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BAD MOVE FOR THE HOMELESS

Op Ed by David R. Jones

Given the record number of homeless families in the shelter system—over 9,200 families—the city is placing its bets again on a time-limited rent assistance program to cut the shelter counts. The new Work Advantage Program (WAP) will replace the Housing Stability Plus (HSP) vouchers that the city promised, two years ago, would empty the shelters. The question is whether WAP will do any better at promoting stable, decent housing for the homeless and encouraging self-sufficiency through work.

The HSP voucher, intended to supplement public assistance, had serious problems. Its benefits dwindled to zero in five years, it created work disincentives, and it often placed families in abysmal apartments. At the same time, the city cut homeless families off from priority placement for public housing and Section 8 vouchers, claiming they were incentives to homelessness.

In its latest move, the city is gambling on immediate benefits under WAP rent assistance. For one year, the family pays \$50 monthly for rent, but it must set aside 10 to 20 percent of the rent as savings to be matched by the city. The city estimates a family renting for \$1,070 monthly could wind up with \$6,000 in savings after a year. The family must comply with a minimum 20-hour weekly work requirement that puts it on the path to self-sufficiency. But the party ends after a year, or two at most. HSP voucher families have a year to make the switch to WAP.

WAP has the makings of a new board game for homeless families and their advocates, but it will not stem family impoverishment and homelessness over the long term. The consequences for WAP families can be grim.

Under the short 1 to 2-year limit on benefits, even the most conscientious working family will have a tough time surviving the rent-affordability cliff it faces once WAP is over. Rough calculations suggest that a family with \$1,070 monthly rent will initially be

laying out up to \$264 monthly for rent and savings combined. An adult full-time worker making a \$15,000 minimum wage—a counter worker in a coffee shop or a home health aide—would carry an affordable rent burden of 25 percent of income that first year. If benefits end after a year, even if the worker gets a healthy raise, the family faces a colossal rent burden of about 80 percent of income. If it uses its \$6,000 savings to meet the (rising) rent, it will still be paying a hefty 60 percent of income for housing. For a security guard earning an average \$19,000 income, the unassisted rent burden would be 71 percent of income, or 50 percent if the full savings are used.

The numbers simply don't work for short-term rent assistance to formerly homeless families. Rather than put them through the WAP moves, the city should reconsider opening up public housing and Section 8 vouchers again. They are time-tested, long-term remedies for homelessness that keep housing affordable to low-income working families struggling their way out of poverty.

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