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**THE COUNCIL OF THE CITY OF NEW YORK**

**COMMITTEE REPORT OF THE LEGISLATIVE DIVISION**

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**COMMITTEE ON GENERAL WELFARE**

Honorable Deputy Speaker Diana Ayala, Chair

**January 18, 2023**

**Oversight: The CityFHEPS Rental Assistance Program**

**Preconsidered Int. No. 878:** By Council Members Ayala, Sanchez, Bottcher, Won, the Public Advocate (Mr. Williams) and Hanif

**Title:** A Local Law to amend the administrative code of the city of New York, in relation to rental assistance eligibility requirements

**Preconsidered Int. No. 894:** By Council Members Sanchez and Avilés

**Title:** A Local Law to amend the administrative code of the city of New York, in relation to income and work requirements for rental assistance

**Preconsidered Int. No. 893:** By Council Member Sanchez

**Title:** A Local Law to amend the administrative code of the city of New York, in relation to expanding eligibility for rental assistance

**Preconsidered Res. No. 465:** By Council Members Sanchez and Hanif

**Title:** A Resolution calling upon the New York state legislature to enact legislation that would expand eligibility for the CityFHEPS (New York City Family Homelessness and Eviction Prevention Supplement) program in New York City

1. **Introduction**

On January 18, 2023, the Committee on General Welfare, chaired by Deputy Speaker Diana Ayala, will hold an oversight hearing entitled “The CityFHEPS Rental Assistance program.” The Committee will also hear three bills: Preconsidered Int. No. \_\_\_\_, a local law to amend the administrative code of the city of New York, in relation to rental assistance eligibility requirements, sponsored by Council Members Ayala, Sanchez, Bottcher, Won, the Public Advocate (Mr. Williams) and Council Member Hanif, Preconsidered Int. No. \_\_\_, a local law to amend the administrative code of the city of New York, in relation to income and work requirements for rental assistance, sponsored by Council Members Sanchez and Avilés, Preconsidered Int. No. \_\_\_, a local law to amend the administrative code of the city of New York, in relation to expanding eligibility for rental assistance, sponsored by Council Member Sanchez, and Preconsidered Res. No. \_\_\_, a resolution calling upon the New York state legislature to enact legislation that would expand eligibility for the CityFHEPS (New York City Family Homelessness and Eviction Prevention Supplement) program in New York City, sponsored by Council Members Sanchez and Hanif. Among those invited to testify are representatives from the New York City (“NYC”) Department of Social Services (“DSS”), advocacy and community-based organizations, service providers, and members of the public.

1. **BACKGROUND[[1]](#footnote-2)**

***CityFHEPS***

In 2004, the Bloomberg Administration introduced a City-funded, time-limited rental subsidy program for individuals and families at risk of or experiencing homelessness.[[2]](#footnote-3) Called Housing Stability Plus, the program was a five-year rental subsidy administered by the Department for Homeless Services (DHS) that included work requirements and a voucher that declined in value by 20 percent each year.[[3]](#footnote-4) Declaring Housing Stability Plus ineffective due to opaque rules, low subsidies, and lack of access to stable housing, the Bloomberg Administration replaced the program in 2007 with Advantage, a two-year subsidy.[[4]](#footnote-5) The Advantage program initially offered subsidies for people in shelters if they worked 20 hours a week or more, and then was expanded to incorporate additional populations.[[5]](#footnote-6) In 2011, the State pulled funding for Advantage, which had covered two-thirds of the total cost of the program, and the City subsequently cut the remaining third of the funding.[[6]](#footnote-7) About 8,500 families ended up returning to DHS shelters in the years after the program’s end.[[7]](#footnote-8)

In 2014 and 2015, the de Blasio Administration re-instituted City rental assistance vouchers for homeless households and those at risk of homelessness, including Living in Communities (LINC);[[8]](#footnote-9) City Family Eviction Prevention Supplement and City Family Exit Plan Supplement (CityFEPS) programs;[[9]](#footnote-10) and Special Exit and Prevention Supplement (SEPS)[[10]](#footnote-11) for single adults and adult families.

