



Testimony of
Coalition for the Homeless

before the General Welfare Committee
of the New York City Council

on the

General Welfare Committee's Preliminary Budget for Fiscal Year 2026

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 General Welfare. 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 the shelter system and related programs serving all unhoused New Yorkers.

Compounding Crisis, Failed Responses

NYC has one of the largest populations of unhoused people in the United States. In January 2025, there were 120,513 people sleeping in New York City shelters, including 41,415 children.¹ 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.

These alarming statistics have been fueled by decades of underinvestment in permanent affordable housing for low-income communities 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, is underscored by stark data revealing the depth of the crisis. According to the National Low Income Housing Coalition’s 2024 report, “The Gap: A Shortage of Affordable Homes,” there is a glaring disparity in the availability of affordable housing: for every 100 ELI households in the New York-Newark-Jersey City, NY-NJ-PA metro area, there are merely 32 affordable and available rental units.² In a city where the cost of living far exceeds national averages, and ELI households are defined as those earning 30 percent or less of the area median income (“AMI”), this gap leaves a vast number of residents in precarious housing situations.

The worsening housing precarity in NYC is evidenced by the growing rent burdens borne by its residents. The number of ELI households who were severely rent-burdened (spending more than 50 percent of their income on housing) increased to 74 percent in 2024.³ This financial strain severely limits the capacity of ELI households to afford other necessities, such as food, healthcare, and childcare. It forces many of them to live in overcrowded conditions – defined as having more than two people per bedroom or more than one person living in a studio apartment. In fact, nearly a quarter (23 percent) of NYC households with at least one child are overcrowded.^{4,5} Given that living in overcrowded conditions is frequently a precursor to homelessness, such statistics portend greater levels of mass homelessness if this affordable housing crisis continues.

The dynamics of NYC’s real estate market have also exacerbated the affordable housing shortage. The city’s median rent has consistently outpaced inflation and income growth, creating an environment where

¹ “Facts About Homelessness,” Coalition for the Homeless. Accessed March 12, 2025, <https://www.coalitionforthehomeless.org/facts-about-homelessness/>.

² “The Gap: A Shortage of Affordable Homes,” National Low Income Housing Coalition, accessed March 12, 2024, <https://nlihc.org/gap>.

³ “The Gap: A Shortage of Affordable Homes,” National Low Income Housing Coalition, accessed March 12, 2024, <https://nlihc.org/gap>.

⁴ New York City Department of Housing Preservation and Development, “2023 New York City Housing and Vacancy Survey Selected Initial Findings,” (2024), <https://www.nyc.gov/assets/hpd/downloads/pdfs/about/2023-nychvs-selected-initial-findings.pdf>.

⁵ New York City Department of Housing Preservation and Development, “2023 New York City Housing and Vacancy Survey Selected Initial Findings,” (2024), <https://www.nyc.gov/assets/hpd/downloads/pdfs/about/2023-nychvs-selected-initial-findings.pdf>.

affordable housing becomes increasingly scarce. Rent-stabilized units are particularly difficult to come by. Per the most recent Housing Vacancy Survey, the vacancy rate for rent stabilized units was less than 1 percent in 2023 – down from an already distressingly low 4.6 percent in 2021.⁶ More to the point, the vacancy rate for affordable apartments – those renting for less than \$1,100 per month – was only 0.39 percent. Effectively, there are no affordable apartments left in New York for those who need them most.

Coupled with this is the fact that evictions have remained worryingly high, nearing pre-COVID levels. In New York City in FY24, there were 126,236 eviction filings in city housing courts.⁷ The increase in evictions is particularly impacting low-income residents and communities of color and further straining the city's social safety net. In addition, this surge in evictions, in conjunction with a near-total lack of available affordable housing, has made a substantial increase in mass homelessness in the city a near-inevitability.

