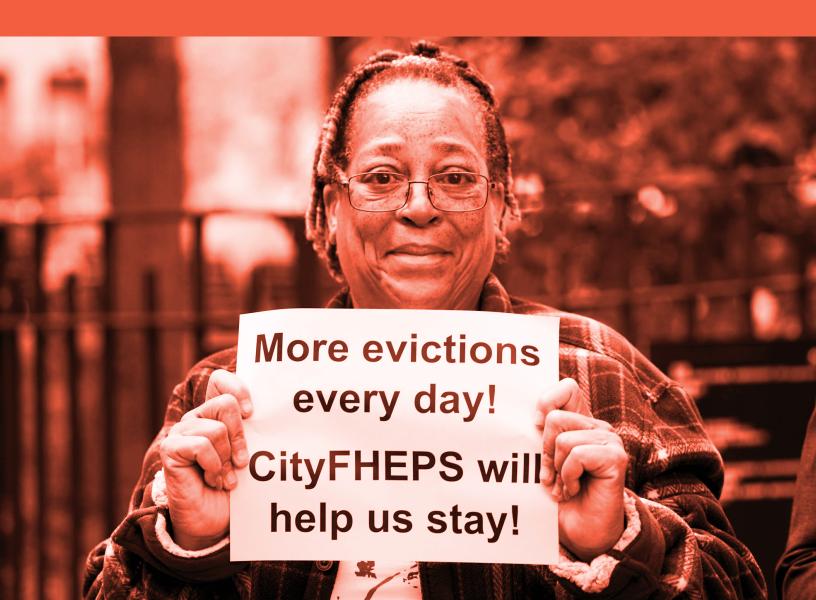
Administrative Challenges with CityFHEPS and Solutions to Streamline Access to Vouchers

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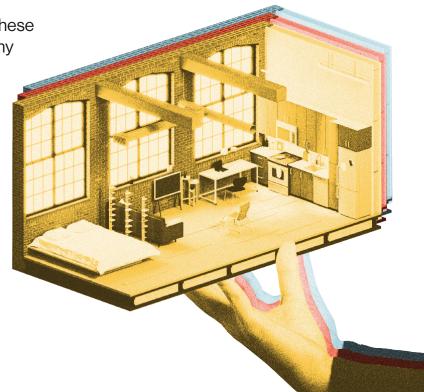
Introduction

The *City Fighting Homelessness and Eviction Prevention Supplement* (CityFHEPS) voucher program is New York City's main rental assistance program supporting New Yorkers at risk of homelessness, experiencing street homelessness, or residing in a shelter to obtain permanent housing.

In her 2024 State of the City, New York City Council Speaker Adrienne Adams highlighted the cumbersome process and difficulties accessing and using a CityFHEPS voucher. Speaker Adams committed that the Council would pursue administrative changes to streamline this process and eliminate inefficiencies that prevent New Yorkers from receiving the help they need. Last year, the City Council convened a series of meetings with stakeholders to identify solutions to common roadblocks and challenges associated with the current process to apply for and receive CityFHEPS.

These stakeholders included *Homeless Services United*, the *Legal Aid Society*, and organizations in the *Homes Can't Wait Coalition*, as well as advocates for property owners from the *Real Estate Board of New York* (REBNY) and the *New York Apartment Association*.¹

This report uses feedback from these stakeholders, along with testimony from City Council hearings and additional research, to pinpoint recurring problems with the administration of CityFHEPS and outlines solutions to address them.



Administrative Delays and Inefficiencies

A range of administrative delays, including processing applications and recertifications, verifying eligibility, and finalizing pre-move-in checklists, can add weeks or even months to the waiting time for applicants and voucher holders to secure or maintain housing.²

Application Processing

For initial applications, eligibility reviews are often delayed by missing paperwork, incorrect information, or minor errors. Once these issues are resolved, the review process frequently restarts from the beginning, adding at least two weeks to the processing timeline. The Department of Social Services (DSS) also waits until an applicant household is verified as income-eligible for a specific housing unit before processing their CityFHEPS application, effectively doubling the approval timeline from initial application to shelter exit.

Homebase

To apply for CityFHEPS, an individual or household must contact one of the DSS nonprofit service providers called Homebase to work with a caseworker to assess potential eligibility for CityFHEPS and other public benefits. Advocates have pointed to the limited capacity of Homebase, as a contributing factor to delays in the application process. In calendar year 2024, there were an average of 2,509 Homebase enrollments per month, 4 across only 26 Homebase locations and 7 providers. 5

Shopping Letters

A <u>shopping letter</u> is a pre-approval document that allows potential CityFHEPS recipients to begin looking for homes and show a landlord or broker. It includes the highest amount of rent CityFHEPS will allow for a household size and housing type. However, there are significant delays between when a shopping letter is received and when approval occurs. According to an October 2024 audit by the New York State Comptroller, it took an average of 10 months from the receipt of a shopping letter to approval for CityFHEPS and recipients exiting shelter for permanent housing.⁶

Additionally, each shopping letter is valid for 120 days and once expired, eligibility must be recertified to continue use. A delay in renewing a shopping letter can create a gap in eligibility, during which clients cannot apply for housing, adding more time to the process of securing a home with CityFHEPS. According to testimony from DSS Commissioner Molly Park, shopping letters for households with continuing eligibility are automatically renewed; however, this policy is not formally documented.

