



Testimony of
Coalition for the Homeless

before the Housing and Building Committee
of the New York City Council

on the

Housing and Building Committee's Preliminary Budget for Fiscal Year 2027

submitted by

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The Coalition for the Homeless ("Coalition") welcomes this opportunity to submit testimony to the New York City Council's Committee on Housing and Buildings. As the court- and City-appointed independent monitor of

the Department of Homeless Services (“DHS”) shelter system and party in the historic Callahan, Eldredge, and Boston cases that created the right to shelter in New York City (“NYC”), we are uniquely situated to provide insight into the impact of proposed funding for affordable housing and related programs serving all unhoused New Yorkers.

Priced Out of New York City

New York City has one of the largest populations of unhoused people in the United States. In January 2026, there were 100,437 people sleeping in New York City shelters each night on average, including 33,217 children.¹ This staggeringly high figure does not include the thousands of individuals sleeping unsheltered on the streets and other public spaces, nor the well over 200,000 individuals living doubled-up or tripled-up in the homes of other²step before turning to the shelters or the streets.³ As such, the number of people without homes in New York City has never been higher.

These alarming statistics have been fueled by decades of underinvestment in permanent affordable housing for extremely low-income families and the failure of all levels of government to enact policies to meaningfully reverse this trend. The affordable housing shortage in NYC, particularly for extremely low-income (ELI) households, those earning 30 percent or below of the Area Median Income (AMI), is underscored by the stark data revealing the depth of the crisis. Seventy-three percent of ELI households in the New York City area are severely rent-burdened, meaning they pay more than 50 percent of their gross income toward rent.⁴ With virtually no apartments available at rents affordable to ELI households, the consequence is predictable: a shelter system originally designed for temporary stays has become a de facto housing provider of last resort.

The worsening housing precarity in NYC is further evidenced by persistently high eviction rates. From 2020 to 2025, the ten ZIP codes with the highest eviction rates, ranging from 33 to 43 percent of households, were concentrated in the Bronx, where more than half of households earn below \$53,000.⁵ Coupled with the near-total absence of available affordable housing, this surge in evictions has made a substantial and continued increase in mass homelessness a near-inevitability.

Despite record levels of “affordable” housing production in recent years, the vast majority of City-subsidized units are categorically unavailable to homeless and ELI households, not because they earn too much, but because they earn too little. As described in Coalition’s policy brief, *Build From the Bottom Up: Affordable Housing for Homeless New Yorkers*, from 2014 to 2024, only 21 percent of new affordable rental units financed by the City were available to ELI households, amounting to just 22,565 units over an entire decade.⁶ Meanwhile, 69,572 new units were financed for households earning between 51 and 165 percent of AMI.⁷ In 2024, the largest share of

¹ Coalition for the Homeless, “How Many People Are Homeless In NYC?,” *About Homelessness In New York*, March 2026, <https://www.coalitionforthehomeless.org/how-many-total-people-are-homeless-in-nyc/>.

³ *Ibid.*

⁴ National Low Income Housing Coalition. *The GAP Report 2025: A Shortage of Affordable Homes*. The GAP. New York, NY, 2025. <https://nlihc.org/gap>.