The crisis extends beyond those in shelters to include those living unsheltered, which presents its own significant challenges. According to the last HOPE count published in 2024, an estimated 4,000 individuals experienced unsheltered homelessness in one night. However, there is no reliable estimate of the total number of those sleeping unsheltered.⁸ The City's annual HOPE survey, mandated by the Federal government, underestimates the true size of this population due to flawed methodology, and as a point-in-time survey, it fails to capture the dynamic nature of unsheltered homelessness. Whatever figure is reported by the City, we can safely assume the true number of people sleeping unsheltered is far higher.

Housing solutions for the unsheltered homeless population remain woefully inadequate. Recent statistics reveal a troubling disconnect in the supportive housing system. Out of 955 people living on the streets and subways who were approved for supportive housing during a period tracked by city social service and health agencies last year, only 175 successfully obtained a housing placement —just 18% of the total.⁹ Nearly 400 people were still waiting to be referred to a supportive housing provider for an interview, despite thousands of apartments sitting empty, while 131 people waited more than a year and had their applications expire without receiving a placement.¹⁰ This systemic failure highlights how even those who navigate the application process successfully are frequently left without the housing solutions they desperately need.

RECOMMENDATIONS

Creating Affordable Housing for Extremely Low-Income and Homeless Households

While the Coalition will continue to vigorously defend the Right to Shelter, our ultimate goal is to make shelters unnecessary. But the increasing need for emergency shelter over the past 43 years is a direct result of the depletion of housing that is affordable to those at the lowest income levels. The only way to decrease the number of people living without shelter and the crisis in the shelter system is through permanent, affordable housing. Yet, the City has no plan that acknowledges and addresses the housing need for homeless and ELI individuals and families. The City of Yes for Housing Opportunity zoning

⁶ *Id.*

⁷ New York City Office of Civil Justice, “FY24 Annual Report.” *Department of Social Services*. Accessed 27 Feb. 2025, https://www.nyc.gov/assets/hra/downloads/pdf/services/civiljustice/OCJ_Annual_Report_2024.pdf.

⁸ New York City Department of Social Services, “Homeless Outreach Population Estimate 2024 Results,” 2024, Available: <https://www.nyc.gov/site/dhs/outreach/hope.page>.

⁹ Gwynne Hogan, “Most Street-Homeless Housing Applicants Never Get a Shot, Inside Stats Show” *The City*, January 2025, <http://www.thecity.nyc/2025/01/06/homeless-supportive-housing-eric-adams-statistics/>.

¹⁰ Gwynne Hogan, “Most Street-Homeless Housing Applicants Never Get a Shot, Inside Stats Show” *The City*, January 2025, <http://www.thecity.nyc/2025/01/06/homeless-supportive-housing-eric-adams-statistics/>.

amendment did not set requirements for the deepest affordability, only creating an optional Universal Affordability Preference that allows developers to build 20 percent larger if the addition include units that are affordable to households making 60 percent AMI or higher. Even these units – which are not addressing the greatest housing need – ¹¹Given the high cost of housing construction in NYC, there is not enough housing being developed for those who need it most, and no plan in place that fills this void.

We urge the City to allocate \$2.5 billion in additional new construction financing each year for the next five years for apartments to specifically be built for homeless and ELI New Yorkers. Increased funding at this level would support building an additional 6,000 apartments for homeless households and 6,000 apartments per year for ELI households.

The City for All commitments that the City Council negotiated as part the agreement with the Mayoral administration to pass the City of Yes zoning text amendment included "\$2 billion secured in additional housing capital investments to finance affordable housing development and preservation, support Mitchell-Lama developments, the New York City Housing Authority (NYCHA), and HDFCs."¹² At least half of this commitment – \$1.25 billion – must be put toward the aforementioned \$2.5 billion recommendation to ensure the development of affordable housing for homeless and ELI households.

Expand CityFHEPS as an Eviction Prevention Tool Using Promised City for All/City of Yes Funding Commitments

According to the Mayor’s Preliminary Management Report, during the first four months of FY25, there was encouraging progress in housing placements across all population groups. Exits to permanent housing increased significantly: 61 percent for adult families, 58 percent for families with children, and 2 percent for single adults compared to the same period in Fiscal 2024. These improvements were largely driven by coordinated efforts between DHS and contracted shelter providers to expedite housing placements. Subsidized exits showed even stronger growth, with a 69 percent increase for adult families, 68 percent for families with children, and 14 percent for single adults, primarily due to expanded CityFHEPS placements.¹³ The evidence is clear that CityFHEPS works.

