

**Testimony of the New York Housing Conference**

**New York City Rules  
CityFHEPS and Pathway Home Rule Amendments**

**May 30, 2025**

Good afternoon. My name is Brendan Cheney. I am Director of Policy and Operations at the New York Housing Conference (NYHC). I would like to thank the Committee for the opportunity to comment on proposed rules changes at the Human Resources Administration.

NYHC is a nonprofit affordable housing policy and advocacy organization. As a broad-based coalition, our mission is to advance City, State and Federal policies and funding to support the development and preservation of decent and affordable housing for all New Yorkers.

City FHEPS has been a critical tool to move people from shelter into permanent housing and keep people stably housed. The administration has rightly significantly expanded the program in recent years, giving stability to thousands of households. This important tool is serving New Yorkers well and should continue under the current provisions, including maintaining tenant contribution of 30% of their income.

NYHC opposes the proposed change to City FHEPS “change the baseline household contribution from 30% of the household’s monthly income to 40% for households which have earned income and are granted additional renewals for good cause.” This change will increase burdens of low income households while providing very little benefit to the city.

HRA says the proposal is meant to, “assist those households with a gradual transition off City FHEPS as they achieve self-sufficiency.” However, it is more likely that the change is meant to decrease the cost of the program.

While we understand that the cost of City FHEPS is increasing, we believe this change will save the city very little money. Increasing the household’s contribution to 40% from 30% could save the city at most several million dollars per year in the short term, which is a very small share of the cost of the program.

The small city savings would have an outsized detrimental impact on families that the program intends to help.

Currently, City FHEPS requires tenants pay 30% of their income towards rent, a widely accepted metric for housing affordability. Increasing the tenant payment to 40% would require households to become rent burdened under a program that is meant to help them.

Asking low-income families to pay 40% instead of 30% could mean paying another \$1,500 per year or more. This would mean spending that much less on other necessities by the household. Low income families have little disposable income and already struggle to afford other necessities like food, clothing and healthcare. In 2021, NYHC studied the impact of Section 8 vouchers – which have similar parameters as City FHEPS – on households and the economy and we found that when a household gets a Section 8 voucher, their average disposable income to spend on increases from \$560 to \$1,200

per month to spend on necessities like food, child care, medical care and transportation. Increasing the tenant's required contribution would mean less spending on these necessities.

Far from moving families to self-sustainability, this increase would mean greater instability and could push these families into homelessness. For any family that then becomes homeless, the city would need to provide shelter at a much higher cost, outweighing any "savings".

New York City should not move the burden of these programs onto the people they are meant to serve. We call on the city to withdraw this change and maintain the widely-accepted standard of 30% rent payment for households served by City FHEPS.