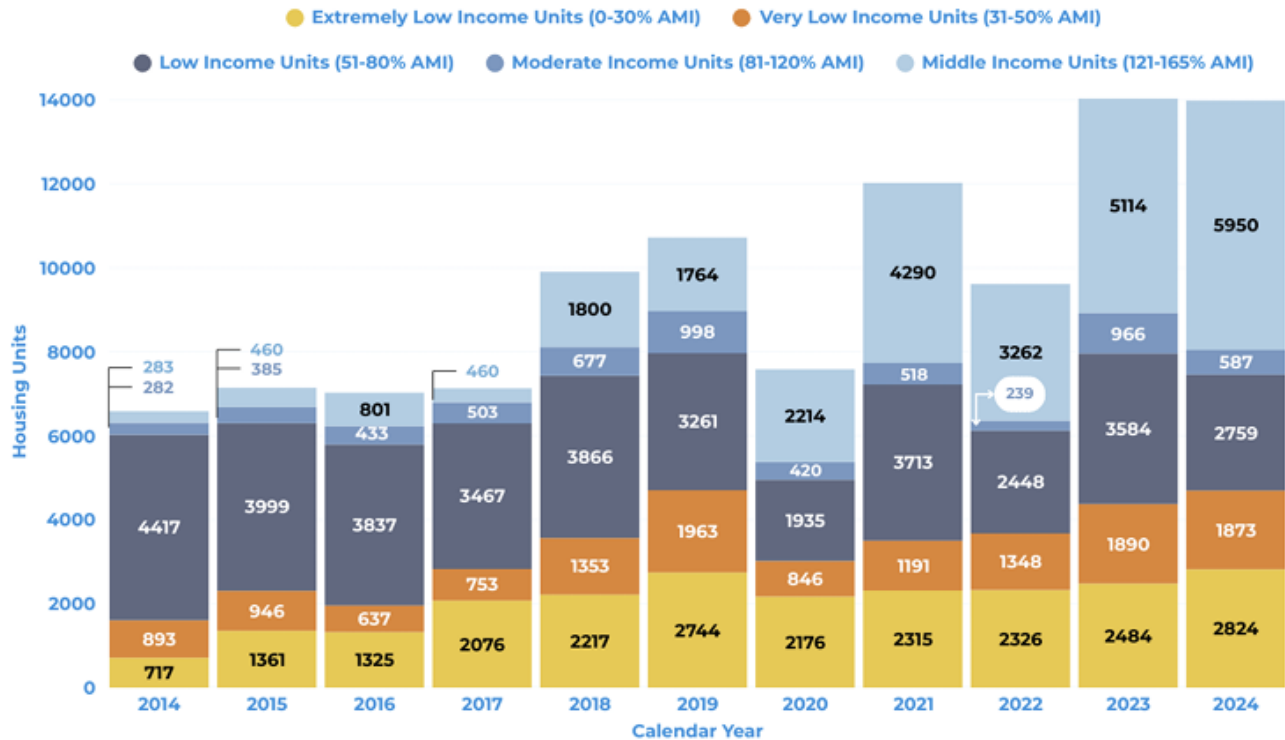
⁵ Vasquez, Jade. *Evictions Up, Representation Down: How New York City Is Undermining the Right to Counsel*. New York, New York: Office of the New York City Comptroller, 2025. <https://comptroller.nyc.gov/reports/evictions-up-representation-down/>.

⁶ Coalition for the Homeless, *Build From the Bottom Up: Affordable Housing for Homeless New Yorkers* (New York, New York, 2026), 5, <https://www.coalitionforthehomeless.org/build-from-the-bottom-up/>.

⁷ *Ibid.* Pg 5

City-funded "affordable" units was restricted to households earning between 121 and 165 percent of AMI,⁸ meaning a single mother with two children would need to earn at least \$118,096 annually to qualify. This creates a cruel irony: those who are homeless or most severely rent-burdened are systematically excluded from the very housing programs the City funds in their name.

Figure 1. Number of New Affordable Rental Units Financed by Income Band and Calendar Year (2014 - 2024)



Source: Calculations based on data from NYC Department of Housing Preservation and Development, "Affordable Housing Production by Building," accessed via NYC Open Data.

Note: These figures do not include affordable housing preservations or supportive housing production.

Reverse the Trend: Budget Recommendations

New York City must prioritize investing in deeply affordable housing, specifically for those who are currently homeless and extremely low-income households at imminent risk of homelessness. Such investments are even more necessary now, given catastrophic federal funding cuts and changes in federal housing and homeless policies that will undermine housing stability for many who are housed, further increasing the demand for housing that is affordable. The underlying cause of mass homelessness in New York City is a shortage of rental housing for the lowest income residents. This homelessness crisis will continue to grow unless the City corrects the misalignment between the greatest need for affordable housing and the priorities for affordable housing production.

⁸ Coalition for the Homeless, *Build From the Bottom Up: Affordable Housing for Homeless New Yorkers* (New York, New York, 2026), 7, <https://www.coalitionforthehomeless.org/build-from-the-bottom-up/>.

To start, the City must commit to prioritizing the creation of 12,000 units of truly affordable housing per year for the next five years—for a total of 60,000 units available only to homeless and extremely low-income households on the brink of homelessness. To ensure that homeless and ELI households are duly considered for affordable housing, the City must dedicate capital funds specifically for housing production for homeless and ELI New Yorkers.

