



Breaking the Cycle of Homelessness
for Women and their Children

Testimony of Women in Need (WIN) on Overriding the Mayoral Veto of CityFHEPS Rental Assistance Expansion before the General Welfare Committee of the New York City Council July 13th, 2023

Good morning, Chair Ayala and members of the General Welfare committee. Thank you for the opportunity to testify today and for your courageous leadership on expanding access to housing. My name is Chris Mann and I am the Director of Policy and Advocacy at Win. Win is the nation's largest provider of shelter and services to families with children experiencing homelessness. We operate 14 shelters and nearly 500 supportive housing units across the five boroughs. Currently, more than 6,200 people call Win "home" every night, including 3,500 children.

Unfortunately, the thousands of families in Win shelters are just a fraction of the more than 100,000 people in New York City shelters, including more than 30,000 children. The current homelessness crisis far surpasses anything the City has ever seen and we applaud the City Council for taking the bold action necessary to meet the moment by passing the CityFHEPS package of Intros 878, 893, 894, and 229. This package of bills represents a paradigm shift away from just managing, to actually solving this crisis. Although we are disappointed by the Mayor's misguided veto of the legislation, we are proud to have a City Council that is willing to stand up for what's right and override it. Housing is a human right, and this package of bills will bring New York City far closer to that ideal than anywhere else in the country.

We know that CityFHEPS works, and expanding access to the voucher means less people experiencing the trauma of homelessness. In the last year, Win's trained program staff helped move nearly 900 families out of shelter and into permanent homes. The CityFHEPS voucher was key to that success. Yet, the strict eligibility criteria has left thousands of New Yorkers who need assistance unable to access it. By overriding the Mayor's veto, the council is ensuring that approximately 92,000 New Yorkers will avoid homelessness altogether and thousands more will be able to move out of shelter for good.

In addition to being the right thing to do, this package of bills will save the City millions of dollars per year. According to Win's analysis, the costs to New York City for shelter, medical care, juvenile justice system involvement, education, and child welfare associated with homelessness are far higher than the cost of providing permanent housing through CityFHEPS. Our report estimates there will be massive savings from this legislation. The cost of doing nothing is over \$1.75 billion, while the cost of the CityFHEPS expansion is just \$1 billion, **resulting in net savings of more than \$730 million per year**. Due to the conservative nature of the assumptions in the analysis, the savings are likely understated. Additionally, a separate analysis released by Win earlier this year found that the City could [save up to \\$27,990](#) per homeless family with children by repealing the 90-Day Rule.

Overriding the Mayor's veto will spare thousands of people the trauma of homelessness, while saving the city hundreds of millions of dollars annually. It is the right thing to do from a moral perspective and is also sound economic policy. Thank you for your leadership, your courage, and for listening and taking action on behalf of those whose voices are rarely heard. This is a monumental day in the fight to end homelessness and the Win team is proud to be here with you as history is made.

Thank you.

JULY 2023

SAVINGS & STABILITY



CityFHEPS Bills Could Save NYC Millions and House Thousands of Families

By: Cassidy Teminsky; Christopher Mann, MA; Hannah Tager; Henry Love, PhD; Martin Gamboa, PhD

win

Introduction

On May 25, 2023, the New York City Council passed a package of bills that would significantly improve and expand access to CityFHEPS housing vouchers. Win fiercely advocated for this package of bills, through advocacy and a [report](#) on the financial impact associated with the legislation.¹

The bill package is comprised of:

- [Intro 878](#), sponsored by Deputy Speaker Diana Ayala, ends the 90-Day Rule requirement that voucher applicants live in shelter for 90-days before they are eligible to apply for rental assistance vouchers.
- [Intro 229](#), sponsored by Council Member Tiffany Cabán, prohibits the deduction of utility costs from the maximum rental allowance.
- [Intro 893](#), sponsored by Council Member Pierina Ana Sanchez, expands voucher eligibility to all individuals at risk of eviction that meet the other CityFHEPS requirements.
- [Intro 894](#), sponsored by Council Member Pierina Ana Sanchez, eliminates the work requirements and raises the income eligibility for rental assistance vouchers.

Although the New York City Council passed the bills with a veto-proof majority in a vote of 41-7, Mayor Adams vetoed the package and criticized the legislation for its cost. In contrast, Win's analysis of eviction data estimates dramatic savings accrued through reductions in shelter and other service utilization. In addition to bringing about significant social and emotional benefits, Intro 878, Intro 229, Intro 893, and Intro 894 will also result in financial savings of over \$730,000,000 for New York City.

On a per person basis, the cost of doing nothing and allowing individuals to become homeless is \$18,883 as opposed to just \$10,950 to prevent homelessness with the CityFHEPS voucher, a savings of \$7,933 per person per year.

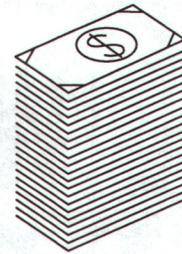
The upfront investment to the CityFHEPS program outlined in these bills is more than offset by savings in costs associated with eviction and homelessness, such as shelter, healthcare, foster care, education, and justice involvement.

\$730 million+

The CityFHEPS Bill package could save NYC **\$730,000,000+** per year.

92k+

CityFHEPS could help **92,000+** New Yorkers gain and maintain housing.



