

TESTIMONY OF:

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BROOKLYN DEFENDER SERVICES

Presented before

The New York City Human Resources Administration

Public Hearing on CityFHEPS Program Eligibility Amendments

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My name is Erin Sternlieb, and I am the Affordable Housing Specialist in the Civil Justice Practice at Brooklyn Defender Services. I want to thank the New York City Human Resources Administration for inviting us to testify today.

Brooklyn Defender Services provides multi-disciplinary and client-centered criminal, family, and immigration defense, as well as civil legal services, social work support and advocacy, for nearly 22,000 people in Brooklyn every year. BDS' Civil Justice Practice (CJP) aims to reduce the civil collateral consequences for our clients who have experience with the criminal, family or immigration legal systems. The people we serve experience housing instability in a variety of forms: we defend people from eviction in housing court, provide proactive relocation assistance and public benefits advocacy, and help clients navigate the family shelter system.

In my role as affordable housing specialist, I work with BDS clients who are experiencing housing insecurity or are unhoused, and work to help them find secure and stable housing. The majority of the people I work with have been awarded a CityFHEPS voucher, which is billed by the city as the ticket to finding safe, affordable, and permanent housing. In reality, CityFHEPS vouchers are rarely a path to any housing at all. Despite HRA's changes to the program over the last several years and ongoing commitment to improving the program, CityFHEPS vouchers remain incredibly difficult to access and nearly impossible to use.

Proposed Rule Changes

BDS commends HRA for proposing the newest rule changes with the intent of expanding access to CityFHEPS and reducing bureaucratic hurdles.

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BDS strongly supports the expansion of CityFHEPS eligibility to single adults earning minimum wage. This change will make a huge difference for many New Yorkers, who must currently choose between full employment or maintaining eligibility for a subsidy that is their only means of affording NYC's exorbitant rents.

Similarly, BDS supports the reduction of the current work requirement from 30 hours to 14 hours per week. This change is critical for many New Yorkers, including those who may struggle to maintain work schedules along with child-care, medical appointments, benefits appointments, shelter curfews, services, and appointments. Many of the people we serve experience employment discrimination and other obstacles to full-time employment. Homelessness or housing instability can effectively become a full-time job for our clients, many of whom are only able to secure employment after they are stably housed.

Lastly, BDS strongly supports the option for voucher-holders to secure apartments with rents above the CityFHEPS limits. Many of our clients have missed housing opportunities where the rent is only \$10 or \$20 above the CityFHEPS rent limits. This is particularly devastating for clients who work or receive SSI benefits and may be able to afford the additional rent and who have been searching for months or years for CityFHEPS-eligible housing. Additionally, landlords and brokers often advertise rents at slightly above the CityFHEPS limits to circumvent source of income discrimination laws.

Despite the positive effects of these proposed changes to the rule, we believe they do not go far enough to transform CityFHEPS into a real path to affordable and permanent housing for the New Yorkers who most need it. In 2021, BDS testified in front of HRA that without other necessary changes to the CityFHEPS process, increasing voucher amounts would not be sufficient to ensure that more New Yorkers experiencing homelessness and housing instability would find housing. Many of the problems we identified in 2021, including extreme backlogs at Homebase, rampant source of income discrimination, and widespread errors in apartment approvals and check issuance, remain prevalent and will not be addressed by today's rule changes. These changes, although helpful, represent marginal improvements, when the entire program is in desperate need of an overhaul. We respectfully offer the following recommendations to address major issues and strengthen the CityFHEPS program.

Recommendations

I. Eligibility and Voucher Issuance

Both clients living in shelter and those facing eviction continue to face significant obstacles to obtaining CityFHEPS vouchers. We appreciate the rule changes that will expand eligibility for those working full-time minimum wage jobs as well as those who are working less than the current 30-hour requirement. However, other key eligibility gaps remain, and many New Yorkers who meet all eligibility criteria still struggle to obtain vouchers. Despite a long-standing call by advocates and affected individuals to remove the 90-day shelter stay requirement, shelter residents are still required to wait three months before they are issued shopping letters and can begin looking for permanent housing. This rule is unnecessary and in conflict with the Administration's professed commitment to reducing the shelter population. There is no need for CityFHEPS-eligible individuals and families to

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spend months in shelter waiting or a voucher that will take many months, even years, to use. **We encourage the administration to eliminate the 90-day shelter requirement and make voucher issuance part of the shelter intake process.**

Additionally, the Administration must ensure that all shelter and DHS staff have clear, accurate, and up-to-date, information on CityFHEPS eligibility. Many of our clients in shelter wait far longer than 90 days to be issued vouchers due to confusion and miscommunication over eligibility criteria. One client, Ms. B, and her husband were asked by shelter staff to submit new paystubs every two weeks for almost 6 months so that shelter staff could resend paperwork to DHS for eligibility assessments. They were given contradictory information by shelter staff on whether they were CityFHEPS-eligible. The repeated resubmission of paperwork and lack of clear information on whether they would be offered a pathway out of shelter caused Ms. B and her family a great deal of stress and uncertainty while they attempted to rebuild their lives.

