

*Saving families from homelessness and saving New York State millions*

# HAVP: A Lifeline for the Most Vulnerable

## Problem

There are 90,000+ New Yorkers without a home and 150,000+ households at risk of eviction.<sup>1,2</sup> As federal aid and eviction protections from the pandemic have lapsed and thousands of asylum seekers have arrived in New York, even more people across the state are at risk of becoming homeless. Housing vouchers are one of the best tools we have to fight homelessness—but they remain inaccessible to far too many New Yorkers.

## Solution

**New York State must include \$250 million in the budget for the NYS Housing Access Voucher Program (HAVP) to create a flexible, statewide Section 8 like voucher to be used by people at risk of or experiencing homelessness.**

HAVP can combat the homelessness crisis, providing up to 20,000 vouchers and helping as many as 50,000 New Yorkers avoid the trauma of homelessness. Cities and towns across the state will be able to use these vouchers to help people experiencing homelessness find permanent homes or issue them to low-income New Yorkers at risk of becoming homeless. Although HAVP largely mirrors Section 8, it will be more inclusive as it will be available to people regardless of immigration status or criminal record.

## Cost Savings

**Investing in greater housing stability will yield cost savings of at least \$67 million from decreased spending on shelter, hospital stays, prison, housing court, and more.**<sup>3,4</sup> It will save millions in reduced shelter costs for New York State, and, crucially, ensure that families avoid the trauma of eviction and homelessness.

Over time, changes in the New York City Department of Homeless Services (DHS) shelter census show that the introduction of rental assistance subsidies is correlated with a decline in the homeless population and associated costs. Unfortunately, the current vouchers in circulation are not available to most of our newest New Yorkers, which is why the shelter census has increased so much in the last year. The fact that HAVP will be available regardless of immigration status is essential for moving people out of shelter and into permanent housing. Although the vouchers currently available have been extremely effective, we need HAVP for those that don't have access to existing vouchers. The below table presents the DHS shelter census during years when there were changes to the available preventive and rehousing subsidy options.

Additionally, based on recently released projections from the NYU Furman Center, HAVP is more cost-effective than living in shelter.<sup>5</sup> Once the HAVP program reaches its full capacity, the Furman Center estimates that the state will spend \$83 million annually in New York City on vouchers to serve 2,997 households, a conservative estimate. In New York City, it would cost more than \$150 million to house that same population in shelter annually, assuming the lowest possible shelter costs.<sup>6</sup>

1. Tanya de Sousa, Alyssa Andrichik, Marissa Cuellar, Jhenelle Marson, Ed Prestera, and Katherine Rush, Abt Associates, "The 2022 Annual Homelessness Assessment Report (AHAR) to Congress, Part 1: Point-in-time Estimates of Homelessness," *The U.S. Department of Housing and Urban Development*, <https://www.huduser.gov/portal/sites/default/files/pdf/2022-AHAR-Part-1.pdf>.
2. "NYS Eviction Crisis Monitor," *Right to Counsel: NYC Coalition*, (March 19, 2023). <https://www.righttocounselnyc.org/evictioncrisismonitor>.
3. "A State-Level Rent Voucher Program," *NYU Furman Center*, (February 2023), 8. [https://furmancenter.org/files/publications/2\\_A\\_State-Level\\_Rent\\_Voucher\\_Program\\_Final.pdf](https://furmancenter.org/files/publications/2_A_State-Level_Rent_Voucher_Program_Final.pdf).
4. Sarah Stefanski and Jacob Berman, "Adams Increases Funds for Homeless Shelters, But More Needed for Shelters & Other Programs," Focus On: The Preliminary Budget, *New York City Independent Budget Office*, (March 2022), 2.
5. "A State-Level Rent Voucher Program," 8.
6. Sarah Stefanski and Jacob Berman, 2.

