Committee on General Welfare

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

**COMMITTEE REPORT OF THE HUMAN SERVICES DIVISION**

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**COMMITTEE ON GENERAL WELFARE**

**Hon. Stephen Levin, Chair**

**May 26, 2021**

**PROPOSED INTRODUCTION NO. 146-C:** By Council Members Levin, Brannan, Salamanca, Maisel, Rivera, Adams, Kallos, Ampry-Samuel, Menchaca, Rosenthal, Perkins, Reynoso, the Public Advocate (Mr. Williams), Rose, Ayala, Powers, Van Bramer, Levine, Chin, Lander, Cornegy, Koslowitz, Dromm, Moya, Rodriguez, Treyger, Grodenchik, R. Diaz, Louis, Koo, Gibson, Eugene, Barron, Cumbo, Holden, Cabrera, D. Diaz, Gennaro and Dinowitz

**TITLE:** A Local Law to amend the administrative code of the city of New York, in relation to rental assistance vouchers

**ADMINISTRATIVE CODE:** Adds a new section 21-145 to the Administrative Code

1. **Introduction**

On May 26, 2021, the Committee on General Welfare, chaired by Council Member Stephen Levin, will hold a hearing on Proposed Int. 146-C. On September 15, 2020, the Committee previously held a hearing, jointly with the Committee on Civil and Human Rights, chaired by Council Member Mathieu Eugene, on the City’s rental assistance program and source of income discrimination. The Committees also heard Int. 146, sponsored by Council Member Levin, as well as several other pieces of legislation. Those who testified included representatives from the New York City Department of Social Services (DSS), the New York City Commission on Human Rights (CCHR), shelter providers, advocacy organizations, community organizations, and members of the public.

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

***CityFHEPS***

In 2004, the Bloomberg Administration introduced a City-funded, time-limited rental subsidy program for individuals and families in the Department of Homeless Services (DHS), called Housing Stability Plus.[[2]](#footnote-2) Housing Stability Plus was a five-year rental subsidy that gradually declined in assistance and included work requirements.[[3]](#footnote-3) Citing that Housing Stability Plus was 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-4) 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-5) In 2011, the State pulled funding for Advantage, which covered two-thirds of the total cost, and the City subsequently cut the remaining third of the funding.[[6]](#footnote-6) About 8,500 families ended up returning to DHS shelters in the years after the program’s end.[[7]](#footnote-7)

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-8) City Family Eviction Prevention Supplement and City Family Exit Plan Supplement (CityFEPS) programs;[[9]](#footnote-9) and Special Exit and Prevention Supplement (SEPS)[[10]](#footnote-10) for single adults and adult families.

Having numerous programs with unique criteria confused both landlords and tenants, further exacerbating landlords’ hesitancy to accept City rental subsidies, which had already been compromised with the abrupt end of Advantage.[[11]](#footnote-11) 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-12) The consolidation aimed to streamline services for tenants and landlords.[[13]](#footnote-13) 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-14) It also helps households who are experiencing street homelessness or residing in a DHS or HRA shelter to obtain permanent housing.[[15]](#footnote-15) All households must meet an income limit—income no greater than 200% of the federal poverty level—and satisfy public assistance requirements.[[16]](#footnote-16) In addition, there are separate eligibility criteria for households at risk of entry to, and currently in, HRA and DHS shelters or experiencing street homelessness.[[17]](#footnote-17) A household that is at risk of entry to an HRA or DHS shelter must be in one of the following groups to qualify for a CityFHEPS voucher to avert shelter entry:

1. 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 DSS determined CityFHEPS was needed to avoid shelter entry; or
3. Be displaced by eviction, foreclosure, or hazardous conditions within the last 12 months and:
   1. Previously was in a DHS shelter;
   2. Has an active Adult Protective Services case or is in a designated community guardianship program;[[18]](#footnote-18) or
   3. Will use CityFHEPS to stay in a rent-controlled apartment.[[19]](#footnote-19)

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.[[20]](#footnote-20) An individual who is experiencing street homelessness must be living on the street or in a place not meant for human habitation.[[21]](#footnote-21) 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. [[22]](#footnote-22)

A household in a DHS or HRA shelter may also qualify for CityFHEPS if it belongs to either of the following two groups:

