

New York City Council

Hon. Adrienne Adams, Speaker of the Council
 Hon. Justin Brannan, Chair Finance Committee
 Hon. Diana Ayala, Deputy Speaker and Chair, General Welfare Committee

**Note on the Fiscal 2025 Executive Plan and
 the Fiscal 2025 Executive Capital Commitment Plan for the
 Committee on Finance and the Committee on General Welfare**

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Fiscal 2025 Executive Plan

FY24 **FY25**

Human Resources Administration’s Budget Overview

\$970.9 million since Adopt.

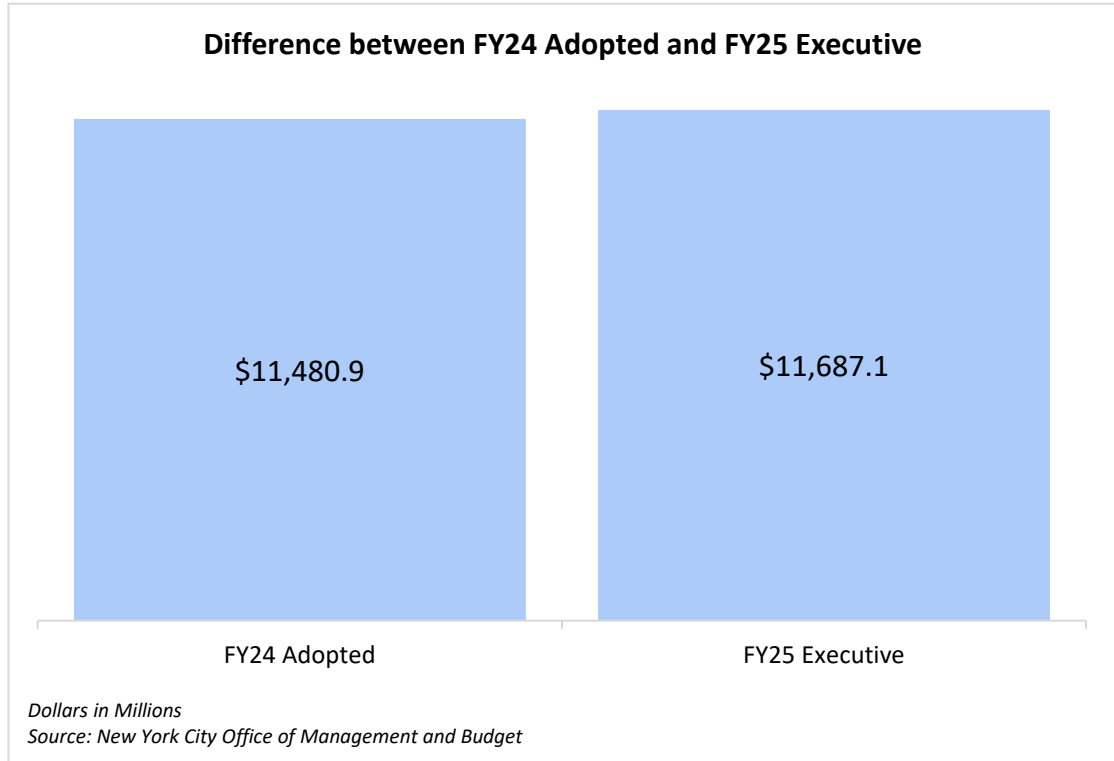
\$720.8 million since Adopt.

The Executive Financial Plan for Fiscal 2024-2028 (Executive Plan), includes a proposed Fiscal 2025 budget of \$11.69 billion for the Human Resources Administration (HRA or the Department). The Department’s projected Fiscal 2025 budget represents 10.5 percent of the City’s proposed Fiscal 2025 budget in the Executive Plan of \$111.6 billion. HRA’s Fiscal 2025 budget in the Executive Plan is \$872.5 million greater (7.5 percent) than its \$10.81 billion Fiscal 2025 budget in the Preliminary Financial Plan presented in January. The Fiscal 2025 Executive Budget is \$206.2 million greater than the Fiscal 2024 Adopted Budget. For additional information on HRA’s Preliminary Budget, please refer to the Fiscal 2025 Preliminary Budget report at: <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2024/03/069-HRA-1.pdf>.



