



**TESTIMONY OF JACQUES JIHA, Ph.D.
BUDGET DIRECTOR**

**Fiscal Year 2026 Preliminary Budget Hearing Testimony
March 5, 2025**

Good morning, Speaker Adams, Chair Brannan, and members of the Finance Committee and City Council. Thank you for the opportunity to testify here today about the Fiscal Year 2026 Preliminary Budget.

I am Jacques Jiha, Director of the New York City Mayor's Office of Management and Budget. I am joined by OMB First Deputy Director, Kenneth Godiner, Senior Deputy Director for Intergovernmental Relations and Education, Latonia McKinney, and Senior Deputy Director for Housing and Economic Development, Infrastructure, Value Engineering and Technical Services, Budget Resources and Recovery Grant Management and Community Development, Tara Boirard.

Today I will give you a budget overview, including the investments we will be making in working-class New Yorkers and families. And, of course, I will discuss the challenges we face as we approach the Executive Budget in hopes that we can once-again work together to overcome these hurdles and ultimately deliver a fourth successful and on-time Adopted Budget that delivers for New Yorkers.

The Fiscal Year 2026 Preliminary Budget is balanced at \$114.5 billion, with gaps of \$4.2 billion, \$5.4 billion, and \$5.1 billion in FY27 through FY29, which are all lower than at the November 2024 Financial Plan Update. Not only did we close the \$5.5 billion gap in the upcoming fiscal year, but we also made a \$2.3 billion prepayment from Fiscal Year 2025 into Fiscal Year 2026. Also, we are going into FY26 with

reserves of \$8.5 billion, demonstrating our responsible stewardship of the city's long-term finances.

The administration's ongoing strong fiscal management and laser-focus on policies that keep New York City a safe and clean place to live, work, and raise a family, has set the table for a thriving local economy. Job creation is at an all-time high, and unemployment has dropped in all demographics, with Black and Hispanic joblessness down more than 20 percent since this administration took office. Tourism is at a near record level and is expected to exceed pre-pandemic levels by the end of the year.

Our success, coupled with a strong national economy, led to an upward revision of city tax revenues by \$1.1 billion in FY25 and \$2 billion in FY26, compared with the November 2024 Financial Plan Update. These gains are driven by growth in business taxes fueled by strong Wall Street performance in 2024, which is expected to continue in 2025 and 2026.

Savings in this plan totals \$3.4 billion over Fiscal Years 2025 and 2026, which includes \$2.7 billion in citywide savings, over \$270 million in pension savings, and \$400 million in labor-reserve savings. As we typically do over the final months of the budget cycle, we will work with agencies to identify underspending savings. This will have no impact on programs or service delivery.

The savings over Fiscal Years 2025 and 2026 include a \$2.4 billion reduction in the cost of caring for asylum seekers. As the population in the city's care declines, so do associated costs. The city's efforts to help asylum seekers achieve self-sufficiency, including our 30- and 60-day notice policies, together with federal policy changes that we vigorously advocated for, have stabilized the crisis. Since the implementation of border controls by the Biden administration in June 2024, there have been 35 straight weeks of sustained decline in the number of asylum-seekers in our care, which has fallen from a peak of 69,000 in January 2024 to 43,300 now. As a result of the census decline, we have consolidated sites and closed 37 sites this fiscal year to date and will have closed 53 emergency migrant shelters between June 2024 and June 2025. These closures, alongside ongoing efforts to renegotiate contracts, rebid for services, and reduce utilization of for-profit service providers, have generated total asylum seeker savings over just three fiscal years of nearly \$5.2 billion.

Through February, New York City has spent more than \$7.1 billion to feed, house, and care for more than 232,600 asylum seekers since the spring of 2022. And we have done this without raising taxes, laying off employees, or making major cuts to programs and services.

While the state contributed \$3.1 billion in direct financial aid over Fiscal Years 2023 through 2025, the Governor's Executive Budget does not include the \$1 billion that we assumed in our financial plan to help balance the Fiscal Year 2026 budget.

We will continue to work with the state to secure resources to cover the cost of the over 43,300 asylum seekers that are still in our care. However, by failing to provide funding next fiscal year, we now have a \$1 billion hole in the budget that must be filled within seven weeks.

Further, in mid-February the federal government seized \$80 million in reimbursement funding from the city's bank account. In the Preliminary Budget we applied \$59 million of those funds towards balancing Fiscal Year 2026. In response to the seizure, the city filed a lawsuit on February 21 to reclaim those funds, though it is unlikely to be resolved before the Executive Budget is released in early May.

There are additional federal actions that could have an impact on New York City's finances that are not reflected in the current Financial Plan, including the potential impact of executive orders and the recent budget resolution blueprint. While we are closely monitoring developments, we are hampered by the lack of clear and unambiguous guidance that will allow us to assess the full risks.

Despite the many challenges we have faced, the top four independent credit rating agencies who rate the city's bonds, namely Moody's, S&P, Fitch, and Kroll, continue to validate our fiscal management approach; and I am pleased to report that last week they all upheld the city's high credit ratings and stable outlook.

Because we have stabilized the budget and have benefited from a strong economy, in this plan we were able to invest \$1.2 billion this fiscal year to protect critical programs that faced cliffs and fund mandated state and federal programs.

This includes more than half-a-billion dollars to meet increased demand for non-asylum seeker shelter, over \$300 million in rental assistance, primarily for CityFHEPS, \$225 million to make sure every school has access to a nurse, and an additional \$60 million for supportive housing.

We also added funding for state mandates, including more than \$240 million in additional MTA support, and almost \$140 million for foster parents, adoptive parents, and kinship guardians.

On top of backfilling cliffs and meeting funding mandates, we made investments to ensure that the city is affordable, safe, and clean so that it remains a welcoming place to raise a family.

To address the affordable housing crisis, we have fully funded the historic “City of Yes for Housing Opportunity,” the most significant update to the city’s zoning in more than 50 years, which we are proud to have passed with this city council. This ambitious legislation will create up to 80,000 new homes and invest \$5 billion – which includes \$1 billion from New York State – in housing and infrastructure over the next 15 years.

To keep people in their homes, we have deepened our investment in the Anti-Harassment Tenant Protection program legal services to proactively engage more tenants experiencing landlord harassment.

And to help put more money in the pockets of vulnerable New Yorkers, we have funded the mayor’s innovative “Axe the Tax for the Working Class” proposal to bring significant tax relief to working-class families. By eliminating and cutting city personal income taxes for eligible tax filers, we will be putting \$63 million back in the pockets of 582,000 tax filers and their families.

We have increased our investment in public safety and mental health by funding Mayor Adams’ bold 2025 State of the City commitment to support public safety and give homeless New Yorkers and those with severe mental illness the help they need through a \$650 million plan. This includes adding 900 Safe Haven beds and expanding our around-the-clock street and subway outreach. We are also launching

the “Bridge to Home” pilot so that New Yorkers with serious mental illness can access psychiatric and substance abuse treatment and find temporary housing. Further, we are supporting a novel program to help connect expecting parents with permanent housing to prevent lifelong cycles of poverty and homelessness.

On top of the investments this administration has already made in our youngest New Yorkers, we are continuing support for the Summer Rising academic and enrichment programming, which includes a savings restoration for extended hours and Friday services to about 30,000 middle school participants. We are also maintaining our commitment to the Learn to Work program, which helps re-engage students who have fallen behind earn a high school diploma and prepare for college and careers. And recognizing the importance of keeping our children safe, we are expanding swim safety programming to an additional 4,800 students.

To provide career readiness opportunities for students, we have expanded the Pathways program. Over the course of the Adams administration, our young people have earned a record \$18 million in paid apprenticeships and work-based learning opportunities in New York City Public Schools. This expansion will include new pathways for HVAC/decarbonization and social and human services and adds 36 more schools to the program.

To help keep the city clean and green and improve the quality of life across the five boroughs, the Preliminary Budget adds funds to the Parks Department's budget to support the Mayor's State of the City commitment to expand second shift cleaning to 100 more hot spots at 64 parks. Additional Parks staff will also be hired to treat up to 4,000 tree beds annually to help reduce the rat population and address public service requests.

Further, we funded 54 new programming and support staff, such as recreation specialists and lifeguards, at the new Shirley Chisholm Recreation Center in East Flatbush that is set to open in the Fall of 2025.

And to ensure that more families have safe, supportive places to play in their own neighborhoods, we are opening additional schoolyards for use as public playgrounds, which will put 20,000 more New Yorkers within walking distance of a park.

Finally, we have invested in the city's largest-ever 10-Year Capital Plan. Over the next decade we will invest \$170 billion to build and maintain roads, bridges, schools, water and sewer facilities, libraries, and transportation systems in neighborhoods across the five boroughs. This includes \$24.5 billion for affordable housing, \$23.6 billion for schools, \$10 billion for NYC Parks, and \$2.8 billion for cultural institutions and libraries.

To conclude, I am happy to report that we are managing our way through a profound humanitarian crisis without major disruptions to programs or services, no layoffs, and not a single cent in tax increases.

However, we are not out of the woods. On top of the budget threats I discussed earlier, there are risks on the horizon that could impact our economic outlook. Notably, tariff increases could disrupt international trade and increase the prices of goods and even strengthen the U.S. dollar, which makes us less competitive and reduces exports. Stricter immigration policies could create labor shortages and increase prices, while reductions to government spending could weigh down economic growth. Tax cuts may increase the country's budget deficit, which could crowd out private investment.

On the other hand, tax cuts, increased de-regulation, and increased oil and gas production may spur economic growth, especially if coupled with productivity-enhancing investments.

Because we released the Preliminary Budget days before the current administration took office, these factors are not baked into our current forecast. We will account for them in the upcoming forecast that will be released along with the Executive Budget in early May.

I look forward to working with the Council as we move towards adoption to support our recovery, promote public health and safety, expand affordability and opportunity, and invest in the lives of working-class New Yorkers.

Thank you, and I look forward to your questions.



THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
BRAD LANDER

**Testimony of New York City Comptroller Brad Lander
New York City Council Finance Committee
Comments on New York City's FY 2026 Preliminary Budget and January 2025 Financial Plan**

March 5, 2025

Speaker Adams, Chair Brannan, members of the Finance Committee and of the City Council, thank you for the opportunity to speak with you today at what is a pivotal moment for our city. I look forward to discussing the Mayor's Preliminary Budget, our perspective on the economic outlook and challenges, as well as some of the critical initiatives I believe we should be prioritizing and shoring up in the next fiscal year in order to protect New York City in these precarious times. I am pleased to be joined today by Executive Deputy Comptroller Francesco Brindisi and Deputy Comptroller for Budget Krista Olson, who led the preparation of our office's full report on the Fiscal Year 2026 Preliminary Budget and Financial Plan.

New York City's need for strong fiscal management has never been more urgent. With Donald Trump and his crony Elon Musk slashing federal funding to cities, states, hospitals, human service providers – and even brazenly stealing \$80 million already deposited into the City's bank account, as my office uncovered last month – we need steady, focused leadership. This is no time for the short-sighted, phony budgeting that has unfortunately become Mayor Adams' calling card.

The FY26 Preliminary Budget sadly continues the Mayor's pattern of poor transparency and gamesmanship, cutting existing programs like child care that New Yorkers depend on, overstating expenses for asylum seekers, and underbudgeting by billions other known costs – where we know the bills will be coming due. The City's budget gaps for the years of the financial plan are meaningful, but they are manageable, and the Mayor should be honest with New Yorkers instead of perennially misrepresenting budget needs and threatening cuts to core services.

These recurring budget games distract from the real issues, including the very real dangers from DC.

President Trump's tariffs, threats of mass deportation, and health care cuts will make life more unaffordable for New Yorkers and undermine the City's hard-earned economic gains since the pandemic. Indeed, the city has been on a path of stable, moderate, growth leading up to the current moment. While employment has remained largely flat outside of the lower-wage health and social services sector, the commercial office market has continued to improve over the past year, transit ridership is up and traffic is down thanks largely to congestion pricing, and tourism is strong.

But now, we must face our new reality head-on – and actually reckon with it in our budgeting. That is why my office adjusted its economic assumptions to begin to account for higher inflation and slower growth deriving from changes in federal priorities. This less benign outlook lowers the forecast of City revenues in FY 2025 and FY 2026. Still, even with those adjustments, my office estimates that tax revenues will exceed OMB's by \$461 million in FY 2025, \$805 million in FY 2026, with the difference growing to nearly \$3 billion by FY 2029, due to a combination of higher property, personal income, and business taxes.

