



HOMELESS SERVICES UNITED

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Homeless Services United's Written Testimony Submitted to

The New York City Council Committee of the Whole Oversight Hearing on the City's Response and Delivery of Services to Migrants, December 20th, 2022

My name is Eric Lee and I'm the director of policy and planning at Homeless Services United. Homeless Services United (HSU) is a coalition representing mission-driven, homeless service providers in New York City. HSU advocates for expansion of affordable housing and prevention services and for immediate access to safe, decent, emergency and transitional housing, outreach and drop-in services for homeless New Yorkers. Thank you, Speaker Adams and Deputy Speaker Ayala and members of the Council for convening this hearing and allowing me to testify today.

HSU is grateful to the Council for its steadfast leadership on immigration rights and commitment to housing all New Yorkers regardless of their immigration status. Through your efforts, New York City continues to be a beacon of hope and protection for families and individuals seeking a better life. While the immediate need is daunting, the Human Services Safety Net can meet the demand with key investments and policy changes.

The task before the City and shelter providers is considerable, and while there has been a lull in the influx of migrants, the system must be prepared for an uptick in demand for shelter as Title 42 is likely to expire on December 21st. Since the Council's Immigration Committee Hearing on September 30th, the City has made some incremental progress towards reducing homelessness, including hiring additional NYCHA staff to expedite lease ups with Emergency Housing Vouchers (EHV), creating a 1-month unit-hold fee for EHV apartments (beginning January 1st, 2023), and proposed changes to the CityFHEPS rule to add flexibility to income limits for single adults and work requirements for families with minor children. While these steps are promising, **larger reforms must still be implemented to further expedite housing placements from shelters and to strengthen the safety net to prevent more households from being homeless while ensuring the DHS shelter system and its non-profit providers are able to meet current and future crises:**

- 1. Fasttrack hiring of frontline staff to fill vacancies at HRA and DHS to eliminate delays for Cash Assistance, SNAP, One Shot Deals, and rental assistance**
- 2. Bolster eviction prevention and legal services to meet overwhelming demand**
- 3. Establish a reliable DHS shelter pipeline to create purpose-built service-rich shelters and normalize fiscal operations of DHS-contracted programs**
- 4. Expedite placements from shelter into permanent housing to shorten time spent homeless**

Making these changes will result in efficiencies that can help DSS and DHS meet savings targets required by the Mayor's PEG without undercutting the homeless and social services safety net during an economic downturn will diminish services when more people must rely on them.

1. Fasttrack hiring of frontline staff to fill vacancies at HRA and DHS to eliminate delays for Cash Assistance, SNAP, One Shot Deals, and rental assistance

As HRA recently testified that their agency has a staggering a 20% vacancy rate, as well as other recent reports of vacancies at DHS and other City agencies, we are seriously concerned that Mayor Adam's directive to City Agencies to eliminate 50% of their vacant positions as a cost-savings measure will permanently hobble units that should be enhanced to ensure that New Yorkers experiencing homelessness have timely access to assistance to regain permanent housing. Moreover, it should be noted that eliminating vacant positions primarily funded through Federal dollars would not result in noticeable if any cost savings for City funds, as was the case when HRA eliminated Medicaid positions.¹ A significant portion of the Federal funding for these positions is not received by the City until they positions are filled, so eliminating vacant positions does not free up additional monies.

Extraordinary efforts should be taken by the Administration and HRA to address severe staff vacancies at HRA's Public Benefits Access Centers (formerly called Job Centers) and SNAP Centers. Public Benefits Access Centers play a pivotal role in both preventing homelessness as well as enabling households in shelter access permanent housing. Providers are reporting significant delays with Public Assistance applications and telephone interviews, Supplemental Nutrition Assistance Program (SNAP) food benefits, processing of client documents, CityFHEPS recertifications, FHEPS applications and modifications. As a result, applicants are seeing their Public Assistance applications denied or cases closed, One-Shot Deals denied, their on-going CityFHEPS fail to renew, and households at risk of eviction or in shelter unable to qualify for rental assistance vouchers like CityFHEPS or FHEPS.

