New York City Independent Budget Office Fiscal Brief

October 2015

Albany Shifts the Burden:

As the Cost for Sheltering the Homeless Rises, Federal & City Funds Are Increasingly Tapped

Summary

As the number of families and single adults in the city's homeless shelters has grown dramatically in recent years, the cost of sheltering them also has increased markedly. Spending on the city's shelter system—including city, state, and federal funds—has risen from $604 million in fiscal year 2007 to an estimated $976 million in 2015, an increase of 62 percent.

Legislators, advocates, and other New Yorkers have expressed concern that the city spends this much on temporary responses to homelessness rather than longer-term solutions or to meet other city needs. But a substantial share of the funding comes from Washington and Albany and cannot simply be redirected. This makes understanding the distribution of costs among the three levels of government for the two different homeless populations—families and single adults—essential. As the de Blasio Administration seeks to reduce the shelter population, IBO has examined recent shifts in how shelter costs are funded and what these shifts imply for the use of potential savings if the shelter population were to decrease. Among our findings:

- For many homeless families, federal public assistance programs fund a large part of the cost of shelter. The state determines the cost-sharing for these programs and in 2012 Albany shifted a larger share of the costs for family shelter onto federal funding streams.
- As a result, federal dollars have covered an increasing share of family shelter expenses, growing from 32 percent ($120 million) in 2007 to 58 percent ($310 million) in 2014.
- Other changes implemented in Albany have reduced the state's contribution to fund shelters for single adults, leaving the city to fund the increased costs associated with the rising adult shelter population.
- In 2007, the city paid $104 million, or 53 percent, of the total $196 million cost for sheltering homeless single adults, not including intracity funds. In 2014, when the total cost for sheltering homeless single adults grew to $343 million, the city's share was $252 million, or 73 percent of the total.

The alternative uses for any potential shelter savings derived from a reduction in the city's shelter population depends on the source of the funding. A reduction in the number of homeless families would have less of an effect on city costs—and potential savings—than a commensurate reduction in the number of homeless single adults. Still, efforts to reduce the homeless population should be viewed through a broader lens than what generates the most city savings on shelter costs.

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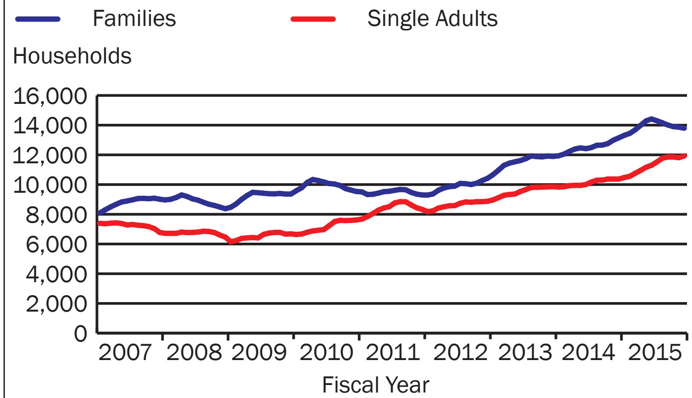
Introduction

In recent years, as the number of homeless households in New York City has swelled, so too has the cost of providing shelter. The de Blasio Administration has made reducing the shelter census a priority, introducing a host of new rental assistance programs aimed at moving households from shelter into permanent housing. The funding sources New York City uses to pay for homeless shelters vary by household type and public assistance eligibility, so that the share of the costs borne by the city, state, and federal governments differ for the various populations. Thus the extent of any savings for the city stemming from a reduction in the shelter census depends on the particular segment of the shelter population that is declining.

Number of Households in Shelter Has Risen in Recent Years



SOURCE: Department of Homeless Services

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In this brief, the Independent Budget Office uses data from 2007 through 2014 to explain how city shelters are funded and the way in which this funding differs between shelters for families versus those for single adults. (Years refer to city fiscal years unless otherwise specified.) We examine the impact of state-level changes made during the study period on how shelter costs are shared among city, state, and federal resources. Finally, we use this information to explore how the rules associated with the different funding sources determine the extent to which savings resulting from a smaller shelter population could be redirected to other city priorities.

