



Testimony of

Coalition for the Homeless

before the Committees on General Welfare; Hospitals; and  
Governmental Operations, State & Federal Legislation  
of the New York City Council

on

The Impacts of Federal Budget Cuts

submitted by

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The Coalition for the Homeless (“Coalition”) is the court- and City-appointed independent monitor of the Department of Homeless Services (“DHS”) shelter system and plaintiff in the historic *Callahan*, *Eldredge*, and *Boston* cases that created the right to shelter in NYC. We are actively engaged in assisting and defending the rights of homeless New Yorkers and advocating for the resources needed to end mass homelessness by ensuring access to permanent housing.

Federal budget cuts that have already been enacted, and additional cuts proposed by the Trump Administration, will have a devastating impact in New York City, which is already struggling with record homelessness. NYC has one of the largest populations of unhoused people in the United States. In July 2025, there were 104,052 people sleeping in New York City shelters, including 35,526 children.<sup>1</sup> This staggeringly high figure does not include the many thousands of people sleeping unsheltered in public spaces, or the hundreds of thousands temporarily sleeping doubled- and tripled-up in the homes of others. As such, the number of people without homes in New York has never been higher.

New York City's homelessness crisis is fundamentally a crisis of affordable housing, with the gap between need and availability reaching catastrophic levels. Federal funding cuts will only deepen this crisis. Without City and State action, homelessness and food insecurity will expand to unseen levels. According to the National Low Income Housing Coalition, for every 100 extremely low-income (ELI) households in the New York metro area, only 34 affordable rental units are available.<sup>1</sup> This severe shortage forces 73 percent of ELI households to spend more than half their income on housing, creating impossible financial burdens that push many into homelessness.<sup>2</sup> When rent is unaffordable, people are forced to choose between putting food on the table, getting medical care, and meeting other necessities. Yet, with the federal funding cuts already enacted and those proposed by the Trump administration, households will be facing crises in all these areas of basic need.

The current affordability crisis stems from decades of underinvestment in permanent, affordable housing and policy failures at all government levels. Federal budget cuts will worsen this without immediate, substantial intervention by New York City to keep people housed and invest in local solutions that are proven effective at housing homeless households, like vouchers and investments in affordable and supportive housing.

### Enacted Federal Funding Cuts

#### *Emergency Food and Shelter Program*

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<sup>1</sup> “The Gap: A Shortage of Affordable Homes,” National Low Income Housing Coalition, accessed May 12, 2025, [https://nlihc.org/sites/default/files/gap/2025/gap-report\\_2025\\_english.pdf](https://nlihc.org/sites/default/files/gap/2025/gap-report_2025_english.pdf).

<sup>2</sup> “The Gap: A Shortage of Affordable Homes,” National Low Income Housing Coalition, accessed May 12, 2025, [https://nlihc.org/sites/default/files/gap/2025/gap-report\\_2025\\_english.pdf](https://nlihc.org/sites/default/files/gap/2025/gap-report_2025_english.pdf).

The Trump's administration cuts to the Supplemental Nutrition Assistance Program ("SNAP") are projected to result in 300,000 New York State residents losing some or all of their benefits.<sup>3</sup> These cuts come on top of the cancellation of other programs that provide emergency food assistance, and after food prices in NYC had increased by more than 56 percent from FY13 to FY23.<sup>4</sup> The Coalition's Grant Central Food Program ("GCFP") has already experienced cuts to our federal funding under the Emergency Food and Shelter Program ("EFSP") operated by the Federal Emergency Management Agency. The GCFP is the country's largest nightly mobile soup kitchen, handing out over 1,000 meals per night on two routes operating in Manhattan and the Bronx. The program also distributes other essential resources, such as blankets, coats, hats, clothing, and toiletries to the most vulnerable people on our streets.