(\$409.9 million) since Prelim.

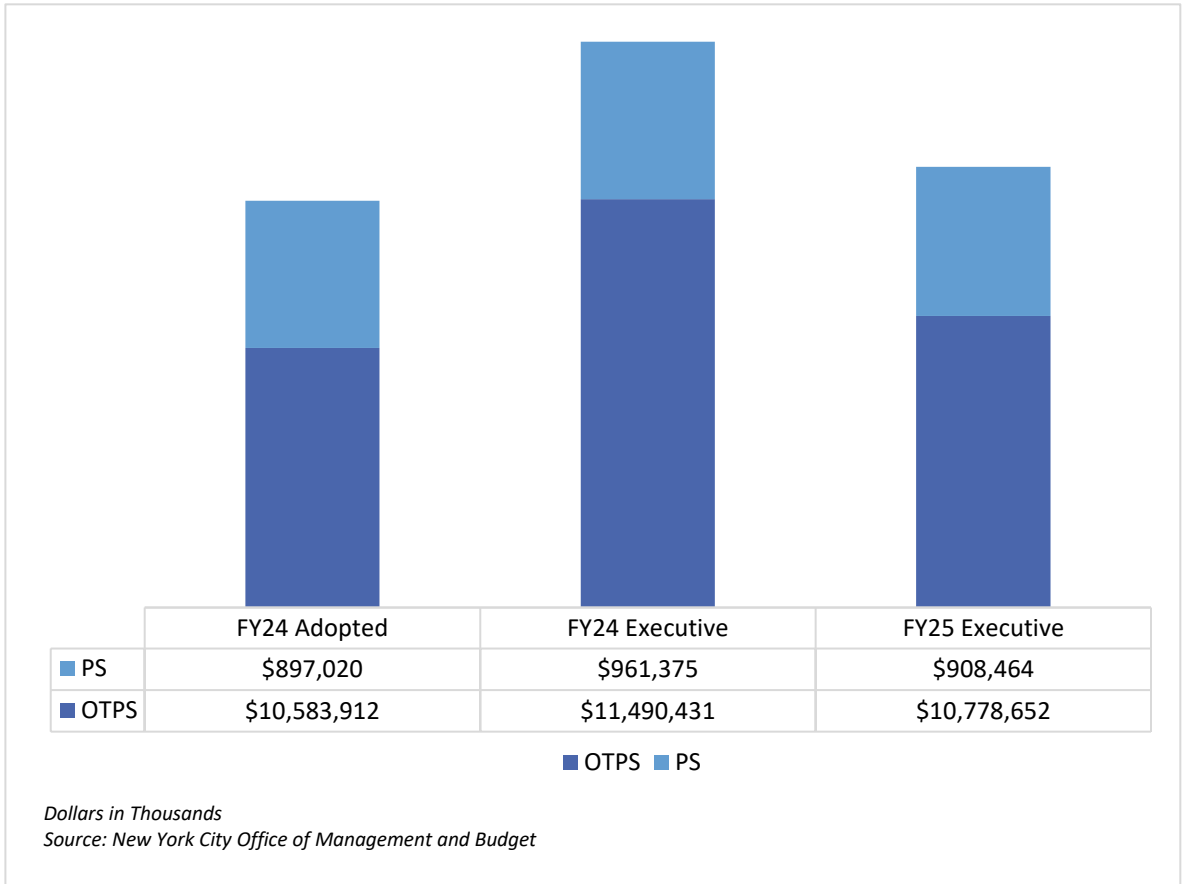
\$872.5 million since Prelim.