Eligibility Recertification and Renewal

Even after approval for a voucher, households that must recertify their eligibility to continue usage often face additional delays in the recertification process. In some cases, this can lead to non-payment of rent by CityFHEPS, accumulating rental arrears, and risk of eviction due to unpaid rent.

Challenges for Property Owners

Administrative barriers also exist for property owners. Owners are required to submit a new pre-clearance form each time a unit in the same building is listed, even though the building information has not changed. Additionally, city inspection of an apartment identified by a voucher holder, required before move-in, can also create delays, especially if it is failed for minor, easily fixable issues, such as a missing light switch cover. Inspections are often difficult to schedule, due in part to lack of agency staff capacity, and the prolonged extension of the process can delay a client's move-in date and leave an available unit sitting empty.

Ineffective and Weakly Managed Technology

DSS uses ACCESS HRA as the client-facing technology platform for CityFHEPS. Internally, the agency relies on the Client Assistance and Rehousing Enterprise System (CARES) and the Welfare Management System (WMS) for case management, including identifying potentially eligible households and tracking shelter exits. ACCESS HRA is an online benefits portal and mobile application that allows users to apply and recertify for Cash Assistance (CA), the Supplemental Nutrition Assistance Program (SNAP), Medicaid, and Fair Fares. It also enables applications for the Home Energy Assistance Program (HEAP) and the Medicare Savings Programs (MSP), as well as renewal applications for CityFHEPS.9

Despite this range of services, ACCESS HRA is difficult to use. Caseworkers need to manually index uploaded documents to casefiles, which can result in missing paperwork. The portal does not display detailed application status information to its users. Advocates have shared that the existing limited online property owner portal also does not allow information to be saved, and there is no option to complete or sign HRA documents electronically.

The agency's internal CARES system has been described as poorly monitored. The New York State Comptroller's audit found that numerous cases were inaccurately coded as having exited shelter, resulting in those households essentially being lost in the system. CARES is also used to record key exchanges and rent check distributions, but due to insufficient internal oversight, the reliability of this information cannot be assured.

Customer Service Issues

There are also reported customer service inefficiencies related to the CityFHEPS program. According to the Mayor's Management Report, the average customer in-person wait time for service at Human Resources Administration offices has increased annually since Fiscal Year 2020, reaching a high of 77 minutes in Fiscal Year 2024. Given the lack of detailed information of application statuses in ACCESS HRA, applicants must contact DSS directly to check the status of their application. When DSS does reach out, calls often come from unidentified numbers, which clients may not recognize or answer, causing them to miss important information and the opportunity to discuss their application.

Clients may also be assigned to multiple caseworkers throughout the application process, resulting in inconsistent case management. Because it is not standard practice for clients to review their complete application packet before submission, inconsistent case management can result in errors and mistaken denials. For example, advocates have noted that Adult Protective Service (APS) clients may be denied CityFHEPS benefits because their caseworkers are not well-versed in the program or are unaware that their agency is authorized to process CityFHEPS vouchers. Given the complexity and number of agencies involved, clients often miss out on crucial information about their case, how to navigate the application process and housing search, and their rights and entitlements.

Housing Court attorneys also report that many of their cases are simply public benefits issues that could be resolved outside of court with improved screening by agencies to avert unnecessary time spent on them. For instance, when a tenant is in housing court for rental arrears and is eligible for a one-shot deal, DSS should proactively help with that application. Often, non-payment or delayed payments of rent are the result of administrative delays, and it is unclear to property owners or tenants alike where to direct their questions. A centralized point of contact to route payment questions to the appropriate person or team to handle issues efficiently is currently lacking.