On a per person basis per year, the cost of doing nothing and allowing individuals to become homeless is **\$18,883.**

On a per person basis per year, the cost of providing CityFHEPS vouchers is **\$10,950.**

\$7,933.16

With the CityFHEPS voucher, homelessness prevention saves **\$7,933** annually per person.

Costs of the CityFHEPS Expansion

In this study, we examined the cost of expanding CityFHEPS to households at risk of eviction, as outlined in the bill package. To solve for the annual cost of this expansion, we looked at the number of families displaced annually by eviction for rent non-payment reasons by looking at the number of eviction filings from May 2022 through May 2023 in New York City [122,868]ⁱ for non-payment [82%]ⁱⁱ and determining the expected percentage of executed eviction petitions [9%]ⁱⁱⁱ, plus the total number of informal evictions [4%]^{iv} coming out to 13,098 families. We then multiplied our defined population by the cost of providing the CityFHEPS voucher, estimated at \$72/night, to these families for one year [\$26,280.00].^v

Overall, to provide the CityFHEPS vouchers and prevent homelessness for these 13,098 families annually would cost New York City \$344,215,440.

We are aware that for every eviction notice filed there are many more households unstably housed and facing rent demands. To account for those additional households, we also examined the savings from the expansion of CityFHEPS to a larger population defined in a study done by The Community Service Society of New York.^{vi} Their defined population that would be able to benefit from the expansion of CityFHEPS is more inclusive, as they looked at the 38,681 households with incomes below 50 percent AMI who are currently severely rent-burdened (paying more than 50 percent of their household income on rent) and would be evicted without the CityFHEPS voucher.

If we apply this number to our formula, it would cost the City \$1,016,536,680 to expand CityFHEPS to this population.

Savings from the CityFHEPS Expansion

To determine the savings associated with the CityFHEPS bill package, Win analyzed the financial impact of factors associated with eviction and homelessness. To do so, Win approximated the financial impact for households who are currently denied the CityFHEPS voucher due to eligibility guidelines requiring a previous stay in shelter. While numerous systemic savings are associated with eviction prevention, for this study, Win specifically looked at medical, juvenile detention, educational, child welfare, and shelter costs for displaced families whose evictions could be prevented with an expansion of CityFHEPS. To determine medical costs, Win looked at the additional expenditures on the healthcare system that individuals living in shelters and on the street expense versus their housed peers, which is \$1736 annually per person.^{iv} We also examined youth incarceration, as homeless youth are at a higher risk of justice involvement because of increased interaction with surveilling systems and the criminalization of homelessness.^v For these estimates, Win looked at the price of arrest and juvenile detention, which one-fourth of youth displaced or experiencing homelessness will face, and multiplied it by average length of stay, coming out to \$88,307 per a youth who could otherwise remain housed with the CityFHEPS bill package.^{vi} For savings related to education, we examined the anticipated differences in earnings between students who were homeless and their peers. In addition to having lower educational achievement (lower math and ELA scores)^{vii}, children who had experienced homelessness had lower earnings than other students. On average, students that had experienced homelessness and went into the labor force after high school earned \$766 less annually than similarly disadvantaged students that entered the workforce at the same time.^{viii} Children and youth who do not graduate high school tend to have a net negative fiscal cost on society, meaning that the cost of providing benefits to them is, on average, not offset by the annual tax payments made by that group. We also examined the cost of child welfare investigation and placement for children who are displaced and enter homelessness that could be prevented by the CityFHEPS expansion. We found that

there was an annual cost of \$63,478^x per child that was placed in foster care and that 18% of homeless youth are involved in child welfare^x, with 23% of those youth ending up in foster care.^{xi} Finally, we looked at the price of housing displaced households in an emergency hotel, where most new families are being sheltered since family shelters are at capacity, costing the City \$383 a night.
xii

Altogether, by looking at these costs and solving for the households and children who could experience homelessness because of voucher denial, New York City spends almost \$600,000,000 in medical, juvenile detention, education, foster care, and shelter costs alone. In other words, the current system-wide cost of these households experiencing displacement and homelessness is \$600,000,000, whereas our forecasted cost of the CityFHEPS expansion for individuals at risk of eviction is only \$344,215,440.

Subtracting the medical, juvenile detention, educational, foster care, and shelter costs diverted as a result of this bill package will result in savings of at least \$249,380,600 for New York City and prevent homelessness for 31,000+ New Yorkers.

Likewise, when applying this applying this savings model to the broader population defined by The Community Service Society of New York, we find the current system-wide cost of homelessness to be over \$1,753,000,000 and the cost of the CityFHEPS expansion to be \$1,000,000,000.

The CityFHEPS bill package will thus result in annual savings of more than \$730,000,000 and prevent homelessness for more than 38,000 families and 92,000+ individuals.