Most of our clients facing eviction wait much longer than 90 days to be issued shopping letters. Homebase remains the only organization that can screen these clients for eligibility and issue shopping letters. During the height of the pandemic in 2020 and 2021 it was not uncommon for our clients working with Homebase to wait 9-12 months to be issued shopping letters. Since then, we have not seen a significant reduction in wait times, which has become increasingly untenable since the end of the eviction moratoriums. By the time many of our clients are issued shopping letters, their eviction cases have progressed in housing court and they only have a few weeks or months to look for housing. One client, Ms. D initially reached out to Homebase in April of 2022 after her landlord started eviction proceedings. For several months Ms. D called Homebase every two weeks with no response. Our office then reached out to Homebase supervisors, who repeatedly promised that staff would contact Ms. D. In September 2022 she was finally given paperwork to complete intake, but despite returning the paperwork immediately she was not issued a shopping letter until late November. In the eight months that Ms. D waited for a CityFHEPS shopping letter she was unable to search for housing, and now she is scrambling to find someone who will accept her voucher before she is evicted. She will likely not have enough time and she and her 6 year old daughter will likely may end up in a family shelter which will be deeply destabilizing for her family. This situation was entirely avoidable and Ms. D's story is, sadly, not unusual. The problem is that there is only one organization to serve all New Yorkers eligible for CityFHEPS, which has caused long delays for families trying to access stable housing. It is vital that HRA make sure that Homebase is adequately staffed, resourced, and trained, so that's shopping letters can be issued in a timely fashion. **We also urge HRA to allow other legal and social service providers to submit CityFHEPS applications on behalf of New Yorkers facing eviction.**

We are disappointed that this set of rule changes does not expand access to undocumented individuals and mixed immigration-status households. Fully undocumented households are ineligible for CityFHEPS, and families with mixed immigration-status are not eligible for full CityFHEPS benefits. This means many of our undocumented clients have no path out of shelter and no lifeline if they are evicted from their homes. It is morally and financially irresponsible for the city to continue to pay substantial shelter costs while denying undocumented New Yorkers a path to permanent housing. **The administration must expand eligibility to undocumented New Yorkers and families with mixed immigration-status.**

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In addition to the new rules being considered today, by eliminating the 90-day rule, reducing intake delays at Homebase, and expanding CityFHEPS eligibility to undocumented New Yorkers, HRA can make real progress towards making sure all New Yorkers who depend on the CityFHEPS program can access it when they need it most.

II. Housing Search and Source of Income Discrimination

As we testified in 2021,¹ source of income discrimination remains virtually unchecked in New York City, and Homebase and shelter staff are not equipped to connect voucher holders with landlords and brokers willing to work with them. Expanding access to CityFHEPS is meaningless without also expanding access to apartments. Despite New York City's strong source of income discrimination protections, landlords and brokers know that enforcement is weak, and they are unlikely to be held accountable for turning away voucher holders. HRA must work with the NYC Commission on Human Rights to strengthen enforcement of source of income discrimination laws and must make sure that shelter and Homebase staff equip voucher holders with the tools and resources they need to locate apartments.

Currently, our clients working with Homebase are either given unusable lists of management offices or given nothing at all. One client, Ms. R, recently asked me why she was given a voucher that "doesn't work." She has been looking for housing for herself and her young children with her voucher for three years. Clients in shelters are also left on their own to search for housing. Mr. P has been in single men's shelter for nearly four years and has felt frustrated and dehumanized by shelter staff taking him along with a group of 20 other men to view a single available apartment every few months. Mr. P has attended every viewing he has been offered but has never been selected for an apartment. Many other BDS clients have similar stories.

While combating source of income discrimination and building relationships with landlords needs to be an ongoing priority, there are several immediate fixes that can expand the pool of apartments available to CityFHEPS voucher holders. First, the utility allowance causes unnecessary confusion for all parties—brokers, landlords, and voucher holders—and should be eliminated. Several people we represent have found apartments within voucher limits after months of searching only to learn the apartment is ineligible because utilities are not included. The discrepancy has been as little as \$11.00. Landlords and brokers advertising on sites geared towards voucher holders advertise rents at the maximum subsidy amount. Adding the utility allowance causes confusion, making an already complicated process more difficult for both clients and landlords.