Weak Implementation of Utility Allowance Policy

In 2024, DSS implemented a new utility allowance policy that adjusts the maximum payment standard for tenants to include utility costs. This change was intended to help ensure that no more than 30% of a voucher holder's income goes towards rent and utilities combined. However, many voucher holders and advocates have testified that information about the availability of this utility allowance has not been clearly communicated, and that eligible households are not consistently receiving it. 18

Untimely and Inadequate Payments

Inconsistent payments can cause voucher holders to be mistakenly deemed ineligible for some units and unnecessarily burden property owners by making them wait for rent payments. DSS policy deems rental assistance payments to property owners timely as long as they are issued by the end of the month, 19 in contrast to the private market standards of first-of-the-month rent. Some voucher holders are also eligible for furniture vouchers, but they often also face delays in receiving them, meaning voucher holders may be left to live in unfurnished units for months at a time. 20



Recommendations

The challenges outlined above are not insurmountable and can be addressed by DSS making common-sense administrative changes to improve CityFHEPS processes that create a more efficient and accessible system for staff, voucher holders and property owners.

To achieve this goal, the Council recommends DSS implement the following solutions, with the Administration allocating \$25 million in the Fiscal Year 2026 Budget to ensure implementation, increase staffing, and improve technology.

ADDRESSING APPLICATION CHALLENGES

- Expand capacity to process CityFHEPS applications by authorizing more community-based organizations to assist with applications.
- 2 Eliminate or significantly extend expiration dates on shopping letters to prevent disruptions in housing searches and applications.
- 3 Ensure timely recertification of CityFHEPS eligibility within two weeks of expiration. If DSS fails to process a recertification in a timely manner at no fault of the tenant, rental assistance should continue at the same amount until DSS issues a final determination on eligibility.
- 4 Establish, fulfill and track goal of processing application approvals within 15 days of submission to speed up housing placements and reduce shelter stays.
- 5 Allow CityFHEPS applications for shelters residents to be processed in parallel with income eligibility verification conducted by property management companies for affordable housing units to expedite the process.

STANDARDIZING AND SIMPLIFYING APARTMENT INSPECTIONS

- 1 Permit property owners and brokers to fill out one pre-clearance form per building, which should be retained by DSS in a way that allows for easy updates as new units become available.
- 2 Establish, fulfill and track the goal of completing apartment inspections within seven days of request and conducting any re-inspections within seven days after outstanding issues have been resolved by an owner or property manager.
- 3 Standardize apartment inspection procedures, including the creation of a hierarchy of issues so that minor, easily fixable problems do not result in inspection failures.
- 4 Allow for virtual inspections and waive inspection requirements not related to health and safety concerns already covered under the City's Building Code.

ENHANCING TRANSPARENCY

- 1 Provide regular public reporting on all steps of the CityFHEPS process, including average processing times for each application stage, preclearance, and apartment inspection failure rates, staffing levels and turnover rates of CityFHEPS program-specific positions, caseworker caseload ratios, etc.
- 2 Publish annual performance targets for each stage of a CityFHEPS process and performance evaluation for the preceding fiscal year, along with a corrective action plan for each missed target.
- 3 Provide annual reporting on key indicators, including rent-up volume, housing lottery timelines, and the total number and vacancy rate of homeless set-asides and supportive housing units.

IMPROVING TECHNOLOGY

- 1 Digitize the front-end and back-end of all rental assistance programs. Full digitization would enable the City to track processing times, monitor staff performance, and identify which property owners respond quickly or delay paperwork completion.
- 2 Fully implement <u>Local Law 118 of 2020</u>, which requires the status of rental assistance applications and renewal requests to be accessible online to applicants and providers. This supports the City's broader digital modernization goals.
- 3 Develop a clear checklist for voucher holders that outlines all required documentation for applications or recertifications. This checklist should be available on ACCESS HRA, which should also allow for easier document uploads that are automatically linked to the correct case file.
- 4 Provide client notifications via ACCESS HRA at major milestones, including submission to pre-clearance, denial notices, case transfers to DSS, and issuance of payments.
- 5 Enable electronic form completion and signature within application packets to streamline submissions.
- 6 Create a centralized property owner portal where recurring documents (e.g., pre-clearance forms, W-9s, payment information, ownership/registration details, and contact information) can be entered once and saved for future use.
- Establish a public-facing support portal for owners and brokers, modeled after the Department of Housing and Preservation Development and the New York City Housing Authority's systems, where they can access specialized assistance and connect with customer service staff knowledgeable about CityFHEPS.
- 8 Fast-track capital technology projects that would improve both internal and client-facing platforms related to rental assistance processing and reporting.

Implement performance monitoring in the CARES system, ensuring timely and accurate tracking of eligibility, Shopping Letter issuance, shelter exits, and key exchanges.

