

How Much Has the City Spent on One-Time Homelessness Prevention Payments for Rental Arrears?

Background

The Department of Social Services (DSS) includes the Human Resources Administration (HRA), which administers public benefits, and the Department of Homeless Services (DHS), which administers the City’s homeless shelter system. HRA administers multiple forms of rental support to prevent homelessness, including short-term benefits for households struggling with unpaid rent, which are referred to as rental arrears. Refer to the [glossary](#) for more information about terms used in this analysis.

- The City’s main voucher program is the City Fighting Homelessness and Eviction Prevention Supplement (CityFHEPS), a City-funded program on which IBO has previously [reported](#).¹ CityFHEPS only provides ongoing rental support, and does not fund one-time payments for rental arrears.
- Separate from CityFHEPS, HRA administers the Family Homelessness & Eviction Prevention Supplement (FHEPS) program, which is funded with City, State, and Federal dollars.² FHEPS is for families with children who receive Cash Assistance and who meet one of three criteria: they are being evicted, are in a shelter due to domestic violence, or are in shelter due to an eviction within the last year. Households can use FHEPS to remain in their home or move (including moving out of shelter), with payments up to five years based on Federal Section 8 standards. Unlike CityFHEPS, the FHEPS program includes both recurring and one-time emergency elements.
- Also for both recurring and one-time payments, HRA administers assistance for rental arrears through various emergency Public Assistance programs.³ Households must meet the eligibility requirements for Public Assistance programs, including Cash Assistance (Family Assistance or Safety Net Assistance), Emergency Assistance to Families, and Emergency Assistance for Adults.⁴

At the request of the Partnership to End Homelessness, IBO analyzed changes in one-time (“nonrecurring”) rental arrears.⁵ Using data on unique cases from DSS from 2018 through 2023, IBO analyzed the change in the total number of claims processed for emergency rental arrears, and the change in both the amounts distributed and the share of expenses borne by the City, State, and Federal governments.⁶ All years refer to City fiscal years.

Findings



Number of Cases Down

The total number of unique cases declined during the beginning of the pandemic, partially rebounding in 2023 although not to pre-pandemic levels. This is for cases, not applications, and thus does not indicate the demand for non-recurring emergency arrears or the length of time applications took to process. DSS did not provide IBO with data on applications.



Amount per Case Up

The total cost for emergency rental arrears in 2023 was \$309 million, higher than the total cost in 2018 (\$258 million) despite the fact that the total number of cases in 2023 (42,900) was lower than the number in 2018 (60,600). This is because the average dollars paid per case was higher in 2023 compared with 2018 (\$7,200 compared with \$4,300). According to DSS, the higher amount per case is likely due to longer periods of unpaid rent due to the eviction moratorium and an increase in the maximum rent allowed under FHEPS.



City Share Up

Over time, the federal government has been paying a smaller share of these programs, causing the City to pay a correspondingly larger share. The City portion has risen from 42 percent to 46 percent, while the state share has remained flat at 19 percent and the federal share has fallen from 40 percent to 35 percent.



Case Composition Changes

According to DSS, this change in funding sources is the result of changes in case composition. Safety Net Assistance (SNA) is funded 71% by the City and 29% by the state, while Family Assistance (FA) is funded 85% by the federal government and 15% by the City. As the share of cases funded by SNA has grown, so has the share of City funding.

After A Decline in Rental Arrear Nonrecurring Payments During the Pandemic, Total Payments in 2023 Increased Beyond Pre-Pandemic Levels

Fiscal Year	Cases	Average Per Case	Payment Amount in Millions of Dollars			
			City	State	Federal	Total
2018	60,600	\$4,261	\$109	\$47	\$103	\$258
2019	61,900	\$4,340	\$114	\$50	\$104	\$269
2020	52,200	\$4,399	\$98	\$42	\$89	\$230
2021	40,500	\$5,227	\$93	\$37	\$82	\$212
2022	23,100	\$4,439	\$47	\$19	\$36	\$102
2023	42,900	\$7,211	\$143	\$58	\$108	\$309

SOURCE: Department of Social Services

NOTE: The Emergency Rental Assistance Program, funded by the New York State Office of Temporary and Disability Assistance during the pandemic, is not included in the table and is a separate application process.

Potential Impact of Good Cause Eviction on Need for Rental Arrear Payment Assistance Expected to Be Limited

The recently-adopted State Budget included new tenant protections under the “Good Cause Eviction Law,” which will apply to a subset of apartments in buildings built before 2009. The main component of the law is to limit annual rent increases and provide tenants with the right to lease renewal. Tenants in apartments covered by Good Cause Eviction, however, can still be evicted for nonpayment of rent, so long as annual rent increases were within the law’s parameters. IBO will be monitoring how the Good Cause Eviction Law may affect rental arrears and the number of evictions in the City. But because the tenant protections only apply to a subset of apartments, and up to 10% rent increases are allowed for covered apartments, households currently struggling with rental arrears are likely still going to seek one-time payment assistance to help avoid evictions.

Endnotes

¹CityFHEPS funding includes some federal stimulus funding. Because these are fungible federal dollars that could be used anywhere within the City budget, IBO considers it a City-funded program.

²There also are Special One Time Assistance (SOTA) grants for families in shelter that do not have to be for rental arrears specifically.

³Public Assistance provides ongoing assistance for rent and emergency one-time needs; the latter is commonly referred to as “one-shot deals,” which is not a legal term.

⁴This only included PA federal levels. A previous [IBO report](#) included the total number of one-shot deals for all types of cases not just one-shot deals for rental arrear cases.

⁵Some households may receive both FHEPS and other one-time assistance, but this analysis includes only the total number of unique cases for each program rather than the number of households receiving assistance.

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