Background

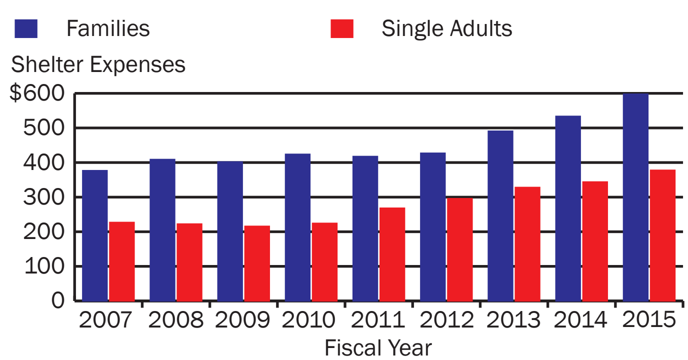
The number of households in shelter has risen dramatically in recent years. The increase can be seen in both of the two distinct groups that the Department of Homeless Services (DHS) serves within its shelter system: families and single adults. (Families include both households with minor children and households consisting only of related adults.) In June 2015, an average of 13,795 family households and 11,927 single adult households stayed in the city's shelter system each night, for a total of approximately 56,000 individuals. The average number of family households in shelter has grown by 71 percent since 2007, the first year of our study period, while the number of single adult households grew by 61 percent.

This population growth reflects both an increase in households entering the shelter system and longer lengths of stay once in shelter. To accommodate all of these households, DHS currently funds 271 shelter facilities, a mix of shelters operated directly by the city and through contracts with not-for-profit organizations and private landlords. The analysis in this report looks at the homeless shelter population associated with DHS and does not include additional homeless populations, such as victims of domestic violence, persons living with HIV/AIDS, and runaway youth, served through the Human Resources Administration and the Department of Youth and Community Development.

Rising Number of Homeless, Rising Shelter Costs. The increase in the shelter population has led to an increase in shelter costs. DHS spent $377 million on family shelters and $227 million on single adult shelters in 2007. Since then, spending on family shelter grew 59 percent and is projected to total $598 million in 2015 (final figures will be available with the release of the Comptroller's Comprehensive Annual Financial Report for 2015), while spending on single adult shelter grew by 66 percent to a budgeted total of $378 million. Spending totals include shelter operations, shelter intake and placement, and

Increase in Shelter Population Results in Higher Costs

Dollars in millions



SOURCE Mayor's Office of Management and Budget

NOTES: Shelter costs are funded by the city, state, and federal governments. All years reflect actual costs except for 2015, which is the final budgeted amount.

New York City Independent Budget Office shelter administration and support. These cost increases reflect per capita costs associated with a growing shelter population as well as rising fixed costs such as rents for leased shelter space and wages of shelter staff. In 2015, family and single adult shelter costs combined are projected to account for 83 percent of DHS's $1.2 billion budget, with the remainder of department spending going towards programs such as homelessness prevention and outreach, aftercare services for households that have exited shelter, and general agency administration.

Mayoral Priority to Reduce Shelter Census. The elimination of the rental assistance program for homeless families known as Advantage over three years ago is widely viewed as contributing to the present spike in the homeless shelter population. Since taking office in January 2014, the de Blasio Administration has created a number of programs to move households out of shelters and into permanent housing. Most notably, the Mayor has created Living in Communities (LINC), a series of programs, each of which targets a particular subset of the shelter population.

The first LINC programs, rolled out in the fall of 2014, were designed specifically for families with minor children living in shelter. These rental assistance programs appeared to have some initial effect in reducing the family shelter census; as of June 2015, the number of households in the family shelter system had decreased by 4 percent from its peak in December 2014. DHS subsequently launched additional LINC programs to serve single adults in December 2014. Despite the new programs, however, the single adult population rose 6 percent from December 2014 through June 2015. It may be well into 2016 before it is clear what effect, if any, the LINC programs have on the adult shelter population. (See IBO's reports on LINC and other homeless rental assistance programs for more details.)

Family Shelters Funded Primarily Through Federal Public Assistance Funds

Public assistance plays a major role in paying for homeless shelters in New York City, particularly for families. All families and single adults entering one of the city's homeless shelters are required to apply for public assistance if they are not already enrolled. Under state rules, the city may use the housing allowance awarded as part of any eligible family's public assistance grant to cover the cost of their homeless shelter stay. For single adults, however, the state only permits public assistance funds to be used for a relatively small, set number of households in shelter each year. Because public assistance costs are shared to varying degrees by the federal, state, and city governments, maximizing the number of homeless households on public assistance—particularly for families—reduces the city's share of total shelter costs. In recent years, state-level changes to the public assistance cost-sharing formulas have resulted in the majority of funding for family shelters coming from federal sources.