Multiple programs with unique criteria confused both landlords and tenants, exacerbating landlords’ hesitancy to accept City rental subsidies, a problem also worsened under the abrupt end of Advantage.[[11]](#footnote-12) On October 29, 2018, the de Blasio Administration consolidated the LINC, SEPS, and CityFEPS rental assistance programs into the City Fighting Homelessness and Eviction Prevention Supplement (CityFHEPS) program.[[12]](#footnote-13) The consolidation aimed to streamline services for tenants and landlords.[[13]](#footnote-14) CityFHEPS assists households in the community who are at risk of homelessness or are referred by the Administration for Children’s Services (ACS), the Three Quarter Housing (TQH) Task Force, the Department of Youth and Community Development (DYCD), or the Department of Correction (DOC) to avert Human Resources Administration (HRA) or DHS shelter entry.[[14]](#footnote-15) CityFHEPS also helps households who are experiencing street homelessness or residing in a DHS or HRA shelter to obtain permanent housing.[[15]](#footnote-16)

According to DSS,[[16]](#footnote-17) as of May 5, 2022, in order to qualify for CityFHEPS, all households must satisfy an income eligibility test—no greater than 200% of the federal poverty level—and certain public assistance requirements.[[17]](#footnote-18) Additional eligibility criteria exists for households at risk of entry to, and currently in, HRA and DHS shelters or experiencing street homelessness.[[18]](#footnote-19)

To qualify for a CityFHEPS voucher to avert shelter entry, a household that is at risk of entry to an HRA or DHS shelter must:

1. Be determined by DSS to be at risk of homelessness and include a veteran;
2. Be referred by a CityFHEPS qualifying program—ACS, TQH Task Force, DYCD, or DOC—and be determined by DSS to be in need of CityFHEPS to avoid shelter entry; or
3. Be displaced by eviction, foreclosure, or hazardous conditions within the last 12 months and:
	1. Have previously been in a DHS shelter;
	2. Have an active Adult Protective Services case or be in a designated community guardianship program;[[19]](#footnote-20) or
	3. Will use CityFHEPS to stay in a rent-controlled apartment.[[20]](#footnote-21)

A household may qualify for a CityFHEPS voucher if the head of household is experiencing street homelessness or resides in a DHS shelter identified for imminent closure.[[21]](#footnote-22) An individual who is experiencing street homelessness must be living on the street or in a place not meant for human habitation.[[22]](#footnote-23) The individual also must have received case management services for at least 90 days from a DHS-contracted outreach provider, a DHS-contracted drop-in center, or transitional housing provider. [[23]](#footnote-24)

A household in a DHS or HRA shelter may also qualify for CityFHEPS if it belongs to either of the following two groups:[[24]](#footnote-25)

**Group A**: [The] household will belong to Group A if:

1. It meets one of the following requirements:

a. Be a family living in DHS shelter for the last 90 days with a gap no larger than 10 days; or

b. Be a single Adult living in DHS shelter for 90 of the last 365 days;

c. Reside in an HRA shelter;

d. Reside in a DHS shelter and be eligible for HRA shelter; and

 2. Also meets one of the following additional requirements:

a. The household includes someone under 18 and the combined household has been working (subsidized or unsubsidized) 30 hours per week for the last 30 days;

b. The household is an adult only household working (subsidized or unsubsidized) any number of hours per week for the last 30 days;

c. Someone 18 or over is disabled (receives federal disability benefits or is in receipt of ongoing CA and is on the WeCARE SSI track);

d. Someone in the household is 60 years of age or older;

e. Someone 18 or over is exempt from public assistance work requirements because they are needed at home to care for a disabled family member.[[25]](#footnote-26)

**Group B:** [The] household will belong to Group B if it resides in DHS or HRA shelter and meets one of the following requirements:

a. The household includes someone who served in the U.S. Armed Forces;

b. The household is living in a DHS shelter that is about to close;

c. The household was referred by a CityFHEPS qualifying program, and DSS determined that CityFHEPS was needed to shorten shelter stay.[[26]](#footnote-27)

Households experiencing street homelessness, staying in a drop-in center, or living in a transitional housing setting must be receiving services from a DHS contracted provider in order to be eligible for CityFHEPS.[[27]](#footnote-28) Additionally, such households must meet the following basic CityFHEPS eligibility criteria:

1. Have a gross income at or below 200% of the federal poverty level;
2. Be on CA, if eligible; [and]
3. Not qualify for any other rental assistance program.

