January 6, 2020

The Honorable Corey Johnson
Speaker of the New York City Council
250 Broadway
New York, NY 10007

Dear Speaker Johnson:

The 43 undersigned organizations urge you to support Int. No. 146 to increase the CityFHEPS rent levels to the federally established Fair Market Rent. This change will meaningfully widen the door out of shelter for tens of thousands of homeless New Yorkers by significantly expanding the number of neighborhoods and apartments available to homeless families. With this reform, the CityFHEPS program will become an effective tool for addressing New York City’s homelessness crisis—a tool that we desperately need.

At a time when New York City struggles with record level homelessness and a severe affordable housing shortage, an effective rental assistance voucher is sorely needed to help homeless New Yorkers afford a permanent home. Families who leave shelter with a housing subsidy rarely return—only 1.3 percent of families returned within a year, compared to 21.6 percent of families who left for unsubsidized housing. The CityFHEPS rental assistance voucher was launched to help the tens of thousands of New Yorkers currently living in shelter achieve housing stability. However, the program is failing to live up to its potential because its rent levels are set far below the market cost of housing. Instead of quickly leaving for permanent housing, thousands of homeless families spend months in shelter with a CityFHEPS voucher in hand while searching for the nearly non-existent apartments that fall within the program’s unrealistically low rent levels.

In August of 2019, there was no neighborhood in the city where the median asking rent for a two-bedroom apartment was affordable at the current CityFHEPS level of $1,580/month for a family of three or four people. Not only do families unnecessarily spend months in shelter searching for one of the few apartment vacancies that meet the program’s rent levels, many families who cannot secure housing with a CityFHEPS voucher end up leaving shelter for unstable housing options that put them at high risk for returning, including temporarily living with family or friends, known as “doubling up.” This continued housing instability carries a fiscal cost and takes a significant toll on family well-being that can be avoided.

CityFHEPS can help families leave shelter more quickly and permanently by increasing the program’s allowable rents. Int. No. 146 would increase the CityFHEPS rent levels to the Fair Market Rent (FMR), the federally calculated cost of housing. At the FY2020 FMR of $1,951/month for a two-bedroom apartment in New York City, the typical homeless family would have access to a larger portion of the rental market. Instead of offering an empty promise, a revised CityFHEPS program would offer families seeking to leave shelter a more effective tool to navigate the rental market and unlock new housing options.

In addition, by making it possible for some families to leave shelter more quickly or avoid a return to shelter, a revised CityFHEPS voucher will substantially decrease shelter spending.
If a typical homeless family finds an apartment even one month sooner because of the expanded options resulting from a higher paying voucher, the city would save $6,114 in shelter costs. That savings could pay for over 16 months of the increase in the voucher amount for that family. If a family uses the voucher rather than leaving for a less stable housing option, the city would avoid the cost of an entire new shelter stay for some families (a savings of $91,170 on average). The shelter costs saved in this case would fund the increase in the voucher amount for over 20 years. Although harder to quantify, the human and social benefits of a stable, permanent home are no less important.

Supporting Int. No. 146 will reduce the number of people in shelter and make a meaningful difference in the lives of tens of the thousands of homeless New Yorkers struggling to find a permanent home they can afford. We are calling on the City Council to exercise its leadership by investing in this proven tool for addressing homelessness.

Sincerely,

Christine C. Quinn
President and CEO, Win

CC: The Members of the New York City Council
breakin the Cycle of Homelessness for Women and their Children

David R. Jones
President and Chief Executive Officer
Community Service Society of New York

Tony Hannigan
President & CEO
Center for Urban Community Services

Michelle Neugebauer
Executive Director Cypress Hills Local Development Corporation

Reggie Miller
Director
Emergency Shelter Network

Judi Kende
Vice President and New York Market Leader
Enterprise Community Partners

Fred Freiberg, Executive Director
Fair Housing Justice Center, Inc.

Raysa S. Rodriguez
Assoc. Executive Director for Policy & Advocacy
Citizens’ Committee for Children

Joni de la Uz
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