Types of Public Assistance. Households in New York City can qualify for one of several public assistance programs, each of which has distinct cost-sharing rules. Eligibility for public assistance depends on a household's composition and compliance with program requirements. The main public assistance programs New York City uses to fund shelter stays are Family Assistance, Emergency Assistance for Families (EAF), and Safety Net Assistance.

- *Family Assistance* is a cash assistance program created through the federal Temporary Assistance to Needy Families (TANF) block grant program to serve families with minor children.[1] In order to be eligible for Family Assistance, a household must be able to demonstrate that they are U.S. citizens, or that they have been legal residents for at least five years, and able adults must comply with federally established work requirements. Benefits are time-limited to 5 years (or a total of 60 months), and any TANF-based benefits received in another state are counted towards this time limit.
- *Emergency Assistance for Families* is also a TANF program for families with minor children, intended to address short-term sudden and unforeseen crises. EAF is limited to a maximum of four months, time which does not count against the Family Assistance five-year limit.
- *Safety Net Assistance* is a state-created program to aid families ineligible for or who have timed out of Family Assistance, as well as single adults. To qualify for Safety Net, a household must prove that they are U.S. citizens or legal residents, and meet work requirements similar to those for Family Assistance. Safety Net has no time limit, but up to two years counts against the TANF five-year time limit if at a later point a household receiving Safety Net becomes eligible for Family Assistance (for example, if an adult couple has a baby).

Two additional public assistance programs contribute a very small amount of funding for homeless shelter stays. Safety Net-Federally Participating is a TANF-funded subset of Safety Net for households that qualify for Family Assistance but

Main Public Assistance Programs Used to Fund Homeless Shelters				
		Cost Sharing		
Program Name	**Eligible Households**	**State Fiscal Year 2010-2011 & Earlier**	**State Fiscal Years 2011-2012 Through 2014-2015**	**State Fiscal Year 2015-2016**
Family Assistance	Families with minor children; time limited to five years	50% Federal 25% State 25% City	100% Federal	No change
Emergency Assistance For Families	Families with minor children; time limited to four months	50% Federal 25% State 25% City	100% Federal	90% Federal 10% City
Safety Net Assistance	Families ineligible for or timed out of Family Assistance, single adults; no time limit	50% State 50% City	29% State 71% City	No change

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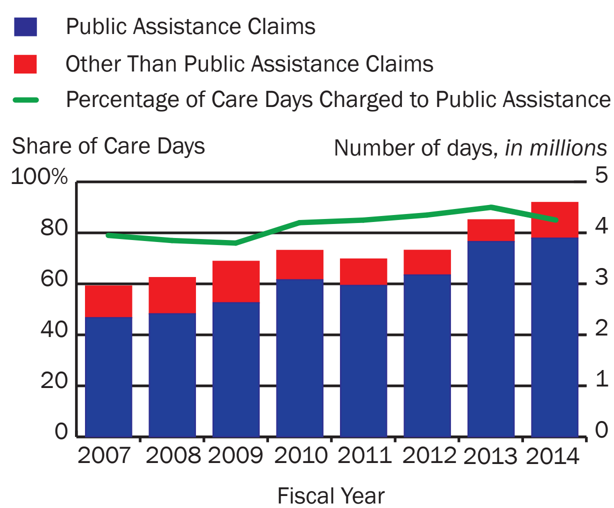
are unable to receive cash-based assistance due to drug or alcohol abuse. Emergency Assistance for Adults is for adult households that are facing unforeseeable, short-term crises, with costs evenly split between the city and state. In order to qualify for the assistance, at least one member of the household must qualify for Supplemental Security Income.

Public Assistance Cost Sharing. Public assistance costs are shared by the city, state, and federal governments with the funding shares varying for each program. New York State controls how the costs are split; this includes controlling the use of federal TANF funds, which come to the state as a block grant, allowing the state wide discretion in deciding how to allocate the funds.