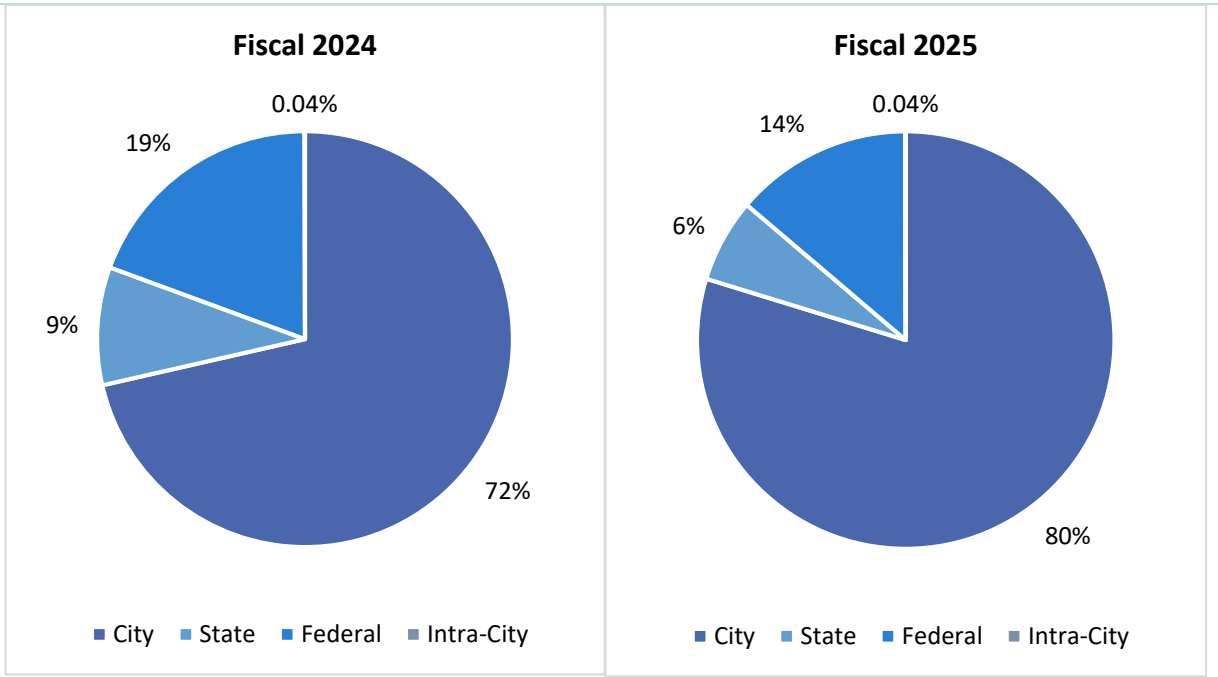
PS and OTPS:

FY25 Contract Budget: \$966.5 million

Number of Contracts in FY25: 1,271



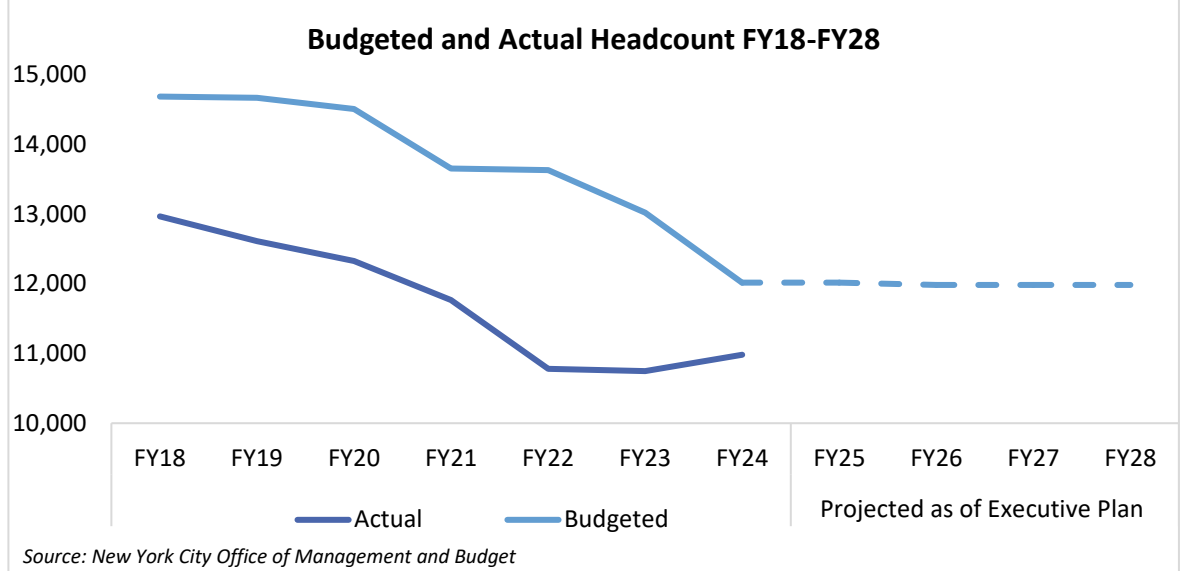
Agency Budget by Funding Source



FY24 Budgeted Headcount:
12,018 full-time positions

Actual Headcount as of March:
10,982

Vacancies as of March:
1,166



FY25 Changes in Exec:

Total: \$872.5 million

New Needs: \$572.1 million

Other Adjustments: \$300.4 million

Significant Executive Plan Changes

New Needs

- Rental Assistance.** The Executive Plan includes additional City funding of \$12.6 million in Fiscal 2024, \$614.9 million in Fiscal 2025, and \$540.3 million baselined starting in Fiscal 2026 in City funding for the City’s Family Homelessness and Eviction Prevention Supplement (CityFHEPS) rental assistance program. This additional support realigns the budget of the ongoing program to more closely match recent spending and does not relate to the program expansion pursuant to the Council’s recent legislation. Additionally, the Executive Plan includes a combined State and federal baselined funding reduction of \$47.4 million starting in Fiscal 2024 related to prior rental assistance programs that are no longer operating. The net impact of the changes in the Executive Plan to rental assistance programs is a decrease of \$34.8 million in Fiscal 2024, an increase of \$567.5 million in Fiscal 2025, and a baseline increase of \$493.0 million starting in Fiscal 2026.
- Federal Revenue Reduction.** The Executive Plan includes a baselined funding swap of \$5.1 million in federal Flexible Fund for Family Services (FFFS) funds for City funds, starting in Fiscal 2025. The funding swap is necessary due to a State change in child welfare claiming, which shifts the funding to the Administration for Children’s Services programs.
- NYC Benefits Access Initiative.** The Executive Plan includes an additional \$4.6 million in City funding in Fiscal 2025 only for HRA’s benefits access initiative. Funding of \$1.3 million supports 10 positions at HRA and \$3.3 million supports contracts with non-profit organizations who provide benefits outreach, education, and enrollment assistance in communities across the City.

Other Adjustments

- Medicaid.** The Executive Plan includes a transfer of \$150.0 million in City funding to the City’s Health and Hospitals Corporation (H+H) in Fiscal 2024 for its Medicaid initiatives. Additionally, \$289.3 million in City funding is rolled from Fiscal 2024 to

Fiscal 2025, due to change in timing of payments from the State. Overall, the net change in Fiscal 2024 is a reduction of \$439.3 million.