In February 2025, grantees received notice that payments were being paused for the next phase of the grant, which would have started in April of this year. That funding has not been restored. The EFSP was established in 1983 and in its 42-year history, the EFSP distributed \$6.6 billion to over 14,000 human service agencies in more than 2,500 communities across the country.<sup>5</sup> In the last phase of the program, New York City non-profits received \$4,947,308 to support emergency food and shelter-related costs.<sup>6</sup> The Coalition thanks the City Council for the substantial support it provides to GCFP, which allows us to hand out nutritious meals to people who often do not have another source of food. The shameful decision of the federal government to end this funding leaves us, and other organizations, in the position of finding other funding sources so that the people who rely on us do not go hungry. At the same time as we are experiencing cuts to our funding, we expect to see an increase in need because SNAP, housing, and Medicaid cuts will drive more people further into poverty – forcing them to choose between paying for food, shelter, or healthcare with the limited resources they have left.

### *Emergency Housing Vouchers*

On March 6, 2025, the U.S. Department of Housing and Urban Development ("HUD") announced that it will be ending the Emergency Housing Voucher ("EHV") Program, which has provided critical housing assistance to homeless households. New York City received 7,713 EHV vouchers. These vouchers were a lifeline to many low-income homeless households, including survivors of domestic violence, homeless youth and youth aging out of foster care, and people living with HIV/AIDS. The abrupt end to this program presents a significant risk of return to shelter for many of these households, who have an average income of just over \$18,000.<sup>7</sup>

<sup>3</sup> "Governor Hochul Joins U.S. Representative Ritchie Torres to Warn of Crippling Effects of Republicans' Big Housing Cuts." New York State, Office of Governor Kathy Hochul, [www.governor.ny.gov/news/governor-hochul-joins-us-representative-ritchie-torres-warn-crippling-effects-republicans-big](https://www.governor.ny.gov/news/governor-hochul-joins-us-representative-ritchie-torres-warn-crippling-effects-republicans-big). Accessed 22 May 2024.

<sup>4</sup> Office of the New York State Comptroller. "The Cost of Living in New York City: Food." Apr 2025, [www.osc.ny.gov/files/reports/osdc/pdf/report-2-2026.pdf](https://www.osc.ny.gov/files/reports/osdc/pdf/report-2-2026.pdf). Accessed 15 Sept. 2025.

<sup>5</sup> "Emergency Food and Shelter Program." United Way, [www.efsp.unitedway.org/efsp/website/websiteContents/index.cfm](https://www.efsp.unitedway.org/efsp/website/websiteContents/index.cfm). Accessed 22 May 2024.

<sup>6</sup> "County List for Current Awards" Emergency Food and Shelter Program. United Way, <https://www.efsp.unitedway.org/efsp/website/websiteContents/index.cfm>. Accessed 15 Sept. 2025.

<sup>7</sup> New York Housing Conference. "NYHC EHV Policy Brief." May 2025, [thenyh.org/wp-content/uploads/2025/05/NYHC-EHV-Policy-Brief-May-2025.pdf](https://thenyh.org/wp-content/uploads/2025/05/NYHC-EHV-Policy-Brief-May-2025.pdf).

The New York City Housing Authority has announced a sensible plan to transition the 5,427 EHV participants that it services to Section 8 vouchers. While we support this plan, we urge the City to monitor the transition closely and provide support to households to ensure that no household loses its housing. Although there is a plan to transition the majority of EHV vouchers, this still leaves 2,168 households receiving EHV vouchers administered by the New York City Department of Housing Preservation and Development (“HPD”) facing an impending loss of rental support. Currently, HPD is in budget shortfall for its Housing Choice Vouchers and thus does not have available vouchers to which EHV recipients could be transferred.<sup>8</sup> It is imperative that the City develop a plan to keep these tenants housed.

### Proposed Federal Funding Cuts

President Trump's FY2026 proposed budget would devastate federal housing programs and exacerbate homelessness by dismantling the housing safety net for millions of vulnerable Americans. The President's budget would:

- Cut \$33.6 billion (44 percent) from HUD;
- Consolidate and cut funding to current housing programs into a single block grant, including: Section 8 (tenant-based and project-based vouchers), Public Housing, and Section 811 and 202 housing;
- Consolidate Continuum of Care (“CoC”) and Housing Opportunities for Persons with AIDS (“HOPWA”) into an Emergency Solutions Grant (“ESG”) with a two-year limit on assistance; and
- Consolidate other critical housing funding and impose harsh two-year time limits on housing assistance in all federally-funded housing for non-elderly and non-disabled households.