1. First, the household must have a qualifying shelter stay, consisting of being: (i) in a DHS shelter for the last 90 days prior to certification with a gap of no more than 10 days; (ii) in a DHS single adult shelter for 90 of the last 365 days; (iii) in an HRA shelter; or (iv) in a DHS shelter and eligible for HRA shelter. Second, the household must: (i) include an individual under age 18 and the combined household has been working 30 hours per week for the last 30 days; (ii) be an adult only household working any number of hours per week for the last 30 days; (iii) include someone who is age 60 or older; or (iv) include someone who is age 18 or older who is either disabled or is exempt from public assistance work requirements due to caring for a family member with a disability.[[23]](#footnote-23)
2. The household is in a DHS or HRA shelter and either: (i) includes a veteran; (ii) has an unexpired LINC certification letter or a SEPS or CITYFEPS shopping letter and would still be eligible for assistance; or (iii) has been referred by ACS, DYCD, the TQH Task Force, or DOC, and DSS determined that CityFHEPS was needed to shorten a shelter stay.[[24]](#footnote-24)

Furthermore, a household may be eligible for a CityFHEPS rental assistance voucher to prevent entry into a City shelter.[[25]](#footnote-25) HRA accepts referrals for CityFHEPS from ACS, DOC, and the TQH Task Force to help those exiting foster care and City jails and those living in three-quarter houses avert shelter entry.[[26]](#footnote-26)

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.[[27]](#footnote-27) The maximum rent allowed under CityFHEPS for a three- or four-person household, for example, is $1,580 per month,[[28]](#footnote-28) much below the fiscal year 2020 FMR for a two-bedroom apartment in New York City ($1,951 per month).[[29]](#footnote-29) This lower rent limits the supply of affordable apartments available to a voucher holder.

According to an analysis by homeless services provider Women in Need (WIN), raising the monthly voucher limit from $1,580 to $1,951, for example, would open up about 68,000 two-bedroom recently-available apartments.[[30]](#footnote-30) Opening up the universe of apartments that are potentially voucher-eligible means more opportunities to permanently house individuals and families, which could also reduce the length of homelessness or being at risk of homelessness.

On the State level, Senator Liz Krueger and Assembly Member Andrew Hevesi have introduced the Home Stability Support (HSS) program (S.2375/A.1620), a statewide rent supplement for families and individuals who are eligible for public assistance benefits and facing eviction, homelessness, or loss of housing due to domestic violence or hazardous living conditions.[[31]](#footnote-31) HSS would establish a rent supplement that would replace existing supports such as CityFHEPS and would represent 85% of FMR, with the City having the option to make up the difference so the supplement would reflect 100% of the FMR.[[32]](#footnote-32) The City Comptroller has estimated that over a 10-year period, HSS could reduce the City shelter population by 80% for families with children, 60% for adult families, and 40% for single adults.[[33]](#footnote-33) Despite the significant support in the (125 Assembly Members and 35 Senators have signed on as co-sponsors) HSS has not advanced in either house of the state legislature.[[34]](#footnote-34) In May 2021, State Senator Brian Kavanagh introduced legislation (S. 6573) to increase the state voucher value in cities with 5 million or more residents, thereby including New York City.[[35]](#footnote-35)

According to the Center on Budget and Policy Priorities, one rigorous study following voucher recipients found that housing vouchers can lead to future savings.[[36]](#footnote-36) Vouchers provided to homeless families with children reduce other shelter costs enough to offset nearly the entire cost of the voucher.[[37]](#footnote-37) 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 the rental assistance and services.[[38]](#footnote-38)

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-39) 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-40)

1. **Bill Analysis**

**Proposed Int. 146-C** - A Local Law to amend the administrative code of the city of New York, in relation to rental assistance vouchers.

The bill would remove time limits on the amount of time where an otherwise qualifying recipient of rental assistance vouchers established by the Department of Social Services (DSS) would receive the voucher. The bill would also require that the maximum rent toward which rental assistance vouchers may be applied is set at levels equal to those established pursuant to section 982.503 of the Code of Federal Regulations, otherwise referred to as “Section 8.” The requirements set by the bill would be subject to appropriation.

Since introduction, the threshold for the maximum rent toward which rental assistance vouchers may be applied has changed from annually at the same rate as the fair market rents set by the United States Department of Housing Preservation and Development to Section 8 levels.

Proposed Int. No. 146-C

By Council Members Levin, Brannan, Salamanca, Maisel, Rivera, Adams, Kallos, Ampry-Samuel, Menchaca, Rosenthal, Perkins, Reynoso, the Public Advocate (Mr. Williams), Rose, Ayala, Powers, Van Bramer, Levine, Chin, Lander, Cornegy, Koslowitz, Dromm, Moya, Rodriguez, Treyger, Grodenchik, R. Diaz, Louis, Koo, Gibson, Eugene, Barron, Cumbo, Holden, Cabrera, D. Diaz and Gennaro..Title

A LOCAL LAW

To amend the administrative code of the city of New York, in relation to rental assistance vouchers.