- **Transfer of Park’s Job Training Program (JTP).** The Executive Plan includes a decrease of \$12.7 million in City funds in Fiscal 2024, \$52.0 million in Fiscal 2025, and \$53.3 million in Fiscal 2026 and in the outyears for the full transfer of HRA’s JTP program operated jointly with the Department of Parks and Recreation (DPR), known as the Parks Opportunity Program (POP), to DPR. Going forward, DPR will fully manage and operate its own new version of the program, including setting new rules for the program. HRA will continue to make client referrals to DPR and manage its JTP program with the Department of Sanitation.
- **State Rental Assistance Program (RSP) Revenue.** The Executive Plan includes \$32.0 million in State funds in Fiscal 2024 only for the State FHEPS rental rate increase.
- **Home Energy Assistance Program (HEAP).** The Executive Plan includes \$23.8 million in federal HEAP grant funding in Fiscal 2024 only for benefit payments to clients and HRA’s administration costs.
- **Transfer of the Office of Crime Victims Support (OCVS).** The Executive Plan transfers City funds of \$666,352 in Fiscal 2024, as well as City and State funding of \$17.7 million in Fiscal 2025 and \$23.6 million in Fiscal 2026 and in the outyears to HRA from the Mayor’s Office of Criminal Justice (MOCJ). Going forward, OCVS will be managed by the Mayor’s Office to End Gender-Based Violence (ENDGBV), which is funded through HRA’s budget.
- **Human Services Cost of Living Adjustment (COLA).** On March 11, 2024, the Mayor announced a \$741.0 million citywide COLA investment for non-profit human services workers with City contracts. The Executive Plan includes City funding for HRA’s contracted human service providers of \$8.6 million in Fiscal 2025, \$17.4 million in Fiscal 2026, and \$26.5 million in Fiscal 2027 and in the outyears.
- **Asylum Seeker Response Costs.** The Executive Plan includes \$550,176 in State funds in Fiscal 2024 and \$1.5 million in Fiscal 2025 to support eight positions in the Office of Asylum Seeker Operations, which is budgeted through HRA.

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- **Asylum Seeker Re-estimates and Efficiencies.** The Executive Plan includes City fund savings of \$4.0 million in Fiscal 2024 from asylum seeker response costs. These savings are part of the planned ten percent citywide reduction in response costs for the Executive Plan. They were derived from a citywide re-estimate of projected expenditures, based on current actual spending, and the elimination of a buffer that the Office of Management and Budget (OMB) had included in the budget for Fiscals 2024 and 2025.

Budget Response:
FY25 Estimate: \$156.8 million
Included in the Executive Budget: \$623.5 million

In the City Council’s Fiscal 2025 Preliminary Budget Response, the Council identified several areas of concern relating to public benefits programs, legal services, human service non-profit providers, and services for vulnerable populations including immigrants, low-income individuals, and domestic violence-impacted individuals. The budget response specifically called on the Administration to add \$156.8 million for a number of Council priorities as well as calls to action that did not include a specific amount. The Executive Plan includes \$614.9 million for the CityFHEPS program and \$8.6 million for a contracted human service provider COLA, as previously detailed, but adjustments were not made for many of the other proposals, as shown in the table below. For more details on the budget response, please refer to the Fiscal 2025 Preliminary Budget Response report at: <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2024/04/Fiscal-2025-Preliminary-Budget-Response-4.pdf>.

FY25 Budget Response Items			
#	Response Priorities	Amount Requested	Amount in the Exec Budget
1	Housing Stability Microgrants to Domestic Violence Impacted Individuals	\$4.8 million	\$0
2	Community Food Connection Program	\$35.0 million	\$0
3	Fair Fares Eligibility Expansion to 200 Percent of the Federal Poverty Level	\$54.2 million	\$0
4	Guaranteed Income Pilot Program	\$5.0 million	\$0
5	IDNYC Funding Restoration to Re-Open Centers, Resume Walk-In Appointments, and Improve Processing Times	\$3.4 million	\$0
6	Immigration Legal Services Enhancement	\$54.4 million	\$0
7	Fully Fund and Baseline Cash Assistance Benefit Payments	Call To Action	\$0
8	Fully Fund and Baseline Right to Counsel (anti-eviction civil legal services)	Call To Action	\$0
9	Fully Fund and Baseline CityFHEPS including implementation of the Council’s enacted laws	Call To Action	\$614.9 million
10	Fully Fund and Baseline HASA emergency shelter units	Call To Action	\$0
11	Improve Benefits Processing – systems/technology, and fill vacancies related to processing of SNAP, Cash Assistance, and housing vouchers applications and re-certifications	Call To Action	\$0
12	Improve pay parity throughout the municipal workforce, especially for women and people of color	Call To Action	\$0
13	Bolster Support for Contracted Human Service Providers (COLA)	Call to Action	\$8.6 million

