



**Testimony by Jessica Yager of Win (Women in Need)**  
General Welfare Committee Preliminary Budget Hearing  
March 17, 2021

Good afternoon Chair Levin and members of the General Welfare Committee. I am Jessica Yager, the Vice President of Policy and Planning at Win, the largest provider of shelter and services to homeless and formerly homeless families with children in New York City. I am here today to discuss a pending expense before the City Council that, due to the latest federal stimulus bill signed by President Biden last Thursday, the City has the funding it needs to enact. The proposed expense is the increase of rental voucher values to Section 8 levels, as outlined in Intro. No. 146-2018.

Intro. No. 146 is critical to helping families break the cycle of homelessness. Despite overwhelming support, it has languished for three years in the City Council because of the administration's concerns about funding. Thousands of New Yorkers have publicly pushed for its passage, many describing how difficult it is to find housing with the voucher. A diverse cross-section of 80 leading non-profit and civic institutions have signed their support for the bill.

Yet, families are still spending months in shelter unable to use their vouchers because the vouchers pay hundreds of dollars less for rent than market rate values. With more than \$6 billion in federal stimulus dollars coming directly to the city, increasing CityFHEPS voucher rates must be a top priority. We need this reform now. As the city budget is developed and passed to account for the new stimulus funds being directed to the city, we ask you to finally bring Intro. No. 146 to a vote and pass this crucial law for our most vulnerable neighbors.

Win serves about 2,500 families a year—providing wrap-around services to ensure that families have the resources they need to remain housed once they leave a Win shelter. We have a dedicated staff of housing coordinators who work tirelessly to help clients access benefits and find appropriate and affordable housing. One of our housing coordinators' primary jobs is to help families access housing subsidies, because we know that families who leave shelter without a permanent subsidy are 16 times more likely to return to shelter than those who leave with one. And, given the scarcity of federal subsidies, the city's rental voucher program – CityFHEPS – is one of the most frequently used tools we have to help our clients achieve permanent housing stability.

The CityFHEPS voucher is intended to offer a clear exit path out of shelter for eligible families. But, because the voucher amount is so low, that exit path is blocked. Win has been monitoring StreetEasy data on NYC rents for years, as we have fought for this update to the vouchers. At no time during this period, including since COVID hit, has there been even a single neighborhood in the city where the median asking rent for a two-bedroom apartment has been within reach of a



family with a CityFHEPS voucher.<sup>1</sup> Not a single month in a single neighborhood for at least two years.

Not surprisingly, the experience of families at Win reflects this dismal reality. In 2019, of all Win families who had access to a CityFHEPS voucher and exited shelter, only 28% left using one. Another 32% of families left for placements that have a much higher return-to-shelter rate, including family reunification and the Special One Time Assistance voucher (SOTA).

There is widespread consensus on a clear solution to this problem. In order to make CityFHEPS an effective tool, its rents must reflect the actual cost of housing in New York City. CityFHEPS maximum rent amounts should be pegged to the rents in the Section 8 voucher program, which are based on New York City's Fair Market Rents (FMR). Thirty-seven of your colleagues agree; 80 leading non-profit groups agree;<sup>2</sup> the Daily News editorial board agrees;<sup>3</sup> and, most importantly, thousands of New Yorkers struggling to find housing with this broken voucher agree.

By raising the maximum voucher amounts to match Section 8, the city will be making it possible for many more families to use the voucher to leave shelter for permanent, stable homes. For example, for the typical family in shelter (a family of 3), the maximum rent for the voucher would increase from \$1,580/month to \$2,217/month (see Table 1).

**Table 1:** Current and Proposed CityFHEPS Rent Limits by Household Size/Bedroom Count

CityFHEPS Household Size	Current CityFHEPS Maximum Rent	Equivalent 2021 NYC Section 8 Level	Monthly Increase
1	\$1,265	\$1,900	\$635
		(0 bedroom)	
2	\$1,323	\$1,945	\$622
		(1 bedroom)	
3 or 4	\$1,580	\$2,217	\$637
		(2 bedroom)	
5 or 6	\$2,040	\$2,805	\$765
		(3 bedroom)	

<sup>1</sup> See StreetEasy Data Dashboard, <https://streeteasy.com/blog/data-dashboard/>. Analysis on file with Win.

<sup>2</sup> See letters in support of Intro No. 146 attached as an appendix.

