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Homeless Services United's Testimony Opposing the Elimination of the CityFHEPS Unit Hold Incentive

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Good morning and thank you to the members of the HRA Rules Committee for the opportunity to testify today.

My name is Victoria Leahy, and I am the Director of Policy & Planning at Homeless Services United (HSU). HSU is a coalition representing over 55 mission-driven, homeless service providers in New York City. HSU advocates for the expansion of affordable housing and prevention services and for immediate access to safe, decent, emergency and transitional housing, outreach and drop-in services for homeless New Yorkers. Homeless Services United promotes effective solutions to end the crisis of homelessness in New York City.

We have seen firsthand how the CityFHEPS rental assistance program can be a life-changing tool—helping families move out of shelter and into permanent housing. But we also know how complex and slow the process can be. Every step, from securing a shopping letter to final lease approval and payment, involves extensive paperwork, multiple agency reviews, and frequent delays that can stretch for weeks or even months.

These delays have real consequences. Landlords often walk away during the waiting period, unwilling to keep a unit vacant while the CityFHEPS process plays out. The **Unit Hold incentive** was created to solve this very problem. By offering landlords the equivalent of one month's rent to hold the unit while the paperwork and inspections are completed, the city has helped keep thousands of apartments available for individuals and families using vouchers. It was a smart, cost-effective way to ensure that when a voucher household finally finds an apartment, they do not lose it because of City bureaucracy.

Eliminating the Unit Hold incentive would reverse this progress. Without it, landlords have little reason to wait through long administrative delays, and many will once again refuse to rent to CityFHEPS tenants. That means more New Yorkers will remain stuck in shelter, even when they have a rental subsidy in hand. This is at a time when the shelter system remains at capacity. **We should be working to move people out of shelter and into permanent housing – not creating more obstacles.**

We have already heard from landlords who say they will not participate in the CityFHEPS program if this incentive disappears. Our membership has made clear that they anticipate



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a significant drop in successful placements, especially for larger families and those seeking apartments in competitive rental markets.

In short, removing the Unit Hold incentive undermines the very goal of CityFHEPS: helping New Yorkers move quickly and sustainably into permanent housing. We urge the Administration to **reinstate the Unit Hold incentive** and to continue working with providers, advocates, and landlords to streamline the CityFHEPS process overall—so that this vital program can fulfill its promise of ending homelessness in New York City.

Thank you for your time and for your commitment to supporting New Yorkers in need of a stable home.