

CityFHEPS Frequently Asked Questions for Landlords and Brokers

What is CityFHEPS?

CityFHEPS is a rental assistance supplement program to help individuals and families find and keep an apartment, a room, or single room occupancy (SRO) unit. CityFHEPS consolidates seven subsidies into a single program, designed to simplify and streamline the process for all New Yorkers, including landlords and brokers, who serve as partners in our efforts to connect low-income New Yorkers to stable housing. The program is administered by the Department of Social Services (DSS), which includes both the Department of Homeless Services (DHS) and the Human Resources Administration (HRA).

CityFHEPS rent levels for apartments and SROs are indexed to the Section 8 standard adopted by the New York City Housing Authority (NYCHA). If you house a tenant with CityFHEPS, you will receive rent payments directly from DSS/HRA.

What are the benefits of participating in CityFHEPS for landlords and brokers?

Under CityFHEPS, you will receive:

- Rents for apartments and SROs are based on apartment size and indexed to FMR for one-year leases.
- For new apartments and SROs: The option to receive the first month's rent in full, plus the next three (3) months' rent supplement up front, or the first month's rent in full For CityFHEPS tenants remaining in place, HRA pays the supplement for the first month.
- For rooms: The first four (4) months' rent in full up front except if the household receives a shelter allowance. (If the household receives a shelter allowance, the landlord will receive the first month's rent in full plus the CityFHEPS rental assistance payment for the next 3 months up front.)
- Monthly rental assistance payments from DSS/HRA for up to five (5) years if your tenant continues to meet eligibility requirements and you remain in compliance with program requirements with additional extensions beyond five (5) years available for "good cause."
- A timely and standardized apartment or room "preclearance."

The following incentives may also be available:

- A "unit hold" incentive equal to one month's rent for landlords who agree to hold an apartment while the housing packet is being processed
- A broker's fee up to 15% of the annual rent

For the most up-to-date information on the CityFHEPS program and benefits, please visit www.nyc.gov/dsshousing.

How do I participate in the CityFHEPS program or find out more?

If you are a landlord or broker,

• **Find out more information** about leasing an apartment with CityFHEPS by calling the Public Engagement Unit's Home Support Line at 718-557-1399 or filling out the online form at http://nyc.gov/homesupportunit.

Where can CityFHEPS be used?

CityFHEPS can be used to rent an entire apartment anywhere within New York State. CityFHEPS can also be used to rent a single room in an apartment or a Single Room Occupancy (SRO) unit within the five (5) boroughs of New York City. The rent and utility amounts provided on this document are only valid for individuals and families who move within New York City.

If a CityFHEPS tenant is renting a unit that is outside of New York City, but within New York State, please go to the DSS CityFHEPS website to find the statewide amounts at <u>https://www1.nyc.gov/site/hra/help/cityfheps-documents.page</u>.

What is the maximum rent for apartments and SROs CityFHEPS tenants can lease?

The payment standards are the maximum amount of subsidy that HRA will pay to owner on behalf of the CityFHEPS tenant. HRA's payment standards are based on the Section 8 standard adopted by the New York City Housing Authority (NYCHA). For new unit rentals within New York City, the amounts are set forth below:

Family Size	Number of Bedrooms	<u>All Utilities</u> Included	Without Cooking Gas & Electric	With Cooking Gas Only	With Electric Only	<u>No Utilities</u> Included
1	SRO	\$1,967	\$1,868	\$1,893	\$1,942	\$1,783
1	0 (Studio)	\$2,624	\$2,525	\$2,550	\$2,599	\$2,440
1 or 2	1	\$2,696	\$2,584	\$2,612	\$2,668	\$2,484
3 or 4	2	\$3,027	\$2,885	\$2,918	\$2,994	\$2,762
5 or 6	3	\$3,777	\$3,606	\$3,643	\$3,740	\$3,464
7 or 8	4	\$4,070	\$3,868	\$3,910	\$4,028	\$3,705
9 or 10	5	\$4,680	\$4,448	\$4,494	\$4,634	\$4,263
11 or 12	6	\$5,291	\$5,059	\$5,105	\$5,245	\$4,874
13 or 14	7	\$5,901	\$5,669	\$5,715	\$5,855	\$5,484
15 or 16	8	\$6,512	\$6,280	\$6,326	\$6,466	\$6,095
17 or 18	9	\$7,122	\$6,890	\$6,936	\$7,076	\$6,705
19 or 20	10	\$7,733	\$7,501	\$7,547	\$7,687	\$7,316

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 www.nyc.gov/dshousing and is updated annually.

How much will I receive from the supplement?

Part of the rent will be covered by the CityFHEPS rental assistance supplement. If the tenant has income, they will also pay a portion of their income as rent.

The amount of a household's CityFHEPS rental assistance supplement will depend on household income, the number of people in the household, and the current CityFHEPS program maximum rent, indexed to the Section 8 standard adopted by the New York City Housing Authority (NYCHA). The amount of the household's CityFHEPS rent supplement is decided when the household's CityFHEPS application is approved by DSS and reevaluated at each renewal.

In general, the CityFHEPS rent supplement will not change during the first year of the program, except in very limited circumstances.

What if I am offering a rented room?