Constraints

The findings of this analysis are subject to limitations, and the calculations required assumptions due to data constraints. First, the context of housing and homelessness in New York City is unique, even among other high cost of living locales. While we attempted to find cost data specifically focused on New York City, this was not always possible; when our baseline data was not New York specific or from recent years, we performed cost-of-living and inflation adjustments in order to offer a more accurate cost analysis. The total count of the impacted population who would be eligible for CityFHEPS voucher is also an area where assumptions were necessary. The City's financial analysis for the bill estimated that 47,000 new families would be eligible for the voucher, though their budget does not specify the percentage breakdown of those people who are currently housed in the community and those who are in shelter. The Community Service Society of New York estimated that there would be 40,000 new families eligible, and that 10,000 of those families would enter shelter without access to CityFHEPS through the passage of the bill package. However, the number of households lacking adequate shelter or precariously housed is likely greater than the reported count, as multiple studies have shown that **1)** people will live in overcrowded units with families or friends before going to homeless shelters and **2)** heads of households that are housing unstable do not always disclose their situation out of fear of punitive measures.

Recommendations

This suite of bills represents a multi-faceted effort to keep some of the poorest New Yorkers in their homes and reduce the stress on an already overburdened homeless service system. This analysis, and others like it, demonstrate that the passage of these bills would not be as expensive

as the NYC Office of Management and Budget's (OMB) analysis suggested, and would provide cost savings and shelter relief in the short-term and increase the likelihood for upward mobility in the long-term. In order to ensure that these bills have their maximum positive impact, Win has the following recommendations:

- The Mayor and the Council should streamline the process of ensuring qualified applicants receive their vouchers in a timely manner, rather than having to apply multiple times.
- Minimizing the amount of times applicants need to reapply for the voucher will reduce redundant paperwork and ensure that families do not cost the City money by entering into shelter during the voucher qualification period.

According to the New York City Housing and Vacancy survey, the number of habitable units that are unavailable for rent has increased sharply across price ranges, reducing available supply, and therefore increasing price and demand for the housing stock that remains.^{xiii} State, city, and local officials should incentivize making this hidden stock available, and disincentivize using housing as a speculative asset in the midst of a housing crisis.

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About Win

Since its founding to provide emergency shelter to four homeless women and their children, Win has grown into the largest provider of family shelter and supportive housing in New York City and the country. Win offers transitional housing and permanent supportive housing that's coupled with programs and services developed to support long-term housing stability. All of Win's services are guided by its mission—to transform the lives of New York City homeless families with children by providing the safe housing, critical services, and the ground-breaking programs they need to succeed on their own—so families can regain their independence and children can look forward to a brighter future.



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Testimony by the New York Legal Assistance Group in Support of

Int. 878-A, Int. 893-A, Int. 894-A and Int. 229-A

Before the New York City Council Committee on General Welfare

July 13, 2023

Deputy Speaker Ayala, Council Members, and staff, good morning and thank you for the opportunity to speak to the Committee on General Welfare on legislation expanding access to rental subsidies. My name is Deborah Berkman, and I am the Supervising Attorney and founder of the Shelter Advocacy Initiative and the Supervising Attorney of the Public Assistance and SNAP Practice at the New York Legal Assistance Group (“NYLAG”).

NYLAG uses the power of the law to help New Yorkers experiencing poverty or in crisis to combat economic, racial, and social injustices. We address emerging and urgent needs with comprehensive, free civil legal services, financial empowerment, impact litigation, policy advocacy, and community partnerships. We aim to disrupt systemic racism by serving clients whose legal and financial crises are often rooted in racial inequality.

The Shelter Advocacy Initiative at NYLAG provides legal services and advocacy to low-income people residing in and trying to access homeless shelter placements in New York City. We work to ensure that every New Yorker has a safe place to sleep by offering legal advice and representation throughout each step of the shelter application process. We also assist and advocate for clients who are already in

shelter as they navigate the transfer process, seek adequate facility conditions and resources for their needs. We also offer representation at administrative Fair Hearings. The Public Assistance and SNAP Practice represents clients having trouble accessing or maintaining Public Assistance and SNAP benefits. We represent these clients at administrative Fair Hearings, conduct advocacy with the Department of Social Services (“DSS”), Benefits Access and SNAP centers, and bring impact litigation to ensure that our clients are obtaining and maintaining an adequate level of benefits.

I have worked with numerous individuals and families experiencing homelessness and near-homelessness trying to access rental subsidies to transition to and remain in permanent housing. Based on my experiences working with these populations, I appreciate the opportunity to offer the following comments supporting all of the proposed bills.

I- A Shelter Stay Should Not Be a Pre-Requisite for Subsidy Eligibility

NYLAG enthusiastically supports Int. 878-A, prohibiting DSS from requiring an applicant for a rental assistance subsidy to have resided or to currently reside in a shelter. The City should not maintain a system where *more* people need to enter the shelter system in order to obtain private housing. It is not an overstatement to say that the New York City shelter system is in crisis. One week this past June, the New York City shelter census was at a record high, reaching over 100,000 residents.¹ The system is currently so overburdened that, in the previous year, DSS has seen families sleeping in shelter intake offices until placements became available. In fact, four

¹ <https://www.nytimes.com/2023/06/30/nyregion/nyc-homeless-shelters-migrants.html>

families represented by NYLAG report having slept in the shelter intake office with their small children for multiple days until a placement could be located. Last summer, a New York City spokesperson described the rate of shelter availability at that time as “severely below the standard vacancy rate we hope to maintain for the shelter system.”² The single adult system in New York City is similarly overburdened. For example, on one night last fall, 60 men had no other option but to sleep in chairs and on the floor of the shelter intake office because New York City did not have sufficient capacity in any of its assessment shelters.³ Allowing more people to access rental assistance subsidies without a shelter stay will prevent senseless evictions and new entries into the shelter system, thus increasing the capacity of the shelter system.