The Mayor's Financial Plan continues to overstate the expenses associated with services for asylum seekers. Given current trends and net of State and Federal aid that is unlikely to materialize, my office estimates budgetary savings of \$472 million versus the City budgets for FY 2025, \$589 million in FY 2026, and a full \$1 billion in FY 2027. The Adams Administration has historically inflated these costs, only to bring them down in subsequent budgets. The Mayor has scapegoated immigrants for his own management deficiencies while showing no urgency in providing clear invoices for what State funding has been allocated to cover actual spending. The result? No commitment of new support in the Governor's FY 2026 Executive Budget and understandable skepticism from members of the State Legislature.

However, even after accounting for this continued overestimated spending on asylum seekers, and adjusting to higher revenue figures, likely revenues remain insufficient to support the chronic underbudgeting that continues to be embedded in the Adams Financial Plan. The plan fails to account for an average of nearly \$4 billion in underbudgeted costs in FYs 2026 through FY 2029 associated with uniformed overtime, rental assistance (i.e. CityFHEPS), special education Carter Cases, public assistance, and similar items. Nearly \$400 million in additional annual spending will also be necessary in this budget and the outyears just to maintain service levels for 3-K, Pre-K and preschool special education seats. Additional spending will also be required to implement the State's mandate to reduce class sizes in city schools, at an additional cost of \$168 million in FY 2026 growing to \$1.42 billion by FY 2029.

We must also be laser-focused on safeguarding our budget – and safeguarding New Yorkers – from the worst impacts of the Trump Administration, something Mayor Adams has failed to do. When Elon Musk stole \$80 million from New York City last month, the Mayor was nowhere to be found, and it fell to my office to raise the alarm bell and pressure the Law Department into court. As the Daily News reported last week, OMB staff were anxious and even refused to sign the affidavit, fearful that the Mayor would not have their back. Thankfully, the Law Department filed strong papers, and with the Trump Administration response riddled with lies, I'm optimistic we will get the \$80 million back. But this is just the beginning of federal funding cuts to New York City that are likely to be severe. We must act more proactively and strategically to prepare.

To help protect New Yorkers from the most immediate effects of potential cuts to federal aid, I am proposing the City add \$1 billion to the general reserve fund in FY 2026. While this "Protecting New York City Reserve" may not be sufficient to offset potential cuts to federal funding, it will ensure that we are not caught flat-footed and that resources are available in the immediate term to sustain critical services.

Based on the policy previously proposed by my office to establish annual minimum deposits into the Revenue Stabilization Fund, for which the City has still not adopted a policy, we should also place \$847 million into the City's rainy day fund in FY 2025 – funding that can be deployed in the event of an economic downturn, which has become more likely in light of recent changes in fiscal and international trade policy.

Taken together, comparing revenue and expenditure re-estimates, including shoring up of reserves, my office projects higher budget gaps than OMB by \$1.48 billion in FY 2025 (1.3 percent of total revenues), \$4.46 billion in FY 2026 (3.9 percent of total revenues), increasing to \$7.81 billion by FY 2029 (6.3 percent of total revenues).

As I have advocated many times before, addressing these gaps requires the Administration to strategically implement efficiencies and cost savings with *each* budget modification. There must be incentives for agencies to achieve structural savings instead of prioritizing short-sighted PEGs that often cut core service

delivery. Given the risks on the horizon, it is mind-boggling that there is no savings plan included with the Preliminary Budget.

In the face of Elon Musk's directives to haphazardly gut agencies, and a Congressional budget resolution to slash federal spending by trillions of dollars, it is incumbent upon us to protect the core services New Yorkers rely on and make strategic investments that will target resources where they are needed most.

That must include services for the communities across the five boroughs who are most vulnerable in the current political and economic climate.

No parent or child in this city should live in fear of family separation. We can begin to restore immigrant families' confidence that New York City has their backs by putting a total of \$20 million to increase support to immigrant and trans communities. This would include \$10 million to restore Mayoral funding for the Rapid Response Legal Collaborative; restore ActionNYC in schools, hospitals, and libraries; and provide additional funding for MOIA to support Know Your Rights workshops, as well as resources for street vendors including the issuance of vendor licenses. With the Trump Administration's relentless and cruel attacks on transgender rights, now is the time to protect and defend our neighbors. I am echoing the call of trans leaders to invest \$10 million in a City level trans equity fund, and prioritize funding for trans-led organizations.

Workers across New York City are increasingly vulnerable to exploitation at the workplace due to attacks on federal enforcement agencies including the US Department of Labor and OSHA, and the National Labor Relations Board. Now, more than ever, it's critical that we fully fund New York City based labor law enforcement, including CCHR, DCWP and the Comptroller's Bureau of Labor Law in order to ensure that these agencies have the lawyers, investigators and data scientists needed to protect working New Yorkers.

And as we brace for the economic fallout of Trump's tariffs and budgeting for billionaires, we must do more to help families stay here, to work and build new businesses in New York City and to raise the next generation of New Yorkers. Rather than cutting funding for 3K and Pre-K as the Mayor is insisting, we should be making smart investments now to deliver on the promise of a 3K and Pre-K seat for every child, while sustaining and growing the child care workforce. And, if we are to have any chance of creating a stable pathway to universal child care – an important north star – we must work with the State to ensure sufficient funding for families already eligible for publicly supported child care and early childhood education.

We also cannot ignore the risks this budget poses for services to students more broadly, from early childhood through college. A host of DOE programs previously supported by federal stimulus funds such as community schools and arts programs remain unaccounted for in the financial plan. Though there are mercifully no new cuts to CUNY in this budget, the plan maintains the cuts the Adams Administration has made since February 2022, totaling \$95 million per fiscal year.

As the number of unsheltered New Yorkers has risen to all-time highs, I commend the Progressive Caucus for its focus on stopping the hospital-to-street-to-jail-and-back cycle for people with serious mental illness. My office's recent report, *Safer for All*, exposed the City's inability to coordinate an effective continuum of care, which will only be further undermined by Trump's cuts to housing services and mental health care, so much of which is financed by Medicaid. In that report, I laid out a concrete, actionable plan to end street homelessness for people with serious mental illness. The Progressive Caucus proposal is aligned with that vision, one that funds supportive housing over sweeps – a strategy our office found to be wholly ineffective.

Ultimately it is people, fellow New Yorkers, who provide the care people with mental illness need to get off the street and into stable housing. Unfortunately, staffing shortages, fueled by low pay, the demands of doing this work, and the City's utter failure to pay nonprofit contractors on-time undermine our ability to make progress. As we scale up inpatient and outpatient services and build a true Housing-First model, we must therefore also invest in living wages for City-contracted mental health and human services providers and fix our procurement system to get these critical contractors paid on-time and in-full.

I will conclude where I began, which is with the need for strong fiscal leadership during this tumultuous time. The Mayor has done little to prepare the City or shelter its budget from the strong federal headwinds. With greater transparency in budgeting and responsible investments in our reserves, we will be better positioned to weather storms that come.

I look forward to working with you to advance these and other shared priorities, to help our city and our people flourish in the years ahead.

Thank you.



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March 5, 2025

Testimony of Louisa Chafee, Director, New York City Independent Budget Office on
IBO's Analysis of the January 2025 Financial Plan for 2025-2029
Before the New York City Council Committee on Finance

Good day, Speaker Adams, Chair Brannan, and members of the Committee. I am Louisa Chafee, Director of the Independent Budget Office (IBO). I am here today with my colleagues, Sarah Parker and Sarita Subramanian, IBO's Senior Research and Strategy Officers. We appreciate the opportunity to testify today.

Last week, IBO published its analysis of the Administration's January 2025 Financial Plan for 2025-2029. This includes the [Chart Book](#), [Economic Forecast](#), and [Breakdown of City Spending](#), and we brought copies of each for you today. As IBO details in the publications, the single most significant concern looming before the City during this budget season is, quite simply, the risk that federal actions pose to New York City's financial health, and in particular to the New Yorkers who rely upon the City's provision of safety net social services.

Shrinking Surpluses and Rising Risks

Before I turn to specifics of shrinking surpluses and rising risks, I will start by comparing IBO's fiscal outlook with that presented by the Mayor's Office of Management and Budget (OMB). As was the case last November, IBO's 2025 estimates are relatively close to those of OMB. IBO's projected 2025 surplus is about \$1.4 billion larger than OMB's, while IBO also forecasts a small deficit for 2026. Overall, both IBO's and OMB's projections reflect what would be, in normal times, manageable budget gaps for the City to navigate.

It is concerning, however, that the City's year-end operating surplus has decreased every year since 2022. This means that the City's budgetary "cushion" is shrinking at a time of very significant changes outside of the City's control—such as federal funding being slashed or the possibility of an economic downturn. What was once an expectation of a surplus amounting to 7-8% of the total City tax revenue, has now shrunk to less than 5%, well below pre-pandemic levels. That is why it is important, even with IBO's forecast aligning closely with OMB's, to pay close attention to the budget gaps likely to occur in the near term.

Historically, the City has used current year surpluses to pre-pay expenses and balance the following year's budget; such actions seem likely to occur this year. However, if the Council chooses to close the relatively modest budget gap for 2026 through other means, IBO recommends that strong consideration be given to applying at least a portion of the 2025 surplus to the Revenue Stabilization Fund, commonly referred to as the Rainy Day Fund. In the remainder of my testimony, I'd like to outline some of the many ways in which, to further the analogy, it's clearly already raining, and that even larger storms loom on the horizon.

Impact of Federal Policy Changes and Funding Cuts

As we know from recent headlines, the federal government is trying to claw back funding that was duly legislatively appropriated by Congress and sent to New York City, as well as rescind federal approval for New York City's pioneering congestion pricing program. These two highly publicized events are likely just the beginning.

In the current year, New York State budgets \$93 billion in federal funds, and New York City budgets \$9.7 billion in federal funds. That totals 38% of the State's budget revenue and 8% of the City's. Federal funds directly support 7% of the budget of the Department of Education (DOE), particularly for programs for low-income students. Similarly, direct federal dollars form 14% of the budget of the Department of Social Services (DSS), supporting food assistance, energy assistance, income support, and Medicaid. Fully 58% of the budget of the Department of Housing Preservation & Development (HPD) consists of federally funded housing vouchers, housing inspections, and affordable housing financing.

Those dollars are the tip of a very large iceberg. Our City and its economy rely on federal funds to support homeland security initiatives, medical and educational research, Head Start and child care, public transit, and climate resiliency, to name but a few. We count among our residents some 46,000 federal workers. Among their many responsibilities, these workers form the entirety of the staff responsible for such critical services as Social Security offices to air traffic control towers to the Statue of Liberty.

Reductions in federal aid to New York State will likely also yield compounding impacts to the City. State funding amounts to 17% of this year's City budget, and some of the agencies that have the largest amounts of federal support also have the most State support, particularly DOE with 41% of its budget State supported. As the State loses funding, pressure may mount for the City to try to fill the gap.

As we consider impending federal changes, it is also important to note the many ways in which federal funds directly reach our citizenry, especially New Yorkers in need. Federal funding supports critical programs such as cash assistance, Social Security, Supplemental Security Income, Medicaid, Medicare, the Supplemental Nutrition Assistance Program (SNAP), the Veterans Administration and education grants and loans. While the Trump Administration and the House budget "blueprint" both disclaim an interest in cutting many of these programs, it is difficult to envision how they can achieve their planned budget cuts without doing so. This is all the more true given the support in the Administration and Congress to extend and potentially expand the 2017 federal tax cuts.

While at this point IBO's forecast can only incorporate early indicators of the economic implications of this rapidly evolving situation, there are signs emerging of challenges to come: slowing economic growth, stubborn inflation, and growing consumer anxiety. The combination of federal cuts, a potential economic downturn, an unforeseen crisis, or any combination of these, could undercut City revenues and put increased pressure on the City's budget. As we know, widespread tariffs have been proposed, including new tariffs on Canada, China, and Mexico that are now in place. These and others, including reciprocal tariffs from impacted nations, will negatively impact the supply chain, consumers' wallets and the overall New York City economy. Meanwhile, major changes in federal immigration policy will likely create upheavals in the City's labor market across many sectors, ranging from finance and technology, to the construction trades, to food service, hospitality, and home health care.