We must ensure the \$215 million funding promised in City of Yes is strategically deployed to expand CityFHEPS as an eviction prevention tool, targeting those most vulnerable to housing instability. We recommend applying specific criteria to maximize the preventative impact of this expansion, focusing on households who would otherwise face eviction, experience homelessness, and ultimately require rehousing at substantially higher cost to the city. The Coalition’s Eviction Prevention Program, which pays rent arrears to keep households facing eviction in their homes, turns away approximately a quarter of people seeking assistance because they cannot afford to pay the rent going forward (something that is required to receive a grant for arrears). If many of these households received CityFHEPS, they not only would have been eligible for grants like those we provide for arrears, but they would have been able to stay in their homes.

To effectively target this funding, we propose prioritizing households currently facing legal action by their landlord in Housing Court. Additionally, applicants should be living in regulated housing such as rent stabilized, rent controlled, Mitchell-Lama rental or cooperative properties, units with low-income tax

¹¹ "City of Yes – Universal Affordability Preference," The City of New York, accessed March 12, 2025, <https://www.nyc.gov/assets/planning/download/pdf/plans-studies/city-of-yes/housing-opportunity/guide-universal-affordability-preference.pdf>.

¹² New York City Council, "City for All Commitments," Accessed March 18, 2025. <https://council.nyc.gov/press/wp-content/uploads/sites/56/2024/11/City-for-All-Commitments.pdf>.

¹³ Office of New York City Mayor Eric Adams, "Preliminary Mayor’s Management Report 2025," January 2025, https://donbuqm3ub5fw.cloudfront.net/files/PMMR_2025_Cover_817ffc435e.pdf.

credits, or those eligible under good cause provisions. The program should focus on protecting vulnerable populations by requiring eligible households to include either an elderly person over 62, a disabled person, or a minor child under 18. Finally, to maintain program sustainability, applicants' current rent should not exceed established CityFHEPS rent levels.

Successful expansion of the CityFHEPS program is also dependent on fixing the unnecessary delays and hurdles that plague every step of the process. Clients of the Coalition experience extended delays in processing their applications for CityFHEPS, approvals of apartments, and payments to landlords. Such extreme delays and processing issues are commonly experienced by people who are trying either to leave shelter and find permanent homes or to avoid eviction, like the seven tenants in a lawsuit filed by the Legal Aid Society who faced delays in the processing of their CityFHEPS voucher recertifications.¹⁴

In recent months, the Coalition assisted three different households that had already received eviction notices from Housing Court, even though two of those people had CityFHEPS vouchers and failed to receive help they needed to complete recertification. The third person was eligible for CityFHEPS to keep her in her home, but was told she was not eligible by a HomeBase provider. Two of these individuals entered the shelter system and were there for months before we were able to get them back in their homes. These examples are reflections of a broken and dysfunctional system that results in unneeded trauma and a waste of resources.

Helping Unsheltered New Yorkers

Low-Barrier Safe Haven Shelters

The City must invest in more low-barrier shelter beds, such as Safe Havens and stabilization beds. Every NYC resident can see that the number of people suffering on the streets continues to increase. These low-barrier shelter settings offer fewer restrictions, more privacy and security, and better staffing and social services to meet the needs of our unsheltered neighbors.

While the Mayor has often stated the need for creating more Safe Haven beds, and recently announced that 900 new beds would be added, it is simply not enough to meet the need. In the first four months of FY24, the City created only 350 new Safe Haven beds, even though they are proven to be more effective than the general shelter system for unsheltered individuals with mental illness and other disabilities.¹⁵

Rather than ensuring that we have a sufficient number of these critical beds, the City and State are doubling-down on law enforcement sweeps, which data show connects few people to shelter, let alone permanent housing.¹⁶ The City must allocate \$98 million to add 2,000 new Safe Haven beds for unsheltered New Yorkers.

