



PRESS RELEASE

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COALITION FOR CARROLL GARDENS

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With only days remaining for the Department of Homeless Services to push through its proposal to establish an unsafe homeless shelter at 165 West 9th Street in Brooklyn for 170 men in a ten unit condo building, hundreds of Carroll Gardens residents are appealing to New York City Comptroller John Liu to closely scrutinize this contract.

For the last six months, DHS has relied on authority given by the City to enter into “emergency” contracts for homeless shelters. This emergency procurement process was intended to allow government agencies to meet urgent needs, but DHS has used it to circumvent the oversight, due process and best practices that are part of the standard City contracting process. We understand that DHS’s emergency contracting authority expires on January 26, 2013 but expect DHS to seek an extension of time to enter into an “emergency” contract with Aguila Inc./Housing Solutions and a company controlled by Alan Lapes.

The Comptroller issued his own reports in 2010 ([Link](#)) and 2011 ([Link](#)) that detailed the cozy relationships between DHS and the same provider, Aguila Inc., who come together again in this contested proposal to run a shelter at 165 W 9th Street. Even more baffling, Aguila Inc. is now merging with Housing Solutions, the brainchild of former DHS commissioner, Robert Hess, who now has taken over Aguila, Inc. Hess was cited in the Comptroller’s reports, when the DHS was under his watch, for failing to address the consistent overbilling, code violations, and poor management of Aguila, which ultimately led to placing homeless residents and families living in Aguila run or Lapes company owned shelters into vulnerable and perilous living situations.

These practices and lack of accountability continue, culminating in three major fires at shelters run by Housing Solutions/Aguila in the last six months – on West 95th Street in August ([Link](#)), at the Aladdin on West 45th Street in September ([Link](#)) and finally at a family shelter in the Bronx just before Christmas, where six people were injured, including two children hospitalized in critical condition. ([Link](#))

Aguila, the very same organization that Hess failed to regulate when he was in charge, and Alan Lapes’s company now stand to collect half a million dollars a month, ten times the fair market rental value for the building, if they can squeeze 170 homeless men into a building built for 10 families in blatant violation of building, zoning and safety codes. DHS wants to use its “emergency” authority to avoid review and award this contract to Aguila and Lapes. That authority expires on Saturday.

“Warehousing the poor in this manner benefits the landlords and operators, not the homeless” said Steven Miller, Chair of CCG Brooklyn. **“CCG has mobilized hundreds of its supporters to ask John Liu to reject DHS’s appeal for more time to enter into these emergency contracts. CCG fears that despite the Comptroller’s reports, DHS will continue to contract with a provider that the Comptroller’s reports describe as operating hazardous and unsanitary facilities and improperly billing the city. CCG urges the Comptroller to stand up for the tax-payer and oppose cronyism and negligence by DHS. ”**

This week is critical for CCG Brooklyn and neighborhood residents, as the legal case continues. After being granted a Temporary Restraining Order on November 20, 2012. ([link to TRO](#)) the project is being reviewed in the courts. The next hearing will be on January 25, 2013 at 9.30 in room 421.

The Coalition for Carroll Gardens (CCG) believes strongly in a public process that values and invites community residents, business owners, elected officials, and new neighbors to make collaborative decisions to positively impact the future of Carroll Gardens