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Legal Aid, in Partnership with Coalition for the Homeless, Women In Need, and Neighbors Together, Secure Court Order to Temporarily Halt Termination of Citywide “Unit Hold” Policy

Critical Housing Incentive Helps Thousands of New Yorkers Exit Homelessness

(NEW YORK, NY) – The Legal Aid Society, together with **Coalition for the Homeless, Women In Need, Neighbors Together**, and individual plaintiffs, secured a [court order](#) today to temporarily block the New York City Department of Social Services (DSS) from eliminating a key incentive that helps homeless New Yorkers secure permanent housing.

The order was granted in a class action [lawsuit](#) filed Monday challenging DSS’s sudden decision to end its longstanding “unit hold” incentive—a payment to landlords that ensures apartments are held for prospective tenants while CityFHEPS housing voucher paperwork is processed. The litigation seeks to block DSS from implementing the policy change and requests a preliminary injunction to require continued payment of unit hold incentives while the case is litigated. The Petitioners argue that, with over 85,000 New Yorkers in shelter—including 31,000 children—the stakes could not be higher.

“The abrupt elimination of DSS’s unit hold incentive is unlawful and, if allowed to stand, will severely harm the thousands of homeless New Yorkers who rely on this program to help them gain access to safe, stable housing,” said **Pavita Krishnaswamy, Supervising Attorney in the Civil Law Reform Unit at The Legal Aid Society**. “Eliminating this policy now, amid a historic Citywide affordable housing crisis and looming cuts to federal housing programs, will serve only to extend shelter stays, break up families, disrupt education, and ultimately cost the City far more in the long run. The unit hold incentive must remain permanently in place to ensure that the people we serve continue to have access to a vital pathway to permanent housing.”

“DSS’s unit hold incentive is a critical asset for moving New Yorkers out of shelter and into permanent homes of their own,” said **Christine C. Quinn, President & CEO of Win**. “Let us be absolutely clear: the City’s rushed process to eliminate the unit hold incentive is both blatantly unlawful and a significant impediment to hardworking families seeking stable housing. At a time when over 175,000 New Yorkers remain on the edge of eviction, this impractical decision stands to push more families into homelessness, and our shelter system to the brink. We applaud the court’s order to temporarily halt the elimination of the unit hold incentive and continue to urge Mayor Adams and DSS to permanently reverse this shortsighted cut.”

“The solution to homelessness is making safe, affordable housing accessible to the New Yorkers who need it most,” said **David Giffen, Executive Director of Coalition for the Homeless**. “The unit hold incentive is a simple but essential tool that keeps apartments available long enough for people experiencing homelessness to secure them. Ending the policy would slam the door shut on New Yorkers desperate for housing. We are relieved by the court’s order to halt the unlawful termination of the policy, and we’ll keep fighting to ensure that this critical lifeline of units remains in place for the New Yorkers who need it the most.”

“We applaud the court’s decision to temporarily halt the termination of the unit hold incentive. This important benefit will help countless CityFHEPS voucher holders to secure housing, moving them out of homelessness and into a life of stability and hope. We urge the administration to revoke this needless, shortsighted, and morally wrong policy, and to instead focus on fixing the many administrative barriers that make CityFHEPS inefficient and difficult to use,” said **Denny Marsh, Executive Director of Neighbors Together**.

Background

DSS’s decision, announced via email on May 30, 2025, would terminate unit hold payments effective June 30, with tight deadlines that effectively gut access to the benefit. Petitioners argue the change violates the City Administrative Procedure Act (CAPA) by bypassing the legally required public notice and comment process. The lawsuit also argues the change is arbitrary and capricious, lacking any rational justification and undermining the City’s own fiscal and humanitarian goals.

The organizational plaintiffs—Coalition for the Homeless, Women In Need, and Neighbors Together—have all reported a spike in landlords withdrawing apartment offers and voucher holders remaining trapped in shelter since the announcement. Without unit holds, their staff are forced to repeat housing searches and triage crises for the people we serve at risk of eviction or prolonged homelessness.

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The Legal Aid Society exists for one simple yet powerful reason: to ensure that New Yorkers are not denied their right to equal justice because of poverty. For almost 150 years, we have protected, defended, and advocated for those who have struggled in silence for far too long. Every day, in every borough, The Legal Aid Society changes the lives of our clients and helps improve our communities. <https://www.legalaidnyc.org>