State decisions have changed how public assistance programs are funded over time. Through state fiscal year 2010-2011, the TANF-based Family Assistance and EAF programs were 50 percent federally funded, with the remaining costs evenly shared between the state and city. The Safety Net program was funded with 50 percent state funds and 50 percent city funds. Faced with the need to close a $10 billion budget gap for state fiscal year 2011-2012, New York State sought to minimize the use of state funds to cover public assistance costs. It changed the cost-sharing rules so that the Family Assistance and EAF programs were fully funded through the federal TANF block grant. At the same time, the state reduced the share of Safety Net costs it covered to 29 percent, leaving the city to pay the remaining 71 percent.[2] The result of these changes for the city was twofold—the city no longer had a cost-sharing obligation for Family Assistance costs, but now was responsible for a larger share of Safety Net costs. Although the state's fiscal condition is now much stronger, in the state fiscal year 2015-2016 budget, New York State further revised the cost sharing rules by reducing the share of the EAF program funded by the federal government from 100 percent to 90 percent, with the city picking up the remaining 10 percent of costs. The state reported that the reintroduction of a city cost share was to "encourage fiscal discipline" in New York City after EAF spending markedly rose with the switch to the program being 100 percent federally funded.[3]

Share of Family Stays Charged to Public Assistance Grew. The share of shelter stays charged to public assistance increased as the number of families in shelter grew. In 2007, 79 percent of family shelter stays were charged to a public assistance program. This share then peaked at 90

Share of Family Shelter Stays Charged to Public Assistance Has Increased

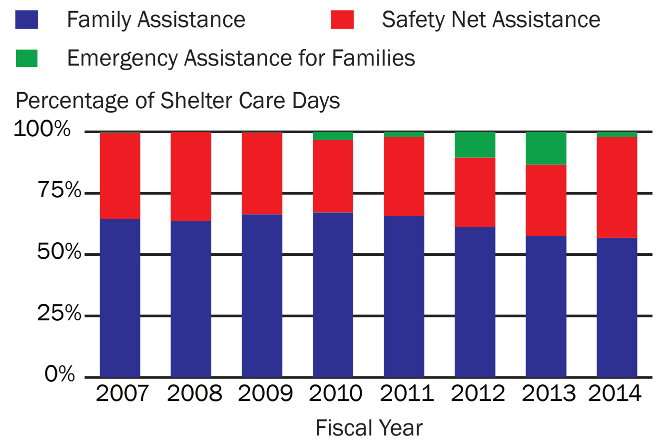


SOURCE: IBO analysis of data from the Department of Homeless Services
NOTES: Data reflect care days claims by funding sources for each fiscal year, which may not correspond with actual payments made for the fiscal year. Public assistance includes care days claimed to Family Assistance, Emergency Assistance for Families, Safety Net, Safety Net-Federally Participating, and Emergency Assistance for Adults.

New York City Independent Budget Office percent in 2013 before falling to 85 percent in 2014. (Over the same period, the city's total public assistance caseload declined by 9 percent.) On average, 83 percent of family shelter stays were charged to public assistance each year over the study period.

Family shelter stays are tracked and funded on the basis of "care days," or the number of days a family has resided in the shelter system. This allows DHS to identify the number of shelter days provided to families, even as families move between various shelter facilities or change public assistance status. Family shelter costs are calculated through a per diem rate established for each shelter facility multiplied by the number of care days provided at that facility. Costs are then assigned to the appropriate public assistance program if the household is eligible and claims for reimbursement through the public assistance program are submitted to the state. If the household is ineligible for public assistance, costs are charged solely to city funds. For this study IBO was able to obtain data from DHS on care days and funding claims through 2014.

Family Assistance Remains the Largest Share of Public Assistance Claims



SOURCE: IBO analysis of data from the Department of Homeless Services

NOTES: Data reflects care day claims by funding sources for each fiscal year, which may not correspond with actual payments made during the fiscal year. Safety Net-Federally Participating is reflected in the Family Assistance totals. Emergency Assistance to Adults is not included in the calculation; over the study period, Emergency Assistance to Adults averaged 0.03 percent of care day claims.