<sup>3</sup> Daily News Editorial Board. "Spend a little, save a lot: Housing vouchers must be increased." March 1, 2020, Daily News. <https://www.nydailynews.com/opinion/ny-edit-homeless-housing-vouchers-20200301-5uthncyrnvhierjcr3czbitya-story.html>

7 or 8	\$2,291	\$3,006	\$715
		(4 bedroom)	

When considering the impact of this policy on the city budget, it is important to understand both its costs and savings. Increasing voucher rates will come with additional costs, but by getting families out of shelter faster and reducing their likelihood of returning to shelter, this reform will result in substantial savings for the family shelter system (see Table 2). Subsidized housing costs are much lower than the **\$201/day** on average that NYC spends to shelter a family with children, and **\$272/day** when families are placed in hotels because shelters are full. If a family leaves shelter one month earlier because of this increase, that saves **\$6,114** in shelter spending—the equivalent of 10 months of the CityFHEPS increase. If families can use CityFHEPS vouchers to avoid riskier housing placements and the accompanying higher risk of returning to shelter, the city saves **\$91,710** per family (based on the average family stay of 15 months in shelter at \$201/night)—the equivalent of 12 years of the proposed increase for a family.

**Table 2:** Estimated Shelter Savings from Decreased Time in Shelter for 3- or 4-Person Household

Time Avoided in Shelter	Shelter Cost Saved	Months of \$637 Increase Funded
1 month	\$6,114	10 months
2 months	\$12,228	19 months
15 months	\$91,710	144 months (12 years)

Win has also conducted a much more complicated financial modeling exercise to estimate the cost of the program and the savings for the city over time.<sup>4</sup> We estimate that across the family shelter system between 2,600 and 2,700 households will be helped to move out of shelter and move out quicker in each of the first 5 years after this change goes into effect. And, the savings realized from this reform far exceed the cost of this increase. In total, over five years, we estimate that making this change will save the family shelter system approximately \$102 million.

Not only is this the right thing to do to help reduce homelessness in New York City, it is also the fiscally responsible thing to do. Instead of spending exorbitant amounts of money to house families in shelters and hotels, we should instead be using our resources to help families

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<sup>4</sup> This analysis is on file with Win, and we are happy to share more detail with Council Members or Council Staff.



achieve and maintain permanent housing, providing families the foundation they need to thrive.

While the city is facing unprecedented fiscal challenges right now, without change the shelter system risks being burdened way over capacity with families experiencing COVID-related hardships. Additionally, as NYC emerges from COVID-19, helping its residents to successfully enter permanent housing will have strong economic effects, helping to fill our housing units, and place families in neighborhoods throughout the city that will benefit from their presence. We must do all that we can to widen the door out of shelter. This is the right step, and the best use of our tax and federal stimulus dollars, to help families who need to find a home.

Thank you for your time and consideration.



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# APPENDIX



October 14, 2020

Dear Speaker Johnson:

In January, 43 groups sent a letter urging you to support the passage of Intro No. 146, the bill that would raise the city's rental voucher to Fair Market Rent (see attached correspondence). We are very grateful that the Council held a hearing on this bill and topic on September 15<sup>th</sup>. And, we also thank you for recognizing the importance of increasing rental assistance voucher amounts to Fair Market Rent in your January 2020 report, "Our Homelessness Crisis: The Case for Change." We appreciate all that you have done to call attention to this important issue, and for highlight how central it is to addressing our city's homelessness crisis once and for all.

The 46 undersigned groups write today to call upon you to take the next step and help to pass this important bill. Although much has changed since January, sadly the extreme difficulty that homeless people face in finding safe, affordable housing is stubbornly consistent. If anything, things have only gotten worse because of COVID-19. We need Intro No 146 now, more than ever, to ensure that the path out of shelter remains open.

The CityFHEPS voucher is intended to offer a straightforward exit path out of homelessness for eligible households, and it is effective when it works. But, because the voucher amount is so low compared to the cost of housing, and with voucher holders facing the additional hurdle of illegal source of income discrimination, the exit path is very limited. As our economy struggles, and the risk of homelessness becomes a reality for so many of our neighbors, the city must do everything it can to help vulnerable New Yorkers achieve and maintain stability. Passing this bill—making this voucher actually usable in our still-very-expensive housing market—is an important step towards that goal.

In January, we explained that there were no neighborhoods in the city (out of the nearly 100 for which StreetEasy collects data) in which a CityFHEPS voucher was enough to pay the median asking rent for a two-bedroom apartment. This sad fact has not changed, despite the disruption of COVID and the many reports of softening rents in Manhattan neighborhoods. Even in the city's more affordable neighborhoods, we see no evidence that rents are falling to CityFHEPS levels.

In order to make CityFHEPS an effective tool, its rents must reflect the cost of housing in New York City. CityFHEPS maximum rent amounts should be tied to New York City's Fair Market Rents (FMR), a federally determined standard. This change would significantly broaden access to housing for voucher holders. In March through July of this year, there were 15 neighborhoods in the city where at some point the median asking rent for a two-bedroom was affordable with the FY21 FMR rate, compared to no neighborhoods under the current CityFHEPS rate.