If enacted, these proposals would trigger a housing and homelessness crisis of unprecedented magnitude in New York and across the nation. The House of Representatives appropriations committee has rejected many of these proposals but still proposes catastrophic funding reductions for key programs. The Senate appropriations committee proposal would provide an overall increase in HUD funding, but that increase is insufficient to meet that need and would still result in significant cuts to some programs.

### *Consolidation of HOPWA and CoC Funding*

The Trump Administration proposes to block grant homeless assistance programs, including CoC and HOPWA funding, within the more limited ESG framework of providing only time-limited, emergency-only assistance. In New York, these programs fund critical long-term

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<sup>8</sup> "Housing Choice Voucher (HCV) Data Dashboard." U.S. Department of Housing and Urban Development, accessed 8 Sept. 2023, [www.hud.gov/helping-americans/public-indian-housing-hcv-dashboard](https://www.hud.gov/helping-americans/public-indian-housing-hcv-dashboard).

solutions like supportive housing. Any time-limitations on assistance would force vulnerable populations back into homelessness and dismantle proven solutions to chronic homelessness.

The catastrophe of homelessness is devastating for anyone, but for those living with medical conditions like HIV and AIDS, the lack of stable housing can be life threatening. Living in a homeless shelter or on the streets makes it impossible to follow a complex health care regimen and dramatically increases exposure to other illnesses that lead to immediate and long-term health risks. To address this, the Coalition launched its Scattered Site Housing Program (“SSHP”) in 1990 as one of the city’s first models for providing private permanent housing — as well as necessary supportive services — to homeless people living with HIV/AIDS.

In FY24, New York received \$54.9 million in HOPWA funding. Through HOPWA and other funding, the Coalition operates 66 units of permanent supportive housing for people with HIV/AIDS. We provide a comprehensive array of services — helping people manage the physical and emotional difficulties that accompany their illness, receive the healthcare and benefits to which they are entitled.

The Trump administration’s proposal to consolidate HOPWA, CoC, and ESG funding, reduce that funding, and institute a two-year time limit on assistance would devastate the Coalition’s housing program and many programs like it. Thirty percent of our program’s funding is from federal pass-through dollars. Funding cuts and time-limits would endanger medically vulnerable, formerly homeless people who have found stability and health through housing. Many of our scattered-site permanent housing residents have significant health conditions that prevent them from working. They often subsist only on social security disability benefits. Instituting a two-year time limit would push many of these households back into homelessness.

### *Public Housing and Section 8*

The proposed budget would consolidate current housing and rental assistance programs into a single block grant, including: Section 8 (tenant-based and project-based vouchers), Public Housing, and Section 811 and 202 housing. This consolidation would come with devastating cuts of over \$30 billion, undermining existing contracts with building owners and threatening financing for thousands of multifamily properties. In 2024, New York State received \$8.8 billion for these programs. Under block grant funding, this could drop to \$4.8 billion or less—a reduction that would destabilize housing for 243,000 Section 8 voucher households, 100,000 households in project-based Section 8 units, 164,000 public housing residents

### *Other Program Consolidations and Time Limits on Assistance*

The Trump Administration’s proposed budget eliminates all funding for the Public Housing Capital Fund, HOME Investment Partnerships Program, Community Development Block Grants (CDBG), and Fair Housing Initiatives Program. These programs are essential for maintaining habitable housing conditions, constructing affordable and senior housing, and enforcing civil rights protections.

The President's budget also proposes limiting federal housing assistance to just two years for all HUD-assisted households without elderly or disabled members. This policy would affect up to 200,000 New York households. In New York's tight housing market with its severe shortage of affordable rental homes, this policy would cause mass evictions and unprecedented levels of homelessness.