Concentrating capital investment to create housing for the lowest-income New Yorker is not only morally correct, but will have a more significant impact in alleviating homelessness and the affordable housing crisis. Research continues to show that rising rates of homelessness are not fundamentally a housing supply issue that can be solved only by increasing supply.⁹ A common argument is that building more housing for renters at all income levels in New York City will result in more apartments becoming available to the lowest-income renters through the process of “filtering down.”¹⁰ However, trickle down housing policies will not work in New York City—especially for the city’s lowest-income residents. This is because of flawed assumptions about property depreciation and the pressures pushing housing prices upward, including speculative real estate investment,¹¹ and the amount of time this approach would need to take effect. But even where it does work in other cities, filtering down is an extremely slow process. The most optimistic analyses suggest that it can take more than 20 years for a market-rate unit to become affordable to a household at 60 percent AMI—still well out of reach for extremely low-income households.¹²

We appreciate the Council’s efforts to increase affordable housing for the lowest income New Yorkers through the passage of Local Law 66 of 2026, mandating that 30 percent of all new housing developments financed by the Department of Housing and Preservation Development (HPD) after July 2027 be affordable for ELI households. However, that law must be paired with a sufficient capital commitment to ensure that units are actually built.

While making this historic investment in deeply subsidized affordable units is critical, these efforts alone will not address the aforementioned gap that has resulted in an average of 100,437 people sleeping in shelters each night and hundreds of thousands of extremely low-income households that are severely rent burdened. Therefore, at the same time, the City must continue to invest in preserving the existing affordable housing stock, repairing and utilizing all vacant housing units, and ensuring that affordable housing projects remain stable over the long-term in order that fewer households require shelter.

New York City’s crisis of mass homelessness will continue to worsen without significant investments in housing for the people who need it most. Targeting housing investments to the tightest segment of the market is both logical and necessary. Creating units for the lowest-income households produces the largest and most immediate rent-burden relief for those renters and the renters most proximate to them and reduces the burden on the City’s shelter system.

⁹ Chris Schildt, “To Solve the Housing Affordability Crisis, Communities Must Confront Inequality,” *Shelterforce*, March 4, 2026, <https://shelterforce.org/2026/03/04/to-solve-the-housing-affordability-crisis-communities-must-confront-inequality/>.

¹⁰ Ratcliff, Richard U. “Filtering down and the Elimination of Substandard Housing.” *The Journal of Land & Public Utility Economics* 21, no. 4 (1945): 322–30. <https://doi.org/10.2307/3159005>.

¹¹ Greenberg, David M., Julia Duranti-Martínez, Francisca Winston, Spenser Anderson, Jacob Udell, Caroline Kirk, and Richard D. Hendra. “Housing Speculation, Affordable Investments, and Tenant Outcomes in New York City.” *Cityscape* 26, no. 1 (2024): 153–78. <https://www.jstor.org/stable/48766076>.

¹² Ward, Jason M., George Zuo, and Yael Katz. *Supporting Housing Affordability in New York City Through Increased Housing Production: A Policy Brief*. 2023. https://www.rand.org/pubs/research_reports/RRA2775-1.html.

About Coalition for the Homeless

Founded in 1981, Coalition 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. Since the pandemic, we have been 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 the independent court-appointed 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 Legal Aid 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 Legal Aid 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.

Good morning. My name is Antony. From 2019 to 2021, I lived in New York City's shelter system. Thank you, Chair Sanchez and members of the Housing and Buildings Committee, for holding this hearing and for giving me the chance to speak.

I am here because this city is failing the people who need it most—and I was one of them.

I am calling on this Council and this administration to commit to creating 12,000 units of truly affordable housing every year for the next five years—60,000 units total—reserved exclusively for homeless New Yorkers and extremely low-income households on the brink of homelessness.

That means capital investment directed specifically at deeply affordable housing—not moderate-income housing, not market-rate subsidies—housing for the people who have nowhere else to go.

I shouldn't have had to enter shelter to get a CityFHEPS apartment. I wanted to find one on my own. The facility I was placed in was a harm reduction program. The idea is to keep people alive. But what I saw was staff that was confrontational and disrespectful—where I had to watch my own back every single day. When I documented and reported problems, I faced retaliation. Despite all of that—I kept going. And in 2021, I was connected to a CityFHEPS voucher.

While in shelter I applied through Housing Connect. I was told I won the housing lottery and was matched with a unit I liked—and then I was told someone else took the apartment. After everything I had survived, I still couldn't win.

Here's why: there are simply not enough deeply affordable units for people like me. When supply is this scarce, brokers and building managers can choose—and they do. Someone who never spent a night in shelter, but who is also extremely low-income, looks like a safer bet. That discrimination exists because there isn't enough housing for extremely low-income families. And that reality is psychologically devastating. It discourages people from even trying.

The root cause of mass homelessness in New York City is not a lack of effort from people like me. It is a shortage of rental housing for the lowest-income New Yorkers.

This crisis will keep growing unless the City changes its priorities.

We need more affordable housing for homeless people.

Thank you.