There is no reason to require shelter stay as a prerequisite for obtaining the specific subsidy of CityFHEPS. Many subsidies, including the standard FHEPS, have no such requirement. The reasoning behind this distinction between CityFHEPS eligibility and FHEPS eligibility is unclear. A person at risk of homelessness is a person at risk of homelessness, whether or not they have ever stepped foot into a homeless shelter before. The semantic requirement that these people actually enter the shelter system, in effect forcing them to prove their need which has already been demonstrated by virtue of them being unable to afford private housing, only serves to

² <https://www.thecity.nyc/2022/7/26/23279842/homeless-shelters-are-overflowing-and-most-likely-in-poor-areas-despite-fair-share-promises>

³ <https://citylimits.org/2022/09/14/nyc-homeless-agency-scrambles-for-capacity-after-latest-right-to-shelter-violation/>

overburden the City's agencies and budget without materially helping anyone experiencing homelessness.

II- People At Risk of or Experiencing Homelessness Should be Prioritized for Rental Subsidies

NYLAG also enthusiastically supports Int. 893-A expanding eligibility for rental assistance to any applicant at risk of eviction or experiencing homelessness.

Households are being evicted from stable and affordable apartments because there are not enough programs available that will help them maintain their housing. When they are not eligible for a rental assistance program to prevent eviction, they are forced to enter the shelter system, where they languish until they can obtain a shopping letter and secure a new apartment. For instance, in City Fiscal Year 2022, the average length of stay in the DHS shelter system was 509 days for single adults, 534 days for families with children, and 855 days for adult families.¹¹ This often trauma-inducing experiencing could be avoided by making the subsidy available to more households in the community to preserve their homes.

Currently, New York City tenants must meet one of the following criteria in order to be eligible for CityFHEPS: have veteran status, have prior shelter history, receive Adult Protective Services (APS), or live in a rent-controlled apartment. Prior to its supersession by CityFHEPS, the City's Special Exit and Prevention Supplement (formerly known as "SEPS") allowed program administrators to grant the Supplement to long-term tenants. Once the program converted to CityFHEPS, the long-term tenancy eligibility category was eliminated.

Only a small fraction of NYLAG's clients meet the current CityFHEPS criteria. Many tenants with non-payment housing court cases are elderly and have resided in their apartments for decades and have rent and income thresholds that meet CityFHEPS guidelines yet remain ineligible due to this restrictive criterion.

For example, NYLAG recently represented an elderly couple who were forced out of their home due to lack of access to a sustainable rent subsidy. This couple had resided in their apartment for over 40 years and had a combined monthly income of less than \$1,100. Neither of them was able to return to the workforce, nor did they have family or friends able to provide ongoing financial support. In addition, one of them grappled with severe medical issues that required life-sustaining dialysis. Despite persistent advocacy to Adult Protective Services, DSS, and other entities, we were unable to secure a rental subsidy and eventually the couple lost their home. Had subsidies been available to families at risk of homelessness, this couple would currently have a subsidy to pay their ongoing rent.

A significant portion of elderly tenants need a rental subsidy. Older renters comprise 26.9% of total renters in New York City, and a 2019 report from the Center for an Urban Future notes that adults in New York City older than 65 have a poverty rate of 20 percent⁴. Many long-term tenants rely on monthly Social Security incomes that are not enough to keep up with the cost of their rent, even with rent freezes and annual cost of living adjustments.

⁴ *New York's Older Adult Population is Booming Statewide*, Center for an Urban Future (February 2019) <https://nycfuture.org/research/new-yorks-older-adult-population-is-booming-statewide>.

Expanding rental subsidy eligibility criteria will also lead to substantial savings for the City substantial in shelter costs. The average cost of shelter for a single person in New York City is \$38,000 per person per year, while subsidizing an apartment for a single person costs significantly less. Thus, we strongly recommend that the City Council pass the stated resolution.

III- Source of Income or Employment Status Should Not Be an Eligibility Factor for Rental Subsidies

Int. 894-A, eliminating employment status and source of income requirements for rental assistance is a necessary measure. In addition to creating space in an overburdened shelter system, expanding access to rental subsidies would provide stability to individuals and families experiencing homelessness. People in shelter who do not have access to the programs that assist in transitioning to permanent housing are unlikely to ever gain the means to leave the shelter system because of the prohibitive cost of housing in New York. Precluding housing subsidy eligibility effectively traps people experiencing homelessness in the shelter system. This is particularly problematic because life in shelter takes an enormous toll on the wellbeing of individuals and families experiencing homelessness. Most often people are not placed near family support or in familiar neighborhoods, close to community supports and current medical providers. Children in shelter are often required to transfer to new schools, and family members must travel long distances on public transportation to continue treatment with trusted doctors and therapists. Periodic shelter transfers render it impossible for people to achieve stability by establishing roots and becoming part of a community and are particularly destabilizing for

children. The goal of all people in the shelter system is to transition to the stability of permanent housing, which is almost impossible without the assistance of a housing subsidy. Expanding access to rental assistance is necessary to achieve this goal.