Federal and State Budget Risks

- Federal Farm Bill.** A new Farm Bill, the package of federal legislation which includes the authorization for the Supplemental Nutrition Assistance Program (SNAP), was not passed last year when the 2018 Farm Bill expired. Instead, Congress voted on a one-year extender which expires on September 30, 2024. The Farm Bill dictates the funding, program eligibility criteria, and other rules for the SNAP program. The outcome of a new Farm Bill will impact SNAP benefit levels for the nearly 1.8 million low-income City residents who are currently enrolled in the program, which HRA administers. Additionally, it will impact SNAP outreach, education, and enrollment services, as well as nutrition education targeted to SNAP clients, which are provided by the State, City, and local non-profit organizations.

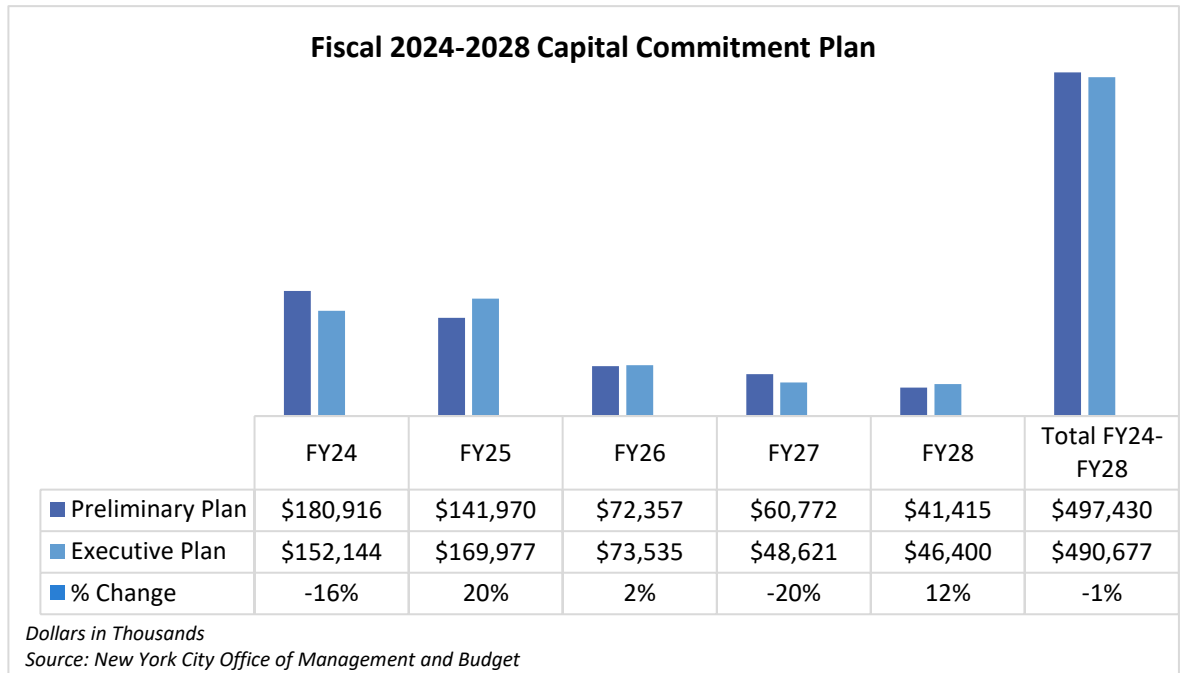
Capital Plan Overview

On April 24, 2024, Mayor Eric Adams released the Executive Capital Commitment Plan for Fiscal 2024-2028 (the Executive Commitment Plan).

HRA’s commitments for Fiscal 2024 through 2028, as presented in the Executive Commitment Plan, total \$490.7 million, 1.4 percent less than the total for the same period presented in the Preliminary Capital Commitment Plan released in January.