As the Council is well aware, the City's local food pantries were sorely tested by the thousands of new arrivals to our City who are struggling with food instability. **As HRA testified before the General Welfare Committee on December 15th of this year, HRA is failing to process Supplemental Nutrition Assistance Program (SNAP) food benefits in a timely manner for over 53% of its cases.** As advocates testified, people can't eat retroactively- the benefit NEEDS to be timely to serve its purpose of keeping people nourished. **Vacancies at HRAP SNAP Centers must be filled to address these delays to relieve pressure on local food pantries and soup kitchens currently feeding both migrants and those awaiting SNAP benefits.**

Without sufficient levels of front-line staff at HRA to process applications and conduct interviews, households will not be able to get the assistance they need in time to stop an eviction, or even see their stable housing jeopardized because HRA failed to process their CityFHEPS renewal paperwork, causing the voucher to expire and rental arrears to accrue. Deputy Commissioner Berry confirmed these fears in her testimony before the General Welfare Committee on December 15th, noting that HRA does not process timely Cash Assistance benefits for 38.6% of its cases.

To open an active Cash Assistance case, clients must first submit an application either through ACCESSHRA or at an HRA Public Benefits Access Center, followed by a telephone interview which is

¹ As per NYC HRA Budget, according to NYC Council Finance

conducted by staff from HRA Public Benefits Access Centers. Prevention and shelter providers both report clients are either not receiving a PA phone interview within the allotted 7-business day timeframe or any call whatsoever from HRA, which results in their Case Assistance case being rejected for **“Failure to Keep/Complete Interview: No Schedule Appointment”**. **This was the number one reason given why Cash Assistance cases were rejected by HRA, accounting for 17,557 out of 50,917 total rejections for April through June of this year.**² While some portion of these could be due to the client not picking up, it should be noted that the number often shows as blocked, and no timeframe is given for day or approximate time to expect the call. Clients have won fair hearings where “Failure to Keep/Complete Interview: No Schedule Appointment” was the reason for their case rejection by providing phone records proving they did not miss a call from HRA. This lack of Public Assistance telephone interviews does not just affect on-going Cash Assistance applicants. Tenants applying for a One-Shot Deal also must complete a Public Assistance telephone interview, and households cannot apply for rental assistance including FHEPS or CityFHEPS without a Public Assistance case open. **Public Assistance phone interviews should be on-demand, like SNAP interviews, and HRA should hire up enough staff to be able to meet that expansion of service delivery.** Failure to take such action will result in the City actively contributing to the crisis of homelessness by failing to issue timely preventive assistance.

Homebase providers are noticing up to **4-to-5-month delays for HRA Public Benefits Access Center staff to process CityFHEPS recertifications, resulting in tenants’ vouchers ending despite their submission of renewal paperwork within the allotted timeframe.** Renewal notices are mailed to CityFHEPS voucher holders 5 months before the annual deadline to renew, with instructions to renew via snail mail, email, or hand delivering to an HRA Benefits Access Center. Tenants submitted their completed renewal forms to HRA before the deadline, but they are not being processed by HRA Center staff before the deadline, resulting in CityFHEPS falling off their budget, causing their household to fall into rental arrears. Tenants try going to an HRA Center to no avail, and ultimately end up at Homebase who also tries to submit a CityFHEPS renewal to HRA’s Public Benefits Access Centers, flagging it for HRA staff to try to rectify the wholly avoidable housing instability. Homebase offices are struggling to keep up with demand, the contracted rates for providers have been largely stagnant and despite crushing demand, no new funding has been added to their programs to scale up to meet the increased needs in the community. **HRA urgently needs to address their staffing issues and must not continue to foist their responsibilities onto an already overburdened and underfunded Homebase program.**

2. Bolster eviction prevention and legal services to meet overwhelming demand

Renters in New York City are needlessly losing their homes and entering shelter because of the overwhelming number of households in arrears and the relentless pace of housing court cases set by the Office of Court Administration (OCA). Staff at Homebase programs are heroically trying to help as many households at imminent risk of homelessness as possible, but they are burning out in record numbers. Homebase programs are struggling with high vacancies and remaining staff have extremely high

² <https://www.nyc.gov/assets/hra/downloads/pdf/news/11168-170/fy22q4/2022-Apr-Jun-CA-4-Case-Rejections-by-Council-District.pdf>



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caseloads often encompassing the workload and role of multiple people. **One Homebase program reported a 52% staff attrition rate from June 2021 to 2022.**

Homebase programs have been tasked with providing multiple additional supports beyond their original scope, with little to no additional resources to accomplish the work. Homebase now provides access to rental assistance vouchers like CityFHEPS and Emergency Housing Vouchers, but without funding in their contracts to hire specialized staff for those roles, existing staff must split their time between cases at urgent risk of losing their housing, and non-emergency cases. Currently Brooklyn and Bronx Homebase already report having appointment waitlists stretching 6 weeks or later for non-emergency cases.