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Family Assistance Remains Largest Share of Family Shelter Public Assistance Claims. As the number of shelter stays rose from 2007 through 2014, the number of care days claimed to Family Assistance increased by 47 percent. Despite the growth in the overall *number* of claims, the *share* of public assistance claims charged to Family Assistance actually fell about 7 percentage points over the study period, from 64 percent in 2007 to 57 percent in 2014. This decrease in the share of care days charged to Family Assistance likely reflected families reaching the time limit for this benefit, as shelter stays, on average, became longer. (The average length of stay for a family with minor children rose from 292 days in 2007 to 427 days in 2014.)

Safety Net Assistance was the second largest public assistance program funding family shelter stays from 2007 through 2014. As was the case for Family Assistance, as the overall number of shelter care days increased over the study period, so did the number charged to Safety Net, which nearly doubled from 2007 through 2014. Looking at public assistance care day claims in terms of shares, the fall in the share of Family Assistance corresponds with the rise in the share of claims made to Safety Net Assistance and Emergency Assistance for Families. The use of Safety Net funds remained relatively stable from 2007 through 2011, averaging 33 percent. During this time, on average, only 1 percent of public assistance care days claimed were billed to EAF, which has a four month time limit and is intended to address short-term crises. A shift in these trends occurred in 2012—the year that the cost-sharing changes were made—when Safety Net dropped down to 28 percent as EAF rose to 10 percent. EAF does not count toward a family's five-year TANF time limit. At the end of the four-month period, the household could then be switched to Family Assistance or Safety Net if they were eligible, or if ineligible, the shelter stay began to be paid for exclusively out of city funds. EAF use peaked at 13 percent of all care days claimed to public assistance in 2013.

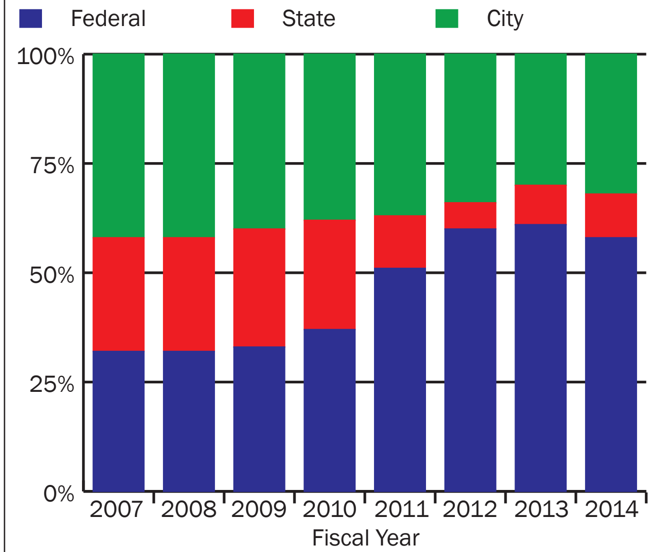
In February 2014, in response to the ballooning number of claims being made to EAF, the state issued a directive clarifying that the only families eligible for EAF were those experiencing a short-term crisis that could reasonably be expected to resolve within the four-month window. Families likely to require public assistance beyond four months were to be assigned directly to either Family Assistance or Safety Net, depending on eligibility. After the new directive was issued, the use of EAF in 2014 dropped back closer to its 2011 level, accounting for only 2 percent of care day claims. As the number of care days charged to EAF dropped in 2014, there was a corresponding rise in the number of care days charged to Safety Net. Between 2013 and 2014, Safety Net care days rose 12 percentage points from 29 percent up to 41 percent. This growth in Safety Net at the end of the study period is closely related to the changes the state made on the use of Emergency Assistance to Families and a decline in shelter care days eligible to be charged to Family Assistance.

Federal Funds Cover Larger Share of Family Shelter Costs. Given the mix of public assistance claims and the 2012 state-led changes to the cost sharing—which shifted more public assistance costs onto federal funding sources—the share of family shelter costs paid by the federal government rose during the study period. In 2011, federal funding became the majority source of family shelter funding.[4] The share of shelter costs paid through city and state funds fell during the study period, with state funding showing the greatest reduction.