Dear Chair Sanchez, and Members of the Housing and Building's Committee,

My name is Denton Hutchinson, and I am currently in shelter. Thank you for holding the budget hearing on March 24th, 2026, and for allowing me the opportunity to submit testimony.

I am writing because we need more affordable housing for people who are homeless or extremely low-income. I've lived for almost seven years in shelter, surviving two bouts of cancer in that time. I have been stuck in shelter because I haven't been able to find housing that I could afford, and have had no way to get benefits that could help pay the astronomical rents in New York City.

People in shelter, like me, need more options to exit shelter. I don't qualify for CityFHEPS, one of the largest drivers of permanent housing placement for people in shelter. But I can apply for housing on Housing Connect. However, there are not enough ELI and homeless set-aside units. But I see a lot of units available to people who make six figures or more.

The underlying cause of mass homelessness in New York City is a shortage of rental housing for the lowest income residents. This homelessness crisis will continue to grow unless the City corrects the misalignment between the greatest need for affordable housing and the priorities for affordable housing production.

The City must commit to creating 12,000 units of truly affordable housing per year for the next five years—for a total of 60,000 units available only to homeless and extremely low-income households on the brink of homelessness. New York City must prioritize investing capital specifically for deeply affordable housing—specifically for those who are currently homeless and extremely low-income households at imminent risk of homelessness.

Without this investment, more people will enter shelters, and less people will exit. I urge the administration and this Council to right this wrong and give homeless New Yorkers more opportunities to get permanent affordable housing.

Thank you.

Denton Hutchinson

Dear Chair Sanchez, and Members of the Housing and Building's Committee,

My name is Kassi Keith, and I am currently in shelter. Thank you for holding the budget hearing on March 24th, 2026, and for allowing me the opportunity to submit testimony.

I am writing because we need more affordable housing for people who are homeless or extremely low-income. I've been homeless since 2017. I'm now waiting, hopefully, for a HAVP voucher. I became homeless because I was priced out of my apartment that I lived in for 10 years, even though I had a full-time job. It was heartbreaking.

I entered the shelter two years after I became homeless. And because I don't qualify for CityFHEPS, I have very few options to find permanent housing and exit shelter. During my two years of living with others in cramped spaces, I became incredibly sick and depressed.

Losing my apartment took a toll on my physical health which led me to lose my job. Eventually, the stress was so acute, I attempted suicide. I'm sharing this to emphasize the consequences of being in my position.

Being in the shelter has only made my health worse. And I can no longer work due to my health issues. However, I am on a fixed income and would qualify for a homeless set-aside unit. But there are not enough, and the process is a mystery. If there were enough affordable housing for extremely low-income households today, or homeless set-aside units, I would have more pathways to exit shelter and finally be able to focus on my health.

If there were enough affordable housing for ELI households when I was getting priced out of my apartment, I might have never had to enter the shelter or attempted suicide. I wish affordable housing was available to me because at the moment it feels like there is nowhere else to go.

The underlying cause of mass homelessness in New York City is a shortage of rental housing for the lowest income residents. This homelessness crisis will continue to grow unless the City corrects the misalignment between the greatest need for affordable housing and the priorities for affordable housing production.

The City must commit to creating 12,000 units of truly affordable housing per year for the next five years—for a total of 60,000 units available only to homeless and extremely low-income households on the brink of homelessness. New York City must prioritize investing capital specifically for deeply affordable housing—specifically for those who are currently homeless and extremely low-income households at imminent risk of homelessness.

Without this investment, more people will enter shelters, and less people will exit. I urge the administration and this Council to right this wrong and give homeless New Yorkers more opportunities to get permanent affordable housing.

Thank you.

Kassi Keith

Dear Chair Sanchez, and Members of the Housing and Building's Committee,

My name is Kat Corbell, and I was homeless for over a decade. In that time, I was in and out of shelter, on and off the streets, and staying on multiple couches and spare beds. Thank you for holding the budget hearing on March 24th, 2026, and for allowing me the opportunity to submit testimony.

The City must commit to creating 12,000 units of truly affordable housing per year for the next five years—for a total of 60,000 units available only to homeless and extremely low-income households on the brink of homelessness. New York City must prioritize investing capital specifically for deeply affordable housing—specifically for those who are currently homeless and extremely low-income households at imminent risk of homelessness.

I am writing because I became homeless due to the high cost of housing in the city and my disability. I have, at times, been able to hold down jobs, but jobs are hard to come by and don't pay enough. Therefore, I can't afford market-rate housing. Nor can I afford apartments currently on Housing Connect because the majority of them are too expensive, and I don't qualify.