At the same time, delays from HRA Benefit Centers are having a ripple effect for tenants to be able to get help from Homebase providers. Without HRA being able to process their benefits and rental assistance applications and paperwork in a timely manner, cases are churning through Benefits Centers, taking precious time for households in crisis and multiple applications and follow-ups by applicants and Homebase staff to finally get things approved. These delays also indirectly impact other tenants' ability to access Homebase services, as Homebase staff must spend more time following up with HRA to make sure HRA resolves the case (e.g., a CityFHEPS restoration, or FHEPS application or modification), time which could have been spent assisting other households.

To accomplish the Mayor's Housing Plan vision of upstreaming prevention to stabilize more households sooner, the City must invest additional money to hire additional staff to do the work.

Additional resources could be deployed in several ways, including: 1) revising the Homebase RFP to expand staffing and right-size wages to attract and retain qualified staff to fill vacancies, 2) opening new Homebase locations within parts of the City with greatest need, and 3) developing a dedicated unit within Homebase programs with staff focused on assisting tenants apply for rental vouchers and search for housing in the community, to allow other Homebase staff to refocus on assisting the most urgent cases at risk of losing their homes.

To stop more households from needlessly losing their housing, the Office of Court Administration (OCA) must slow down their pace of court cases to allow Universal Access to Counsel (UAC) providers to meet the demand for legal representation. **OCA has been deaf to pleas from legal providers pleas to slowdown which WILL mean households who are eligible for legal representation in housing court will be forced to represent themselves in court.** The Council recognized the importance of legal representation when it created the historic right to counsel for tenants in housing court, and it is unconscionable that households are being denied access to that right because the Courts refuse to proceed forth in a manageable manner. UAC providers are trying to hire as many new housing lawyers as quickly as possible, but it is not something which can be accomplished overnight. UAC providers are currently working at capacity and have been instructed by HRA to start utilizing waitlists without any guidance how to manage them. Legal providers are unable to provide estimated wait times because they are assigning cases to the next attorney that becomes available, with this all-hands-on deck approach further contributing towards burnout and staff vacancies. Without a way to give UAC providers enough time to work through the backlog of cases and reduce caseloads, the City's Right to Counsel is in serious jeopardy.

In addition, The Human Rights Commission's Source of Income (SOI) Unit saw a net reduction in the total headcount in the FY23 budget, and while we are grateful to the Council for pushing back against the City's more severe headcount reduction, the SOI unit needs additional funding to restore and expand its ability to bring cases against discriminatory landlords and brokers as well as enough staff to reach out to landlords in real-time to help make sure prospective tenants do not lose a unit because of discrimination. Without the ability to bring cases to trial, voucher holders will continue to be discriminated and unable to have a fair chance at housing.

3. Establish a reliable DHS shelter pipeline to create purpose-built service-rich shelters and normalize fiscal operations of DHS-contracted programs

As HSU previously testified, the City's shelter system capacity could have been better positioned to meet the initial impact of the migrant crisis had it committed to a reliable shelter development pipeline to maintain a 5% minimum vacancy rate. This would allow the shelter system the space to meet unforeseen upticks in DHS' front door while allowing them to shut down poorly designed and dilapidated sites. The City must stop allowing NIMBYism and political opposition to cancel the opening of new purpose-built shelters, or else the City will have to rely on costlier hotels with emergency procurement contracts to meet surge capacity. People experiencing street homelessness often cite security and building conditions as reasons to not enter shelter, and by creating new client-centered facilities located closer to their community, DHS can address those concerns and convince more individuals to come inside.

Our non-profit members want to be good partners to the City and provide quality, compassionate care to both new and lifelong New Yorkers, but to be able to do so, DHS-contracted non-profits must be in a healthy enough financial position to be able to absorb the risk that new contracts entail. While the Mayor recently declared victory against non-profit contract delays, DHS shelter providers are still struggling with contract registration and amendment delays, resulting in few bids submitted for the emergency RFP for 600-unit shelter for migrants and a number of providers wary of overextending themselves with additional emergency sites.