IV- Utility Allowance Should Not Be Deducted from Rental Allowance, And Tenant Contribution Should Be Reduced When Rent is Below Maximum Rental Allowance

NYLAG also supports Int. 229-A prohibiting deduction of a utility allowance from rental subsidies and mandating that the tenant contribution be reduced when the rent is below the maximum rental allowance. In effect, this bill increases the amount of rental assistance provided, which is sorely needed to assist people experiencing homelessness in transitioning to permanent housing. Many NYLAG clients have rental subsidies but cannot obtain apartments with them, in part because the rental amount cap is below market rates in New York City.⁵ Any raise in the amount of rental assistance available is a welcome measure and will expedite transitions to permanent housing.

However, the rent cap in rental subsidies is not the only barrier for people experiencing homelessness to obtaining permanent housing. Even when clients are able to find apartments that fit within the rental guidelines, the process of getting an apartment approved for a subsidy is slow and overly burdensome for landlords and is often riddled with administrative errors by DSS. According to many NYLAG clients, so much of landlords' reticence to rent to subsidy-holding tenants stems from DSS' own practices. Landlords are reasonably concerned that there will be administrative

⁵ <https://www.renthop.com/average-rent-in/new-york-city-ny>

problems with DSS paying the rent, based on past experience and common knowledge. After a client finds an apartment and a landlord willing to take a rental subsidy, it can take months for that apartment to be approved by DSS for subsidy use. One reason for this delay is that for clients in shelter seeking to use a subsidy, shelter housing specialists or caseworkers process the application and act as an intermediary between DSS and the landlord. Clients report a frequent breakdown of information between their shelter caseworkers, DSS, and the landlords. If a willing landlord makes a mistake on the application (as often happens), it can take many days or even weeks before that information is relayed from DSS to shelter caseworkers and then back to the landlord. The landlords do not work directly with DSS, and information is often lost in the process. Clients report situations where forms are filled out incorrectly multiple times and landlords are not able to obtain clarification on how to correct issues with the forms. This confusing and time-consuming process creates significant deterrents for landlords. Clients also report that often DSS is not able to schedule apartment inspections in a timely manner.

Even when a landlord is willing to hold an apartment to complete the process, often after several weeks they will be forced to rent that apartment to someone who can start the lease quicker. NYLAG clients report having to wait months between finding an apartment with a landlord willing to take a subsidy and actually getting DSS's approval to execute the lease. Many times, such apartments are lost in the process. Just this week, one of NYLAG's clients who is an elderly, disabled, refugee from the war in Ukraine, lost out on a private apartment because it took the shelter

housing specialist staff and DSS nearly an entire month to process her subsidy application. The client identified a suitable, subsidy-eligible apartment and a landlord willing to work with DSS in mid-June and immediately informed her shelter staff. The shelter staff did not submit her subsidy application until July 5th. That same day, the shelter staff informed NYLAG that the landlord would receive payment by July 11th, but DSS failed to approve the application until that date, one whole week after the application was submitted for a vacant apartment in high demand. Yesterday, DSS informed NYLAG that the landlord would not receive payment until “sometime next week.” Exasperated, the landlord gave up after the continuous delays and informed our client that they were renting the apartment to someone else, citing the fact that they had lost an entire month of rental income while waiting on DSS.

Even after an apartment is approved and the client moves in, problems with DSS persist. NYLAG clients who rely on both the FHEPS and CityFHEPS subsidies report that DSS often does not pay their rent on time, and sometimes will discontinue paying rent without notice to the client or the landlord. Indeed, landlords have created a website, www.nycfheps.com, to warn each other about the pitfalls of renting to subsidy holders. Although some of the stories posted complain about so-called “difficult” tenants, most complaints state that they will not rent to subsidy holders because of DSS’s slow processing and late rental payments. Evidently, much of the reluctance to rent to subsidy holders is attributable to DSS’ administrative failures, which is entirely within the City’s control. People experiencing homelessness are missing out on obtaining private housing not because they are poor and not because

they cannot afford the apartments, but because DSS has established a reputation as an unreliable intermediary incapable of processing subsidies in a timely manner. We urge this Council to pass the current legislation and to create further legislation aimed at DSS' administrative practices and procedures.

We thank the Committee on General Welfare for the work it has done to facilitate services for vulnerable New Yorkers, and for taking this opportunity to continue to improve the conditions for our clients. We hope we can continue to be a resource for you going forward.

Respectfully submitted,

New York Legal Assistance Group

July 13, 2023

Thank you to the New York City Council's Committee of General Welfare for holding a hearing on the four CityFHEPS bills vetoed by the Mayor on June 23rd, 2023. My name is Oksana Mironova and I am a senior policy analyst at the Community Service Society of New York (CSS), a leading nonprofit that promotes economic opportunity for all New Yorkers. CSS uses research, advocacy, and direct services to champion a more equitable city and state.

Well-funded and well-designed rental assistance programs can prevent evictions and help people leave the shelter system for permanent homes. We celebrated the City Council's bold step to improve the city's rental assistance program, CityFHEPS. The reforms include eliminating the 90-day rule, revising the "utility allowance" rule, ending punitive work requirements, and expanding CityFHEPS eligibility to low-income households facing eviction.

As CSS's research has repeatedly shown, these four bills are a smart investment for New York City and its people: fewer evictions and shorter shelter stays improve life for everyone. That is why we call on the Council to override the Mayor's veto and ensure that the bills are implemented into law with care and adequate funding.

