

# Family Homelessness & Eviction Prevention Supplement (FHEPS) Fact Sheet for Landlords

# What is the Family Homelessness & Eviction Prevention Supplement (FHEPS)?

- FHEPS is a rent supplement for families who are moving from homeless shelters to stable housing, or who are in danger of losing their current housing.
- FHEPS helps ensure low-income NYC families can afford stable housing while landlords are compensated fairly.
- If you house a FHEPS tenant, you will receive rent payments directly from the New York City Human Resources Administration (HRA)
  - Part of the rent will be covered by the FHEPS supplement and part by the tenant's Cash Assistance shelter allowance.
  - If the tenant also has income, they will also pay a portion of their income as rent.

# What are the two types of FHEPS?

The two types of FHEPS are:

- FHEPS to Stay lets families stay in the home they currently live in. In addition to paying a rent supplement going forward, FHEPS to Stay can cover up to \$20,000 <sup>1</sup> in rent arrears, and more in some cases.
- FHEPS to Move lets families move to a different home if:
  - they have already lost their home.
  - they cannot stay in their current home.

#### What are the benefits to a landlord of having FHEPS tenants?

- Under FHEPS to Move, you will receive the first month's rent in full plus the next three months' rent supplement up front, as well as a security voucher.
- You will receive regular rent supplement payments from HRA **for up to five years**, and more if the tenant qualifies for an extension.
- If the family is leaving HRA or DHS shelter (and only if the family is leaving HRA or DHS shelter), the following will also be available:
  - An enhanced broker fee of up to 15% <sup>2</sup> of the annual rent.
- Under FHEPS to Stay, if you currently have a tenant with rent arrears who may be evicted, you
  can receive a payment of up to \$20,000 to cover the accrued rent arrears if they are approved
  for FHEPS.
  - Families do not have to be the tenants of record as long as they resided in the apartment when the arrears accrued.
  - Under some circumstances rent arrears payments may be issued for amounts greater than \$20,000 if it will keep a family in housing that will be stable and affordable going forward.
  - Decisions about payments greater than \$20,000 will be made on a case-by-case basis at the discretion of HRA and/or the State of New York.

<sup>1</sup> The maximum arrears payment is subject to annual State approval and is in place until further notice.

<sup>2</sup> The enhanced broker's fee will be offered for as long as funding remains available. Visit <a href="http://www.nyc.gov/dsshousing">http://www.nyc.gov/dsshousing</a> to see if this enhanced fee is still available.

## What is the maximum rent for apartments FHEPS tenants can lease?

The payment standards are the maximum amount of subsidy that HRA will pay to the owner on behalf of the FHEPS tenant. HRA's payment standards are based on the Section 8 standard adopted by the New York City Housing Authority (NYCHA). The standards based on CA family size and unit size are in the table below (Some exceptions apply. For example, households that have both CA income and income from someone not receiving CA):

CA Family Size	Unit Size	Payment Standard *
1	Studio	\$2,646
1 or 2	1	\$2,762
3 or 4	2	\$3,058
5 or 6	3	\$3,811
7 or 8	4	\$4,111
9 or 10	5	\$4,727
11 or 12	6	\$5,344
13 or 14	7	\$5,962
15 or 16	8	\$6,578
17 or 18	9	\$7,195
19 or 20	10	\$7,812

<sup>★</sup> The payment standards in the chart above are the maximum rent amounts if all utilities are included in the lease.

# What is a Utility Allowance?

Utilities paid by the tenant will be subtracted from the payment standard. The amount that is subtracted is called the utility allowance. Utility allowances are determined based on the typical cost of utilities and services paid by households occupying housing of various sizes. The DSS utility allowance schedule is available at <a href="https://www.nyc.gov/dsshousing">www.nyc.gov/dsshousing</a> and is updated annually.

#### How much will I receive from the supplement?

The amount of a household's FHEPS rent supplement will depend on household income, the number of people in the household, and the current FHEPS program maximum rent and maximum FHEPS supplement amounts, which are indexed to the annual rent adjustments of the NYC Rent Guidelines Board. The amount of the household's FHEPS rent supplement is decided when the household's FHEPS application is approved by HRA.

#### The FHEPS rent supplement **may change** if:

- the number of people on a tenant's Cash Assistance case changes.
- the household's shelter allowance changes because of budgeting rules for Cash Assistance.
- the income of household members not on the Cash Assistance case changes.
- The NYC Rent Guidelines Board announces a rent adjustment to one-year lease renewals in rent-stabilized apartments.

#### The FHEPS rent supplement amount **will stop** if the tenant no longer has:

- a Cash Assistance case.
- a child under 18 years of age OR under 19 years of age who is a full-time student regularly attending a secondary school or the equivalent level of vocational or technical training.

In many but not all cases, once a household is enrolled in the FHEPS Rent Supplement Program, their entire rent will generally be paid to you through the shelter allowance on their household's Cash Assistance case and the FHEPS rent supplement amount.

## How do I participate in the FHEPS program?

If you are a landlord or broker, please contact a Home Support Specialist with the Public Engagement Unit at **718-557-1399** or visit <a href="http://nyc.gov/homesupportunit">http://nyc.gov/homesupportunit</a> to discuss how you can lease apartments with rental assistance programs.

Once I have a tenant in the FHEPS program, what resources are available if I need help? HRA's Rental Assistance Call Center, reachable at 718-557-1399, can help both landlords and tenants with program information, payment inquiries, and aftercare referrals for tenants.

## Are there any additional FHEPS requirements?

- In situations where the household leaves an apartment due to an eviction or move, you are required to notify HRA and return any overpayment.
- Side Deals with Clients are Prohibited: "Side deals," i.e., charging more than the rent amount set forth in the lease, is strictly prohibited. Your tenant will be responsible for paying any difference between the rent and the sum of the shelter allowance and the FHEPS supplement. You are not allowed to ask the tenant to pay you any more than this.

The information in this program description provides a general overview of the FHEPS rent supplement program. It is not intended to provide full details concerning the operation of the program.