Additionally, FHEPS, CityFHEPS for shelter, and CityFHEPS in the community all provide different incentives, which leads to confusion and jeopardizes the process of securing an apartment. Brokers' fees and unit hold incentives should be consistent for all vouchers. I have worked with several landlords and brokers accustomed to a 15% brokers fee and one-month hold incentive with CityFHEPS, who are furious to learn that those incentives are now only available for some voucher holders. This information is not always clear in shopping letters, which usually state that brokers

¹ Available online at bds.org/latest/bds-testimony-before-nyc-human-resources-administration-on-barriers-to-accessing-cityfheps

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“may receive a fee of up to 15%” and that additional incentives may be available. When different information emerges mid-approval process it causes unnecessary conflict and can ultimately lead to the client losing out on housing. It is also essential that, if the landlord, broker, and tenant are complying with requirements in a timely fashion, HRA guarantee a hold fee for the entirety of the approval period. Approvals regularly take well over a month, and it is unrealistic to expect that landlords will be willing to forego rent they could be collecting from a tenant who could afford to pay rent out of pocket and move in immediately.

HRA must do everything in its power to make the CityFHEPS processes as consistent and straightforward as possible. **Eliminating the utility allowance, standardizing incentives, and guaranteeing a hold fee for the entire approval are steps HRA can take right now to make more apartments available and reduce confusion and frustration that erodes trust in the CityFHEPS program. Meanwhile, HRA must also work to strengthen source of income discrimination enforcement and build relationships with landlords and brokers to ensure that there are apartments readily available to all CityFHEPS participants.**

III. Approval Process

While source of income discrimination is often rooted in racism, classism, and bias, many landlords and brokers also have legitimate concerns with the CityFHEPS that can be addressed by the administration. For the CityFHEPS program to function, it is essential that landlords can trust the application process to run smoothly and that payments will be issued timely and in full. As it stands, the CityFHEPS apartment approval process is extremely slow and onerous. Once tenants have gotten through the months-long wait for a voucher, overcome source of income discrimination, and found a landlord willing to work with them, they often wait up to three months for final approval and check issuance before they are able to move into their apartments. On the Homebase end, clients struggle to reconnect with Homebase and are often required to re-do the intake process and be reassigned a caseworker once they find an apartment. It is vital that Homebase prioritizes clients who have secured apartments. It should take days not weeks for Homebase to connect with brokers and landlords to begin the approval process, or clients will continue to lose out on housing opportunities.

Once Homebase connects with the client and landlord, approval is a nine-step process, and it is common to see errors at multiple steps in the process. The first step, the pre-clearance can take weeks and often fails due to minor errors such as typos in the apartment number or landlord name. One client, Ms. A., recently lost an apartment when the landlord chose a different applicant after waiting over two weeks for preclearance and not hearing from the Homebase worker. After the preclearance stage it can take weeks to set up an inspection given Homebase workers' packed schedules. Once paperwork is submitted by the landlord it is reviewed by multiple levels at Homebase before being reviewed by HRA, which often also takes several weeks, and yet we still we regularly see packets rejected due to errors or missing documents. Finally, once the apartment approval is issued, checks must be issued, picked up by Homebase, and dispersed to the landlord and broker. Check issuance can, again, take weeks, and mistakes are frequent. On one recent case, HRA informed Homebase that checks were ready for a client, but when Homebase picked up the checks, they realized the broker's fee was missing. It took another two weeks for the second set of checks to be released, picked up, and distributed, further delaying our client's ability to move into permanent housing.

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Landlords know that the CityFHEPS program is riddled with errors, delays, and an overall lack of clear communication. For tenants without advocates to troubleshoot these issues for them, this can become an insurmountable obstacle. HRA has an obligation to streamline the approval process by eliminating unnecessary steps, reducing errors, and facilitating clear communication with all parties. **We strongly urge HRA to establish strict time-guidelines for the approval process and make sure that the necessary units are adequately funded, staffed, and trained to ensure that approvals take less than one month. HRA should publish the expected timeline and report on compliance. We also suggest that HRA work to implement direct deposit to avoid delays and missing checks.**

Conclusion

Permanent affordable housing is the foundation many New Yorkers, including the people we serve, need to find stability in their lives. Stable housing helps our clients favorably resolve their criminal cases and reunite with their children after ACS involvement, maintain jobs and allow children to remain in school. Now is the moment, when the housing and homelessness crisis is deepening, to implement changes that will ensure CityFHEPS vouchers are a true path to permanent housing. Vouchers are one important path to stable housing for many New Yorkers if key changes are made to strengthen the program. We urge HRA to strongly consider our recommendations.

Thank you for your time and consideration of our comments. We look forward to further discussing these and other issues that impact the communities we serve. If you have any additional questions, please contact Alex Dougherty, Senior Attorney and Policy Counsel, at adougherty@bds.org.