Federal sources paid for 32 percent of family shelter costs in 2007, a share that held relatively constant through 2010. In 2011, the city received a one-time $21 million grant in additional TANF funds through the American Recovery and Reinvestment Act, which helped to raise the federal share to 51 percent. With the state's public assistance cost-sharing changes fully in place in 2012, the federal share rose to 60 percent and then peaked at 61 percent in 2013. Federal funds increased even as the share of Family Assistance claims fell somewhat. This is because the increase in EAF claims, which were also fully federally funded, offset the loss in Family Assistance claims. As the number of EAF claims then fell in 2014, the share of family shelter costs covered by the federal government decreased slightly in 2014, falling to 58 percent. The amount of federal funding, however, has gone up every year as the family shelter population has trended upward—rising from $120 million in 2007 to $310 million in 2014.

As the federal share of family shelter costs increased, the state and city shares have decreased. In 2007, state sources covered 26 percent of costs, a share that remained relatively constant through 2010. In 2011, with the increase in federal recovery act funds, the state share fell to 12 percent, 13 percentage points lower than the 25 percent share seen the year before. During this same time period, the city's share of funding declined more gradually, falling 5 percentage points, from 42 percent in 2007 to 37 percent in 2011. After the state implemented its cost-sharing changes in 2012, eliminating state support for Family Assistance and EAF claims and reducing its reimbursement for Safety Net claims, the state's share of overall shelter costs fell an additional 6 percentage points. These same changes had mixed implications for the city's share of costs. With Family Assistance and EAF now 100 percent federally funded, the city no longer had to contribute to those costs, but the city did have to pick up a larger portion of Safety Net costs from the state. The net effect of these changes resulted in a modest decrease in the city's share of family shelter funding, from 37 percent in 2011 to 34 percent in 2012.

Rise in Federal Share of Family Shelter Funding



SOURCES: IBO analysis of data from the Mayor's Office of Management and Budget and Office of the New York City Comptroller

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Since then, as more of the caseload shifted from Family Assistance to Safety Net, the state's share of family shelter costs has increased from 6 percent in 2012 to 10 percent in 2014, while the city's share remained relatively stable, averaging 32 percent. In dollar terms, total state funding for family shelters fell from $97 million in 2007 to $51 million in 2014—a 47 percent decline—despite the overall increase in family shelter stays. Meanwhile city funding has increased by 8 percent, from $160 million in 2007 to $173 million in 2014.

Single Adult Shelter Costs Paid Primarily With City Funds

Unlike funding for family shelters, public assistance plays a minimal role in funding shelters for single adults. Instead, single adult shelter costs are primarily paid through city funds with some additional funding through a state grant, and a small amount paid through federal funds. State changes in funding rules during the study period shifted adult shelter costs away from the state and more towards the city.

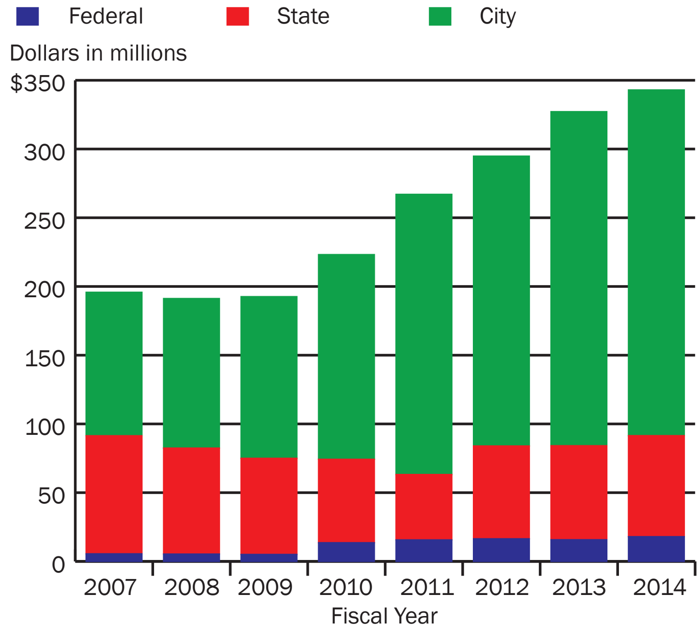
Single adult shelter funding is not derived from care days and per diem rates, the model used for family shelters. Shelter funding for single adults is instead based upon each provider's actual expenses of operating a shelter at a given bed capacity.[5]

In another difference from how family shelters are funded, public assistance plays only a small role in covering adult shelter costs. Single adults do not qualify for Family Assistance or EAF, as these programs require a minor child as part of the household composition. While single adults may qualify for Safety Net, the state limits the city's use of Safety Net to pay for homeless shelter stays at a fixed amount of funding each year. Safety Net funded an average of $11 million, or about 4 percent of the overall adult shelter costs during the study period. In place of using public assistance as the primary funding model to pay for shelters like that for families, the state provides an annual grant specifically designated to pay for single adult shelters in New York City, known as the "adult shelter cap." Under this grant, the state will reimburse the city for 50 percent of single adult shelter costs until the cap amount—which has been reduced over the study period—is reached.