According to DSS, individuals “will know that [they] might be eligible for CityFHEPS” when they receive the documents known as the “Shopping Letter” and “Household Share Letter,” which are issued by DSS and provided to the individual’s case manager or housing specialist.[[28]](#footnote-29) When the individual receives these letters, they can begin to look for housing. Once housing is found, the case manager or housing specialist is required to submit the documents to DSS to determine eligibility and ensure the housing qualifies for the program.[[29]](#footnote-30) CityFHEPS can be used to rent “an entire apartment, a single room in an apartment, or an SRO unit” provided it is located in one of the five boroughs.[[30]](#footnote-31) The payment standards are the maximum amount of subsidy that HRA will pay the landlord on behalf of the tenant and are based on the Section 8 standard adopted by the New York City Housing Authority (NYCHA).[[31]](#footnote-32) The following table illustrates the maximum Rent Amounts HRA will pay based on the number of bedrooms and utilities that are included in the rent, if any.[[32]](#footnote-33)



Additionally, according to HRA, “[t]he payment standard also refers to the maximum number of bedrooms that HRA will subsidize. Payment standards are based solely on the number of people residing in the assisted household. HRA will pay for one bedroom/sleeping area for every two people. For example, if there are 3 people, HRA will pay for a 2 bedroom as that will allow for 2 people in one sleeping area and 1 in another.”[[33]](#footnote-34)

The CityFHEPS rental assistance voucher is a critical tool in helping individuals and families avoid and exit shelter. However, many advocates and homeless shelter providers argue its maximum rent limits are too low and are not tied to the Fair Market Rent (FMR), in contrast to the country’s most successful rental assistance voucher, Section 8.[[34]](#footnote-35) In 2021, the Council enacted Local Law 71 to require that the maximum rent toward which rental assistance may be applied annually increases at the same rate as Section 8. [[35]](#footnote-36)

According to a study by the Center on Budget and Policy Priorities, housing vouchers can lead to future savings.[[36]](#footnote-37) Vouchers provided to homeless families with children reduce other shelter costs enough to offset nearly the entire cost of the voucher.[[37]](#footnote-38) Rental assistance combined with supportive services for homeless individuals with serious health problems can achieve savings in the health care, corrections, and emergency shelter systems, which may be close to or above the cost of rental assistance and services.[[38]](#footnote-39)

Moreover, research by StreetEasy released in April 2021 found that record-high rent drops and high inventory levels from COVID-19 have more than doubled the number of homes on the market that are deemed affordable for Section 8 voucher participants.[[39]](#footnote-40) According to StreetEasy, using all apartments listed from July through December 2020, only 564 units would meet current CityFHEPS standards, whereas 71,934 would meet Section 8 standards.[[40]](#footnote-41) In December 2021, StreetEasy announced “a first of its kind public private partnership to educate NYC property owners, brokers and real estate agents about the benefits of leasing to voucher holders.”[[41]](#footnote-42) The key element of the campaign slogan “I Vouch for Vouchers” is meant to reduce stigma, address misinformation and “highlight the many benefits that property owners receive when renting to voucher holders.”[[42]](#footnote-43)

1. **Delays in voucher processing**

According to CityLimits, “the administrative process for voucher holders to get approved for permanent housing is an onerous one that undermines the program’s successes.”[[43]](#footnote-44) Minor errors can cause months-long delays, leading to clients missing out on apartments because landlords cannot afford to keep the apartment vacant while the City processes benefits applications.[[44]](#footnote-45) The 29 people interviewed for the CityLimits report included CityFHEPS voucher holders, shelter staff, City workers, real estate brokers, advocates, and property owners.[[45]](#footnote-46) While all agreed “vouchers can be a life-changing resource for thousands of families and individuals and a crucial intervention to address homelessness,” the process of getting a voucher needs to become “streamlined to work more effectively.”[[46]](#footnote-47)

Reported issues include clients with vouchers who wait months in shelter after being approved, due to “backlogged cases and even minor mistakes,” which can compound the difficulty of enduring an already complicated, stressful and onerous process.[[47]](#footnote-48) A real estate agent reported she had “never seen a successful [application and placement] process take less than three months,” and stated that “many apartment applicants have missed out because of paperwork or communication problems and were told they needed to apply all over again.”[[48]](#footnote-49) Housing specialists interviewed for the CityLimits report cited short staffing as adding to an already protracted process, asserting that inflated rents, combined with layers of paperwork and “rent reasonableness reviews”[[49]](#footnote-50)—the process of revised requests requiring additional documents from the landlord if the proposed rent is found to be unreasonable—all serve as added barriers to meeting the objectives of CityFHEPS.[[50]](#footnote-51)