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 21-145 to read as follows:

§ 21-145 Use of rental assistance vouchers. a. Definitions. For the purposes of this section, the following terms have the following meanings:

Household. The term “household” means an individual or family in receipt of CityFHEPS or any successor program.

Maximum rental allowances.  The term “maximum rental allowances” means the maximum rent toward which rental assistance vouchers may be applied.

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

b. Eligibility. Subject to the appropriation, a household or individual will continue to receive additional annual renewals of their vouchers after their fifth year in the CityFHEPS rental assistance program if they continue to meet the requirements set forth in title 68 chapter 10-08 of the rules of the city of New York.

c. Maximum rental allowances. Subject to appropriation, such maximum rental allowances shall be set in accordance with section 982.503 of title 24 of the code of federal regulations.

§ 2. This local law takes effect 180 days after it becomes law, except that the commissioner of social services may take such measures necessary for the implementation of this local law, including the promulgation of rules and increasing the maximum rental allowances, before such date.

AV/ACK

LS #9352/Int. 1642-2017

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5/19/2021

1. Portions of this Committee Report are from the NYC Council’s Report “Our Homelessness Crisis:  
   The Case for Change.” For full report *see*  <https://council.nyc.gov/data/homeless/>. [↑](#footnote-ref-1)
2. Coalition for the Homeless, The Bloomberg Administration’s Flawed Homeless Rental Assistance Plan: A Misguided Plan with Opportunities for Effective Change, (Nov. 2004), available at

   <https://www.coalitionforthehomeless.org/wp-content/uploads/2014/06/Briefing-cityrentplan-11-2004.pdf>. [↑](#footnote-ref-2)
3. *Id.* [↑](#footnote-ref-3)
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-4)
5. *Id.* [↑](#footnote-ref-5)
6. Peter Nasaw and Thomas J. Main, De Blasio and Homelessness: A New Progressive Mayor Wrestles with an Old Social Problem, The Gotham Gazette, (May 1, 2017), available at <http://www.gothamgazette.com/opinion/6902-deblasio-and-homelessness-a-new-progressive-mayor-wrestles-with-an-old-social-problem>. [↑](#footnote-ref-6)
7. Patrick Markee, The Revolving Door Keeps Spinning: New Data Shows that Half of “Advantage” Families Have Returned to the NYC Homeless Shelter System, Coalition for the Homeless, (Dec. 28, 2013), available at <https://www.coalitionforthehomeless.org/wp-content/uploads/2014/06/PolicyBrief-RevolvingDoorKeepsSpinning2013.pdf>. [↑](#footnote-ref-7)
8. R.C.N.Y. Title 68 Chapter 7 LINC Programs [↑](#footnote-ref-8)
9. R.C.N.Y. Title 68 Chapter 8 CITYFEPS Programs; SEPS Program [↑](#footnote-ref-9)
10. *Id.* [↑](#footnote-ref-10)
11. NYC Dept. of Homeless Services, Press Release, City Proposes Single Unified Rental Assistance Program to Streamline and Simplify Rehousing Process, (July 18, 2018), available at