# DHS Shelter Census, Contextualized

## Values

- Sum of recent asylum seekers
- Sum of other shelter seekers

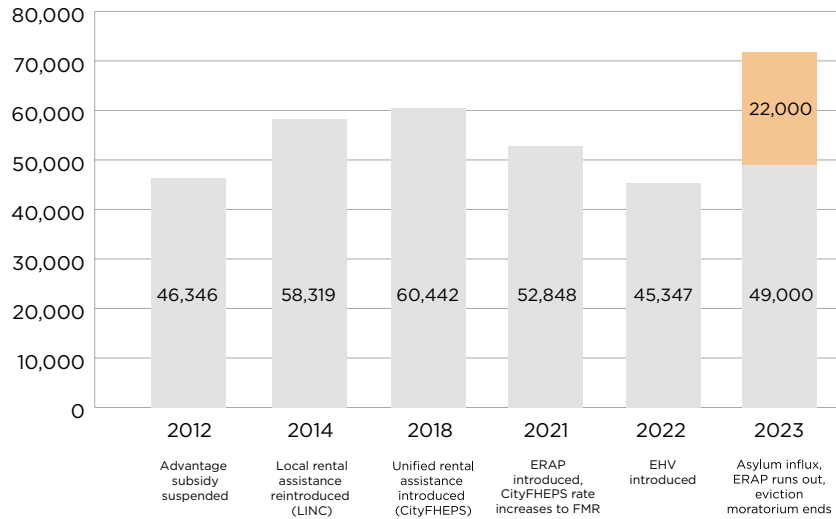


Table 1. DHS Shelter Census, Contextualized, by Catherine Trapani, Homeless Services United, March 2023. <https://www.nyc.gov/site/dhs/about/stats-and-reports.page>

HAVP will thus lead to anticipated savings on the city, state and federal level. In New York City, the city shoulders most shelter costs; however, this year, the state spent over \$140 million on shelter costs.<sup>7</sup> Additionally, the state controls the spending of the federal Temporary Assistance for Needy Families (TANF) block grant to provide state funding for social services for children and families in need. With the implementation of HAVP, the state could reallocate TANF funds currently spent on shelter to use the money instead for increases to cash assistance, childcare programs, case management, preventive child welfare, and other supports to promote family unity. Therefore, with the anticipated reduction in shelter population and spending after the introduction of HAVP, New York State could regain and reallocate some of the \$188 million that the Federal Government spends on temporary housing annually in New York City.

## Impact

**In FY22, 15 percent of families with children who exited shelter without a subsidy returned within one year, compared to less than 1 percent of families who exited with a subsidy.**<sup>8</sup> Long-term rent subsidies, like those offered by HAVP, are proven to reduce homelessness, increase housing stability, and promote beneficial outcomes for family well-being, including halving intimate partner violence, reducing adult psychological distress, and behavior problems for children.

Solving our housing crisis will require short- and long-term solutions. The Governor’s Housing Compact aims to create 800,000 new homes in the next decade, which is part of the solution to our housing crisis, though it will take several years. HAVP is a near-term solution that can deliver assistance today, and it will help ensure that low-income New Yorkers can access the new units created through the Compact. HAVP will also provide financial stability to building owners, ensuring a steady stream of rental income from low-income tenants.

As the shelter census and associated costs continue to rise, the State must take action to alleviate the homelessness crisis. We know that HAVP is a cost-effective tool that could significantly reduce homelessness in our state. We urge state leadership to pass HAVP now. Our families need and deserve this vital lifeline.

7. Claire Salant, “How Have City Costs Changed with Shifts in State and Federal Support for Homeless Shelters?” *New York City Independent Budget Office* (March 2023), 1-3. <https://www.ibo.nyc.ny.us/iboreports/how-have-city-costs-changed-with-shifts-in-state-and-federal-support-for-homeless-shelters-march-2023.html>.

8. Mayor Eric L. Adams, “Preliminary Mayor’s Management,” *The City of New York, Report*, (January 2023), 207. [https://www.nyc.gov/assets/operations/downloads/pdf/pmmr2023/2023\\_pmmr.pdf](https://www.nyc.gov/assets/operations/downloads/pdf/pmmr2023/2023_pmmr.pdf).