At a hearing before the Committee on December 15, 2022 entitled: “Timeliness of Public Benefits Processing at the Human Resources Administration,” Homeless Services United (HSU) testified that the underlying cause of dysfunction at the agency is chronic understaffing.[[51]](#footnote-52) HSU testified that HRA’s Public Benefits Access Centers do not have sufficient staff to process Public Assistance applications, CityFHEPS recertifications, and FHEPS applications, or to conduct phone interviews.[[52]](#footnote-53) Due to insufficient staffing, pending cases are denied or closed, one-shot deals are denied, and CityFHEPS benefits fail to renew. These administrative issues can compound to make it difficult for households at risk of eviction or in shelter to qualify for and then use CityFHEPS or FHEPS.[[53]](#footnote-54)

HSU further testified that the timeliness of Cash Assistance, FHEPS, and CityFHEPS payments is not the issue, but that problems arise when someone’s Public Assistance (PA) case is closed.[[54]](#footnote-55) When a PA case is closed, the Welfare Management System automatically drops payments for shelter allowances and prevents CityFHEPS from being added to non-active status cases.[[55]](#footnote-56) The issue then is not with HRA’s Landlord Ombudsman Services Unit, who issues payment, but with opening and maintaining uninterrupted PA cases.[[56]](#footnote-57) The lack of sufficient staff at HRA Public Benefit Access Centers prevents HRA from quickly addressing problems for PA recipients when those problems arise.[[57]](#footnote-58) According to HSU, this has resulted in 4-5 month delays in processing CityFHEPS recertifications, which leads to tenants’ vouchers ending and falling off the budget despite timely submission of renewal paperwork.[[58]](#footnote-59)

HRA processing delays also hinder access to rental assistance. Although PA is not an eligibility requirement for CityFHEPS, to get it added to the budget HRA must open a temporary PA case in “Single issue” status.[[59]](#footnote-60) Single issue cases automatically close within 30 days, so the entire CityFHEPS process must be completed within that timeframe.[[60]](#footnote-61) HRA staff must conduct an interview with the applicant before they can be approved for CityFHEPS, however, due to delays in PA phone interviews, these cases might close before the interview occurs or take so long that there is no time to complete the remaining steps before the PA case closes.[[61]](#footnote-62) This can lead to the applicant being forced to go back to HRA to start the process over again.[[62]](#footnote-63) HSU further testified that HRA may not always tell the provider or applicant that the PA case closed and that they need to reapply.[[63]](#footnote-64)

1. **Source of Income Discrimination**

Voucher programs have been relatively successful.[[64]](#footnote-65) Research shows that families who receive vouchers are less likely to be homeless compared with other families in shelters. They are also less likely to be rent-burdened and less likely to live in crowded homes compared to other low-income households.[[65]](#footnote-66) Unfortunately, voucher programs are undermined by the discriminatory practices of landlords and real estate agents who turn away prospective renters with vouchers.[[66]](#footnote-67) Anti-voucher bias is the most common form of housing discrimination according to the New York City Commission on Human Rights (CCHR).[[67]](#footnote-68) Source of income discrimination by landlords with 6 or more units has been illegal in NYC since 2008.[[68]](#footnote-69) In February 2021, the law was expanded to make most NYC rental properties subject to source of income protections.[[69]](#footnote-70)

 CCHR attempts to combat source of income discrimination by aggressively investigating and prosecuting landlords of brokers citywide who refuse to rent to tenants with housing vouchers or other types of housing assistance.[[70]](#footnote-71) However, in April 2022, City Limits reported that after years of employee turnover and unfilled vacancies, the city enforcement unit that is tasked with cracking down on housing discrimination did not have a single staff member left.[[71]](#footnote-72) The unit reportedly shrank from six staffers in 2019, to three in 2021, to none in 2022.[[72]](#footnote-73) City Limits reports that the unit shrank despite a spending plan that would have allowed the agency to add at least 10 attorneys and staffers to the unit in 2022.[[73]](#footnote-74) Instead, CCHR did not hire a single source of income enforcement staffer and moved to slash unfilled vacancies as part of the Adams administration’s cost-cutting mandate.[[74]](#footnote-75) In May 2022, City Limits followed up and reported the Adams administration proposed restoring the source of income enforcement unit by moving a similar six person team from HRA into CCHR.[[75]](#footnote-76) It is still unclear what the transferred unit will be doing or whether the shift is permanent.[[76]](#footnote-77)

1. **Recent changes to the voucher program**

On November 14, 2022, the Adams administration announced reforms for the CityFHEPS program intended to make the voucher program more accessible and easier to use.[[77]](#footnote-78) These changes include:

* Expanding CityFHEPS eligibility to include single adults working full-time on minimum wage, even if their income is slightly higher than 200 percent of the federal poverty level;
* Reducing the monthly contribution by CityFHEPS tenants who move into single-room occupancy units from 30 percent of their income to a maximum of $50 per month;
* Reducing the number of hours families are required to work to become eligible for CityFHEPS from 30 to 14 hours per week;
* Covering the cost of apartment application fees for New Yorkers living in DHS shelters;
* Creating an option for CityFHEPS voucher holders who choose to secure an apartment that rents above the CityFHEPS maximum to utilize a voucher by paying up to 40 percent of their income;
* Expanding Supplemental Security Income eligibility for CityFHEPS families from an adult in the household to any household member, such as a child;
* Piloting a limited bonus equal to one month’s rent for landlords renting to CityFHEPS voucher-holders in high cost neighborhoods;
* Significantly increasing staffing at DSS to speed up voucher processing and increase placements;
* Significantly increasing HRA staff presence in Housing Court to ensure eligible clients get quick access to financial assistance that will allow them to stay in their homes; and
* Creating consistency across CityFHEPS, Emergency Housing Vouchers (EHV), and the Special one-Time Assistance (SOTA) program by providing a “unit hold” incentive payment equal to one month’s rent for landlords who agree to hold an apartment while an EHV holder or SOTA participant’s materials are processed.

However, missing from the reforms is the abolishment of the 90-day rule. The 90-day rule, first implemented under the Giuliani administration, mandates that people stay a minimum of 90 days in a City-run shelter before becoming eligible to apply for CityFHEPS.[[78]](#footnote-79) Housing advocates have called the rule arbitrary and argue that lifting it would speed up the process of helping New Yorkers exit the shelter system.[[79]](#footnote-80) Mayor Adams has said his administration is still examining the potential budgetary impact of eliminating the 90-day rule.[[80]](#footnote-81)

1. **Budget and Voucher Utilization Data for HRA’s Rental Assistance Programs**

In its Fiscal 2023 Preliminary Budget Response (Response),[[81]](#footnote-82) the Council included two proposals relating to the City’s rental assistance programs administered by HRA. In the first, the Council called on the Administration to ensure HRA has adequate staffing for the timely review and processing of rental vouchers. In the second, the Council called on HRA to explore improvements to technology and systems to reduce turnaround times and increase efficiency and accuracy to ensure that clients receive assistance in a time-conscious manner and do not lose housing placements due to processing delays. Nothing was added in the Fiscal 2023 Executive Plan (Executive Plan), the Fiscal 2023 Adopted Plan (Adopted Plan), or the November 2022 Financial Plan (November Plan) to address these requests.

For the past several fiscal years, actual spending on rental assistance programs has been considerably higher than the baseline budget. Pursuant to Local Law 71,[[82]](#footnote-83) beginning in the fall of 2021, the CityFHEPS voucher rates increased to match Section 8 levels, but funding for the increase had only been added for Fiscal 2022. The Response further called on HRA to adjust the baseline budget for rental assistance programs to a level that more accurately reflects the full need for the program and funds the voucher rate increase. The Executive Plan added $25 million in Fiscal 2022 and $118.5 million in Fiscal 2023 to fund both the rate increase and rental assistance programs. An additional $118.5 million was added for Fiscal 2023 in the Adopted Plan, bringing the Fiscal 2023 additions since the Council’s Response up to $237 million. Notably, the baseline was not adjusted and no additional funding was added in Fiscal 2024 or beyond.

As of the November Plan, HRA’s Fiscal 2023 budget for rental assistance programs totaled $375.8 million and actual spending through September 2022 totaled $111.5 million. The budgeted amount for rental assistance programs in Fiscal 2024 and in the outyears drops to $138.8 million, with the drop relating specifically to the amount budgeted for the CityFHEPS program. For Fiscal 2023, the breakdown of budgeted funding and actual expenditures, by rental assistance program, is listed in the succeeding table. Federal funding HRA received under the American Rescue Plan[[83]](#footnote-84) has not yet been allocated to a specific rental assistance program. Notably, funding was added in the budget to predecessor programs and HRA plans to move it to CityFHEPS during Fiscal 2023.[[84]](#footnote-85)

