

Strengthening New York City's Strategy for Helping Homeless People Afford Rent

Nearly 32,000 homeless families and single adults sleep each night in New York City's shelter system. Across the city, rents are out of reach for low-income households and tens of thousands of New Yorkers turn to emergency shelters. Due to cuts at the federal level, the city can no longer rely on the Section 8 program as the principal source of rental assistance for families exiting shelter. In November 2004, Mayor Bloomberg announced a major change in housing policy and worked with the state to create a new, time-limited subsidy program to help homeless households return to the community. That program, Housing Stability Plus (HSP), uses a combination of city, state, and federal funds to help people to afford rent after they have left shelter. HSP is the most generous local discretionary rental assistance program in the country and offers homeless families on public assistance relatively rapid access to housing assistance. Yet, given the challenges of helping poor people to compete in New York City's extraordinarily difficult housing market, reforms, including the following are necessary:

Encourage recipients of housing assistance to work.

HSP does not encourage self-sufficiency. Though the rent supplement decreases by 20% each year and is eliminated after five years, recipients must maintain an active public assistance (PA) case to keep receiving rental support. This creates a serious disincentive to obtain well-paid employment. Those who are working while in shelter are not eligible for HSP and often face a choice between keeping their job and finding a permanent home. To encourage maximum self-sufficiency the HSP rent supplement should continue for those who leave PA for work and rental assistance should be available to those who are already working when they leave shelter.

Provide support to those who are unable to work.

At any given time about 40% of public assistance recipients are unable to work because they are children, are elderly, or are disabled. HSP households must earn income to offset the annual rent benefit reduction regardless of whether the only adult is disabled or elderly. For some HSP households, the only potential wage earner has been determined by the federal government to be disabled and unable to work. To minimize the number of households who will be unable to maintain their HSP apartments and the number who will be forced to return to shelters, the annual step-down and time-limit should be eliminated for children, the elderly, and the disabled.

Increase HSP rents and strengthen quality assurance procedures.

Rents for the HSP program are significantly below the Fair Market Rent (FMR) established by the federal Department of Housing and Urban Development. HSP rents are determined based on the number of people on public assistance not on the apartment size. Assuming that members of a household receiving HSP will share bedrooms, the maximum monthly HSP rent is at least 17% below FMR. This leads to difficulties finding landlords willing to rent apartments through the HSP program, HSP apartments that present serious health and safety risks, and overcrowding. To increase the stock of safe apartments available for rent through the program, rents should be increased to fair market levels, quality assurance standards for apartments should be strengthened, and occupancy standards should be established.

To read more about these and other recommendations for strengthening the HSP program, please read HSU's report on the Housing Stability Plus program, [False Start – Fresh Promise](#).

Homeless Services United is a coalition of sixty non-profit agencies serving homeless and at-risk adults and children throughout the five boroughs of New York City.