Our recent analysis has shown that:

- The cost of expanding CityFHEPS vouchers to low-income, housing-insecure households facing eviction would be \$8.6 billion over 5 years.
- In the system as it exists today, the cost of housing 20 percent of those same households in the shelter system would be \$4 billion; the cost of using rental vouchers to rehouse those households would be \$1.5 billion for the same period of 5 years.
- The net additional increase in cost for using CityFHEPS as an eviction-prevention tool is **\$3 billion cumulatively over five years, or approximately \$600 million per year**. This would prevent almost **200,000 families** from enduring the trauma of evictions and the instability of homelessness.

The Mayoral administration has argued that the City Council's expansion of CityFHEPS will make it more difficult for existing voucher holders to compete for available apartments in a tight rental market. Our analysis shows that by preventing evictions, an expanded CityFHEPS program will reduce the number of households entering the shelter system long-term, creating **less competition** for those trying to use vouchers. Other reforms to the CityFHEPS program as included in the Council's package, including the revision to the utility allowance rule, would make more homes available to voucher holders seeking to move out of shelter and also contribute towards reducing competition.

Numerous studies have demonstrated the social and economic benefits of paying for housing instead of paying for shelter, including rising incomes for those who access permanent housing (\$10,000 in additional income, \$12,000 in taxpayer savings), lowering healthcare costs (by reducing hospitalization and emergency room visits), and raising children's educational prospects and future wages (increasing 31 percent on average).

Shelter savings will go a long way toward defraying the cost of providing eviction-prevention vouchers, and the additional public money it still costs to keep people housed is ultimately money well spent by investing in our fellow New Yorkers.

Thank you for the opportunity to testify. If you have any questions about our testimony or CSS's research, please contact me at omironova@cssny.org.

**Testimony of Patrick Boyle
Senior Director
Enterprise Community Partners, Inc.**

**For the New York City Council
Committee on General Welfare
July 13, 2023**

My name is Patrick Boyle, and I am Senior Director for the New York office of Enterprise Community Partners, a national nonprofit that exists to make a good home possible for the millions of families without one. We support community development organizations on the ground, aggregate and invest capital for impact, advance housing policy at every level of government, and build and manage communities ourselves. Since our New York office opened in 1987, we have committed more than \$5 billion in equity, loans and grants to create or preserve over 81,000 affordable homes across New York State. We are also members and co-conveners of the Family Homelessness Coalition.

On behalf of Enterprise, I want to thank Chair Ayala and the Committee on General Welfare for the opportunity to submit testimony at this important hearing today.

As we all know, homelessness, housing insecurity and a scarcity of affordable housing is one of the central issues facing our city today. The solution is multifaceted, including greatly increasing the supply of new homes, preserving our existing stock, stabilizing tenants and streamlining government processes. It will require all levels of government, robust funding of new and existing resources, and creative solutions from both the private and public sectors.

The package of bills advanced and passed by this Council would strengthen one tool in the city's toolbox—the CityFHEPS voucher—and we support the Council's moving forward with these bills.

This legislative package will alleviate pressure on the shelter system by steering fewer families into the shelter system unnecessarily. It will lessen the burden on the housing court system by providing a more upstream solution to eviction prevention. It will ensure fewer families fall through the cracks and find themselves unable to access this assistance. In short, it's not the full solution to the housing crisis, but it is a powerful step in the right direction. Enterprise thanks the Council for taking this meaningful action today.



**Testimony
New York City Council
Committee on General Welfare
CityFHEPS Bill Package
Thursday, July 13, 2023**

Good morning, Chair Ayala, and members of the Committees. My name is Nicole McVinua, and I am the Director of Policy at Urban Pathways. Thank you for the opportunity to testify today in support of the CityFHEPS bill package, which includes Introductions 229-A, 878-A, 893-A, and 894-A.

Urban Pathways is a nonprofit homeless services and supportive housing provider serving single adults. Last year, we served 2,179 unique individuals through a full continuum of services that includes street outreach, drop-in services, Safe Havens, extended-stay residences, and Permanent Supportive Housing in Manhattan, Brooklyn, Queens, and the Bronx. We also offer a wide range of additional programming to meet the needs of our clients, including our Total Wellness, Employment, and Consumer Advocacy Programs.

We fully support the passage of the CityFHEPS bill package. Housing subsidies are a critical tool to create access to apartment rentals in the private market for low-income New Yorkers. The changes to the CityFHEPS program made by these four bills will strengthen the subsidy to both make it more usable to obtain permanent housing for people currently experiencing homelessness and to prevent households from losing their housing in the first place.

Together, these bills will:

1. Ensure the full value of the voucher up to 100% of the Fair Market Rent (FMR) can be used by no longer subtracting the utility allowance from the voucher amount.

Why this is important: When the utility allowance is deducted off the top of the voucher for units that do not include all utilities, the tenant cannot rent a unit up to the full amount of the voucher. This means that they actually have to find an apartment that is *below* the Fair Market Rent. With a competitive housing market and increasing rents across the city, this significantly limits the number of apartments on the market that a voucher holder can access, since most apartments start their rents at FMR. By

allowing the voucher to be utilized up to the full FMR, this will make it easier for voucher holders to find an apartment.