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By raising the maximum voucher amounts to the FMR, the city will be making it possible for many more people to use the voucher to leave shelter and stay in their new homes. Moreover, by allowing voucher holders to leave shelter faster and reducing their likelihood of returning to shelter, this reform will result in substantial savings for the shelter system. Voucher costs are much lower than the **\$201/day** on average that NYC spends to shelter a family with children, and than the **\$272/day** when that family is placed in a hotel. The New York Daily News agrees on the importance of shifting money from shelter and hotel costs to vouchers, and editorialized in support of this bill: “Far smarter than sending all that money out the door is upping the value of [...] CityFHEPS, which is extremely effective at helping people get out of temporary, taxpayer-provided shelter and into permanent housing.”

If a family leaves shelter one month earlier because of this increase, that saves **\$6,114** in shelter spending. If families can use a CityFHEPS voucher to avoid riskier housing placements and the accompanying higher risk of returning to shelter, the city saves **\$91,710** per family (based on the average family stay of 15 months in shelter at \$201/night).

Not only is this the right thing to do to help reduce homelessness in New York City, it is also the fiscally responsible thing to do. Instead of spending exorbitant amounts of money to house homeless households in shelters and hotels, we should instead be using our resources to help homeless New Yorkers achieve and maintain permanent housing, providing the foundation they need to thrive. While the city is facing unprecedented fiscal challenges right now, the shelter system risks being burdened way over capacity with people experiencing COVID-related job and home loss if the city doesn't make changes.

We must do all that we can to widen the door out of shelter. This is the right step, and the best use of our tax dollars, to help New Yorkers in need find a new home. Thank you for your consideration, and all that you do for homeless New Yorkers.

Sincerely,

Christine C. Quinn  
President & CEO  
Win

*Supporting organizations on the next page.*



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## Supporting Organizations

Bowery Resident's Committee (BRC)

Breaking Ground

BronxWorks

Brooklyn Community Services

Care for the Homeless

Catholic Charities

Citizens' Committee for Children

Close Rosie's

Community Service Society

Center for Urban Community Services (CUCS)

Cypress Hills Local Development Corporation

Ecclesia Ministries of New York

Emergency Shelter Network

Enterprise Community Partners

Fair Housing Justice Center

Family Homelessness Coalition

Fifth Avenue Committee

Fortune Society

FPWA

Gateway Housing

Goddard Riverside

Henry Street Settlement

Homeless Services United (HSU)

Human.nyc

Make the Road

Nazareth Housing

Neighborhood Coalition for Shelter

Neighbors Together

New Destiny Housing

New York Disaster Interfaith Services

New York Housing Conference

Osborne Association

Partnership for the Homeless

Providence House

RiseBoro Community Partnership

Safety Net Activists

SCO Family of Services

Supportive Housing Network of New York (SHNNY)

Sisters of Charity Housing Development Corporation

Take Root Justice

United Federation of Teachers

Urban Justice Center

Urban Pathways

Westside Federation for Senior & Supportive Housing (WSFSSH)

VOCAL-NY



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.



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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



Muzzy Rosenblatt  
CEO & President  
Bowery Residents' Committee  
(BRC)



Brenda Rosen  
President and CEO  
Breaking Ground



Scott Auwarter, LMSW  
Assistant Executive Director  
BronxWorks



Janelle Farris  
Executive Director  
Brooklyn Community Services



George Nashak  
Executive Director  
Care for the Homeless



Beatriz Diaz Taveras  
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Catholic Charities Community  
Services, Archdiocese of New  
York



Jennifer March  
Executive Director  
Citizens' Committee for  
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Kelly Grace Price  
Co-creator  
Close Rosie's



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David R. Jones  
President and Chief Executive  
Officer  
Community Service Society of  
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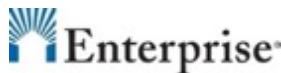
Tony Hannigan  
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Center for Urban Community  
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Michelle Neugebauer  
Executive Director Cypress  
Hills Local Development  
Corporation



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



Michelle de la Uz  
Executive Director  
Fifth Avenue Committee, Inc.



JoAnne Page  
President & CEO  
The Fortune Society



Emily Miles  
Chief Program and Policy  
Officer  
FPWA



Ted Houghton  
President  
Gateway Housing



Roderick L. Jones, Ed.D  
Executive Director  
Goddard Riverside



David Garza  
President & CEO  
Henry Street Settlement



Catherine Trapani  
Executive Director  
Homeless Services United



Jose Lopez  
Deputy Director  
Make the Road



Mary Kay Orr  
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Nazareth Housing Inc.