Affordable housing was never truly available to me. At one point a housing navigator told me it would take eight years, in her best estimation, for an ELI or homeless person to get an affordable unit. I've had a profile since 2012, going through multiple iterations of the Housing Connect. And I've never been offered a dignified apartment. This isn't an issue of preference—it's a supply issue. If there was enough ELI housing and homeless set-aside units, I would have been offered a dignified apartment long ago.

The underlying cause of mass homelessness in New York City is a shortage of rental housing for the lowest income residents. This homelessness crisis will continue to grow unless the City corrects the misalignment between the greatest need for affordable housing and the priorities for affordable housing production.

We need more capital investment in affordable housing specifically for income-restricted ELI units and homeless set-aside units. Not for moderate- or middle-income households, nor market-rate subsidies. We need investments for the people who need it most, not for those who have so many options for housing.

Without this investment, more people will enter shelters, and less people will exit. I urge the administration and this Council to right this wrong and give homeless New Yorkers more opportunities to get permanent affordable housing.

Thank you.

Kat Corbell



Breaking the Cycle of Homelessness
for Women and their Children

**Testimony of Win (Formerly Women in Need, Inc.) for the New York City Council
Committee on Housing and Buildings Preliminary Budget Hearing
March 24th, 2026**

Thank you, Chair Sanchez, and the esteemed members of the Committee on Housing and Buildings for the opportunity to submit testimony on the Fiscal Year 2027 budget. My name is Jade Vasquez, and I am the Director of Policy and Research at Win, the largest provider of shelter and supportive housing to families with children in New York City and the nation. We operate 16 shelters and nearly 500 supportive housing units across the five boroughs. Each night, nearly 7,000 people call Win “home,” including 3,600 children.

Today, as our city faces its worst affordability crisis, more than 100,000 New Yorkers, including 33,000 children, are experiencing homelessness.¹ The underlying cause of mass homelessness in New York City is a shortage of rental housing for the lowest income residents. This homelessness crisis will continue to grow unless the City corrects the misalignment between the greatest need for affordable housing and the priorities for affordable housing production.

The City must commit to creating 12,000 units of truly affordable housing per year for the next five years—for a total of 60,000 units available only to homeless and extremely low-income households on the brink of homelessness. New York City must prioritize investing capital for deeply affordable housing—specifically for those who are currently homeless and extremely low-income households at imminent risk of homelessness.

Approximately 73% of extremely low-income households in the New York City area are severely rent-burdened—making households vulnerable to homelessness because of any event like job loss, or illness in the family.² Despite record levels of “affordable” housing production in recent years, most of the “affordable” housing created by the City excludes households who are homeless and extremely low-income. New Yorkers who are homeless or severely rent-burdened and at imminent risk of being homeless, are categorically barred from most City-subsidized “affordable” units—not because they earn too much, but because they earn too little.

For example, between 2014 and 2024, New York City financed only 2,000 units per year for extremely low-income and homeless households—four times fewer than higher-income households. In 2024, the largest share of new “affordable” units funded by the City were for households earning six figures.³

All families need a safe and decent place to live where they don’t have to choose between paying rent or being able to put food on the table. If a household’s income is extremely low, or if members of the household are disabled or otherwise unable to work, homelessness should not be the result. It is evident that New York City’s “trickle down housing policies” have not been working for the city’s lowest-income residents. We urge the Mamdani Administration and this



Breaking the Cycle of Homelessness
for Women and their Children

Council to right this wrong and give homeless and extremely low-income New Yorkers more opportunities to access permanent affordable housing. Thank you.

¹ “Facts About Homelessness,” *Coalition For The Homeless*, last updated January 2026,
<https://www.coalitionforthehomeless.org/facts-about-homelessness/>.

² “The Gap: A Shortage of Affordable Homes,” *National Low Income Housing Coalition*, March 2026,
<https://nlihc.org/gap>.

³ “Build From the Bottom Up: Affordable Housing for Homeless New Yorkers,” *Coalition For The Homeless*,
<https://www.coalitionforthehomeless.org/build-from-the-bottom-up/>.



**Testimony of Chelsea Rose
Policy & Advocacy Manager
Care For the Homeless**

**Provided to the New York City Council
Preliminary Budget Hearing:
Committee on Housing and Buildings
March 24th, 2026**

My name is Chelsea Rose, and I serve as Policy and Advocacy Manager at Care For the Homeless (CFH). I would like to thank the Housing and Buildings Committee Chair, Pierina Ana Sanchez, and all committee members for the opportunity to testify today on the City's Preliminary Budget.