Intensive Mobile Treatment

In addition to low barrier shelter beds, there is a desperate need for functional and expanded Intensive Mobile Treatment ("IMT") teams. IMT is designed to provide intensive, continuous, flexible support and treatment to individuals in their communities, including mental health, substance use, and peer specialists, psychiatric treatment and medication, and facilitated connections to housing and supportive services. The program is currently stagnant in funding at \$42 million, with a long waitlist of individuals in need of help.

¹⁴ Mihir Zaveri, Program That Fights Homelessness Is Mired in Dysfunction, Advocates Say, The New York Times (Apr. 5, 2023), <https://www.nytimes.com/2023/04/05/nyregion/ny-housing-voucher-program-problems.html>

¹⁵ Office of New York City Mayor Eric Adams, "Mayor's Management Report 2024," September 2024, https://www.nyc.gov/assets/operations/downloads/pdf/mmr2024/2024_mmr.pdf.

¹⁶ City of New York, "LocalLaw 34 of 2024 Quarterly Interagency Reporting on Encampment Cleanups and Aided Removals," <https://www.nyc.gov/site/dhs/about/stats-and-reports.page>

The City must invest \$22 million in baselined funds to create additional IMT teams. This additional funding would bring the total to \$64 million and help address the critical shortage of services.

IMT is a critical part of addressing the needs of unsheltered individuals with serious mental illness, but key reforms and increased funding are needed for it to realize its full potential. If NYC truly wants to meet the standard of providing appropriate access to mental health care in the community, and to hold ourselves accountable to the standard of placing individuals in the least restrictive setting possible, then it requires allocating adequate funding to actually make those resources and services available to people in need.

Right to Counsel Legal Services

There is a critical need to expand funding for Right to Counsel (“RTC”) legal services. Under New York City's RTC law, DSS/HRA's Office of Civil Justice provides tenants facing eviction in Housing Court or NYCHA administrative proceedings access to legal representation and advice delivered by nonprofit legal services organizations from across the five boroughs. RTC legal services are free, available in every NYC ZIP code, and available regardless of immigration status. Since the expiration of COVID eviction protections in January 2022, over 73,000 tenants have been facing eviction court with no representation according to the NYS Office of Court Administration.¹⁷ Despite RTC, the percentage of tenants with an attorney has been rapidly falling. In December 2024, only 21 percent of tenants in eviction court had an attorney when their case was filed, down from 65 percent in January of 2022 according to the NYS Office of Court Administration.¹⁸

The City must allocate \$351 million in increased funding for the RTC program to ensure that all low-income tenants facing eviction have access to an attorney to fight for their right to stay in their home. According to DSS/HRA's Office of Civil Justice, 84 percent of NYC tenants who had a lawyer through the City's RTC program avoided eviction.¹⁹ If NYC is truly committed to preventing homelessness and maintaining housing stability, then it must allocate adequate funding to ensure that every eligible tenant has access to legal representation when facing the threat of eviction.

Thank you for the opportunity to submit testimony. We look forward to working with the Council on the budget and other legislation to address the needs of those who are unhoused or precariously housed throughout NYC.

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.

¹⁷ Analysis by the Association for Neighborhood and Housing Development (ANHD) in collaboration with the Right to Counsel Coalition. Data source: NYS Office of Court Administration via the Housing Data Coalition; <https://www.righttocounselnyc.org/nycrisismonitor>

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¹⁹ New York City Department of Social Services, “New York City’s Right to Counsel Website,” accessed March 6, 2025, <https://www.nyc.gov/site/mayorspeu/resources/right-to-counsel.page>.

The Coalition operates 11 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, which usually distributes 800 to 1,000 nutritious hot meals each night to homeless and hungry New Yorkers on the streets of Manhattan and the Bronx, had to increase our meal production and distribution by as much as 40 percent and has distributed PPE and emergency supplies during the COVID-19 pandemic. 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 monitor of municipal shelters for homeless single adults, and the City has also authorized the Coalition to monitor other facilities 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.