

## Office of the Mayor Health and Human Services

Mayor's Office for Economic Opportunity | December 2021



Photo credit: DSS

# Rental Assistance Programs

Agencies: **Department of Social Services (DSS)/Human Resources Administration (HRA)**

## Context

As New York City emerged from the Great Recession of 2009, low-income households confronted unprecedented housing challenges related to both supply and affordability. Data from the New York City 2017 Housing and Vacancy Survey (the most recent available) show that, despite the largest-ever recorded housing stock, there were 12 percent fewer units renting for below \$1,500 compared to 2014. Stagnant wage growth of just 0.1% annually between 2009-2017 meant that low-income households faced increasing rent burdens: more than nine in ten renter households in

poverty had contract rents that were at least 30 percent of their income, and 83 percent had contract rents that were at least half of their income.<sup>1</sup>

These challenges were compounded for families and individuals experiencing homelessness in 2011 with the ending of the State-City Advantage rental assistance program, the only major housing program for households in shelter, leaving limited housing options for exiting shelter and addressing homelessness. Additionally, the previous Administration had eliminated priority for public housing and federal housing vouchers for households in shelter.

## Response

Starting in 2014, the Administration addressed the lack of comprehensive rental assistance and rehousing programs to prevent and alleviate homelessness with new rental assistance programs. Beginning with Living in Communities (LINC), the City created a series of rent subsidy programs for different groups of New Yorkers experiencing homelessness and those at risk of homelessness. Several of the LINC programs were initially funded with contributions from NYS as well as the City. The State eventually ended its participation in these programs, leaving the burden to fall wholly on the City. In 2019 DSS consolidated and streamlined the major City-funded rental assistance programs into the City Fighting Homelessness and Eviction Prevention Supplement (CityFHEPS) program and made changes to ensure increased housing stability for clients. Those changes included creating a higher income standard at program renewal to encourage work and adjusting maximum rents to the federal Fair Market Rate (FMR) to standardize rent levels and allow CityFHEPS clients to compete with federal Section 8 voucher holders.

Over the past eight years, DSS/HRA also established a companion rental assistance program for domestic violence survivors (FHEPS-B) to mirror the State/City Cash Assistance funded eviction prevention program (State FHEPS) that serves clients in housing court and is a critical component to preventing homelessness. Several years ago, DSS worked with advocates who had sued the State and State agency partners to increase the State FHEPS rent levels, which had not been adjusted in decades, and DSS has now successfully advocated for a new State law that aligns the State FHEPS rent levels with the federal FMR levels now paid for CityFHEPS

DSS strengthened the City's ability to respond to source of income discrimination and other forms of discrimination against Cash Assistance and other low-income clients receiving rental assistance by establishing the Fair Housing Litigation Unit within DSS.

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<sup>1</sup> References: Analysis of 2017 NYC Housing Vacancy Survey conducted by the DSS Office of Evaluation and Research. Wage data from analysis of NYS Department of Labor data by the Independent Budget Office.

## Results

- Since 2014, more than 175,000 people have benefited from the Administration’s rental assistance and rehousing programs, including the re-establishment of priority for homeless clients for federal public housing and Section 8 vouchers, a priority that had been eliminated in the previous administration. Using all of these tools, more than 145,000 New Yorkers have moved out of shelters, and nearly 30,000 more were able to use these programs to remain in their homes and avoid entering shelter in the first place.
- Nearly 24,500 individuals (10,300 households) were placed in housing using these programs during FY21 despite the challenges of the COVID-19 pandemic. DSS used new tools, including virtual apartment viewing to continue move outs and keep clients, providers, and the public safe. Of course, the work and dedication of our essential staff and not-for-profit- provider partners have played a critical role in keeping shelter move-outs strong during the pandemic; they reported for duty every day throughout the crisis and have done extraordinary work under unprecedented circumstances.

## Beneficiary Stories

Shiquana Haynes came to Homebase because she was doubled up with her children's paternal grandmother and she was being asked to vacate. The family was overcrowded in the apartment. Ms. Haynes did not have any friends or family that she could stay with. She also had past experience living in shelter. Ms. Haynes was working at the time she came to Homebase, but her hours were low, and she did not have enough income to move into an apartment on her own. Ms. Haynes was previously found eligible for CityFHEPS after she was diverted from shelter back to the community. Homebase worked closely with a broker to secure an apartment. Ms. Haynes moved in and is now stably housed. Homebase also assisted by providing a gift card for incidental moving costs, financial coaching and access to aftercare.

## Next Steps

Implementing the new DSS program rule that: 1) increased the rent levels for CityFHEPS to the Section 8 standard used by NYCHA in accordance with a new local law, thereby enhancing opportunities for families and individuals to move out of shelter or remain in their homes and avoid shelter altogether; and 2) revised the income eligibility standard for the annual renewal of CityFHEPS rental assistance to 80% of Area Median Income instead of 250% of the federal poverty level to promote employment and address the “income cliff” that had disqualified some recipients who earned more income through career advancement.

## Additional Metrics

Mayor’s Management Report – Human Resources Administration hra.pdf (nyc.gov)

## References

- [Welcome – The New York City Housing and Vacancy Survey \(cityofnewyork.us\)](https://www.cityofnewyork.us/housing-and-community-development/rental-assistance-programs/welcomesurvey)
- [Rule-Updating-Various-Rental-Assistance-Rules-FINAL-APPROVED 10.25.21.pdf \(cityofnewyork.us\)](https://www.cityofnewyork.us/housing-and-community-development/rental-assistance-programs/rule-updating-various-rental-assistance-rules-final-approved-10-25-21-pdf)