The Department’s planned commitments comprise 0.5 percent of the City’s total \$97.66 billion Fiscal 2024 through 2028 Plan.

Capital Commitment Plan



Capital Highlights

- Improvements to HRA Facilities.** The Capital Commitment Plan includes \$226.6 million toward the improvement of HRA facilities. The largest project is for design and construction at the Brownsville Community Center, with a total planned commitment of \$101.7 million, and \$43.4 million for the East New York Office at 2440 Fulton Street in Brooklyn.
- Computer Equipment and Upgrades.** The Commitment Plan includes \$187.9 million for various computer upgrades. The largest project is for a co-location migration implementation with a total planned commitment of \$47.6 million and \$20.1 million for electronic documents automation.

Budget Action Chart

<i>Dollars in Thousands</i>	Fiscal 2024			Fiscal 2025		
	City	Non-City	Total	City	Non-City	Total
HRA Budget as of the Preliminary Plan	\$9,328,560	\$3,533,142	\$12,861,702	\$8,411,726	\$2,402,927	\$10,814,653
New Needs						
Client Responsibility Pilot	\$81	\$0	\$81	\$0	\$0	\$0
Haitian Relief initiative	1,650	0	1,650	0	0	0
Landlord Incentive Re-estimate	1,605	0	1,605	0	0	0
NYC Benefits Access Initiative	0	0	0	4,600	0	4,600
Rental Assistance	12,594	(47,360)	(34,766)	614,852	(47,360)	567,492
State Budget Change to FFFS	0	0	0	5,100	(5,100)	0
Subtotal, New Needs	\$15,931	(\$47,360)	(\$31,429)	\$624,552	(\$52,460)	\$572,092
Other Adjustments						
Asylum Seeker Response	\$0	\$550	\$550	\$0	\$1,457	\$1,457
CDBG Revenue for OCVS	0	0	0	0	3,246	3,246
Child Mental Health Project	0	0	0	300	0	300
Collective Bargaining	8,313	3,699	12,012	8,996	4,962	13,958
Council Adjustment	100	0	100	0	0	0
Council Health Services	(577)	0	(577)	0	0	0
ENDGBV Budget Realignment	0	(1,304)	(1,304)	0	(1,304)	(1,304)
Energy Personnel	0	56	56	0	0	0
Get Covered Intra-City	0	(201)	(201)	0	(201)	(201)
HEAP Revenue Adjustment	0	23,830	23,830	0	0	0
Heat, Light, Power, and Fuel	(542)	(542)	(1,084)	(178)	(177)	(355)
Human Services COLA	0	0	0	8,589	0	8,589
Language Services Contract	0	212	212	0	0	0
Lease Adjustment	0	0	0	6,618	5,811	12,429
Medicaid Adjustment	(439,278)	0	(439,278)	289,278	0	289,278
Medical Director Office Staff Transfer	44	105	149	138	328	466
Minimum Wage Increase	1	0	1	3	0	3
OCSS Revenue	0	2,500	2,500	0	0	0
OEO	(1,043)	0	(1,043)	8,804	0	8,804
Office of Crime Victims Support	666	0	666	14,758	2,969	17,727
PlaNYC Transfer	100	0	100	100	0	100
POP JTP Transfer to DPR	(12,673)	0	(12,673)	(51,983)	0	(51,983)
Recruitment Campaign Transfer	(400)	0	(400)	0	0	0
RSP Revenue for State FHEPS	0	32,000	32,000	0	0	0
Technical Adjustments	0	11,023	11,023	0	0	0
Vacancy Realignment	0	(633)	(633)	0	(633)	(633)
Workforce Enhancement	(473)	0	(473)	(1,084)	0	(1,084)
Young Men's Initiative	0	0	0	(425)	0	(425)
Subtotal, Other Adjustments	(\$445,762)	\$71,295	(\$374,467)	\$283,914	\$16,458	\$300,372
Savings/Programs to Eliminate the Gap (PEGs)						
Asylum Seeker Re-Estimates and Efficiencies	(\$4,000)	\$0	(\$4,000)	\$0	\$0	\$0
Subtotal, PEGs	(\$4,000)	\$0	(\$4,000)	\$0	\$0	\$0
Grand Total	(\$433,831)	\$23,935	(\$409,896)	\$908,467	(\$36,003)	\$872,464
HRA Budget as of the Executive Plan	\$8,894,730	\$3,557,077	\$12,451,806	\$9,320,192	\$2,366,924	\$11,687,116