Care For the Homeless has over 40 years of experience providing medical and behavioral health services exclusively to people experiencing homelessness in New York City. We operate 17 federally qualified health centers in all five boroughs. Our service sites are co-located at facilities operated by other non-profits, including shelters for single adults and families, assessment centers, soup kitchens, and drop-in centers. Additionally, our community-based health center model brings services directly to neighborhoods where the need is most significant. Both models reduce barriers unhoused New Yorkers regularly face in navigating a complex health care system by increasing access to high-quality, patient-centered health services.

In addition to our health centers, Care For the Homeless operates two shelters for single adult women, two shelters for single adult men, and one Safe Haven. Each of the shelters has an on-site health center for the residents and for the community. In these programs, our goal is to end episodes of homelessness by providing essential supportive services to help our residents obtain stable and permanent housing.

Today, I'd like to highlight the urgent need for significantly greater investment in deeply affordable housing for people experiencing homelessness and extremely low-income New Yorkers. Without housing that people struggling to pay rent or leaving shelter can actually afford, homelessness will continue to grow regardless of how many "affordable" units the city finances.

The Scale of the Homelessness Crisis

New York City is currently facing an ever-growing homelessness crisis. DHS Daily reports indicate that more than 80,000 people sleep in New York City shelters each night, including tens of thousands of children. As of March 2026, families with children make up approximately 65 percent of households living in the City's shelter system.¹ These numbers offer only a snapshot and do not capture the many New Yorkers dealing with unstable housing outside of the shelter system or one crisis away from losing their housing.



Homelessness continues to grow because the housing market is increasingly out of reach for the lowest-income New Yorkers.

Across New York City:

- More than half of renter households are rent burdened, meaning they spend more than 30% of their income on rent.
- Over 1 million households are rent burdened citywide.²

For extremely low-income households, the situation is even more severe. Many pay more than half of their income toward rent, leaving them one financial shock, such as illness, job loss, or family crisis, away from homelessness.

For the patients we serve, housing instability is not an abstract policy issue. It is a daily health crisis. In our health centers, we see patients whose diabetes, asthma, and mental health conditions worsen because they are living in shelter or cycling between unstable housing situations. Even when patients receive high-quality medical care, it is extremely difficult to manage chronic conditions without stable housing. Individuals who have experienced homelessness often have a life expectancy that is 15 – 30 years shorter than their housed counterparts.³

Housing instability directly contributes to poorer health outcomes, higher emergency room utilization, and barriers to accessing consistent care.

Simply put: housing is health care.

The Affordable Housing Supply Crisis

A fundamental driver of homelessness in New York City is a severe shortage of housing that is affordable to people with the lowest incomes. The city's most recent Housing and Vacancy Survey found a vacancy rate of just 1.4 percent; the lowest level recorded since 1968.⁴ Housing options are even more scarce at the bottom of the rental market.

For apartments renting under \$1,100 per month, the price range most affordable to extremely low-income households; the vacancy rate was just 0.39 percent.⁵ Research from the Association for Neighborhood and Housing Development shows that only about 7 percent of available vacant units are affordable to the lowest-income renters, even though a majority of rent-burdened households would need units in that price range to avoid housing instability.⁶

This local shortage reflects a broader structural problem. Nationally, there are only 35 affordable and available homes for every 100 extremely low-income renters, meaning that even when units exist at lower price points, they are often out of reach.⁷ Many units that are technically “affordable” are occupied by higher-income households, leaving extremely low-income renters, including those exiting shelters, to compete for a severely limited number of homes.



While New York City finances thousands of “affordable” housing units each year, most are not affordable to people exiting shelters or living on extremely low-incomes. Many housing lotteries require incomes far above what people leaving shelter earn. As a result, the households most affected by the housing crisis are often locked out of the very housing programs intended to address it.

This mismatch between what housing costs and what New Yorkers can afford is one of the key drivers of the city’s homelessness crisis. Without targeted investment in deeply affordable housing and rental assistance, homelessness will continue to rise because the private market does not produce housing at rents that extremely low-income households can afford.

The Production Gap

The issue is not just a lack of housing production. It is a mismatch between who the housing is being built for and who needs it most. Many housing lotteries require incomes far above what people leaving shelter earn. As a result, many New Yorkers are effectively locked out of these developments, not because they earn too much, but because they earn too little.