IMPROVE INTERNAL POLICIES AND PROCEDURES AND CUSTOMER SERVICE

- 1 Allow clients to review their full application packet before submission to verify accuracy and completeness.
- 2 Provide clear, user-friendly resources to guide clients through the housing search and benefits process. This could include departmental policies, "Know Your Rights" materials, apartment search tips, how to spot scams, rules on credit checks, and information on next steps following a move-in.
- 3 Assign a consistent caseworker to each client from voucher issuance through move-in. If documentation is missing, DSS should proactively reach out via phone, email, and text—not just by mail—to improve response rates and reduce delays.
- 4 Engage DHS Rehousing Unit staff and shelter-based analysts in supporting accurate and timely pre-clearance submissions. A case review task force should be created to review long-standing cases, with a clear timeline shared with staff for clients at each key stage (voucher in hand, unit found, discrimination case filed).
- 5 Screen Housing Court cases more effectively through DSS and the Office of Civil Justice to divert cases that can be quickly resolved administratively—before legal proceedings and counsel assignments occur. This would save resources and help New Yorkers receive relief faster.
- Increase HRA staffing levels and provide comprehensive, ongoing training in CityFHEPS policies to ensure staff are equipped to support clients at every stage of the process.

STRENGTHENING PAYMENT STANDARDS

- 1 Ensure rent payments from the City are issued within the first five days of each month, providing landlords with reliable payment timelines and protecting tenants from late fees or eviction threats. Establish and track fulfillment of outcomes towards this goal, with subsequent evaluation and corrective action plans to resolve chronic delays.
- 2 Adopt the Exception Payment Standard (EPS) currently used by HPD, NYCHA, and the Emergency Housing Voucher Program. EPS allows voucher holders to access housing in a broader range of neighborhoods by allowing for higher voucher amounts in specific zip codes.
- 3 Analyze rent burdens and market trends among voucher holders to ensure payment standards reflect real-world housing costs and maintain voucher effectiveness in competitive markets.
- 4 Provide furniture vouchers within five days of lease signing, ensuring that newly housed tenants can move in safely and with dignity. Establish and track this outcome goal, with subsequent evaluation and corrective action plans to resolve chronic delays.



Endnotes

- 1 Community Housing Improvement Program (CHIP) and the Rent Stabilization Association (RSA) merged in September 2024 to form the New York Apartment Association.
- 2 Administrative Obstacles Jam Up Moving Process for NYC Shelter Residents, City Limits (January 31, 2022). Available at: https://citylimits.org/2022/01/31/administrative-obstacles-jam-up-moving-process-for-nyc-shelter-residents/
- 3 Hinojosa, Jennifer. Community Service Society. Testimony before the New York City Council, January 18, 2023.
- 4 New York City Department of Homeless Services, DHS Data Dashboard. (October 7, 2024). Available at: https://data.cityofnewyork.us/Social-Services/DHS-Data-Dashboard/5e9h-x6ak/about_data
- 5 New York City Human Resources Administration, Homebase Locations (n.d.). Available from: https://www.nyc.gov/site/hra/help/homebase-locations.page
- 6 Office of the New York State Comptroller, New York City Department of Social Services Administration of the CityFHEPS Program for Department of Homeless Services Shelter Residents (Oct 2024). Available at: https://www.osc.ny.gov/files/state-agencies/audits/pdf/sga-2025-23n1.pdf
- 7 Park, Molly. Testimony Before the New York City Council. March 11, 2024
- 8 Office of the New York State Comptroller, New York City Department of Social Services Administration of the CityFHEPS Program for Department of Homeless Services Shelter Residents (Oct 2024). Available at: https://www.osc.ny.gov/files/state-agencies/audits/pdf/sga-2025-23n1.pdf
- 9 NYC Human Resources Administration, ACCESS HRA Frequently Asked Questions (n.d.). Available at: https://www.nyc.gov/site/hra/help/access-hra-frequently-asked-questions.page
- 10 Testimony of Women in Need (WIN) on Oversight: The CityFHEPS Rental Assistance Program before the General Welfare Committee of the New York City Council. January 18, 2023
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- 13 Mayor's Office of Operations, Mayor's Management Report, Human Resources Administration (Sept 2024). Available at: https://www.nyc.gov/assets/operations/downloads/pdf/mmr2024/MMR-2024-Cover.pdf
- 14 Win and REBNY, Housing More New Yorkers: Systemic issues afflicting voucher programs and an overview of the simple policy proposals that can solve them. (May 2023). Available at: https://winnyc.org/wp-content/uploads/2024/05/Win-REBNY-Voucher-Report.pdf
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- 19 Office of the New York State Comptroller, New York City Department of Social Services Administration of the CityFHEPS Program for Department of Homeless Services Shelter Residents (Oct 2024). Available at: https://www.osc.ny.gov/files/state-agencies/audits/pdf/sga-2025-23n1.pdf
- 20 Win and REBNY, Housing More New Yorkers: Systemic issues afflicting voucher programs and an overview of the simple policy proposals that can solve them. (May 2023). Available at: https://winnyc.org/wp-content/uploads/2024/05/Win-REBNY-Voucher-Report.pdf