Chronic Underfunding Practices as the City Seeks to Navigate External Budget Threats

The City's financial challenges extend beyond federal policy and reliance on past surpluses. As I've previously testified, IBO continues to identify a number of chronically underfunded areas, most notably:

- *City Fighting Homelessness and Eviction Prevention Supplement (CityFHEPS) housing voucher program.* While the Administration has aligned the 2026 budget for the program with its historical trends, it continues to significantly underfund for future years.



- *Uniformed Agency overtime.* Similarly, IBO estimates that the City is currently on track to spend more than \$840 million over and above the budgets for uniformed agency overtime in 2025.
- *DOE's Impartial Hearings ("Carter Cases").* Costs to support students with disabilities who are not able to be appropriately educated by DOE continue to soar. Although the DOE spent \$1.2 billion last year, the City has budgeted \$258 million less than that for this year.
- *End of federal COVID-19 Aid.* Finally, the City's budget continues to lack transparency regarding the sources of funds to plug gaps, particularly at DOE, for programs previously supported by federal stimulus funding sources that have now expired.

Procurement Choices Furthering Fiscal Risks

I would like to spend a few minutes to connect a couple of the topics that I have covered in my various testimonies before the two Charter Revision Commissions (most recently on February 24, 2025) and how these connect to the City's budget. I also look forward to the opportunity to testify before the Council's Charter Revision Commission. Fiscal responsibility is not just a theoretical ideal. New Yorkers expect City agencies that administer the budget effectively and efficiently, ensuring that the City gets real value for its spending. As any household knows, sound fiscal management means one pays the bills on time. Yet, New York City often does not. This practice causes enormous fiscal and programmatic risks for human services programs such as pre-K, senior centers, and services for the unhoused. It is also a risk for the City budget as it is an area where New York City has millions of dollars in unpaid obligations. I know this is also an issue the Speaker and Council care deeply about.

While some of the necessary reforms may require Charter change, this Council can also use this budget process and your oversight role to continue to push City agencies to behave more responsibly toward the nonprofit providers whose financial stability depends on timely payment for their services to the City.

Local Law 169 of 2023 began a process that envisions the Procurement Policy Board (PPB) eventually writing new rules. The law required the Mayor's Office of Contract Services (MOCS) to issue a report last fall with recommendations for timeliness standards, which the PPB is supposed to act on by October 2025. The MOCS report focused on new RFP awards, and described a very lengthy award process, totaling about 150 days. But, as this Council well knows, what often happens is that City agencies fail to complete the award process for new RFP contracts prior to the expiration of the providers' existing contracts, and as a result, payments lapse.

Even when contracts are registered, providers still often experience payment lapses during the invoicing process, typically because the agency raises a concern about a small item included on an invoice and holds up the entire payment, even though much of the invoice is undisputed. Thus, the vendor is often deprived of reimbursement for its largest costs, such as payroll or rent, while relatively minor items are debated.

IBO is currently looking into these issues and expects to report more of our findings this spring. But just as an illustration of the scale of these two problems, consider the following two data points:

- IBO reviewed registration data for human services contracts with the Department of Youth and Community Development (DYCD) with start dates in fiscal year 2025 and found that its RFP awards were registered an average of 84 days late. In contrast, when DYCD chose instead to extend existing contracts, registration was still late, but only by an average of 34 days. For a struggling vendor, that payment gap



could be the equivalent of three or four payrolls.

- Similarly, IBO looked at spending data for human services contracts that ended on June 30, 2024. As of two weeks ago, vendors had been paid less than 70% of the contract value. While some of that difference may reflect work that was not completed, much of it likely relates to relatively minor disagreements that are holding up entire invoice payments.

Turning back to the prospect of our City—and many of our most vulnerable residents—now facing potentially significant budget belt-tightening, the urgency of ensuring fiscal responsibility and transparency in these areas has never been greater. This Council, and your constituents, need to be able to clearly track the budgets for the programs that serve New Yorkers.

The Council already has a tool in its arsenal that can be deployed to address this challenge. Section 100 c of the Charter clearly says that the budget is supposed to be presented with every “particular program, purpose, activity or institution” having its own unique unit of appropriation (U/A). Today, the Department for the Aging (DTFA) lumps together in a single U/A all the funding for home-delivered meals, homecare, and older adult centers, and DYCD puts the budgets for after-school, adult literacy, and assistance to immigrants in another mixed-purpose U/A. Even more egregiously, and at a much larger scale, DOE puts \$8 billion—over 23% of its \$33 billion budget—in a single U/A entitled “general education instruction and school leadership.” Similarly, the Police Department mixes the budgets for all 123 police precincts, along with boroughwide offices and such divisions such as detectives, forensic investigation, narcotics, and strategic response into a single “operations” U/A. That single U/A accounts for a quarter of the \$6.4 billion departmental budget. With all of these overly broad U/As, what we lose as a City is both informed public discourse and more effective oversight. In recent years the Council has added UAs. One way to improve the structure would be to study each agency and their UAs and create a comprehensively revised UA approach, balancing accountability with transparency and fiscal management.

Conclusion

Multiple factors put the City’s ability to weather near-term shocks and maintain long-term fiscal stability at risk:

- Continued reliance on a shrinking financial cushion while not sufficiently adding to the Rainy Day Fund;
- Persistent underfunding in areas of known expense;
- Chronic late payment of NYC’s vendors;
- Federal and related State funding and policy reductions, and;
- Economic uncertainty.

With all of these major issues coming to a head, never has it been more important for the City of New York to be heard, in Washington, in Albany and here at home, on behalf of all New Yorkers. And in that context, IBO urges this Council’s consideration of the ideas I’ve detailed today, in the areas of fiscal responsibility and transparency.

My team and I are happy to answer any questions and provide further details as needed. Thank you for the opportunity to testify today.



**New York City
Independent
Budget Office**



Analysis of the January 2025 Preliminary Budget
and 2025-2029 Financial Plan



February 27, 2025

Table of Contents

Current Events in Federal Government	3	IBO Forecasts Larger Gaps Compared with Adams Administration	10
Risks to New York City Budget	4	IBO and OMB Estimates of Revenue, Expenditures, and Budget Gaps	
Federal Aid		IBO Projects Surplus in 2025 and Small Deficit in 2026	11
State Aid		How the City Uses Surpluses to Pre-Pay Next Year's Expenses and Balance Its Budget	
City Budget Represents Only Some of the Ways Federal Dollars Touch New York City	5	In Recent Years, City Spending Has Outpaced Revenues	12
Four Ways Federal Dollars Flow to New York City		Operating Surplus Declining as a Percent of Tax Revenues	
2025 City Budget Includes \$9.7 Billion in Direct Federal Revenue		Supplemental Tables	13-25
City Governance Turmoil	6	IBO Total Revenue and Expenditure Projections	
IBO's Analysis of the Preliminary Budget	7	National Economic Forecasts: IBO Compared with OMB	
Federal Policy Risks to Budget Forecasting	8	Local Economic Forecasts: IBO Compared with OMB	
Tariffs		IBO Revenue Projections: City Tax Revenue	
Immigration		IBO Revenue Projections: Total Revenue	
Federal Aid Reductions		City Tax Revenue Projections: IBO Compared with OMB	
Tax Policy		IBO Expenditure Projections	
Key Findings	9	Differences in Revenue Projections: IBO Compared with OMB	
IBO Estimates a Larger 2025 Budget Surplus Than OMB		Differences in Expense Projections: IBO Compared with OMB	
In Recent Years, City Spending Has Outpaced Revenues		Differences in Revenue and Expense Projections: IBO Compared With OMB	
OMB Underestimates Budget Gaps for 2026-2028		Report Contact and Credits	26

Current Events in Federal Government

As New York City moves forward to consider and adopt a budget for the fiscal year that will begin on July 1, 2025, the scale of the looming uncertainties resulting from a rapidly and dramatically changing federal landscape is difficult to overstate.

The context in which City lawmakers will be adopting the FY 2026 budget includes:

- The City's budget currently includes \$9.7 billion in federal funding (8%), and New York State's budget includes \$93 billion (38%).
- New York City's economy currently includes over 46,000 federal employees, including: Social Security Administration staff, air traffic controllers, Transportation Security Administration agents, federal park staff at cultural sites such as the Statue of Liberty.

As of the release of this report, the potential depth and breadth of federal budget and policy changes, with a Republican-controlled Congress and White House, is emerging.

- The White House has empowered and ratified key activities undertaken by an initiative it terms the Department of Government Efficiency or "DOGE." Through the activities of DOGE, the Trump Administration has clearly revealed its intent to radically downsize or eliminate existing federal agencies, programs, grants and employees, with little indication as yet as to how or if it plans to manage continuity of operations, revenue collection or public safety.
- On February 25, 2025, the House of Representatives passed its "blueprint" for the federal budget, which now moves to the next phase of negotiations between House and the Senate. It is expected to incorporate massive cuts to Medicaid, Medicare, food assistance, and other "safety net" programs upon which many New Yorkers rely.
- On February 19, 2025, the federal Department of Transportation attempted to rescind implementation of congestion pricing. The action has moved to the courts for resolution and it raises serious fiscal and policy concerns for the City's public transit system.
- Currently, the President has imposed 25% tariffs on imported steel and aluminum and a 10% tariff on Chinese imports, and has reaffirmed his intention to reimpose 25% tariffs on Canadian and Mexican products in the near term.
- The commitment remains for mass deportation of recent and long-residing immigrants. Fear in this arena is disrupting sectors of the City's workforce, including construction, hospitality, and home health care.

Risks to New York City Budget

Federal Aid

City agencies that receive the most federal dollars include:

- Department of Education (DOE, \$2.3 billion, 7%) to fund several programs including those for low-income students through Title I funding.
- Department of Social Services (DSS, \$1.9 billion, 14%) to fund safety net supports including food assistance, energy assistance, income support, and Medicaid.
- Housing Preservation & Development (HPD, \$1.2 billion, 58%) is the City agency with the largest share of federal dollars in its budget. HPD uses federal funds for rental housing vouchers, housing inspections, and financing the development of affordable housing.

Other funding at risk based on the federal House of Representatives blueprint includes cuts to several areas that could impact funding to New York City agencies or institutions. These include anti-terrorism homeland security grants, federal research grants for medical and education institutions, public transit assistance, and climate resiliency. Some cuts will impact capital funding as well.

State Aid

Reductions in federal aid to New York State will create State budget gaps. This may then have compounding effects on how State dollars flow to local government, including New York City.

This year's New York City budget has \$20 billion in State funding (17%). Some of the agencies with the most federal support also have the most State support: DOE (\$14 billion, 41%) and DSS (\$1.0 billion, 8%).

Loss of either aid category could add pressure for New York City to fill the gap.

City Budget Represents Only Some of the Ways Federal Dollars Touch New York City

Four Ways Federal Dollars Flow to New York City 2025 City Budget Includes \$9.7 Billion in Direct Federal Revenue

Through New York State

The State often serves as a passthrough of federal funds, while exercising some discretion on how to distribute those funds within federal rules. This includes cash assistance, Supplemental Security Income, Medicaid funding, food benefits such as the Supplemental Nutrition Assistance Program (SNAP), and education funding.

Through New York City

Some funds are allocated directly to New York City either through a competitive process or by formula. Examples include funding for Section 8 housing vouchers, Community Development Block Grants, Title I, III, and IV education grants, school meals, and City-contracted Head Start early childcare.

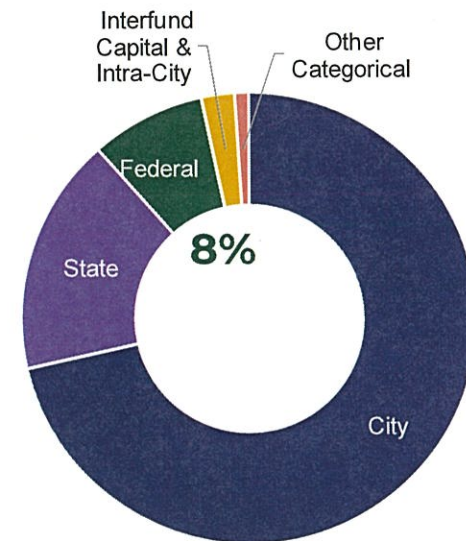
Through Individuals

The federal government directly issues benefits to individuals across a wide range of programs. This include payments through Social Security, Medicare, and tax refunds.

