Faith Ministries refused to issue a new lease, claiming that a 1995 court ruling exempting corporations from rent regulations meant that it had the power to kick the mental health group out. Launched in New York in 1990, supported housing is supposed to bring together the best of two worlds. It allows mentally ill people to receive structured social and psychiatric services, while allowing them to live independently in unsupervised apartments. Mental health providers like it because it is a combination of flexibility and structure. "It's the right configuration of services," says Peter Campanelli, director of the Institute for Community Living, which has 71 New Yorkers in supported housing.

But the program has always troubled those tenants in privately rented apartments, leaving their fragile clients vulnerable to the vagaries of the real estate market. It hasn't helped that state funding for the program has barely budged: In the decade following 1980, the amount the state has paid agencies per client to provide supported housing has gone up just 3 percent. Over the same period, rents citywide jumped more than 40 percent. Last year, groups that work with the mentally ill decided that supported housing had become a losing business proposition. The state sought organizations interested in taking on a total of 2,000 more supported housing clients—and almost no one applied for the money. In the end, the Office of Mental Health was compelled to increase its offer by about $500 per tenant, or $1,012 a year. "It took a crisis to generate some action," says David Bergman, a program associate at the Coalition of Voluntary Mental Health Agencies.

The embarrassment focused on an issue that was long coming. For years, the 50-odd organizations in the city that provide supported housing under state contracts have struggled to make ends meet, making deep cuts in their mental health services under the program to make sure that their clients could keep their apartments. Most providers say they've had to divert money from their mental health services in order to pay the rent. While 15 clients per caseworker is considered ideal, ICL has doubled caseloads, to 30 per social worker. At the Puffy Residential Program in the Bronx, caseloads have gone up to 23.

The agencies get a little relief soon. In its proposed budget this year, Gov. George Pataki gave the same pay hike to the organizations, like Met Council, that are struggling under other commensurate costs, that include 5,100 tenants statewide. The budget also calls for a 2.5 percent increase for each of the next three years, part of an overall shift away from institutional care for the mentally ill and toward increased funding for community-based living. "It's not a long-term solution," admits Chris Rubbin, a program specialist at OMH. "The buzz we're getting is it's OK for now."

But while additional money is vital, the revisions expose a deeper vulnerability of supported housing. In the tightest apartment market in memory, landlords can afford to be picky—and though it's illegal to discriminate against the disabled, that is also common. "It's frightening," said William Rapfogel, the executive director of Met Council. "We don't have the legal standing to make real tenants are processed in the long term."

When Met Council got into supported housing five years ago, finding a landlord with a big block of empty apartments in decent buildings wasn't hard, says Gary Gatterman, Met Council's director of housing. But in the last three or so years, some landlords began to demand significant increases when leases expired. Even so, Edelstein's 30 percent rent hike came as a complete surprise. "It's a sign of the economic boom," Governor James.

But Lisa Green, the attorney from the MPY Legal Services representing the tenants, says that Edelstein's lawyer, John Landem, told her that the money is not the only issue: he also added that the mentally ill tenants are leaving because of complaints from co-op members and the board. "He made it absolutely clear to me," says Green. Landem did not return calls from City Limits seeking comment.

At the same time, Green also observes that Met Council could have done much more to protect its tenants. "They never should have entered into leases for co-ops," she says. "Even in the same stabilized apartments, the tenants were put on notice that they have no protections. Neither does Met Council. The state provides no guidance to organizations on what kind of housing they should obtain or how they should go about doing it, agencies simply find tenants on their own, ad hoc. Met Council now has no idea where it will relocate its clients. Green's tenants fear that they will be dumped in apartments in suburban buildings, in dangerous areas.

This isn't the first time Met Council has run into problems with its housing. A couple of years ago, tenants got fed up because the landlord wouldn't make repairs in a Harlem building and withheld their share of the rent, forcing the organization to court. The landlord ultimately performed the repairs under court order.

But while rents aren't always happy with supported housing. New York State is, and the state intends to continue its expansion. It's perhaps the most cost-effective way to contain treatment and a place to live: "supportive housing," in buildings owned and operated by mental health agencies that provide services on site, costs about a third more than a regular apartment, per resident.

Some housing providers say extra investment is worth it. In 1997, Met Council used a bond issue to build a single room occupancy building with counseling and other services on premises. The state should make a greater commitment to building more like that—a long-term commitment so you don't have to worry about the lease expiring," says Rapfogel.

But that would do away with an essential ingredient: the independence. It's the difference between living in a college dorm and having a private apartment—in congregant housing, every neighbor is essentially ill, too, and often there are rules, like curfews, that residents have to follow. "Imagine how you'd feel if nobody says, this is the building you're going to live in and you can't do this or that in your room, versus being able to find, furnish and decorate a place how you want," says Bergman.

For Goldstein, continuity and independence go hand in hand. In the evening, he follows a predictable routine: He picks up his mail, checks the answering machine, feeds the cat before playfully tosses him as a reminder. Then he kicks off his shoes and unwind, either by playing the drums on a makeshift set he bought place by piece over the last two years, or by painting landscapes at his art table, often taking inspiration from the lights of the George Washington Bridge flickering beyond his back window. These are the images of his new life. "I love having my own apartment," Goldstein says softly. "I love that I can go to a place and call it home."

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