### Local Responsibility Amid National Retreat

As the federal government threatens unprecedented cuts to rental assistance, local programs like CityFHEPS, supportive housing, and affordable housing development are more vital than ever. There are over 200,000 households on the New York City Housing Authority ("NYCHA") Section 8 waitlist.<sup>9</sup> Emergency pandemic-era funds are running dry. Even with the new HAVP pilot, which is expected to provide vouchers in March 2026, State aid is minimal and does not begin to meet demand. CityFHEPS is the only meaningful housing safety net left for thousands of low-income New York City families. Undermining it in the face of record-high homelessness and historically low vacancy rates in affordable housing could not come at a worse time.

The federal funding cuts already enacted, and those proposed, will devastate New York's housing infrastructure at a time when homelessness is already at record levels. The elimination of these critical programs would lead to deteriorating housing conditions and fewer affordable options for vulnerable New Yorkers. In response, the City must continue and expand its investment in CityFHEPS and capital funding for supportive housing and affordable housing.

The City must also step up to push back against these cuts and to work with the State to minimize the harms that will flow from the shameful actions of the federal government. At a time when affordable housing is already scarce and homelessness is at record levels, inaction by the City in the face of these cuts will dismantle decades of progress and infrastructure built to address these challenges.

### Introduction 1372-2025

CityFHEPS was created to break the cycle of homelessness by helping individuals and families secure permanent housing. The Adams' Administration's recent decision to raise the tenant contribution to 40 percent after the fifth year of receiving a CityFHEPS voucher will make voucher recipients "rent-burdened" and jeopardize their already fragile housing stability. Forcing low-income tenants to pay a higher share of their limited income undermines the very purpose of the program. Many of these tenants work in low-wage or part-time jobs with little to no wage growth over time. We fully support Introduction 1372-2025, which would limit the

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<sup>9</sup> "New NYCHA Section 8 Waitlist Established." NYCHA Journal, New York City Housing Authority, 1 Aug. 2024, [nychajournal.nyc/new-nycha-section-8-waitlist-established/](https://nychajournal.nyc/new-nycha-section-8-waitlist-established/).

household rent contribution to 30 percent of a voucher recipients' gross income, and urge the Council to swiftly pass this bill.

Expecting households to absorb a 33 percent increase in their rent burden is not only unrealistic, it is dangerous. According to HRA, 20,227 single individuals and 9,521 households with children moved into permanent housing using CityFHEPS vouchers issued in 2019 and 2020. (The City's public data does not reveal how many of them are working-age adults earning an income in the workplace, and therefore the precise number of impacted households is currently unavailable.) Under the proposed rule, the median income-earning single individual would owe \$576 more in rent annually. The median income-earning family with children would be obligated to pay \$384 more each year. Recent research shows that rent hikes on low-income households are strongly associated with increased evictions, reduced spending on essentials like food and medicine, and heightened risks to health and stability. Even modest increases in rent burden are statistically associated with increased evictions and shelter entry. A 2024 study published in the journal *Social Science and Medicine* found that increased rent burdens strongly correlate with eviction, reduced spending on food and medicine, and even premature mortality.<sup>10</sup> This is not speculation; this is borne out by local and national data.

Most of these households are already barely making ends meet. Increasing their rent burden will leave them with even less to spend on food, childcare, transportation, and health care. According to the Urban Institute's True Cost of Economic Security measure, 62 percent of city residents lack the resources needed to thrive, not just survive. The average gap between the costs and resources for these residents is roughly \$40,600. By increasing tenants' rent share, the City would worsen this resource gap and push economic security even further out of reach.

The rule forces households to be rent-burdened; it would enshrine rent burden into City policy. In 2017, the Trump Administration proposed raising rents in federally subsidized housing to 35 percent of a household's income, a proposal that was heavily critiqued and ultimately rejected.<sup>11</sup> That the City is going beyond even what was proposed by the Trump Administration is appalling and sets a dangerous precedent potentially impacting the millions of families who rely on subsidized housing. Against this backdrop of federal disinvestment, it is indefensible for New York City to weaken its main local housing voucher program by shifting costs onto vulnerable tenants.

### Introductions 1364-2025 and 1225-2025

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<sup>10</sup> Graetz, Nick, et al. "The Impacts of Rent Burden and Eviction on Mortality in the United States, 2000–2019." *Social Science & Medicine*, vol. 340, 1 Jan. 2024, p. 116398. <https://doi.org/10.1016/j.socscimed.2023.116398>.