If you are offering a rented room, the maximum rent is \$1,100, and the CityFHEPS rental supplement will be the difference between the actual rent (up to \$1,100) and the tenant's contribution (\$50 or their monthly shelter allowance, whichever is greater). Heat, hot water, electricity and, if the stove is not electric, cooking gas, must be included in the rent.

What is the unit approval and leasing process?

There are several steps to the unit approval and leasing process.

Once a tenant has identified a unit, the tenant's housing specialist or case worker will begin the pre-clearance process, which is conducted by DSS.

Then, the unit and building must be clear of a specific set of violations, and a physical walkthrough is scheduled to review the unit. If the unit passes the walkthrough, the tenant's housing specialist or case worker will prepare the housing packet – including the request for a unit hold payment referenced earlier – and also schedule a lease signing for you and the tenant.

To learn more about what is required for the preclearance and walkthrough, you can look at the Website Clearance Checklist, Apartment Review Checklist, Apartment Review Checklist, and the Apartment Review Checklist Guidance available on www.nyc.gov/dsshousing.

The lease must be signed by both you and the tenant in order for the packet to be reviewed. The lease must reflect the complete address of the unit, including the unit number.

Once the packet is complete and submitted, it undergoes a final review by DSS. If the packet is approved, a key exchange is scheduled by the tenant's housing specialist or case worker. The checks may be mailed or may be picked up by the housing specialist. At the key and check exchange, you must provide the tenant with keys for the unit they were shown, which must be the same as the unit indicated on the lease. At the key and check exchange, you will receive several checks for any approved unit hold payment and the first several months of rent for the unit. You will also be provided with the security voucher.

Tenants must renew their participation in the CityFHEPS program annually. DSS will recalculate the tenant contribution of a participant based on their current income when they renew. Although CityFHEPS landlords are not required to renew their tenants in the program unless otherwise required to do so by law, a landlord who does not offer their CityFHEPS tenant a renewal lease will not be eligible for financial incentives to place another tenant in the same unit, unless there was good cause not to renew.

What help is available once my tenant moves in?

For program information and payment inquiries, contact the HRA Rental Assistance Call Center, Monday-Friday from 9 AM to 5 PM at 718-557-1399.

How do the monthly payments work?

DSS will issue a check to the landlord each month for the CityFHEPS portion of the rent.

Am I able to charge late fees?

As long as the payment is made in the month that the rent is due, it is not considered late.

Can I evict a tenant over late fees?

As per State law, a landlord cannot take the tenant to housing court successfully just for late fees. The landlord also cannot take the tenant to small claims court for late fees charged for the CityFHEPS portion of the rent.

Are there additional CityFHEPS requirements?

Under the CityFHEPS rules, side deals are strictly prohibited. Landlords must not demand, request, or received any amount above the rent or reasonable fees as stipulated in the lease or rental agreement regardless of any changes in household composition.

Additionally:

• Similar to Section 8, all rents must pass a rent reasonableness test, meaning the rent charged may not exceed other rents that are charged for comparable units in the neighborhood.

Are there additional CityFHEPS requirements (continued)?

- When HRA issues monthly CityFHEPS rental assistance payments and monthly shelter allowance (if the unit being rented is outside of New York City, but within New York State, any shelter allowance will be paid by the local district of social services) payments (if any) in full by the final day of the month, these payments will be deemed timely paid towards the CityFHEPS unit's rent for that month, regardless of any provisions in the CityFHEPS unit lease to the contrary.
- Landlords are required to accept the HRA security voucher in lieu of a cash security deposit and may not request any additional security from the client.
- Landlords must not move a household from one unit to another without the prior written approval of both HRA and the household.
- Landlords must notify HRA within 5 business days of learning that the household no longer resides in the unit towards which CityFHEPS rental assistance is being applied.
- If the CityFHEPS tenant is moving out of a DHS or HRA shelter, the household must not have lived in the residence they are now moving to at any time within the past year.
- Landlords must notify HRA within 5 business days if any legal proceeding affecting the program participant's tenancy is commenced.
- Landlords must notify HRA promptly if the landlord, owner of the subject premises, or the management company changes.
- If the household no longer resides in a CityFHEPS unit, the landlord must return any payments from HRA for any period of time the household was not residing in the unit.
- Landlords must promptly return to the City any overpayments, including but not limited to monies paid in error or made as a result of inaccurate, misleading or incomplete information submitted by the landlord in connection with the CityFHEPS Program.

HRA will provide instructions on how to return any overpayments when such overpayments are reported.

Notifications to HRA must be made in writing to:

CityFHEPS NYC Human Resources Administration 109 East 16th Street, 10th Floor New York, NY 10003

Landlords may be banned from participation in City rental assistance programs for violations of any of the landlord requirements. Before placing a landlord on a disqualification list, HRA will provide notice to the landlord and an opportunity for the landlord to object in writing.

The information in this fact sheet provides a general overview of the CityFHEPS program. It is not intended to provide full details concerning the operation of the program.

CityFHEPS is similar to the federal Section 8 program in that, subject to the availability of funding, it provides assistance, including rental assistance of specified amounts, to landlords and tenants who want to form a landlord–tenant relationship.

Any contractual relationship will be solely between each tenant participating in the program and each tenant's landlord participating in the program.