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| **HRA's Rental Assistance Budget** |
| **Rental Assistance Program** | **FY23 Budget \*** | **FY23 Actual Expenditures (as of September 2022)** |
| **LINC I** | $44,969,410  | $1,366  |
| **LINC II** | $22,513,262  | $0  |
| **LINC III** | $26,777,143  | $16,700  |
| **LINC IV** | $5,422,660  | $0  |
| **LINC V** | $7,515  | $0  |
| **LINC VI** | $3,766,610  | $67,873  |
| **CFEPS** | $9,087,569  | $86,981  |
| **FHEPS B** | $0  | $3,255,670  |
| **SEPS** | $0  | $6,012  |
| **SOTA** | $0  | $937,851  |
| **CITYFHEPS** | $254,956,631  | $107,181,668  |
| **Rental Assistance ARP** | $8,332,628  | $0  |
| **TOTAL** | **$375,833,428**  | **$111,554,121**  |
| *\*Budget modifications will be made to reallocate funds from predecessor programs to CityFHEPS.Source: HRA* |

The following table illustrates the number of households and individuals who have used rental assistance programs to exit shelter or who were at risk of eviction but were able to remain in their existing housing with assistance. Rental assistance programs in Fiscal 2020 (the fiscal year during which the pandemic began) assisted 11,267 households or 27,600 individuals, programs in Fiscal 2021 assisted 10,713 households or 25,673 individuals, and programs in Fiscal 2022 assisted 9,769 households or 21,331 individuals. Through September 2022, programs in Fiscal 2023 assisted 2,841 households or 6,155 individuals. For all years listed in the table, the majority of household exits were with CityFHEPS—53 percent in Fiscal 2020, 64 percent in Fiscal 2021, 78 percent in Fiscal 2022, and 80 percent through September 2022 in Fiscal 2023.[[85]](#footnote-86)

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| **Shelter Exits and Community Placements** |
|   | **FY20** | **FY21** | **FY22** | **FY23** **(through 9/22)** |
|   | **H** | **I** | **H** | **I** | **H** | **I** | **H** | **I** |
| **NYCHA** | 2,014 | 6,183 | 1,685 | 5,159 | 736 | 2237 | 122 | 368 |
| **Section 8** | 656 | 1,556 | 788 | 1,616 | 485 | 926 | 127 | 244 |
| **SEPS**  | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **HOME TBRA** | 0 | 0 | 11 | 33 | 1 | 3 | 0 | 0 |
| **421a (non-SOTA + non-CFHEPS)** | 60 | 150 | 20 | 38 | 8 | 11.3 | 1 | 1 |
| **NYCHA - HRA**  | 75 | 233 | 12 | 37 | 22 | 68 | 0 | 0 |
| **SOTA** | 1,966 | 4,915 | 947 | 2,368 | 257 | 643 | 55 | 138 |
| **FHEPS A (DHS Shelter)** | 139 | 431 | 68 | 211 | 11 | 34 | 1 | 3 |
| **FHEPS B (Shelter + Community)** | 412 | 1,277 | 368 | 1,141 | 193 | 598 | 41 | 127 |
| **CITY FHEPS (Shelter + Community)** | 5,945 | 12,855 | 6,814 | 15,070 | 7,589 | 15,539 | 2,278 | 4,735 |
| **Emergency Housing Voucher (EHV)** | 0 | 0 | 0 | 0 | 467 | 1,270 | 216 | 539 |
| **TOTAL** | **11,267** | **27,600** | **10,713** | **25,673** | **9,769** | **21,331** | **2,841** | **6,155** |
| H = Households, I = Individuals*Source: HRA* |  |  |  |  |  |  |  |  |

1. **Legislative Analysis**

**Preconsidered Int. No. \_\_\_ :** A Local Law to amend the administrative code of the city of New York, in relation to rental assistance eligibility requirements

This bill would prohibit the Department of Social Services from requiring an individual or family to reside in shelter before becoming eligible for a CityFHEPS rental assistance voucher. The bill would take effect immediately.

**Preconsidered Int. No. \_\_\_ :** A Local Law to amend the administrative code of the city of New York, in relation to income and work requirements for rental assistance

This bill would remove the current requirement that an individual or family demonstrate they are employed in order to become eligible for a CityFHEPS rental assistance voucher. The bill would additionally change the maximum total gross income for eligibility for a CityFHEPS rental assistance voucher from 200 percent of the federal poverty level to 50 percent of the area median income. The bill would take effect immediately.

**Preconsidered Int. No. \_\_\_ :** A Local Law to amend the administrative code of the city of New York, in relation to expanding eligibility for rental assistance

This bill would remove certain criteria that the Department of Social Services (DSS) currently uses to determine whether a household that is neither living in shelter nor experiencing street homelessness is eligible for a CityFHEPS rental assistance voucher. Specifically, this bill would disallow DSS from using the preservation of a rent-controlled apartment or receiving adult protective services as a criteria to determine eligibility for CityFHEPS. Additionally, this bill would provide households with the opportunity to demonstrate risk of eviction with a rent demand letter as a means to meet eligibility for CityFHEPS. The bill would take effect immediately.