<sup>11</sup> "Trump Budget's Housing Proposals Would Raise Rents on Struggling Families, Seniors, and People with Disabilities." The Center of Budget Policy and Priorities, 12 Jul. 2017, <https://www.cbpp.org/research/trump-budgets-housing-proposals-wouldraise-rents-on-struggling-families-seniors-and-people>.

The Coalition also supports Introductions 1364-2025 and 1225–2025. Introduction 1364-2025, which would require New York City’s Office of Management and Budget to issue monthly reports on federal funding, would bring needed transparency to the impact of federal funding cuts on the City’s budget to elected official, non-profits, and the public. The Coalition also support Introduction 1225-2025, which would create an Office of the Census to increase census participation, with a specific mandate to increase participation by hard-to-reach populations and ensuring sufficient multi-lingual outreach to New York’s diverse residents.

### About Coalition for the Homeless

The Coalition, founded in 1981, is a not-for-profit advocacy and direct services organization that assists more than 3,500 homeless and at-risk New Yorkers each day. The Coalition advocates for proven, cost-effective solutions to address the crisis of modern homelessness, which is now in its fifth decade. The Coalition also protects the rights of homeless people through litigation involving the right to emergency shelter, the right to vote, the right to reasonable accommodations for those with disabilities, and life-saving housing and services for homeless people living with mental illnesses and HIV/AIDS.

The Coalition operates 12 direct-services programs that offer vital services to homeless, at-risk, and low-income New Yorkers. These programs also demonstrate effective, long-term, scalable solutions and include: permanent housing for formerly homeless families and individuals living with HIV/AIDS; job-training for homeless and low-income women; and permanent housing for formerly homeless families and individuals. Our summer sleep-away camp and after-school program help hundreds of homeless children each year. The Coalition’s mobile soup kitchen distributed nearly 400,000 hot, nutritious meals to homeless and hungry people on the streets of the city this past year – up from our usual 320,000. Finally, our Crisis Services Department assists more than 1,000 homeless and at-risk households each month with eviction prevention, individual advocacy, referrals for shelter and emergency food programs, and assistance with public benefits as well as basic necessities such as diapers, formula, work uniforms, and money for medications and groceries. In response to the pandemic, we are operating a special Crisis Hotline (1-888-358-2384) for homeless individuals who need immediate help finding shelter or meeting other critical needs.

The Coalition was founded in concert with landmark right-to-shelter litigation filed on behalf of homeless men and women (*Callahan v. Carey* and *Eldredge v. Koch*) and remains a plaintiff in these now consolidated cases. In 1981, the City and State entered into a consent decree in *Callahan* through which they agreed: “The City defendants shall provide shelter and board to each homeless man who applies for it provided that (a) the man meets the need standard to qualify for the home relief program established in New York State; or (b) the man by reason of physical, mental or social dysfunction is in need of temporary shelter.” The *Eldredge* case extended this legal requirement to homeless single women. The *Callahan* consent decree and the *Eldredge* case also guarantee basic standards for shelters for homeless men and women. Pursuant to the decree, the Coalition serves as court-appointed independent monitor of



municipal shelters for homeless single adults, and the City has also authorized the Coalition to monitor the municipal shelter system serving homeless families. In 2017, the Coalition, fellow institutional plaintiff Center for Independence of the Disabled – New York, and homeless New Yorkers with disabilities were represented by the Legal Aid Society and pro-bono counsel White & Case in the settlement of *Butler v. City of New York*, which is designed to ensure that the right to shelter includes accessible accommodations for those with disabilities, consistent with Federal, State, and local laws. During the pandemic, the Coalition worked with the Legal Aid Society to support homeless New Yorkers, including through the *E.G. v. City of New York* Federal class action litigation initiated to ensure Wi-Fi access for students in DHS and HRA shelters, as well as *Fisher v. City of New York*, a lawsuit filed in New York State Supreme Court to ensure homeless single adults gain access to private hotel rooms instead of congregate shelters during the pandemic.