Through Other Public Entities

Federal dollars also pass through other entities that provide public services. This includes the Metropolitan Transportation Authority, City University of New York four-year colleges, New York City Housing Authority, and New York City Health + Hospitals.

City Budget Revenue Sources



SOURCE: OMB

NOTE: OMB recognizes federal dollars as they are received over the course of the fiscal year. IBO expects the 2025 amount to increase in future financial plan updates. For 2024, the City received \$11.3 billion (10% of the total budget) in federal funding. For more detail on social and human services programs that rely on federal funds, please see [City Comptroller's report](#).

City Governance Turmoil

The federal and State risks to the City's budget are compounded by legal troubles of Mayor Adams and his administration. The Mayor was indicted last fall on federal criminal charges.

The newly-installed leadership at the Department of Justice has now sought to drop these charges (with an option to later reinstate them). The presiding judge has yet to rule on this request.

- Four Deputy Mayors recently resigned in the wake of these legal challenges, including the City's First Deputy Mayor. They collectively oversee much of the key functions of City government—operations, health and human services, and public safety.
- Meanwhile, in response to these developments, Governor Kathy Hochul has made several legislative proposals for increased oversight of New York City, in an effort to restore trust in the City's governance. If enacted, these proposals would further limit New York City's autonomy from the State.

Given the sweeping, rapidly changing and somewhat chaotic federal, State and City policy and budgetary environment, it is impossible to yet say the specific impacts of all of these challenges. Nonetheless, IBO's forecasts incorporate early indicators for how consumers and businesses will respond to the rapidly evolving situation.

New York City Independent Budget Office



On January 16, 2025, Mayor's Office of Management and Budget (OMB) under Mayor Adams presented its 2026 Preliminary Budget and Financial Plan covering fiscal years 2025 through 2029.

In keeping with its mandate under the New York City Charter, the Independent Budget Office (IBO) has conducted an independent economic review to forecast City revenues and expenditures. This report presents IBO's findings compared with OMB's budget projections.

IBO's Analysis of the Preliminary Budget



Throughout this report, all years refer to City fiscal years unless otherwise noted.

IBO Analysis of the January 2025 Preliminary Budget and
2025-2029 Financial Plan | February 27, 2025

Federal Policy Risks to City Budget Forecasting

Federal changes may have significant direct and indirect affects on New York City. One month into the Trump Administration, it is unclear how many ideas will become fully enacted policies and when. IBO's economic, revenue, and expense forecasts do not incorporate expectations around specific federal policy proposals but reflect a heightened level of uncertainty around how the economy will respond to federal changes.

IBO further discusses the implications of federal changes in its [economic and tax forecast report](#).

Tariffs

Widespread tariffs have been proposed, and while some have been enacted, others have been cancelled or delayed. The Trump administration has yet to present a clear roadmap for the size, timing, industries, or geographical parameters of tariffs. Widely imposed tariffs on imports could lead to challenges such as: increased inflation, disrupted supply chains, halts to planned interest rate reductions, and slower economic growth.

Immigration

Major changes in federal immigration policy could create upheaval in the City's labor market across a range of sectors. The threat of mass deportation for undocumented immigrants will be felt in sectors such as construction, food service, and hospitality. Restrictions on visas for highly-skilled workers in specialty industries would be felt in the financial, technology, and healthcare sectors. Also affected by federal changes are those who received Temporary Protected Status from qualifying countries.

Federal Aid Reductions

The Trump administration has made overtures to drastically reduce federal agencies such as the Dept. of Housing and Urban Development and spending in major areas such as Medicare, Medicaid, and food benefits. (See page 5 for more details on how federal dollar flow to New York City.) At the same time, dispersed federal dollars related to asylum seekers have already been clawed back. New York City and other levels of state and local government are mounting legal challenges to protect Congressionally-appropriated payments.

Tax Policy

Both Houses of Congress have proposed various extensions, expansions, or revisions to the Tax Cuts and Jobs Act of 2017. How tax reform is structured may increase wealth inequality, add to the federal debt, and stimulate economic growth.

Key Findings



IBO Estimates a Larger 2025 Budget Surplus Than OMB

IBO's 2025 revenue forecast is similar to that presented by OMB. For expenditures, IBO anticipates net savings from staffing vacancies and other programs, despite continued overspending on uniformed overtime. IBO's analysis yields a total operating surplus of nearly \$3.8 billion, which is larger than the Administration's current surplus estimate of \$2.3 billion.



In Recent Years, City Spending Has Outpaced Revenues

While both OMB and IBO forecast an operating surplus, the fact remains that the City's year-end operating surplus has decreased every year since 2022, and IBO now forecasts that this trend will continue in 2025. Past budget surpluses have allowed the City to continue to balance its budget even while adding substantial funds for known expenditures such as uniformed overtime and housing vouchers, but this cushion is shrinking. This tightening of the City's financial position coincides with the occurrence of factors outside the City's control—such as cuts to federal funding or the possibility of a recession—that further threaten the City's financial footing. IBO discusses the details of its forecasts of expenditures in this [report](#).



OMB Underestimates Budget Gaps for 2026-2028

IBO projects a small budget gap of \$188 million for 2026 followed by larger gaps: \$5.9 billion for 2027 and \$5.6 billion for 2028, with a smaller gap of \$4.4 billion in 2029. These amounts represent around 4% to 6% of the projected City revenues for each of those three years. OMB is forecasting smaller gaps of \$4.2, \$5.4, and \$5.1 billion in 2027 through 2029, respectively. The City has closed gaps of similar size in the past, although it has not faced as significant a set of challenges at the federal level in any recent era.

IBO Forecasts Larger Gaps Compared with Adams Administration



IBO and OMB Estimates of Revenue, Expenditures, and Budget Gaps

Dollars in Millions	Fiscal Year									
	2025		2026		2027		2028		2029	
	OMB	IBO	OMB	IBO	OMB	IBO	OMB	IBO	OMB	IBO
Revenue	\$116,492	\$116,789	\$114,524	\$115,847	\$116,323	\$118,294	\$118,278	\$119,856	\$121,438	\$125,111
Expenditures	\$116,492	\$115,366	\$114,524	\$117,458	\$120,570	\$124,229	\$123,659	\$125,497	\$126,519	\$129,516
Gap to Be Closed	\$0	\$1,423	\$0	(\$1,611)	(\$4,247)	(\$5,935)	(\$5,381)	(\$5,641)	(\$5,081)	(\$4,405)

SOURCES: Mayor's Office of Management and Budget (OMB) and Independent Budget Office (IBO) January 2025 Budget Forecasts

NOTES: When the \$1.4 billion operating surplus from 2025 is used to pre-pay 2026 expenditures, IBO's estimated deficit for 2026 is \$188 million. Revenue and expenditure estimates do not include intra-city transfers.

IBO Projects Surplus in 2025 and Small Deficit in 2026

Fiscal Year 2025	OMB's Projected Surplus				Additional Surplus for 2025 Projected by IBO			IBO's Current Projected 2025 Surplus			
	\$2.344 Billion			+	\$1.423 Billion		=	\$3.767 Billion			
											
Fiscal Year 2026	OMB's Projected Gap for 2026		OMB's Projected 2025 Surplus		OMB Presents a Balanced Budget		Additional Gap for 2026 Projected by IBO		IBO's Additional Projected 2025 Surplus		IBO's Total Projected 2026 Gap to Close by June 2025
	(\$2.344 Billion)	+	\$2.344 Billion	=	\$0	-	(\$1.611 Billion)	+	\$1.423 Billion	=	(\$188 Million)

SOURCE: S: IBO; OMB

How the City Uses Surpluses to Pre-Pay Next Year's Expenses and Balance Its Budget

Both the Adams Administration and IBO project operating surpluses in the 2025 budget, though their projections differ. The Administration presents its 2026 budget using its expected operating surplus (\$2.3 billion) for "budget stabilization," prepaying expenses that will be incurred in 2026 to produce a balanced budget, as required by law.

IBO projects a \$3.8 billion operating surplus in 2025—\$1.4 billion more than the Administration estimates—and IBO also expects that the Administration will choose to apply it as a prepayment of 2026 expenses.

Alternatively, the Administration could apply the 2025 surplus to a reserve account, most typically to the Revenue Stabilization Fund (commonly referred to as the Rainy Day Fund) or the Retiree Health Benefits Trust.

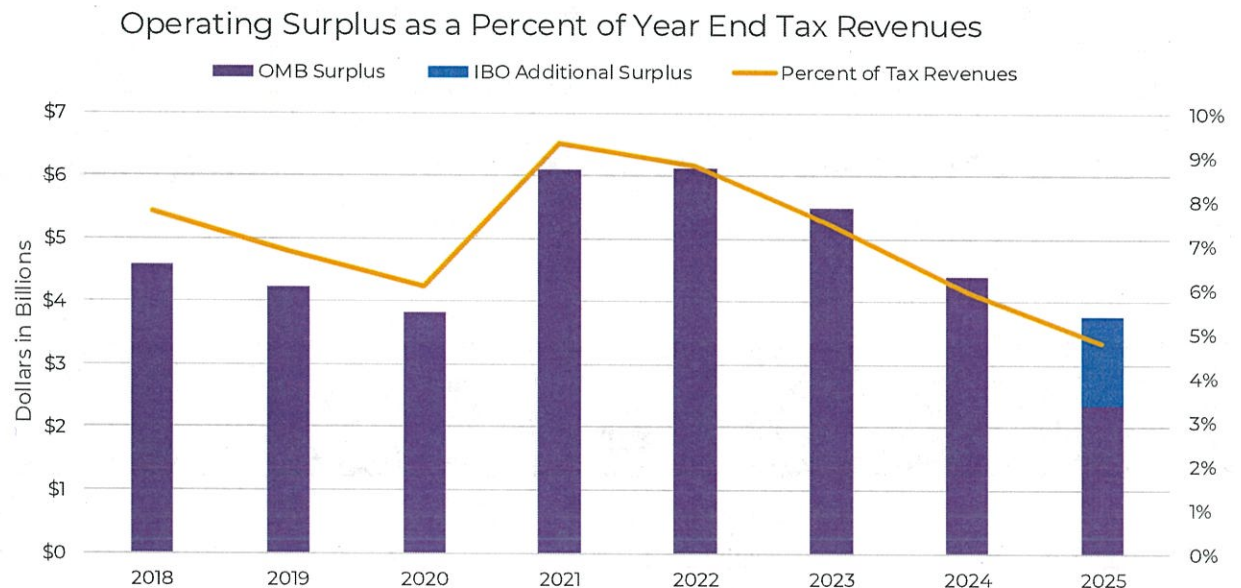
IBO estimates a \$1.6 billion gap for next year. When combined with IBO's anticipated additional surplus for 2025, IBO projects a small deficit of \$188 million in 2026.

In Recent Years, City Spending Has Outpaced Revenues

Operating Surplus Declining as a Percent of Tax Revenues

The City's year-end operating surplus has decreased every year since 2022.

- IBO forecasts that this trend will continue in 2025.
- Past budget surpluses have allowed the City to continue to balance its budget despite spending outpacing revenues. Over time, however, this cushion has shrunk.
- This contraction in the City's fiscal cushion coincides with external political and economic pressures, reducing the City's ability to put money into the Rainy Day Fund—which helps underpin the City's financial stability.
- Pre-pandemic, the City's surplus hovered around 7-8% of City tax revenue. This share went up during years with large influxes of federal COVID-19 stimulus funding.
- Currently, the surplus is around 5%, below pre-pandemic levels.



SOURCES: IBO; OMB

NOTE: 2025 surpluses are estimates while 2018 through 2024 represent actual amounts while 2025 represents the current year estimates.