Housing affordability is typically defined using Area Median Income (AMI), a regional benchmark that does not reflect what low-income New Yorkers actually earn. In New York City, the 2025 AMI for a three-person household is \$145,800, meaning 30 percent of AMI is approximately \$43,740. Households earning at or below this level are considered extremely low-income.⁸

Because city-subsidized housing is structured around AMI bands, most units are targeted to households earning far above this level. Many developments set not only maximum income limits, but also minimum income requirements. For example, units designated for households earning up to 60 percent of AMI may require applicants to earn no less than approximately 50 percent of AMI, automatically excluding lower-income households.⁹ In practice, this means that much of the City’s “affordable” housing is not simply unaffordable to extremely low-income New Yorkers, but categorically unavailable to them.

This structural mismatch is reflected in how housing has been produced over time. From 2014 to 2024, only 21 percent of newly financed affordable rental units were available to extremely low-income households, totaling just 22,565 units over a decade. In contrast, 69,572 units were produced for households earning between 51 and 165 percent of AMI during the same period.⁹

Even today, the largest share of new “affordable” housing production is concentrated at the highest income bands. In 2024, a significant portion of units were targeted to households earning between 121 and 165 percent of AMI, requiring incomes far exceeding \$100,000 annually for a family of three.⁹ Meanwhile, New Yorkers experiencing homelessness or living on extremely low incomes remain locked out of these opportunities.



This production gap is a key driver of the City's homelessness crisis. Without sufficient housing targeted to the lowest-income households, people remain trapped in shelter or cycling through unstable housing situations. As a result, the shelter system increasingly functions as a de facto housing provider of last resort rather than a temporary intervention.⁹

The City Council has recognized this imbalance through policies like Local Law 66, which requires that 30 percent of new affordable housing units serve extremely low-income households.¹⁰ However, mandates alone are not enough. Without the capital investment necessary to finance housing at or below 30 percent of AMI, these requirements risk falling short of their intended impact.

Recommendation: Build Deeply Affordable Housing

For this reason, Care For the Homeless urges the city to use the FY2027 capital budget to significantly increase investment in deeply affordable housing.

Specifically, the city must commit in the FY2027 capital budget to:

- Building at least 12,000 units of deeply affordable housing per year for the next five years, for a total of 60,000 units available only to households experiencing homelessness or extremely low-income New Yorkers.

Expanding access to permanent housing is not only the right thing to do; it is also fiscally responsible. Investments in permanent housing reduce shelter stays, stabilizes vulnerable households, and improves long-term health outcomes.

Conclusion

The current moment presents a critical opportunity for New York City to align its housing investments with the needs of New Yorkers most affected by the housing crisis.

If New York City is serious about addressing homelessness, it must build housing that people experiencing unstable housing can actually afford. That means prioritizing deeply affordable housing in the City's capital investments and building from the bottom up, starting with the households facing the greatest housing instability and the highest risk of homelessness.

Thank you for the opportunity to testify today and your continued commitment to the health, safety, and dignity of every New Yorker.

If you have any questions, please reach out to Chelsea Rose, crose@cfhnyc.org.

References

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**Testimony of Hattie Fernandez
Consumer Advisory Board Member
Care For the Homeless**

**Provided to the New York City Council
Preliminary Budget Hearing:
Committee on Housing and Buildings
March 24th, 2026**

Good afternoon. Thank you for the opportunity to speak with you today. My name is Hattie Fernandez, and I am on the Consumer Advisory Board at Care For the Homeless. I am currently experiencing homelessness and my health, safety, and dignity have all been affected by the housing crisis here in New York.

I lived in my apartment for 15 years. When my children became adults and left home, I stayed. Over time, the rent kept rising. My one-bedroom eventually reached \$2,000 a month. I live with arthritis, and when I experienced medical issues and became unemployed, I fell behind on rent and was evicted in June.

Living out of a bag, with my life in storage, has made it hard to take care of my health. It is hard to exercise for my arthritis. It is hard to feel safe. And it is hard to hold onto your dignity when your housing is gone.

I did what the system tells people to do. I applied for rental assistance programs and went through housing court. My case stayed in housing court for months. But I was rejected for a housing voucher while my eviction was pending. I only received a voucher in October. After I had already lost my home and owed \$20,000. By then, the damage was done.

My story is personal, but it is not unique. Too many New Yorkers are facing rents that are far beyond what working people, seniors, or people with health challenges can afford.

We need the city to invest in truly affordable housing. Invest in homes that people with low incomes can actually afford without having to choose between rent, health care, and basic needs. Increasing the supply of deeply affordable housing is essential if we want to prevent more people from falling into homelessness.