Source: New York City Office of Management and Budget

**Budget by
Program
Area**

<i>Dollars in Thousands</i>	FY22	FY23	FY24	Executive Plan		*Difference
	Actual	Actual	Adopted	FY24	FY25	FY25 - FY24
Budget by Program Area						
Adult Protective Services	\$53,555	\$57,905	\$60,957	\$68,521	\$64,038	\$3,081
CEO Evaluation	5,726	4,753	13,810	6,662	12,113	(1,697)
Domestic Violence Services	149,437	160,969	168,494	184,245	179,990	11,496
Employment Services Administration	31,052	33,133	31,816	34,205	32,674	858
Employment Services Contracts	153,262	132,985	125,146	130,525	128,159	3,013
Food Assistance Programs	26,734	57,435	57,799	59,027	21,482	(36,317)
Food Stamp Operations	79,781	85,805	73,726	78,178	69,259	(4,466)
General Administration	552,272	512,034	480,389	561,939	509,609	29,220
HIV and AIDS Services	303,160	322,351	275,375	343,989	279,250	3,875
Home Energy Assistance	100,771	78,516	39,676	65,723	39,807	130
Homeless Prevention	475,858	650,096	541,408	1,003,166	862,647	321,239
Information Technology Services	134,249	148,831	104,658	198,643	104,951	293
Investigations and Revenue Admin	67,726	64,342	80,689	81,418	82,956	2,268
Legal Services	234,939	237,889	255,185	264,331	218,085	(37,100)
Medicaid - Eligibility & Admin	92,740	92,001	106,009	109,004	108,926	2,917
Medicaid and Homecare	6,429,039	5,954,231	6,813,222	6,209,911	6,777,240	(35,982)
Office of Child Support Enforcement	64,238	58,627	65,624	70,911	70,181	4,557
Public Assistance and Employment Admin	315,525	342,670	352,169	361,649	337,900	(14,269)
Public Assistance Grants	1,569,839	1,993,624	1,650,222	2,466,546	1,650,222	0
Public Assistance Support Grants	39,935	33,010	33,893	37,845	31,483	(2,410)
Subsidized Employ & Job-Related Training	52,304	67,725	100,336	83,453	65,054	(35,282)
Substance Abuse Services	32,851	38,063	50,331	31,915	41,093	(9,238)
TOTAL	\$10,964,993	\$11,126,993	\$11,480,932	\$12,451,806	\$11,687,116	\$206,185
Funding						
City Funds	\$8,736,914	\$8,882,742	\$9,213,251	\$8,894,729	\$9,320,192	\$106,941
Other Categorical	565	226	0	0	0	0
State	577,111	673,299	757,102	1,142,649	755,799	(1,303)
Federal - Community Development	35,783	0	0	0	3,246	3,246
Federal - Other	1,605,701	1,556,971	1,503,742	2,410,041	1,603,617	99,875
Intra-city	8,920	13,754	6,837	4,386	4,263	(2,574)
TOTAL	\$10,964,993	\$11,126,993	\$11,480,932	\$12,451,806	\$11,687,116	\$206,186
Budgeted Headcount						
Full-Time Positions - Civilian	10,781	10,748	12,134	12,148	12,018	(116)
Full-Time Equivalent Positions	142	93	7	7	7	0
TOTAL	10,923	10,841	12,141	12,155	12,025	(116)

**The difference of Fiscal 2025 Executive Budget compared to Fiscal 2024 Adopted Budget.
Source: New York City Office of Management and Budget*