Supplemental Tables



IBO Total Revenue and Expenditure Projections

Dollars in Millions	Prior Year Actuals	Financial Plan Projections					Annual Average Change
	2024	2025	2026	2027	2028	2029	2024-2029
Total Revenue, Less Intra-City	\$113,130	\$116,789	\$115,847	\$118,294	\$119,856	\$125,111	2.0%
Taxes	74,049	78,678	80,716	83,430	86,972	90,622	\$4.1%
Other City & Interfund Revenues (Less Intra-City)	7,570	7,150	6,973	6,919	6,951	6,982	(1.6%)
State, Federal, and Other Categorical Grants	31,510	30,961	28,158	27,944	25,933	27,506	(2.7%)
Total Expenditures, Less Intra-City	\$111,355	\$115,366	\$117,458	\$124,229	\$125,497	\$129,516	3.1%
IBO Additional Operating Surplus / (Deficit)		\$1,423	(\$1,611)	(\$5,935)	(\$5,641)	(\$4,405)	
IBO Prepayment Adjustment 2024/225		(1,423)	1,423	-	-		
IBO Surplus / (Gap) Projections		\$0	(\$188)	(\$5,935)	(\$5,641)	(\$4,405)	
Adjustments for Prepayments and Non-Recurring Expenses							
Net Prepayments	1,082	2,053	2,344				
FY23 Budget Stabilization	5,479	0	0				
FY24 Budget Stabilization	(4,397)	4,397	0				
FY25 Budget Stabilization		(2,344)	2,344				
General Fund Reserves		50	1,450	1,450	1,450	1,450	
Other Adjustments		(550)	191	337	500	500	
Total Expenditures Incurred in Fiscal Year	\$112,437	\$117,919	\$118,161	\$122,442	\$123,547	\$127,566	3.2%
City-Funded Expenditures Incurred in Fiscal Year	\$84,319	\$88,649	\$92,704	\$93,155	\$96,886	\$110,567	3.6%

SOURCES: IBO; OMB

NOTES: Figures may not add due to rounding. Net prepayments include payments of debt service. Total Expenditures Incurred in Fiscal Year is the sum of Total Expenditures and Net Prepayments, less General Fund Reserves and Other Adjustments. Total Expenditures Incurred removes the effect of prepayments and other adjustments to present the total expenditures incurred in a given fiscal year, rather than the cash paid for expenditures.

National Economic Forecasts: IBO Compared with OMB

National Economy		Calendar Year				
		2025	2026	2027	2028	2029
Real GDP Growth						
	IBO	2.0	1.7	1.9	2.0	2.1
	OMB	2.0	2.0	1.8	1.9	1.9
Inflation Rate						
	IBO	2.4	2.8	2.5	2.2	2.1
	OMB	2.1	2.4	2.4	2.0	2.3
Personal Income Growth						
	IBO	5.1	4.7	4.6	4.8	4.9
	OMB	4.9	5.1	4.6	4.8	4.5
Unemployment Rate						
	IBO	4.1	4.0	4.0	4.0	4.0
	OMB	4.4	4.6	4.6	4.6	4.4
10-Year Treasury Bond Rate						
	IBO	4.4	4.3	4.2	4.2	4.2
	OMB	3.9	4.0	3.5	3.5	3.5
Federal Funds Rate						
	IBO	4.2	3.4	3.0	3.0	2.9
	OMB	4.0	3.7	3.1	3.1	3.1

IBO's forecast of the national economy continues to predict economic growth at a relatively stable pace with unemployment holding steady.

Sudden shocks to the economy, such as those from a major policy change, could rapidly change this trajectory.

Retail Sales Are Down Nationally

National retail sales in January were down by nearly a percentage point compared to December, particularly driven by lower auto sales.

Tariffs Anticipated to Drive Upward Inflation

A widespread increase in tariff rates on goods imported to the United States is likely to produce upward inflationary pressure, as the import tax, in most cases, be passed onto the consumer in the form of higher prices. This upward pressure is reflected in IBO's 2026 estimates.

SOURCES: IBO; OMB

NOTES: Rates reflect year-over-year percentage changes except for unemployment, 10-Year Treasury Bond Rate, and Federal Funds Rate.

Local Economic Forecasts: IBO Compared with OMB

New York City Economy		Calendar Year				
		2025	2026	2027	2028	2029
Nonfarm New Jobs Q4-Q4 (In Thousands)						
	IBO	69.4	61.5	50.5	43.9	40.9
	OMB	67.3	73.5	72.9	91.3	86.8
Nonfarm Employment Growth Q4-Q4						
	IBO	1.5	1.3	1.0	0.9	0.8
	OMB	1.4	1.5	1.5	1.8	1.7
Inflation Rate (CPI-U-NY)						
	IBO	3.2	3.0	2.8	2.5	2.4
	OMB	2.5	1.8	1.6	1.4	1.3
Personal Income (Dollars in Billions)						
	IBO	836.8	877.5	916.9	954.5	992.7
	OMB	820.9	858.5	896.2	939.0	981.6
Personal Income Growth						
	IBO	4.6	4.9	4.5	4.1	4.0
	OMB	4.3	4.6	4.4	4.8	4.5
Manhattan Office Rents (\$/ sqft)						
	IBO	80.8	80.5	80.6	80.6	80.3
	OMB	81.8	82.2	82.7	83.7	84.1

IBO's forecast of the local economy reflects national economic trends, but also specific local dynamics including its unique industrial mix, of which the finance industry plays a key role.

City's Tightening Labor Force

New York City faces a shrinking workforce, as older workers move to retirement and younger workers are not replacing them at the same rate. The Trump administration has proposed numerous changes in immigration policy which would further constrain the City's labor force.

International Tourism

If rising geopolitical tensions discourage international tourism to the United States, this would have an outsized negative impact on the City's hospital, retail, entertainment, and food service sectors. Foreign tourists, in general, spend more money and stay for longer visits than domestic tourists.

SOURCES: IBO; OMB

NOTES: Rates reflect year-over-year percentage changes except for Manhattan Office Rents. The local price index for urban consumers (CPI-U-NY) covers the New York/Northern New Jersey region. Personal income is nominal. IBO and OMB measure New York City personal income differently, making data and forecasts not directly comparable.

IBO Revenue Projections: City Tax Revenue

Dollars in Millions		Prior Year Actual	Financial Plan Projections					Annual Average Change
		2024	2025	2026	2027	2028	2029	2024-2029
City Tax Revenue								
	Property	\$32,859	\$34,201	\$35,242	\$36,691	\$38,035	\$39,489	3.7%
	Personal Income	15,671	17,790	17,971	18,535	19,785	20,772	5.8%
	General Sales	9,914	10,304	10,682	11,111	11,579	12,091	4.1%
	Corporate Sales	6,886	7,058	6,978	6,882	7,145	7,586	2.0%
	Unincorporated Business	2,789	3,086	3,206	3,320	3,441	3,559	5.0%
	Real Property Transfer	1,130	1,317	1,411	1,496	1,532	1,563	6.7%
	Mortgage Recording	597	725	902	926	936	943	9.6%
	Commercial Rent	918	947	992	1,011	1,023	1,031	2.3%
	Utility	409	449	469	531	507	535	5.5%
	Hotel Occupancy	706	770	801	835	867	902	5.0%
	Cannabis	4	17	23	28	33	36	56.2%
	Other Taxes and Audits	2,165	2,015	2,039	2,064	2,089	2,115	(0.5%)
Total City Tax Revenue		\$74,049	\$78,678	\$80,716	\$83,430	\$86,972	\$90,622	4.1%

SOURCES: IBO; OMB

NOTES: Corporate taxes comprise three separate taxes: the business corporation tax for C corporations, the general corporation tax, and the banking corporation tax for S corporations. Personal Income Tax is inclusive of revenue generated from the Pass-Through Entity Tax (PTET). Other Taxes includes small tax revenue sources including cigarette, liquor, off-track betting, taxi medallion, motor vehicle taxes as well as payments made in lieu of taxes; IBO does not individually forecast these revenues and uses OMB's estimates in IBO's total tax revenue projection. Figures may not add due to rounding.

IBO Revenue Projections: Total Revenue

Dollars in Millions		Prior Year Actual	Financial Plan Forecast					Annual Average Change
		2024	2025	2026	2027	2028	2029	2024-2029
	Total City Tax Revenue	\$74,049	\$78,678	\$80,716	\$83,430	\$86,972	\$90,622	4.1%
	Other City Revenue	9,188	8,418	8,003	7,937	7,964	7,995	(2.7%)
	State Categorical Grants	19,231	20,138	19,421	19,400	17,453	18,966	(0.3%)
	Federal Categorical Grants	11,294	9,647	7,620	7,432	7,371	7,432	(8.0%)
	Other Categorical Aid	985	1,176	1,117	1,112	1,110	1,108	2.4%
	Sub-Total Revenue	\$114,748	\$118,057	\$116,877	119,312	\$120,869	\$126,123	1.9%
	Interfund Revenue	742	760	777	778	778	778	1.0%
	Intra-City Revenue	2,360	2,028	\$1,808	1,796	1,791	1,791	(5.4%)
	Total Revenue, Less Intra-City	\$113,130	\$116,789	\$115,847	\$118,295	\$119,856	\$125,111	2.0%

SOURCES: IBO; OMB

NOTES: Other City Revenue refers to STAR reimbursements, miscellaneous revenue, unrestricted intergovernmental aid, and disallowances, which IBO does not re-estimate OMB's projections for these categories. Figures may not add due to rounding.

City Tax Revenue Projections: IBO Compared with OMB

Part 1 of 2

Dollars in Millions		Forecast				
		2025	2026	2027	2028	2029
Property						
	IBO	\$34,201	\$35,242	\$36,691	\$38,035	\$39,489
	OMB	34,223	34,839	35,831	36,659	37,491
Personal Income						
	IBO	17,790	17,971	18,535	19,785	20,772
	OMB	17,408	17,621	18,336	19,069	19,923
General Sales						
	IBO	10,304	10,682	11,111	11,579	12,091
	OMB	10,288	10,751	11,198	11,684	12,075
Corporate Taxes						
	IBO	7,058	6,978	6,882	7,145	7,586
	OMB	7,239	7,267	6,779	6,904	7,395
Unincorporated Business Taxes						
	IBO	3,086	3,206	3,320	3,441	3,559
	OMB	3,024	3,140	3,197	3,252	3,387
Mortgage Recording and Real Property Transfer						
	IBO	2,041	2,313	2,421	2,468	2,506
	OMB	1,942	2,070	2,220	2,328	2,432

SOURCES: IBO; OMB

NOTES: Corporate taxes comprise three separate taxes: the Business Corporation Tax for C Corporations, the General Corporation Tax, and the Banking Corporation Tax for S Corporations. Personal Income Tax is inclusive of revenue generated from the Pass-Through Entity Tax enacted in 2022.

City Tax Revenue Projections: IBO Compared with OMB

Part 2 of 2

Dollars in Millions		Fiscal Year				
		2025	2026	2027	2028	2029
Hotel Occupancy						
	IBO	\$770	\$801	\$835	\$867	\$902
	OMB	761	790	821	846	878
Cannabis						
	IBO	17	23	28	33	36
	OMB	14	20	28	30	30
Other Taxes and Audit						
	IBO	3,411	3,500	3,606	3,619	3,681
	OMB	3,345	3,409	3,511	3,525	3,592
Total Tax Revenue: IBO		\$78,678	\$80,716	\$83,430	\$86,972	\$90,622
Total Tax Revenue: OMB		\$78,244	\$79,907	\$81,921	\$84,297	\$87,203

SOURCES: IBO; OMB

NOTES: Figures may not add due to rounding. Other Taxes includes small tax revenue sources including cigarette, liquor, off-track betting, taxi medallion, and motor vehicle taxes, as well as payments made in lieu of taxes. IBO does not individual forecast these revenue items and instead uses OMB's estimates in IBO's total tax revenue projections.

