

Agency for the retarded threatening to close — again.

By BRUCE ALPERT

Advance Albany Bureau

ALBANY — The on-again, off-again dispute between United Cerebral Palsy Associations of New York State and the government of the state is on again.

The association, the largest private provider of programs for the mentally retarded, says the state is threatening its financial viability by demanding increased payments for use of state-owned buildings at Staten Island Devel-

opmental Center.

But the state says the association has not provided a promised financial report on its operations and has never even suggested that the fees demanded by the state were a problem.

Unless the impasse is resolved, the private agency is hinting that it might once again issue a required 90-day notice for disbanding its programs, including the 310-bed Karl Warner Center in Willowbrook and the 50-bed Nina

Eaton Center at South Beach Psychiatric Center.

The center had given notice last March of its intention to shut down June 30, but rescinded it last month after the state agreed to review its financial claims and the city's Board of Education assumed an education program the agency operated for Karl Warner residents.

"We have done everything internally we can to stay in business," said Cora Hoffman, UCP's

assistant executive director. "We have cut back staff, rolled the education programs to the city, cut recreation to the bone."

Ms. Hoffman said the state is trying to retroactively increase the cost of maintenance, groundskeeping and other state provided services at the Karl Warner Center by more than 100 percent.

But Henrik Dullea, Gov. Mario Cuomo's chief of policy development, said the state thought it

had resolved the agency's financial problems at a meeting April 14.

At that meeting, he said, UCP had agreed to submit a financial report to back up its claims. That report has never been submitted, he said.

"We're still waiting for responses from UCP to our last letter," added William Knowlton, spokesman for the state Office of Mental Retardation and Developmental Disabilities. "That's all I

can say about the situation."

If UCP does fold, it could put more than 1,000 workers on the unemployment line. And it could force the state to pick up the agency's programs.

The state is studying the possibility of "temporarily" housing Karl Warner patients at the former Beth Rifka Nursing Home in Concord, Knowlton said. A report by the state's Facilities Development Corporation indicated such a move is plausible, he added.