To help bolster the fiscal health of non-profits answering the call, the City should ensure funding for human service programs is aligned with actual costs including escalations over the life of the contract and, that administrative mechanisms to draw down funding are fast and efficient. The City should also leverage emergency procurement models from past crises during a formal State of Emergency, ensuring a first round of funding accompanied by a multi-year plan for fund renewals for community-based organizations. Moreover, funding for organizations must cover the full cost of services (not only salaries), including just compensation, a composite fringe rate sufficient to pay benefits comparable to our government counterparts, mental health support for clients, funding for accessibility tools, language access and other resources for workers.

Defining fiscal health of DHS-contracted non-profits is not limited to our need for timely contracting and payment but also, embodied by the strength of our non-profit workforce who are woefully underpaid

and overburdened. Just as our eviction prevention staff are struggling with high caseloads and burnout, our homeless services staff are also facing challenging situations with too few resources and headcount to meet the need head-on. Many shelter providers are also awaiting registered contract amendments to pay Prevailing Wage for their shelter security guards, as well as amendments for program services. While DHS shelters will be able to make targeted salary increases for some staff through the Citywide Workforce Investment Fund, large-scale workforce wage reform for City-contracted non-profit workers is needed. As HRA noted on December 15th, HRA is unable to fill frontline positions that pay \$40,000-\$47,000, plus City pensions and healthcare. DHS-contracted non-profit case managers often make considerably less. Social workers haven't seen meaningful wage increases in years despite rampant inflation and crushing student debt and are now questioning their decision to work in social services with all the associated stress and vicarious trauma. Nonprofit contracts need to be adjusted to pay competitive wages to all staff, at least to ensure rates of pay are comparable to those paid by DHS. In addition, to meet immediate needs for migrants, shelters could benefit from the flexibility of wage differentials to attract bilingual staff, in addition to longer term reforms to increase wages for these positions overall. The City must normalize the fiscal operations of homeless services programs and pay our staff, to ensure qualified and experienced non-profit providers stand ready to answer future calls for shelter services.

4. Expedite placements from shelter into permanent housing to shorten time spent homeless

Housing resources like rental assistance vouchers and supportive and affordable housing options are critical to addressing homelessness, but administrative delays and bureaucratic red tape needlessly prolong the time a household must languish in shelter before being rehoused.

Rental assistance vouchers like CityFHEPS and State FHEPS are fraught with processing delays, stringent eligibility criteria, and rules which erode the buying power of the voucher. Rental Assistance Vouchers can be improved for New Yorkers in the following ways:

- a) Commit additional funding to bolster headcounts within DHS and HRA units responsible for processing rental assistance applications and public benefits access and rebudgeting, and one-shot deals.**
 - i) DHS utilizes a pool of staff to review CityFHEPS applications, but individual staff are not assigned specific applications, meaning that there is no individual staff accountability on DHS' side to ensure that a packet progresses forward in a timely manner, and shelter staff lack the ability to reach out to the reviewer to workshop an equitable solution for individual cases which have complicated situations and considerations. Instead, packets are returned multiple times, sometimes for insignificant clerical corrections. We understand the immense workload of DHS reviewers given the number of applications being submitted on a daily basis, and **we strongly urge the City to fund DHS to bolster their headcount to process applications in a more collaborative way with shelter provider staff.**

ii) HRA needs sufficient headcount to process public assistance benefits and rebudgeting, as well as CityFHEPS and State FHEPS applications in a timelier manner.

(1) As previously mentioned timely decisions on applications for public assistance is necessary for rental assistance. State FHEPS requires an active public assistance case at all times, as rental payments are tied to it, and CityFHEPS applicants need to either have a public assistance case in active or “Single Issue” status when applying to be able add the voucher to the client’s budget and begin issuing payments to landlords. Without sufficient staff at HRA Public Benefits Access Centers to quickly process public assistance applications and interviews and rebudgets, households will be unable to move out of shelter with CityFHEPS vouchers.

(2) **HRA should be empowered to hire sufficient staff to be able to process CityFHEPS applications and complete lease-ups within a 30-day timeframe.** Shelter providers report being asked to resubmit CityFHEPS paperwork including updated signed leases because the package was not processed quickly enough by the City and documents grew “stale”. A household should not be forced to wait in shelter because DHS and HRA do not have enough hands to process applications in a timely manner nor should shelter staff have to do double work to compensate for agency delays. Moreover, these delays negatively impact landlord interest in renting to our clients because they are losing money once the application takes longer than the 30-day unit hold fee.

b) Correct the CityFHEPS rule to reflect the Council’s intent of Int. 146

i) Remove Rent Utility Deductions from calculating the maximum allowable rent.