IBO Expenditures Projections

Dollars in Millions		Prior Year Actual	Projections					Annual Average Change
		2024	2025	2026	2027	2028	2029	2024-2029
Operational Expenditures								
	Agency Expenditures	\$82,946	\$87,939	\$87,030	\$87,534	\$86,372	\$87,786	1.1%
	Labor Reserves	\$388	\$968	\$1,141	\$1,432	\$2,110	\$2,538	
Total Operational Expenditures		\$83,334	\$88,907	\$88,171	\$88,966	\$88,481	\$90,324	1.6%
Other Expenditures								
	Fringe Benefits	12,888	12,642	13,962	14,692	15,452	15,862	4.2%
	Debt Service	6,762	6,429	4,289	8,938	9,617	10,441	9.1%
	Pension Contributions	9,215	9,355	10,379	10,801	10,926	11,867	5.2%
	Judgements and Claims	1,517	877	823	840	862	862	-10.7%
Subtotal Recurring Expenses		\$113,715	\$118,210	\$117,625	\$124,238	\$125,339	\$129,357	2.6%
	General Reserve		\$50	\$1,200	\$1,200	\$1,200	\$1,200	
	Capital Stabilization Reserve		-	250	250	250	250	
	Citywide Savings		(316)	-	-	-	-	
	Other Adjustments		(550)	191	337	500	500	
Subtotal Non-Recurring Expenses			(\$816)	\$1,641	\$1,787	\$1,950	\$1,950	
Intra-City Expenditures		\$2,360	\$2,028	\$1,808	\$1,796	\$1,791	\$1,791	
Total Expenditures, Less Intra-City		\$111,355	\$115,366	\$117,458	\$124,229	\$125,497	\$129,516	3.1%

SOURCES: IBO; OMB

NOTES: Figures may not add due to rounding. Other non-recurring adjustments include reserve funds, energy, lease, and non-labor inflation adjustments. Debt service growth is unadjusted for prepayments of current year expenses with resources from the prior year. Fringe benefits include the cost of health benefits covered by the Retiree Health Benefit Trust. IBO does not re-estimate judgements and claim, reserve funds, or pensions in this report, using OMB's estimates in IBO's Subtotal Recurring Expenses.

Differences in Revenue Estimates: IBO Compared with OMB

Dollars in Millions	2025	2026	2027	2028	2029
Gaps as Estimated OMB's January 2025 Financial Plan	—	—	(\$4,247)	(\$5,381)	(\$5,081)
Revenue					
City Taxes					
Property	(\$22)	\$403	\$860	\$1,376	\$1,998
Personal Income	382	350	199	716	849
General Sales	16	(69)	(87)	(105)	16
Corporate Taxes	(181)	(289)	103	241	191
Unincorporated Business	62	66	123	189	172
Real Property Transfer	87	122	139	107	73
Mortgage Recording	13	121	63	33	1
Commercial Rent	16	41	45	44	39
Hotel Occupancy	9	11	14	21	24
Utility	-	-	-	-	-
Cannabis	3	3	-	3	6
Other Taxes and Audits	50	50	50	50	50
Total City Taxes	\$434	\$809	\$1,509	\$2,675	\$3,419
Miscellaneous Revenue	3	3	3	3	3
TOTAL REVENUE - CITY	\$437	\$812	\$1,512	\$2,678	\$3,422

SOURCES: IBO; OMB

NOTES: Figures may not add due to rounding. Other non-recurring adjustments include reserve funds, energy, lease, and non-labor inflation adjustments. Debt service growth is unadjusted for prepayments of current year expenses with resources from the prior year. Fringe benefits include the cost of health benefits covered by the Retiree Health Benefit Trust. IBO does not re-estimate judgements and claim, reserve funds, or pensions in this report, using OMB's estimates in IBO's Subtotal Recurring Expenses.

Differences in Expense Estimates: IBO Compared with OMB

Dollars in Millions	2025	2026	2027	2028	2029
Expenditures – City Funded					
Fringe Benefits	\$168	\$177	\$184	\$190	\$198
Asylum Seekers	319	927	-133	-	-
Citywide Personal Services	470	-	-	-	-
Citywide Other Than Personal Services	-	-	-	-	-
Debt Service	53	12	-	-	-
Youth and Aging	96	-66	-60	-60	-60
General Government	-14	-320	-333	-325	-318
Public Safety and Judicial	-844	-844	-671	-558	-379
Education	312	-830	-1,108	-1,367	-1,367
City University	8	-	-	-	-
Social Services, Homeless Services	218	-1,235	-856	-593	-593
Environmental Protection and Sanitation	2	-129	-87	-83	-83
Transportation Services	35	35	33	27	27
Parks, Recreation, and Cultural Activities	6	-7	-8	-9	-10
Housing and Buildings	3	-29	-43	-41	-41
Libraries	-	-	-	-	-
Health	153	-115	-117	-121	-121
Total Expenditures – City	\$985	(\$2,423)	(\$3,201)	(\$2,938)	(\$2,747)

Current Year Savings

IBO anticipates less spending for:

- City personnel costs due to vacancies
- Asylum seekers given the declines in population and shelter closures

Future Year Expected Needs

Areas that are historically underbudgeted:

- Housing vouchers (CityFHEPS) and cash assistance
- Education costs related to mandates (class size, special education, and charter schools) and for programs previously funded with COVID-19 stimulus funds
- Uniformed overtime costs

SOURCES: IBO; OMB

NOTES: Negative pricing differences (in parentheses) widen the gaps, while positive pricing differences narrow the gaps. The categorization of City agencies in IBO's chart generally mirrors the presentation of agencies in the Comptroller's Annual Comprehensive Financial Report.

Differences in Expense Estimates: IBO Compared with OMB

Dollars in Millions	2025	2026	2027	2028	2029
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Differences in Revenue and Expense Estimates: IBO Compared with OMB

Dollars in Millions	2025	2026	2027	2028	2029
Gap as Estimated in the January 2025 Financial Plan	-	-	(\$4,247)	(\$5,381)	(\$5,081)
Total Revenue - City	437	812	1,512	2,678	3,422
Total Expenditures – City	985	(2,423)	(3,201)	(2,938)	(2,747)
Total IBO Pricing Differences	1,422	(1,611)	(1,688)	(260)	676
IBO Prepayment Adjustment 2025/2026	(1,422)	1,422	-	-	-
IBO Surplus/(Gap) Projections	-	(\$189)	(\$5,935)	(\$5,641)	(\$4,405)

SOURCES: IBO; OMB

NOTES: Negative pricing differences (in parentheses) widen the gaps, while positive pricing differences narrow the gaps.
Figures may not add due to rounding.

SOURCES: IBO; OMB

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**New York City
Independent
Budget Office**



Preliminary Budget Fiscal Year 2026

Federal Policy Intersections With New York City's Local Economy And Tax Revenues



February 27, 2025

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Table of Contents

Continued Uncertainty Under a New Federal Administration.....	1
IBO's January Forecast Timing	1
National Economy.....	2
Local Economy	3
City Tax Revenue.....	6

Continued Uncertainty Under a New Federal Administration

Even before the presidential inauguration, IBO cited an expectation for rapid-fire changes in federal policy and a Trump administration that followed an “anything-but-business-as-usual” playbook. In IBO’s economic report accompanying the November Plan—released in December of 2024—IBO highlighted several areas of likely policy change at the federal flowing from statements made by the incoming presidential administration and Congressional leadership that would impact New York City. These topics included:

- Tariffs
- Immigration policy
- Tax cuts
- Federal spending reductions

Since the start of President Trump’s second term a little over a month ago, many of the anticipated policy shifts have already taken place, along with actions, including:

- Major disruptions and dismantling of portions of the federal government bureaucracy and the services it provides
- Shifts in international relations, treaties, and accords
- Deep federal cuts to support industry research and development

In some instances, budget and policy changes have been both swiftly announced and then just as swiftly rescinded. Against this chaotic background, it is too early to make reliable predictions as to where federal priorities are headed. In recent developments, Congress has begun its budget reconciliation process with the passage of the House of Representatives “Blueprint” passed on February 25, 2025.

Upheaval and unpredictability—and very real risks that decisions in Washington will have cascading impacts on the national and local economy—very much defines IBO’s January forecast accompanying the Preliminary Budget.

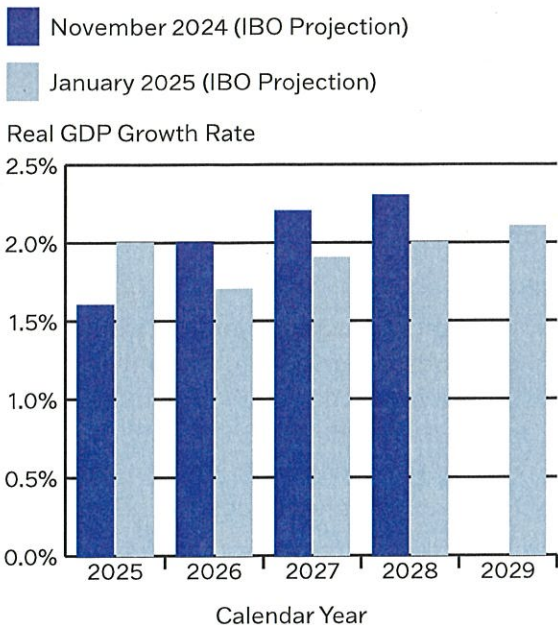
Upheaval and unpredictability—and very real risks that decisions in Washington will have cascading impacts on the national and local economy—very much defines IBO’s January forecast accompanying the Preliminary Budget. IBO provides details on the City’s overall revenues, expenditures, and budget gaps in its [Analysis of the January 2025 Preliminary Budget and 2025-2029 Financial Plan](#). Intended to supplement that information, this report discusses key aspects of IBO’s January economic and tax revenue forecasts.

IBO’s January Forecast Timing

IBO’s January economic forecast is rooted in baseline macroeconomic consensus from January, after the election results had been realized, but before the new presidential administration took office. It incorporates early indicators of how the economy may respond based on general expectations around ideas floated during the Trump campaign. It does not incorporate modeling of the specific federal policies related to the topic areas mentioned above.

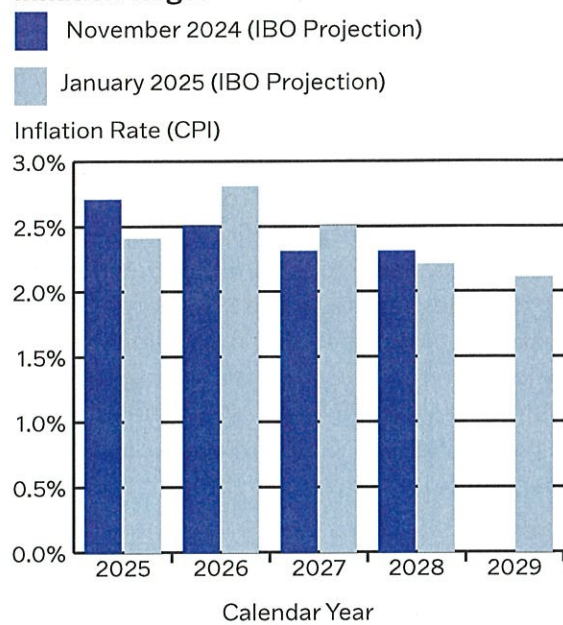
Forecasting the impact of specific federal moves on the economy cannot occur until the final form of policy trajectories take clearer shape. In this report, IBO does discuss particular federal policy areas that could have a substantial economic impact as policies are developed.

Figure 1
IBO Estimates Real GDP Growth Stronger in 2025, Slowing Starting in 2026



SOURCE: IBO Economic Forecast

Figure 2
IBO Projects Higher Inflation in 2026 and 2027, Slowing Path Towards Federal Reserve Inflation Target



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National Economy

IBO's National Economic Forecast

IBO's forecast of the national economy is largely similar to its forecast in November, which was very similar to forecasts from the preceding year. IBO continues to predict a soft-landing from COVID-era disruptions, meaning continued GDP growth and gradually slowing inflation, without a recession. Events in recent months, however, have resulted in changes to certain aspects of the forecast.

All years in the national and local economic forecast sections of this report refer to calendar years.

Gross Domestic Product Growth

Real GDP is a reflection of all economic activity within a country and is a go-to metric for how economists measure the size of the economy. Following real GDP growth of 2.8% in 2024, IBO projects growth of 2.0% in 2025. IBO's January GDP forecast is somewhat improved from its projections in November, given the nature of growth through the fourth quarter of 2024 and into the new year. However, there are some potential early indicators of slowing GDP growth, which thus far has been sustained in large part by strong consumer expenditures during the post-COVID recovery. National retail sales in January were down by nearly a percentage point compared to December, particularly driven by fewer automobile sales, according to seasonally adjusted data from the U.S. Census Bureau's advance estimate.¹ This may be due in part to a particularly cold winter across much of the country, and natural disasters such as wildfires in Southern California, as natural conditions can influence in-person shopping and consumer spending habits. It may also reflect consumer anxiety about job stability, household savings, and planning for the future. Consumers and the media have noted price increases, particularly when it comes to groceries, leading to the single largest drop in the Consumer Confidence Index since 2021.