1. **Conclusion**

At the hearing, the Committee will examine the current delays in voucher processing and the impact of such delays on the efforts to address homelessness in New York City. Additionally, the Committee will review what actions the administration has taken to address the delays and how the Council can best support those efforts. Finally, the Committee will receive testimony on the proposed legislation, which aims to further increase access and usability of rental assistance vouchers.

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| Preconsidered Int. No. By Council Members Ayala, Sanchez, Bottcher, Won, the Public Advocate (Mr. Williams) and Council Member Hanif A Local Law to amend the administrative code of the city of New York, in relation to rental assistance eligibility requirements  Be it enacted by the Council as follows: Section 1. Chapter 1 of title 21 of the administrative code of the city of New York is amended by adding a new section 21-151 to read as follows:§ 21-151 Rental assistance eligibility requirements. a. Definitions. For purposes of this section, the following terms have the following meanings:Rental assistance voucher. The term “rental assistance voucher” means any city-initiated rental housing subsidy for homeless families and individuals.Shelter. The term “shelter” means temporary emergency housing provided to homeless adults, adult families, and families with children by the department or a provider under contract or similar agreement with the department.b. Rental assistance voucher eligibility. The department shall not require an applicant to have lived in shelter as a precondition to receive a rental assistance voucher.§ 2. This local law takes effect immediately.     ACKLS #4023/8955/9192/10504/10538/10579/10706/1094812/21/2022 |

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Preconsidered Int. No.

By Council Members Sanchez and Avilés

A Local Law to amend the administrative code of the city of New York, in relation to income and work requirements for rental assistance

Be it enacted by the Council as follows:

Section 1. Chapter 1 of title 21 of the administrative code of the city of New York is amended by adding a new section 21-151 to read as follows:

§ 21-151 Income and work requirements for rental assistance. a. Definitions. For purposes of this section, the following terms have the following meanings:

Rental assistance voucher. The term “rental assistance voucher” means any city-initiated rental housing subsidy for homeless families and individuals.

Shelter. The term “shelter” means temporary emergency housing provided to homeless adults, adult families, and families with children by the department or a provider under contract or similar agreement with the department.

b. The department shall not base eligibility for a rental assistance voucher on employment status when the applicant for rental assistance is living in shelter or experiencing street homelessness.

c. An applicant who earns more than 50 percent of the area median income, as defined by the federal department of housing and urban development, shall not be eligible for a rental assistance voucher when such applicant is living in shelter or experiencing street homelessness.

§ 2. This local law takes effect immediately.

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| Preconsidered Int. No. By Council Member Sanchez A Local Law to amend the administrative code of the city of New York, in relation to expanding eligibility for rental assistance  Be it enacted by the Council as follows: Section 1. Chapter 1 of title 21 of the administrative code of the city of New York is amended by adding a new section 21-151 to read as follows:§ 21-151 Expanding eligibility for rental assistance. a. Definitions. For purposes of this section, the following terms have the following meanings:Household. The term “household” means households who are not living in shelter or experiencing street homelessness.Rental assistance voucher. The term “rental assistance voucher” means any city-initiated  rental housing subsidy for homeless families and individuals.Shelter. The term “shelter” means temporary emergency housing provided to homeless adults, adult families, and families with children by the department or a provider under contract or similar agreement with the department.b. The department shall not base eligibility for a rental assistance voucher on the following:1. whether a household resides in a rent-controlled apartment;2. whether a member of a household receives adult protective services pursuant to section 472 of the social services law; or3. whether a member of a household participates in a community guardianship program pursuant to section 472-d of the social services law.c. For purposes of determining eligibility for a rental assistance voucher, the department shall accept documents demonstrating that a household is at risk of eviction. Such documents may include, but not be limited to, written demands for payment of past due rent.§ 2. This local law takes effect immediately.  ACKLS# 89521/10/2022 |

Preconsidered Res. No.

Resolution calling upon the New York state legislature to enact legislation that would expand eligibility for the CityFHEPS (New York City Family Homelessness and Eviction Prevention Supplement) program in New York City.