2. Permanently eliminate the 90-day waiting period that is required of those entering shelter before they can qualify for the voucher.

Why this is important: The length of stay in shelter has expanded year over year. According to the Mayor's Management Report, the average length of stay is well over one year for all categories, with average stay in FY22 at 509 days for single adults, 534 days for families with children, and 855 days for adult families. Having a three-month waiting period before a household can apply for a voucher does not make sense and only prolongs homelessness amidst increasing lengths of stay.

Further, this waiting period is not a measure of need. The city must move away from the false narrative that people with means to house themselves are entering shelter to get a subsidy. The shelter system already has safeguards in place against this. Upon shelter intake, individuals and families go through an investigation to determine that they truly have nowhere else to go before they are given a placement. This should suffice for determining need.

3. Expand access to runaway homeless youth and those receiving services through DYCD and ACS, eliminating the current requirement for youth to enter the adult shelter system before they can qualify for a voucher.

Why this is important: Youth should not be forced to enter the adult shelter system in order to obtain a CityFHEPS voucher. We want to get youth into permanent housing from specialized youth services, not retraumatize them by putting them through the adult shelter system too. We also do not want young people exiting the youth system that best serves people up to age 24 prematurely in order to get a housing subsidy. This change rights previously passed legislation that was intended to provide access to CityFHEPS through the youth system, but was never implemented due to red tape.

4. Prevent evictions by allowing low-income households making less than 50% AMI to access the voucher when behind on rent before they are taken to housing court, and by removing work requirements and the requirement to have previously stayed in shelter.

Why this is important: Keeping people housed is essential to lowering the rate of homelessness. These changes to CityFHEPS will more effectively prevent evictions before households are put in jeopardy by having a housing court filing made against them. The ideology that someone must have been homeless prior to their current risk of eviction undermines the goal of prevention. Further, the claim by the administration that this change will create competition with those in shelter searching for housing is untrue. These apartments are already off the market, and keeping people in their homes will prevent them from entering shelter. These changes will prevent the trauma of homelessness for as many families and individuals as possible.

These bills will promote the efficacy of the CityFHEPS voucher program and reach more New Yorkers in need of housing assistance, which must be prioritized in the current housing affordability and homelessness crisis faced by our communities. According to the United Way and Fund for the City of New York's "2023 True Cost of Living Report", **50% of working-age households across the city do not make enough income to cover their basic needs of housing, food, transportation, and health care.**

Expanding the CityFHEPS program will cost money upfront. However, **the cost of sheltering people is far more expensive and comes with long-term costs across systems well beyond the costs of shelter itself.** According to an analysis by WIN, to put a household in an emergency shelter in a hotel for one-year costs the same as it would to house someone with CityFHEPS for five years. On top of this, people experiencing homelessness have increased healthcare needs and increased risk of incarceration, families with youth are more likely to have ACS involvement, and children who have experienced homelessness tend to do less well in school and have lower earnings across their lifetime.

WIN's recently released report, "CityFHEPS Bills Could Save NYC Millions and House Thousands of Families", demonstrates that preventing homelessness also has significant cost savings over the long-term. The cost of homelessness for an individual is \$18,883 as opposed to just \$10,950 to prevent homelessness with the CityFHEPS voucher, a savings of \$7,933 per person per year. Across the system, it is estimated that expanding the voucher to prevent eviction will result in annual savings of more than \$730,000,000 and prevent homelessness for more than 38,000 families and 92,000+ individuals.

Considerations for Implementation:

Just like any change to City policy, there are important considerations that will need to be addressed in the process of implementation.

- **Continuing to increase support for combatting source of income discrimination.** Source of income discrimination continues to be a consistent barrier to accessing apartments, despite legal protections at both the city and state levels. We appreciate that more funding was included in the budget for the Source of Income Unit at the City's Commission on Human Rights (CCHR). Continued funding for CCHR and other means of enforcement of source of income discrimination protections are needed.
- **Reverse PEGS and increase staffing at DHS and HRA.** We are disappointed to see PEGS to DHS and HRA in the FY 2024 budget to DHS and HRA. Providers will be deeply impacted by the 2.5% cut passed down to providers through the "flexible funding" plan, which will negatively impact an already overburdened workforce across the homeless services system and lead to decreased staff available to assist people in their search for housing. **We hope that the City Council will consider restoring these cuts in the November Plan and providing the following instead:**