Figure 1 shows IBO reduced its real GDP growth projections in future years, compared with its November forecast, to a low of 1.7% in 2026 before rising back to 2.1% in 2029. IBO's January estimates anticipate weaker GDP growth in 2026 compared with the Mayor's Office of Management and Budget (OMB), but then slightly stronger growth starting in 2027. A general slowdown was already anticipated as the economy moved out of its post-pandemic recovery boom. This even slower growth, however, is consistent with generally dampened consumer and business activity.

Inflation

This GDP growth slowdown ties to a broader feeling of caution amid economic uncertainty and a higher interest rate environment, resulting from persistently elevated inflation. IBO projects an inflation rate of 2.4% in 2025, increasing to 2.8% in 2026, before continuing its longer-term descent toward a 2.0% target. (See Figure 2.) Compared to November, IBO's 2025 inflation projection is slightly lower in response to official statistics as the year began, but higher in 2026 and 2027, in the broad expectation of future policy changes. IBO's inflation rate forecast is higher than the Administration's through 2028, and slightly lower in 2029.

Widespread increase in tariff rates on goods imported into the United States will produce upward inflationary pressure, as the import tax will, in many cases, be passed on to the consumer in the form of higher prices.

Inflation has been widely discussed in the broader context of tariff policy. A tariff is a tax on imported or exported goods, used as a form of trade or foreign policy. A widespread increase in tariff rates on goods imported into the United States will produce upward inflationary pressure, as the import tax will, in many cases, be passed on to the consumer in the form of higher prices. The most sweeping of proposed tariffs thus far—25% on most goods imported from Canada and Mexico—have been put on pause for one month after initially announced to take effect on February 4. Other import taxes, however, such as a 25% tariff on steel and aluminum, took effect and are expected to have a notable impact in the construction industry (particularly on high-rise construction typical of New York City) and on many manufacturing industries, notably automobiles and other types of machinery. If left in place, this is expected to lead to higher prices for many consumer goods.

U.S. Unemployment Rate

IBO projects the U.S. unemployment rate—people in the labor force seeking work, but without jobs—to remain stable at or near 4.0% for the whole forecast period. Combined with continued positive real GDP growth, this indicates a national economy that is softening in the short term but—so long as current trends hold—is not on the cusp of falling into recession. Sudden shocks to the economy, such as those from major policy changes, could rapidly change this trajectory.

Local Economy

IBO's Forecast Model

IBO forecasts local economic conditions using an internal model that accounts for the estimated relationships between various economic indicators for New York City.² As its basis, the model incorporates forecasts of national economic performance from a variety of sources, with the aim to produce a forecast that is consistent across different measures of economic activity and between the local and national levels.

However, the City's economy is also dependent upon specific local dynamics including its unique industrial mix (in which the finance industry plays a key role), the size and activity of the residential and commercial real estate markets, and particular concerns about constraints to the labor force. As with the national

economic forecast discussed above, IBO's current local economic forecast does not directly incorporate specific federal policy changes but rather an era of broader wariness for consumers and businesses.

IBO's Local Economic Forecast

IBO's projections for payroll employment growth in the City have remained stable since its forecast in November. Nearly 87,000 jobs were added in the City in 2024 (measured on a Q4-to-Q4 basis), ending the year at 4.8 million jobs. IBO expects future job growth to moderate, to 69,000 jobs in 2025, and then grow by gradually smaller amounts in subsequent years until 41,000 jobs are added in 2029.

Job Growth by Industry

This slowdown in job growth, while informed by broader economic conditions, is also a reflection that the City's labor market is tightening as population growth remains relatively stagnant, and more of the existing workforce population ages into retirement. Without an influx of new working-age residents to the City's

Continued changes to immigration policy will further constrict the City's labor force and stifle future employment and economic growth.

labor force, the City cannot sustain the same level of job growth experienced during the recovery from the pandemic. Continued changes to immigration policy will further constrict the City's labor force and stifle future employment and economic growth. Proposals such as curtailing the number of H-1B work visas for recruiting highly skilled employees in specialized fields will impact the City's finance, technology, and healthcare sectors. Expanded enforcement and mass deportation of undocumented immigrants

will ripple through the City's hospitality, food service, construction, and home health care sectors.

Notably, much of the City's recent employment growth has been concentrated amongst jobs connected to home health care. Of the 87,000 net jobs added in 2024, over 60,000 were from two subsectors that contain most home health aides: ambulatory care and social assistance.

The health care sector, broadly, is the City's largest industry, at over 1 million jobs (see Figure 3). The home health industry's rapid employment growth in recent years can be partially attributed to a change in the state's Consumer Directed Personal Assistance Program (CDPAP), allowing family members and friends to provide care that is compensated through Medicaid. Federal cuts propositioned for Medicare and Medicaid will likely influence the future of this program. Closer to home, the State is now about to implement changes to this program. IBO projects 32,000 home health care jobs to be added in 2025, and less in future years.

Despite rapid growth in the number of jobs, the home health care industry is a lower-wage industry, which limits its impact on personal income growth and, correspondingly, the income tax base for the City. Other low-wage industries have also struggled to regain the losses suffered during the pandemic.

Figure 3
Employment and Projected Growth by Sector
Thousands of Jobs

Sector	Employment (2024 Q4)	IBO Estimated 2025 Employment Growth (Q4-to-Q4)
Health Care and Social Assistance	1,027.9	27.2
Professional and Business Services	791.3	16.4
Government	573.3	2.6
Financial Activities	499.5	5.4
Leisure and Hospitality	460.8	5.7
Retail Trade	300.3	0
Education	254.9	3.1
Information	206.8	3.4
Personal Services	183.6	2.6
Transportation and Utilities	153.5	-1.8
Wholesale Trade	132.4	-1.7
Construction	131.5	4.2
Manufacturing	56.5	2.3

SOURCES: Bureau of Labor Statistics; IBO January 2025 Economic Forecast

New York City Independent Budget Office

The leisure and hospitality sector (about 460,000 jobs) is approaching pre-pandemic levels seen five years ago, but has not yet reached it. The retail trade sector (about 300,000 jobs) remains depressed and has been shedding additional jobs in recent years. This in part reflects increased online shopping, exacerbated by the pandemic, which now appears to reflect a permanent shift.

Personal Income Growth

Personal income growth in the City, with aggregate wages forming the largest portion, has largely been sustained by strong employment trends in certain higher-wage sectors. Employment in financial activities (about 500,000 jobs) suffered only a minor setback during the pandemic and while not growing rapidly, has been stable and is near record highs. The financial activities sector has the highest average wages in the City. Similarly, employment in professional and business services (about 790,000 jobs) has surpassed pre-pandemic levels and is projected to continue healthy growth, a sector which also trends towards higher-than-average salaries.

The information sector (about 205,000 jobs) and construction sector (about 130,000 jobs) are also higher wage industries in the City, yet employment remains depressed. In the information sector, layoffs in technology and the joint actors and writers strikes in 2023 have had residual effects. A high-interest rate environment resulting from soaring inflation through 2022, reflecting pandemic-era disruptions to the global supply chain, has led to a slowdown in construction activity. If the national economy continues on its existing path of recovery, employment in these sectors is expected to improve over the coming years, although construction activity may continue to be constrained by tariffs on key building materials.

Government is a sector in the middle of the City's average wage spectrum. While sizeable, at about 575,000 jobs, the majority of the jobs are employed by the City's local government, and employment trends will depend on the City's broader economic and budgetary future. Federal employment in New York City represents around 46,000 jobs, potentially subject to the employment cuts under the actions of the initiative dubbed the Department of Government Efficiency (DOGE). Federal employees play critical roles such as Transportation Security Administration agents and air traffic controllers, Social Security Administration staff, passport processing, and operating historic and cultural sites run through the National Park Service such as the Statue of Liberty. Furthermore, as federal dollars support various New York City industries, notably health care and education, DOGE's intentions—as currently expressed—will have a marked negative impact on employment and earnings in those industries.

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With its status as a global financial hub, the profits of the securities industry are particularly important to the City's economic well-being and aggregate personal income, the foundation of its tax base. Wall Street profits peaked at \$58.4 billion in 2021, before contracting substantially in the following two years amidst heightened interest rates, averaging \$24.1 billion. IBO observes that Wall Street profits again rose to an estimated \$40.1 billion in 2024. Barring any larger macroeconomic problems, profits are projected to remain heightened in coming years. If future federal tax reform is designed in such a way to have stimulatory effects on the business community—such as a further reduction to the top marginal corporate tax rate—Wall Street profits, and related portions of City's tax base, could be bolstered.

Interest Rates

Higher interest rates also took a toll on real estate activity in the City, with the value of commercial transactions contracting by 23% in 2023, and the value of residential transactions contracting by 31%. Activity in the real estate market is expected to rebound in 2025 and beyond, if interest rates continue to fall. IBO's forecast is based on the premise of two additional cuts to interest rates by the Federal Reserve this year, in line with stated intentions as of January 2025.

Tourism

Finally, New York City tourism has continued its path of recovery from pandemic-era lows, as evidenced by consistently increasing nightly rates for hotel rooms. Tourist visits are expected to surpass the pre-pandemic peak in 2025. However, it has long been noted that international tourists spend more money per visit in the City, on average, than domestic tourists. As such, rising geopolitical tensions may discourage international tourism to the United States. If this happens, it will have an outsized negative economic impact on the City's hospitality, food service, retail, and entertainment sectors.

Key Takeaways on Local Economy

In sum, local economic indicators to date have largely followed an expected and stable path toward sustained recovery, suggesting a sound economic footing in the City for the time being. However, the City still faces longer term challenges such as a shrinking labor force. And more immediately, the risks to the economy based on what Washington has indicated thus far are myriad, depending on both choices made at the national level and on how the State and City choose to respond. The legal challenges faced by Mayor Adams and his administration, and Governor Hochul's proposed "guardrails" for restoring public trust further add to deep uncertainty. IBO continue to track economic indicators as policy choices made by the federal, state, and local governments develop.

City Tax Revenue

IBO's Tax Revenue Forecast

IBO generates forecasts for each of the City's major sources of tax revenue, drawing from its local economic forecast discussed above. The largest sources of City tax revenue are:

- * Real Property (44%)
- * Personal Income (21%)
- * General Sales (13%)
- * Corporate (9%)

Other, smaller taxes comprise the remaining 12%. Total tax revenue in 2025 is projected at \$78.7 billion, \$430 million higher than the Administration's forecast of \$78.2 billion. (All years in this City Tax Revenue section refer to City fiscal years.)

In subsequent years, IBO projects a faster rate of tax revenue growth than the Adams Administration, leading to a gradually increasing gap between the two forecasts. (See Figures 4 and 5.) In 2026, IBO's forecast of \$80.7 billion exceeds the Administration's forecast of \$79.9 billion by \$770 million. By the end of the forecast period in 2029, IBO's forecast of \$90.6 billion exceeds the Administration's forecast by \$3.4 billion.

Figure 4
Total Tax Revenue
Dollars in Millions

Forecast	2024 Actual	Fiscal Year				
		2025	2026	2027	2028	2029
IBO	\$74,050	\$78,673	\$80,675	\$83,420	\$86,958	\$90,622
OMB	\$74,050	\$78,244	\$79,907	\$81,921	\$84,297	\$87,203

SOURCES: IBO; OMB

New York City Independent Budget Office

Several provisions of the Tax Cuts and Jobs Act of 2017, passed during the first Trump administration, are set to expire in 2025. It is anticipated that federal tax reform will be a prominent feature of the federal budgetary process this year—whether to extend or expand, and how to pay for it.

As with the economic forecast, all of IBO's tax revenue forecasts are primarily predicated on economic consensus from January, before the presidential inauguration, and as such do not make specific assumptions about future changes in federal policy. In addition to the various policy-related risks to the general economy, which would flow through to changes in tax collections, changes to federal tax policy would impact City tax collections, because state and local tax laws are coupled to many provisions in the federal tax code. Several provisions of the Tax Cuts and Jobs Act of 2017, passed during the first Trump administration, are set to expire in 2025. It is anticipated that federal tax reform will be a prominent feature of the federal budgetary process this year—whether to extend or expand, and how to pay for it. It is too early to model the impact of any specific provisions, until the shape of Congressional debate over tax reform becomes more focused.