At the same time, we also need stronger tools to prevent eviction in the first place. Programs like CityFHEPS can help people stay housed, but too often assistance comes after someone has already lost their home.



If help had been available earlier, I might never have lost mine.

Housing is more than a roof over your head. It is stability, health, safety, and dignity.

The City must commit to creating 12,000 units of truly affordable housing per year for the next five years—for a total of 60,000 units available only to homeless and extremely low-income households on the brink of homelessness.

No one should have to lose their home before they qualify for help.

Thank you for listening to my story.



Testimony to the Housing and Buildings Committee
Budget Hearing
March 2026

My name is Sara Newman, and I am the Deputy Executive Director for the Open Hearts Initiative, an organization that builds solidarity between homeless and housed neighbors in communities throughout the city. Thank you for the opportunity to submit testimony to the Committee on Housing and Buildings. I am here because we need more affordable housing for people who are homeless or extremely low-income.

New York City must prioritize investing capital specifically for deeply affordable housing—specifically for those who are currently homeless and extremely low-income households at imminent risk of homelessness. With over 100,000 people sleeping in city shelters each night and many more at risk of homelessness, this need is urgent. I’m asking the city to commit to creating 12,000 units of truly affordable housing per year for the next five years—for a total of 60,000 units available to homeless households and extremely low-income households on the brink of homelessness.

Our members work closely with neighbors experiencing homelessness and see how easily folks can become homeless, and how hard it is for folks to get out of shelter and find housing. We know that homelessness is a housing problem: there aren’t enough available, affordable units for extremely low-income folks. According to the 2023 Housing and Vacancy Survey, less than 1% of units renting for less than \$1,100 a month were available.

But the affordable housing our city is creating isn’t meeting that need. Despite record levels of “affordable” housing production in recent years, most of the “affordable” housing created by the City excludes households who are homeless and extremely low-income. In 2024, the largest share of new “affordable” units funded by the City were for households earning six figures. From 2014 to 2024, on average, only 2,000 units a year were financed for extremely low-income and homeless households—four times fewer than higher-income households.

The homelessness crisis will continue to grow unless the City corrects the misalignment between the greatest need for affordable housing and the priorities for affordable housing production. I urge the administration and this Council to right this wrong and give homeless and extremely low-income New Yorkers more opportunities to get permanent affordable housing. Thank you.



**Testimony for the New York City Council Committee on Housing and Buildings
Preliminary Budget Hearing
March 24th, 2026**

Thank you to Chair Sanchez and the members of the Committee on Housing and Buildings for the opportunity to submit testimony on the Fiscal Year 2027 budget. I'm Bonnie Mohan and I am the co-founder and executive director of The Health & Housing Consortium.

The Consortium is a collaborative network of health care, housing, homeless and social service organizations, and government partners with the shared goal of improving health equity and housing stability in New York City.

We work hand in hand with frontline workers, executive leadership, government stakeholders, and people with lived experience. The deep need for more affordable and supportive housing across the five boroughs punctuates all of our work.

Almost 150,000 people sleep in the city's shelters every night — over 48,000 of them are children. And according to the city's Homeless Outreach Population Estimate, at least 4,000 New Yorkers sleep on the street, although we know that number is much higher.

Another 200,000 sleep doubled up in other people's homes, often in dangerous and unsuitable living conditions, but unable to receive financial assistance because the City doesn't consider them homeless.

We live in one of the most expensive cities in the world and most of us are one crisis, one missed paycheck, one medical expense, away from disaster. Most homeless families living in shelter cite the lack of affordable housing following a crisis as their reason for entering shelter.

The Consortium plays a key role in training the human services workforce to address these challenges. Every year, we train over 4,000 frontline and direct service workers on the issues that most impact their clients and patients.

We train on topics at the intersection of health and housing, but the most requested trainings—by far—pertain to accessing and navigating NYC's housing systems.

In 2025, over 1000 frontline workers participated in training on addressing rental arrears and accessing affordable housing. Another 1000 attended training on the CityFHEPS and FHEPS housing vouchers. We know that these vouchers are flawed – many landlords illegally refuse to accept them, with little to no repercussions, resulting in families spending far too much time living in shelter. We can arm the workforce with all the knowledge in the world, but the impact of that knowledge is stunted if there just isn't enough affordable housing to begin with.

The City must commit to creating 12,000 units of truly affordable housing per year for the next five years—for a total of 60,000 units available only to homeless and extremely low-income households on the brink of homelessness.

By making this commitment, New York will take an essential step towards ensuring that everyone in our city has a safe, affordable place to call home.