State Increases City Share of Adult Shelter Costs. In state fiscal years 2010-2011 and 2011-2012, the state reduced its contribution towards the cost of adult shelters, leaving the city to bear a larger share of costs even as the adult shelter population continued to increase.[6] Prior to state fiscal year 2010-2011, New York State payments for single adult shelters were based on previous years' expenses, up to the cap. The adult shelter cap averaged $82 million from 2007 through 2011. The city could also request up to $10 million annually in additional funding above the cap to improve shelter conditions for medically frail adults. Beginning in 2011, the additional costs of sheltering the medically frail were to be included in the shelter cap amount. Then in 2012, the state removed language that tied funding to prior shelter costs and lowered the shelter cap to $69 million, where it has remained.

The reduction in the state shelter cap coupled with the growth in the adult shelter census caused city spending for adult shelter to rise dramatically over the study period. The cost of single adult shelter was $196 million in 2007 with the city paying for 53 percent, or $104 million, of the total and the state picking up 44 percent, or $86 million, of the costs. (A small amount of adult shelter funding, averaging about 4 percent a year, comes from the federal government through two block grants, the Emergency Solutions Grant and the Community Development Block Grant.) As the shelter cap was reduced, the additional cost associated with the increase in the shelter population was fully borne by the city. Total adult shelter costs rose to $343 million in 2014, with the city's share increasing to $252 million, or 73 percent, of the total and the state funds dropping to $73 million, or 21 percent, of the total. (The $73 million contributed by the state in 2014 includes the $69 million shelter cap as well as the state's share of funding for the small number of Safety Net cases).

City Funds Rise for Adult Shelter as State Funds Hold Constant



SOURCES: IBO analysis of data from the Mayor's Office of Management and Budget and Office of the New York City Comptroller
NOTES: Through 2011, a portion of the state shelter cap funding went towards the Department of Homeless Services general operations and outreach programs. Starting in 2012, the full amount of the shelter cap was applied to the cost of single adult shelters. Totals do not include intracity funds.
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Alternative Uses for Shelter Savings

The alternative uses for any potential shelter savings derived from a reduction in the city's shelter population depends on the underlying funding source used to pay for that shelter population. Because family shelters and single adult shelters are funded differently, a reduction in the number of homeless families would have a very different impact on city costs—and thus potential savings—than a commensurate reduction in the number of homeless single adults. Presently, much of the focus of the de Blasio Administration's policies has been on the increase in children and families in the shelter system. The city has designed most of the new homeless rental assistance and eviction prevention programs for homeless families with minor children. If these programs are successful in achieving a significant reduction in the number of family shelter care days, then any resulting shelter cost savings would largely free up federal TANF public assistance funds, with smaller savings for the city and state.

Use of Family Shelter Savings Limited by TANF Rules. These TANF funds are restricted to welfare-based programs and initiatives that specifically serve families with minor children and it would be up to the state, which controls the grant, to determine how any savings could be used. If the city is able to realize family shelter savings, New York State has already granted the city permission to redirect the savings, including federal TANF funds and state Safety Net funds, towards a rental assistance program that serves repeat and long-term shelter users (LINC II). The state has also allowed the city to use federal TANF funds to help pay for a rental assistance program targeting homeless domestic violence survivors (LINC III). Although there are federal restrictions on the use of TANF funds, it is possible that the state could permit the city to expand its use of these funds to pay for other programs targeting welfare-eligible families with minor children. Alternatively, the state could choose to use TANF savings to raise the overall cash assistance grant, which would benefit low-income households more generally.