    <https://www1.nyc.gov/site/dhs/about/press-releases/unified-rental-assistance-press-release.page>. [↑](#footnote-ref-11)
12. Joe Anuta, Launch Date Set for Consolidated Rent-Voucher Program, Crain’s, (Oct. 2, 2018), available at <https://www.crainsnewyork.com/real-estate/launch-date-set-consolidated-rent-voucher-program>. [↑](#footnote-ref-12)
13. NYC Human Resources Administration, Rental Assistance, CityFHEPS, available at <https://www1.nyc.gov/site/hra/help/cityfheps.page>. [↑](#footnote-ref-13)
14. R.C.N.Y. Title 68 Chapter 10-03. [↑](#footnote-ref-14)
15. R.C.N.Y. Title 68 § 10-01 (e). [↑](#footnote-ref-15)
16. A household must meet the following requirements with respect to public assistance. The household must apply for any assistance, if it is currently not in receipt of such. In addition, all household members who are eligible for public assistance must be in receipt of it and in compliance with public assistance requirements; R.C.N.Y. Title 68 Chapter 10 City FHEPS [↑](#footnote-ref-16)
17. R.C.N.Y. Title 68 Chapter 10 City FHEPS [↑](#footnote-ref-17)
18. The Adult Protective Services program provides services for physically and/or mentally impaired adults ages 18 and older, and Community Guardian programs consist of court-appointed legal guardians who manage these adults’ domestic and financial affairs. NYC Human Resources Administration, Adult Protective Services, available at <https://www1.nyc.gov/site/hra/help/adult-protective-services.page>. [↑](#footnote-ref-18)
19. NYC Department of Social Services, CityFHEPS Frequently Asked Questions For Clients in the Community, (Sept. 18, 2019), available at <https://www1.nyc.gov/assets/hra/downloads/pdf/cityfheps-documents/dss-7r-e.pdf>. [↑](#footnote-ref-19)
20. R.C.N.Y. Title 68 § 10-04(a)(8). [↑](#footnote-ref-20)
21. R.C.N.Y. Title 68 § 10-01(mm). [↑](#footnote-ref-21)
22. *Id.* [↑](#footnote-ref-22)
23. NYC Department of Social Services, CityFHEPS Frequently Asked Questions For Clients in the Community, (Sept. 18, 2019), available at <https://www1.nyc.gov/assets/hra/downloads/pdf/cityfheps-documents/dss-7r-e.pdf>. [↑](#footnote-ref-23)
24. R.C.N.Y. Title 68 § 10-04 [↑](#footnote-ref-24)
25. NYC Department of Social Services, CityFHEPS Frequently Asked Questions For Clients in the Community, (Sept. 18, 2019), available at <https://www1.nyc.gov/assets/hra/downloads/pdf/cityfheps-documents/dss-7r-e.pdf>. [↑](#footnote-ref-25)
26. R.C.N.Y. Title 68 § 10-01(e). [↑](#footnote-ref-26)
27. Supportive Housing Network of NY, HUD Section 8 Tenant-Based (a.k.a Housing Choice Vouchers), available at <https://shnny.org/fundingguide/section-8-tenant-based-a.k.a.-housing-choice-vouchers/> (last visited Jan. 10, 2020). [↑](#footnote-ref-27)
28. Meeting with stakeholder on Dec. 26, 2019. [↑](#footnote-ref-28)
29. HUD. FY 2020 Fair Market Rent Documentation System. https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2020\_ code/2020summary.odn [↑](#footnote-ref-29)
30. Women In Need, Making CityFHEPS a More Effective Tool (Jan. 2020) available at <https://winnyc.org/wp-content/uploads/2020/03/Making_CityFHEPS-March.pdf>. [↑](#footnote-ref-30)
31. New York State Assembly A01620 / New York State Senate S02375, 2019-2020 Regular Sessions, available at <https://assembly.state.ny.us/leg/?default_fld=&bn=A01620&term=2019&Summary=Y&Actions=Y&Text=Y&Committee%26nbspVotes=Y&Floor%26nbspVotes=Y>. [↑](#footnote-ref-31)
32. *Id.* [↑](#footnote-ref-32)
33. Nikita Stewart, Amid de Blasio’s Modest Goals on Homelessness, State Proposal Gains Support, New York Times (Mar. 2, 2017), available at: <https://www.nytimes.com/2017/03/02/nyregion/homeless-shelters-rent-subsidies.html>. [↑](#footnote-ref-33)
34. New York State Assembly A01620 / New York State Senate S02375, 2019-2020 Regular Sessions, available at <https://assembly.state.ny.us/leg/?default_fld=&bn=A01620&term=2019&Summary=Y&Actions=Y&Text=Y&Committee%26nbspVotes=Y&Floor%26nbspVotes=Y>. [↑](#footnote-ref-34)
35. New York State Senate S6573, available at <https://www.nysenate.gov/legislation/bills/2021/s6573>. [↑](#footnote-ref-35)
36. The Center on Budget and Policy Priorities, Research Shows Housing Vouchers Reduce Hardship and Provide Platform for Long-Term Gains Among Children (Oct, 7, 2015) <https://www.cbpp.org/research/housing/research-shows-housing-vouchers-reduce-hardship-and-provide-platform-for-long-term>. [↑](#footnote-ref-36)
37. *Id.* [↑](#footnote-ref-37)
38. *Id.* [↑](#footnote-ref-38)
39. Street Easy, “Pandemic Rent Drops Double NYC’s Voucher-Accessible Housing.” April 20, 2021. Available at <https://streeteasy.com/blog/voucher-apartments-nyc-double-during-pandemic/>. [↑](#footnote-ref-39)
40. Data provided by Street Easy on record with Committee on General Welfare staff. [↑](#footnote-ref-40)