HSU supports Int. 229, which seeks to remove rent utility costs from the maximum permissible rent for apartments. This change to the CityFHEPS rule chips away at buying power of CityFHEPS vouchers which were very intentionally set by the Council at the Fair Market Rent for New York City. As rents for many apartments do not include the cost of all utilities, this deduction reduces the number of viable apartments available for voucher holders. We further recommend that the City issue a utility credit to households who must pay out of pocket for utilities to avoid any household experiencing a cost burden, similar to the section 8 program.

ii) Remove Rent Reasonableness tests from CityFHEPS applications.

This test to determine if a proposed rent is reasonable to similar units in the community has already harmed households in shelter who lost viable apartments set below the Fair Market Rent. Just as concerning is that this process is completely opaque to a voucher holder and shelter staff who would be unable to verify whether an apartment is reasonable unless they purchase an account with a third-party website. Voucher holders would be left stumbling in the dark looking for housing, submitting applications only to be told to either negotiate with the landlord to lower the rent or keep looking. While the City has paused it temporarily to try to improve the calculations, we urge the Council to consider legislating its removal from the CityFHEPS rule altogether. DSS’ concern that a few unscrupulous landlords may try to ask for higher rents than deemed acceptable should not mean forcing all voucher holders to go through a completely opaque process which has already stopped households from moving into permanent housing.

c) Expand rental assistance eligibility to help more households

i) Remove the 90-day DHS shelter stay eligibility requirement for CityFHEPS.

We urge the Mayor and Chief Housing Officer Katz to make good on their promise to remove this outdated policy from the CityFHEPS rule. The rationale of forcing people experiencing homelessness to languish in shelter for 90 days to prove they needed housing is cruel and debunked rationale that believed that housing is a draw to shelter. DHS intake centers verify that people are indeed homeless and in need of shelter, which would weed out any supposed people that don't actually need the housing assistance.

ii) Explicitly extend CityFHEPS to households regardless of legal status.

Households lacking legal status are some of the longest-term stayers in DHS shelters because they are categorically ineligible for most types of assistance. As thousands of new migrant households come to New York City and enter shelter, thousands more households will be unable to exit shelter to permanent housing because of their inability to afford the cost of rent. The CityFHEPS rule should be changed to explicitly allow households to qualify regardless of their legal status, as it would help families and individuals without status to achieve the American dream, while creating a cost-savings for shelter services.

iii) Lift the maximum income limits for initial eligibility from 200% of the Federal Poverty Limit (FPL) to 50% Area Median Income (AMI) to allow the "working poor" to be able to afford rent.

Too many hard-working New Yorkers are stuck in shelter because their paycheck isn't enough to afford rent but too much to qualify for a voucher. We appreciate the administration acknowledging the need to improve income limits for Single Adults by proposing flexibility slightly above the 200%, but we believe initial income limits should be changed to 50% Area Median Income (AMI) for both singles and families, to widen the income band for both, helping more households to exit shelters and attain permanent housing.

iv) Remove the work requirement for households in shelter.

While the proposed rule change would lower the minimum requirement from 30 hours of work per week to 14 hours, we feel that the work requirement should be eliminated altogether. Pregnant and new mothers who are heads of household cannot work, and should not have to wait in shelter until they are physically recovered enough to work to be able to move out of shelter.

v) Remove the shelter history requirement for households trying to access CityFHEPS in the community.

Housing vouchers should be provided to everyone at the risk of homelessness, not just those that already experienced the trauma of homelessness at least once before. Removing this requirement to access housing vouchers in the community would align with the Mayor's goal of upstream prevention services to stabilize households sooner, rather than waiting for them to destabilize before offering assistance.

While individual circumstances of the moment make homelessness and the rising shelter census appear like an intractable problem, with key investments in prevention, shelter programs, and access to public benefits and rental assistance, New York City can continue to make strides and serve as a shining



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example of a sanctuary city. Thank you, Speaker Adams and Deputy Speaker Ayala and the entire Council, for your unyielding commitment to families and individuals experiencing the trauma of homelessness, and we appreciate the opportunity to testify on the bills being discussed today. If you have any questions, please feel free to contact me at elee@hsunited.org