- Provide a cost-of-living adjustment to human services workers on par with City workers to combat high staff vacancy rates and ensure proper staffing is available at DHS-funded programs to assist people with vouchers in their housing search.
- Restore the 2.5% cut to providers through flexible funding and increase the number of Housing Specialists to assist shelter residents in their housing search.
- Increase CityFHEPS staff in the HRA Rental Assistance Program (RAP) Unit that processes CityFHEPS renewals - As of March 2023, HRA only had 24 staff members processing annual renewals of CityFHEPS for the entire CityFHEPS program. This unit needs to be dramatically expanded.
- Increase Staffing in DHS's Rehousing CityFHEPS Packet Review Unit and Apartment Clearance Review Unit - As of January 2023, HRA only had 44 staff members reviewing CityFHEPS packets for all DHS shelters across the entire City and only 23 staff members doing apartment pre-clearances for apartments across the entire City. These units need to be dramatically expanded.
- Increase Staffing at Homebase Offices- Homebase offices across the City are struggling to meet soaring demand. It is not unusual for tenants to have to wait weeks for an appointment at some locations leaving a very short runway to avert an eviction. The City must scale Homebase contracts to current demand.
- Increase staffing for frontline Public Assistance and SNAP workers - A pending or active Public Assistance case is needed for many households to obtain a CityFHEPS voucher, however New Yorkers are facing massive delays at HRA. HRA only has 1,714 staff members for Public Assistance and 1,200 frontline SNAP workers to process benefits for the entire City - 1.78 million SNAP recipients and 466,000 Public Assistance recipients. As a result, people are facing huge delays in receiving their benefits.
- Increase staffing for the HRA Phone Lines, including the HRA Infoline - New Yorkers who are trying to call HRA often wait for hours to get in touch with a worker, resulting in benefits being cut off or delayed. We need more staffing for HRA phone lines, not less. People who call the Infoline should be able to get their problems addressed by supervisors to avoid benefits cut offs.

We greatly appreciate the City Council's support of the CityFHEPS bill package and your commitment to ensuring all New Yorkers have permanent, stable housing. We urge the City Council to vote in favor of the CityFHEPS bill package once again, and we look forward to supporting you in its implementation. Thank you for the opportunity to provide testimony.

For questions or more information, please contact:

Nicole McVinua, Director of Policy at nmcvinua@urbanpathways.org or 212-736-7385, x233

Hi, my name is Ethel Brown and I am a leader with the Safety Net Activists. a CityFHEPS voucher recipient. I live with my daughter and my two grandkids in the Bronx. I was unhoused and now we're housed thanks to receiving the CityFHEPS voucher.

I've lived in the Bronx for most of my life. I have two degrees. I am now involved as an advocate who is trying to make sure that the CityFHEPS voucher is accessible to everyone who needs it.

Unfortunately last year, my family was facing eviction and had to leave where we were forced to leave. CityFHEPS helped my family avoid going into the shelter system. Because I had been in a shelter in the past, we were able to get help from CityFHEPS. The voucher really helped us once we had the right people doing what needed to be done in order to get the paperwork rolling.

But I want other people to not have to go through the housing mill and go into the shelter system. It's really hard out there right now - people are facing eviction and need this help.

All of the four sponsored bills, Intro 878, Intro 893, Intro 894, and Intro 229 are critical to helping people avoid homelessness and helping homeless New Yorkers get housing.

People shouldn't have to go into the shelter in order to get help. Going into shelter causes so much trauma. It is so difficult. It splits up families. I know that personally because PATH split up my family when we had to go there for help.

The 90 day rule also has to be ended permanently. It keeps people stagnant and keeps them from moving forward. It makes no sense.

And it shouldn't matter what type of homeless shelter system that you are in. You are still homeless. People in DV shelters, homeless youth, fire victims in HPD shelters and people facing vacate orders all should have access to CityFHEPS vouchers.

It is also so important to make sure that people who are working as well as those who are not working have access to the voucher. So many people in

shelters are not able to access CityFHEPS because they make just a little bit too much and are told that they can't get any help. Other people in shelters can't get CityFHEPS because they don't work enough hours. They are left with no help to get out of shelter and are often stuck in shelters for years. This is not right.

Thank you City Council for being there and continuing to be there for the unhoused and homeless.

And I beseech the Mayor Adams, to have some empathy and work to implement these bills as quickly as possible so that people can get housing.

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 879 A Res. No. _____

in favor in opposition

Date: 7-13-23

(PLEASE PRINT)

Name: Patrick Boyle

Address: _____

I represent: Enterprise

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 7/13/23

(PLEASE PRINT)

Name: Mural Awarder

Address: _____

I represent: NY Firefighters Coalition

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 7-13-23

(PLEASE PRINT)

Name: Ethel Brown

Address: Fatman Ave Bx NY 1

I represent: SafetyNet Neighbors Together Local NY

Address: Brooklyn, NY

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 7/13/23

(PLEASE PRINT)

Name: Scott Andrew Hulehans

Address: Greene Ave Brooklyn

I represent: Voice Neighbors Together

Address: Greene Ave

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 7/13/23

(PLEASE PRINT)

Name: Jamie Powlowich

Address: Flatbush Ave Brooklyn, NY 11225

I represent: Coalition for Homeless Youth

Address: same

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. ^{224,878}893,894 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Robert Desir

Address: _____

I represent: Legal Aid Society

Address: 194 Water Street

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 229,878,893,894 Res. No. _____

in favor in opposition

Date: 7/13/23

(PLEASE PRINT)

Name: Nicole McVina

Address: Pinehurst Ave. 10033

I represent: Urban Pathways

Address: 575 8th Ave, 16th Fl., NY 10018

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 329 Res. No. _____

in favor in opposition

Date: 07.12.23

(PLEASE PRINT)

Name: Okiana Miranova

Address: H. House Ave 196 NY 10040

I represent: CSNY

Address: 633 3rd Ave NY NY 10017

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. I Res. No. all

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Deborah Berkman

Address: c/o NYLAG, 100 Pearl St. 19th Floor, NY

I represent: NYLAG 10004

Address: _____

Please complete this card and return to the Sergeant-at-Arms