By Council Members Sanchez and Hanif

                     Whereas, In New York City there are a number of public benefits that support residents to secure access to affordable housing; and

                     Whereas, One such program is CityFHEPS (New York City Family Homelessness and Eviction Prevention Supplement); and

                     Whereas, CityFHEPS assists individuals or families by providing them with rental subsidies to access and keep safe housing; and

                     Whereas, Typically, a CityFHEPS applicant must meet one of the following criteria: 1) the household includes someone who served in the United States (U.S.) Armed Forces and is at risk of homelessness; 2) the household gets Pathway Home benefits and would be eligible for CityFHEPS if they are in a Department of Homeless Services (DHS) or Human Resources Administration (HRA) shelter; or 3) the household is referred by a CityFHEPS qualifying program, and Department of Social Services (DSS) determines that CityFHEPS is needed to avoid shelter entry; or 4) the household is facing eviction in court (or was evicted in the past year) and includes someone: who has previously lived in a DHS shelter, who has an active Adult Protective Services (APS) case or is in a designated community guardianship program; or lives in a rent-controlled apartment and will use CityFHEPS to stay in that apartment; and

                     Whereas, In addition to meeting one of the above listed criteria, a household was also previously required to earn a gross income at or below 200 percent of the federal poverty level; and

                     Whereas, However, in order to broaden the scope of eligibility, late last year, Mayor Adams removed this requirement so that single adults working full-time can apply, even if their income is above 200 percent of the federal poverty level; and

                     Whereas, Although these and other changes made to CityFHEPS should allow more people to access the rental supplement program, there are still large proportions of vulnerable populations that are excluded; and

                     Whereas, For instance, undocumented immigrants are largely prohibited from receiving CityFHEPS, due to restrictions under federal law; and

                     Whereas, According to research from the Mayor’s Office of Immigrant Affairs (MOIA), there were approximately 476,000 undocumented immigrants in New York City in 2021; and

                     Whereas, Over the past year, it is likely that this figure has grown substantially because there has been an influx of asylum seekers that have been transported to the City from some southern states; and

                     Whereas, According to information provided to the New York City Council by the Adams Administration, as of January 8, 2023, there were approximately 38,700 asylum seekers, including children, that have arrived in the City since the spring of 2022; and

                     Whereas, In 1979, the New York State Supreme Court ordered New York City and State to provide shelter for homeless men in a landmark decision known as *Callahan v. Carey*; and

                     Whereas, Subsequent successful cases against the City resulted in a “right to shelter” being established in New York City, which means that all who apply for shelter - men, women, children and families, must be given a bed for the night; and

                     Whereas, Recently, however, the City has struggled to meet this mandate and has, at times, violated this law; and

                     Whereas, At other times, the City was forced to establish temporary “tent shelters” to house some of the newly arrived asylum seekers; and

                     Whereas, All of this has occurred while the City is already dealing with a housing crisis; and

                     Whereas, Although federal law (8 U.S. Code § 1621) generally prohibits undocumented people from accessing benefits, subdivision d allows for a state or its locality to deem undocumented persons eligible for public benefits if a state law is enacted to affirm this eligibility; and

                     Whereas, This means that the State legislature could enact legislation that would provide New York City with the authority to expand CityFHEPS to undocumented immigrants; and

                     Whereas, This change would allow the City to provide additional housing benefits to a wider range of New Yorkers; and

                     Whereas, Given that New York City is a city of immigrants and is a right to shelter city, it is important that the State provide this authority to expand CityFHEPS; now, therefore, be it

Resolved, That the New York state legislature enact legislation that would expand eligibility for the CityFHEPS (New York City Family Homelessness and Eviction Prevention Supplement) program in New York City.

LS #11309/9568/10501

01/13/2023

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4. Joe Lamport, A New Program to Fight Homelessness, The Gotham Gazette, (May 30, 2007), available at https:// [www.gothamgazette.com/housing/3574-a-new-program-to-fight-homelessness](http://www.gothamgazette.com/housing/3574-a-new-program-to-fight-homelessness). [↑](#footnote-ref-5)
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<https://www1.nyc.gov/site/dhs/about/press-releases/unified-rental-assistance-press-release.page>. [↑](#footnote-ref-12)
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15. R.C.N.Y. Title 68 § 10-01 (e). [↑](#footnote-ref-16)
16. NYC Department of Social Services. CityFHEPS: Frequently Asked Questions (for Residents of Department of Homeless Services or Human Resources Administration Shelters or Those Experiencing Street Homelessness), May 5, 2022. Available at <https://www1.nyc.gov/assets/hra/downloads/pdf/cityfheps-documents/dss-7n-e.pdf> [↑](#footnote-ref-17)
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