Fewer Restrictions on Use of Adult Shelter Savings. In contrast to family shelter, the additional shelter costs associated with the rise in the number of homeless single adults has been paid for almost completely out of city funds. Thus a reduction in the single adult shelter population would largely free up city funds, an unrestricted funding source available to the de Blasio Administration. One option for these savings would be for the city to apply the funds on a pay-as-you-go basis to fund capital projects, including the development of affordable and supportive housing.

Although the city has greater flexibility in using savings from single adult shelters—which are mainly city funds— than savings from family shelters, the de Blasio Administration has only recently started directing resources towards reducing the population of single adults in shelters. Two rental assistance programs, LINC IV and LINC V, were created for single adults age 60 and older and working adults, respectively. In addition, the city is currently expanding rental assistance programs such as LINC VI, previously open only to families with minor children, to also serve single adults.

Conclusion

Family shelters are funded primarily through public assistance programs, with the specific program determined by the homeless household's composition and eligibility. Public assistance programs are paid out of a mix of federal, state, and city funds, with the cost-sharing splits varying by program. State-level changes that took place in 2012 have since shifted more of the family shelter costs to federal TANF sources and reduced the city and state shares of shelter costs. Although single adult shelter costs are funded primarily through city funds, a state grant that had been an additional source of funding has been reduced in recent years.

If the city's goal were simply to reduce its spending on shelter, then given the underlying funding differences a reduction in the single adult shelter population would save more in city funds than a reduction in the family shelter population. As the Mayor looks to decrease the homeless shelter rolls in the city, it is necessary to understand how homeless shelters are being funded, and how the underlying funding sources then inform alternative uses for any potential shelter cost savings.

Report prepared by Sarah Stefanski

Appendix

Number of Care Days Claimed to Public Assistance Programs

	Fiscal Year							
	2007	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
Family Assistance	1,502,695	1,531,832	1,740,501	2,066,270	1,952,557	1,939,430	2,202,945	2,213,254
Safety Net Assistance	822,171	870,931	876,584	908,346	948,910	897,733	1,112,343	1,594,841
Emergency Assistance For Families	7,239	3,929	5,927	101,240	64,136	332,253	509,307	83,516

SOURCE: IBO analysis of data from the Department of Homeless Services
NOTE: Safety Net-Federally Participating is included in the totals for Family Assistance.

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Family Shelter Funding by Revenue Source
Dollars in thousands

	Fiscal Year							
	2007	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
Federal	$119,730	$130,493	132,688	$154,824	$211,033	$254,670	$297,497	$309,848
State	96,827	104,462	109,637	105,895	49,848	25,963	42,083	50,788
City	160,005	173,863	157,414	161,101	154,631	146,320	150,978	172,840
TOTAL	**$376,562**	**$408,818**	**$399,739**	**$421,820**	**$415,512**	**$426,953**	**$490,559**	**533,476**

SOURCES: IBO analysis of data from the Mayor's Office of Management and Budget and Office of the New York City Comptroller

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Endnotes

[1]Under New York State's TANF rules, a minor child is defined as under age 18, or under age 19 if enrolled regularly in secondary education or vocational training. Households with a pregnant woman may also be considered households with a minor child for the purposes of Family Assistance eligibility.
[2]The reduction in state contribution to Family Assistance and Safety Net was in conjunction with the state switching the Earned Income Tax Credit benefit from being federally TANF-funded to being funded at the state level. This freed up TANF funds for other purposes, including Family Assistance and EAF.
[3]"2015 Opportunity Agenda—2015-16 Executive Budget," New York State Department of Budget, pp. 137-138.
[4]Most of this federal funding, 97 percent, on average, came through the Temporary Assistance for Needy Families block grant during the study period. The remaining 3 percent of federal funding came through the Emergency Solutions Grant, the Community Development Block Grant, and the Homelessness Prevention and Rapid Re-Housing program, which was funded through the American Recovery and Reinvestment Act.
[5]Neither the family shelter per diem payment model nor the single adult bed capacity model, however, takes into account whether a provider serves more clients over shorter shelter stays or fewer clients over longer stays. With intake and exit preparation being the most service-intensive parts of a shelter stay, current reimbursement models provide no incentives for shelter operators to move clients out of shelter more quickly.
[6]Changes in the adult shelter cap funding and rules were effective for the calendar year but reimbursed based on the state fiscal year.

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