



# THE CITY OF NEW YORK INDEPENDENT BUDGET OFFICE

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## How Much Has the City Spent on One-Time Homelessness Prevention Payments for Rental Arrears

**May 6, 2024,** – The City of New York is a large contributor to the City’s social safety net, and as a result, it administers multiple forms of rental support through the Department of Social Services (DSS) to prevent homelessness. This includes emergency nonrecurring assistance for households who receive Public Assistance and are struggling with unpaid rent, known as rental arrears.

The New York City Independent Budget Office (IBO) has completed an analysis looking at nonrecurring payments for rental arrears. Using unique case data from DSS from 2018 through 2023, IBO analyzed the change in the total number of emergency rental arrears cases, the change in both the amounts distributed, and the share of expenses borne by the City, state, and federal governments.

IBO’s analysis can be found [here](#).

Main takeaways from the report:

- Unique cases declined during the beginning of the pandemic with a rebound in 2023 although not to pre-pandemic levels.
- The average amount paid per case was higher in 2023, \$7,200, compared to \$4,300 in 2018. As a result, the total cost of 42,900 cases in 2023, \$309 million, was higher than the total cost of 60,600 cases in 2017. DSS has stated that the higher amount per case is likely due to unpaid rent from the pandemic era eviction moratorium and an increase in the maximum rent allowed under FHEPS.
- The share paid by the City for these programs has increased over time from 42 percent to 46 percent while the federal share has fallen from 40 percent to 35 percent. The state’s share has remained flat at 19 percent. According to DSS, this change in funding sources is the result of changes in case composition. Safety Net Assistance (SNA) is funded 71 percent by the City and 29 percent by the state, while Family Assistance (FA) is funded 85 percent by the federal government and 15 percent by the City. As the share of cases funded by SNA has grown, so has the share of City funding.



### New York City Independent Budget Office

IBO’s mission is to enhance understanding of New York City’s budget, public policy, and economy through independent analysis.