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Denny Marsh  
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Executive Director & CEO,  
New York Disaster Interfaith  
Services



Rachel Fee  
Executive Director  
New York Housing Conference



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Elizabeth Gaynes  
President & CEO  
The Osborne Association



Áine Duggan, President and  
CEO, The Partnership for the  
Homeless



Danielle Minelli Pagnotta,  
LMSW  
Executive Director  
Providence House



Mirtha Santana  
Vice President of Empowerment  
RiseBoro Community  
Partnership



The Safety Net Activists

The Safety Net Project at the  
Urban Justice Center



Heath I. Bloch, LCSW  
Executive Vice President,  
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SCO Family of Services



Laura Mascuch Executive  
Director  
Supportive Housing Network of  
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Matthew Janeczko, Executive  
Director & CEO  
Sisters of Charity Housing  
Development Corporation



Michael Grinthal  
Supervising Attorney  
Take Root Justice



Michael Mulgrew President  
United Federation of  
Teachers



Frederick Shack, LMSW  
Chief Executive Officer  
Urban Pathways



Paulette Soltani  
Political Director VOCAL-NY



Paul R. Freitag  
Executive Director, Westside  
Federation for Senior &  
Supportive Housing  
(WSFSSH)



February 2, 2021

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

Dear Speaker Johnson,

As leaders of organizations that serve and represent New York City's residents and interest groups, we are deeply concerned about the disproportionate impact the City's economic crisis is having on vulnerable low-income New Yorkers. While City leadership is rightly focused on the crucial issues of public health, education, and business reopening, they must also take steps to ensure that we come out of this crisis as a more just and equitable City, one that supports New Yorkers in need and builds the resilience to overcome future challenges and crises. To that end, we are writing today to seek your support to fix a critical, but broken, tool for combatting homelessness—the CityFHEPS rental voucher program.

CityFHEPS is the best hope for many New Yorkers seeking to escape homelessness, but it often provides elusive hope because the voucher pays hundreds of dollars less than market rent. The City Council's proposal, Intro. 146, would raise the maximum rent for the voucher and tie it to Fair Market Rent—the same standard used for Section 8 and other housing subsidy programs. We urge you to pass this legislation to unlock housing opportunity and choice for extremely low-income New Yorkers, and to ensure that NYC's housing tools are working effectively for our residents as the City recovers from COVID-19.

There is no neighborhood in NYC where the median asking rent is within the current CityFHEPS rent limits for a family of three or four. But since March, if the voucher paid Fair Market Rent there would have been 15 neighborhoods where the median asking rent was affordable. This means that if Intro. 146 had been passed before the pandemic, homeless New Yorkers with a CityFHEPS voucher would have had apartment options in 15 neighborhoods, instead of in zero. Homeless New Yorkers are spending months, even years, longer in shelter than they would if the voucher paid Fair Market Rent. With hundreds of essential workers currently in homeless shelters (for example, since March, nearly 350 adults in Win shelters alone have been essential workers at some point during the pandemic), it is unfair to offer empty hope in the form of rental assistance that does not pay the rent.



Increasing voucher amounts will not only create housing opportunity and choice for voucher holders, it will save the City money at a time when there is a projected multi-year budget deficit. For each month less that one family with children spends in shelter due to an increased housing voucher amount, the city will save more than \$6,000 in shelter costs.

Intro. 146 already has a veto proof majority of Council Members signed on in support, from all five boroughs. We ask you to join us in supporting this legislation and to pass it into law with the urgency felt by every family working to leave shelter. Creating housing opportunity for working New Yorkers who live in shelters is both fair and fiscally responsible, and helps to ensure that our lowest-income neighbors are not left further behind during the economic recovery.

Thank you for your consideration.

Sincerely,

Jennifer Sun and Thomas Yu  
Co-Executive Directors  
Asian Americans for Equality

Joanne M. Oplustil  
President & CEO  
CAMBA, Inc.

Wayne Ho  
President and CEO  
Chinese-American Planning Council

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Christie Peale  
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Rob Solano  
Executive Director  
Churches United for Fair Housing

David Giffen  
Executive Director  
Coalition for the Homeless

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



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Kelsey Louie  
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Bonnie Mohan  
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Cea Weaver  
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Housing Justice for All

Michelle Jackson  
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Human Services Council

John Kastan  
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The Jewish Board of Family and Children Services

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The Reverend Peter Cook  
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David Tipson  
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James Whelan  
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Tom Wright  
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Alexa Sewell  
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Bea De La Torre  
Managing Director, Housing and Homelessness  
Trinity Church Wall Street

Sheena Wright  
President & CEO  
United Way of NYC

Christine C. Quinn  
President & CEO  
Win

Liz Roberts  
Interim CEO  
Safe Horizon

Yolande Cadore  
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Tenants & Neighbors

Michael Mulgrew  
President  
United Federation of Teachers

Davon Russell  
President  
WHEDco

Sharon Greenberger  
President & CEO  
YMCA of Greater New York