Figure 5
IBO Tax Revenue Forecast Exceeds OMB's by an Increasing Amount



SOURCE: IBO Economic Forecast

New York City Independent Budget Office

Property Tax

Real Property Taxes (RPT) are paid by owners of real estate in New York City. The amount of tax owed depends on the Class (type) of property, its value for tax purposes, and the applicable tax rate. Under State law, there are four classes of property in the City (see Figure 6). Based on the Department of Finance's final assessment roll for 2025, IBO's forecast of RPT revenue this year is \$34.2 billion, \$1.3 billion (4.1%) greater than 2024 receipts. (See Figure 7.)

IBO projects \$35.2 billion in revenue in 2026, an upward revision of \$408 million from the November forecast, based on greater than expected values on the tentative roll that was released in January. This is also just over \$400 million higher than the Administration's forecast. The forecasts for 2027 and 2028 have

also increased accordingly, given the strength of the tentative roll. By 2029, IBO's revenue forecast is \$39.5 billion, about \$2.0 billion higher than the Administration's.

With the continuing recovery of commercial real estate (class 4) since the disruptions of the pandemic, IBO's forecast for future years incorporates a conservative 2.0% annual growth rate in the assessed values of Manhattan offices. This is far below the pre-pandemic trend of 5.8% annual growth. Projected growth for non-office commercial real estate is slightly higher, between 3% and 5%, bolstering the projections for sustained growth in overall property tax revenue, the majority of which is derived from class 2 and class 4.

Figure 6

Real Property Tax Class Descriptions

Class 1	One-, Two-, and Three-Family Houses
Class 2	Apartment Buildings, Including Coops and Condos
Class 3	Utility Company Properties
Class 4	Commercial and Industrial Properties
New York City Independent Budget Office	

Real Estate Related Taxes

Reflecting anticipated trends in real estate markets and the renting of commercial real estate in the ongoing recovery from the pandemic-era disruptions, Figure 8 shows IBO's forecast of the three real estate related taxes:

Figure 7

Real Property Tax Revenue

Dollars in Millions

Forecast	2024 Actual	Fiscal Year				
		2025	2026	2027	2028	2029
IBO	\$32,859	\$34,201	\$35,242	\$36,691	\$38,035	\$39,489
OMB	\$32,859	\$34,223	\$34,839	\$35,831	\$36,659	\$37,491
SOURCES: IBO; OMB						
New York City Independent Budget Office						

- Real Property Transfer Tax (RPTT)
- Mortgage Recording Tax (MRT)
- Commercial Rent Tax (CRT)

Paid by the seller, RPTT liabilities are based on the sale prices of real estate transactions. In addition to sales prices, RPTT revenue depends on the volume of transactions, in particular large commercial sales, and thus can vary from year to year. Collection patterns so far this year have led IBO to slightly increase its forecast of 2025 revenue to \$1.3 billion, as activity in real estate markets resumes with the anticipation of falling interest rates. IBO forecasts continued strong (7.1%) growth in revenue as mortgage rates decline further in 2026, growing to \$1.4 billion, and an annual average of 4.2% growth in the following years, with collections reaching \$1.6 billion in 2029.³

In addition to sales prices, Real Property Transfer Tax revenue depends on the volume of transactions, in particular large commercial sales, and thus can vary from year to year.

The MRT is a one-time tax paid by mortgage holders based on the size of their mortgages on real property, including refinancings. IBO forecasts \$724 million in 2025 MRT revenue. This is a slight downward revision from the November forecast. Increases in fixed mortgage rates starting at the beginning of calendar year 2022, to highs not seen in over 20 years, led to a 50.7% collapse in MRT collections from 2022 to 2024. The

slow pace of interest rate reductions by the Federal Reserve, in response to persistent inflation, has driven IBO's estimates of MRT revenue downward over the past year, and predictions of a large bounce in revenue due to pent-up demand for housing has not yet materialized. Looking at current market trends, IBO's projected growth in MRT revenue is predicted to be quite strong as markets begin responding to interest rate reductions. Revenue is projected to grow by 21% in 2025 and 25% in 2026.

The slow pace of interest rate reductions by the Federal Reserve, in response to persistent inflation, has driven IBO's estimates of Mortgage Recording Tax revenue downward over the past year. Predictions of a large bounce in revenue due to pent-up demand for housing have not yet materialized.

Growth is predicted to slow after this two-year surge, reaching total collections of \$943 million in 2029.

CRT is imposed on rent payments made by large commercial tenants in Manhattan properties south of 96th Street. Because these tenants usually sign ten-year leases, CRT collections tend to remain relatively stable from year to year. IBO forecasts \$947 million in CRT revenue this year, slightly more than 2024 collections,

Figure 8
Real Estate Related Tax Revenues
Dollars in Millions

Tax	Forecast	2024 Actual	Fiscal Year				
			2025	2026	2027	2028	2029
Real Property Transfer	IBO	\$1,130	\$1,317	\$1,411	\$1,496	\$1,532	\$1,563
	OMB	\$1,130	\$1,230	\$1,289	\$1,357	\$1,425	\$1,490
Mortgage Recording	IBO	\$597	\$725	\$902	\$926	\$936	\$943
	OMB	\$597	\$712	\$781	\$863	\$903	\$942
Commercial Rent	IBO	\$918	\$947	\$992	\$1,011	\$1,023	\$1,031
	OMB	\$918	\$931	\$951	\$966	\$979	\$992

SOURCES: IBO; OMB

New York City Independent Budget Office

with annual revenue further increasing by \$84 million through 2029, to just over \$1.0 billion. Reflecting continued weak demand for commercial space in Manhattan, this is an average annual increase of 2.3% from 2025 through 2028, a much slower rate of growth when compared with the 4.6% average annual growth seen in the decade prior to the pandemic.

Personal Income Tax

Personal Income Taxes (PIT) are withheld from employees' paychecks or paid in the form of quarterly estimated payments based on their current earnings. Created by New York State in 2021, the Pass-Through Entity Tax (PTET) is a workaround to the federal cap on the amount of state and local taxes (SALT) that are eligible for federal income tax deduction. PTET shifts income tax liability of some taxpayers from the PIT to PTET, but does not ultimately affect the total amount of City tax revenue. PTET is scheduled to expire in 2027, at which time IBO forecasts quarterly payments to increase substantially in lieu of PTET revenue. Removing or keeping the cap on the federal deduction for State and Local Taxes may be part of ongoing negotiations over tax code reform in Washington.

IBO's forecast of continued employment and personal income gains in the coming years underlies the projected growth in combined revenue from the PIT and PTET— averaging 5.8% per year during the forecast period and growing from \$17.8 billion in 2025 to \$20.7 billion in 2029 (Figure 9). This is the fastest growth

Figure 9
Personal Income Tax (Including PTET) Revenue
Dollars in Millions

Forecast	2024 Actual	Fiscal Year				
		2025	2026	2027	2028	2029
IBO	\$15,671	\$17,789	\$17,971	\$18,534	\$19,785	\$20,771
OMB	\$15,671	\$17,408	\$17,621	\$18,336	\$19,069	\$19,923

SOURCES: IBO; OMB

New York City Independent Budget Office

rate of all the City's major taxes in the current forecast, exceeded only by growth of the much smaller real property transfer and mortgage recording taxes. Withholding collections most directly reflect income from employment and account for the largest share of PIT revenue. Withholding collections are forecast to increase between \$288 million and \$620 million per year in 2025 through 2029.

IBO's forecast of combined PIT and PTET revenue is \$382 million greater than the Administration's in 2025, as IBO revised its withholding forecast upwards due to strong collections through December. After 2025, IBO's revenue projections remain higher than the Administration's, first by a decreasing amount through 2027, but eventually growing to a difference of \$848 million above the Administration in 2029—with higher amounts of personal income in IBO's economic forecast underlying much of the difference.

Sales Tax

The General Sales Tax is paid by consumers for many services and most goods, based on the amount purchased. Revenue is influenced by both local economic conditions as well as national and global economic trends, because both local residents and visitors buy goods and services that incur the General Sales Tax. Sales tax collections in 2025 were sluggish at the beginning of the year but picked up strength in the second

In December, the City collected over \$1 billion in sales tax revenue, the first time collections have passed that threshold in a single month.

quarter. In December, the City collected over \$1 billion in sales tax revenue, the first time collections have passed that threshold in a single month. As shown in Figure 10, 2025 General Sales Tax revenue is projected to grow by 3.9% to \$10.3 billion. This is substantially slower than the growth seen in recent years during the post-COVID boom and high inflation,

but is more in line with long-term average growth.

In line with the economic forecast of a gradually cooling economy and generally declining inflation, it is projected that sales tax collections will remain in this stable growth pattern. IBO's General Sales Tax forecast for 2026 through 2029 averages 4.1% growth, annually. IBO's forecasts are slightly higher than the Administration's in 2025 and 2029, and slightly lower in 2026 and 2027; however, in each year of the forecast period, the difference remains minimal and within 1% (from a difference of \$16 million to \$105 million).

Figure 10
Sales Tax Revenue
Dollars in Millions

Forecast	2024 Actual	Fiscal Year				
		2025	2026	2027	2028	2029
IBO	\$9,914	\$10,305	\$10,682	\$11,111	\$11,579	\$12,091
OMB	\$9,914	\$10,288	\$10,751	\$11,198	\$11,683	\$12,075

SOURCES: IBO; OMB

New York City Independent Budget Office

Figure 11
Business Income Tax Revenues
Dollars in Millions

Tax	Forecast	2024 Actual	Fiscal Year				
			2025	2026	2027	2028	2029
Corporate	IBO	\$6,886	\$7,058	\$6,978	\$6,882	\$7,145	\$7,586
	OMB	\$6,886	\$7,239	\$7,267	\$6,779	\$6,904	\$7,395
Unincorporated Business	IBO	\$2,789	\$3,086	\$3,206	\$3,320	\$3,441	\$3,559
	OMB	\$2,789	\$3,024	\$3,140	\$3,197	\$3,252	\$3,387

SOURCES: IBO; OMB

New York City Independent Budget Office

Corporate Taxes

The City imposes a tax on the profits of corporations through three mechanisms, the Business Corporation Tax for C-corporations, and the General Corporation Tax and Banking Corporation Tax for S-Corporations. Combined collections for all of the corporate taxes totaled \$6.9 billion in 2024, the latest in a string of record-breaking years for corporate tax revenue in the City. (See Figure 11). IBO projects collections of \$7.1 billion in 2025 (growth of 2.5%), based on collections so far this year.

Past IBO corporate tax forecasts anticipated a decline in revenue because the level of post-pandemic growth repeatedly seemed unsustainable. Also, some net operating losses—which can be carried forward for up to five years according to accounting rules—would have to eventually be realized. However, given the continued strength of collections throughout the pandemic and beyond, IBO’s current forecast integrates a more modest anticipated decline (compared to previous forecasts) in 2026 and 2027, dropping by \$80 million and \$96 million, respectively. IBO then anticipates corporate tax revenue growth to resume after 2027.

Fiscal Year 2024 represented the latest in a string of record-breaking years for corporate tax revenue in the City.

IBO’s forecast is below the Administration’s by \$181 million in 2025 and \$289 million in 2026. While collections to date this year have been strong, the Administration’s projection of \$7.2 billion in revenue would require especially strong collections in the second half of the year, compared to historical trends. The Administration also does not project the anticipated decline in collection to occur until 2027, although its single-year decline is greater than IBO’s two-year decline beginning in 2026, ultimately bringing the two forecasts closer into alignment in the later years of the financial plan period. From 2027 through 2029, IBO’s forecast is higher than the Administration’s, by a range of \$103 million to \$241 million.

Unincorporated Business Tax

The City’s Unincorporated Business Tax (UBT) is imposed on the profits of businesses operating within the City that are organized in a form other than a corporation, such as sole-proprietorships, partnerships, and limited liability companies. Coming off four years of strong growth even throughout the pandemic, collections thus far this year indicate that revenues will continue to grow by \$297 million in 2025, to \$3.1 billion (growth of 10.6%). IBO estimates moderated but sustained growth averaging 3.6% per year from 2026 through 2029, with collections totaling \$3.6 billion at the end of its forecast period. (Again, see Figure 11.) IBO’s forecast for UBT is higher than the Administration’s in all years, by \$62 million in 2025, gradually expanding to a difference of \$172 million in 2029.

Figure 12
Hotel Occupancy Tax Revenue
Dollars in Millions

Forecast	2024 Actual	Fiscal Year				
		2025	2026	2027	2028	2029
IBO	\$706	\$770	\$802	\$835	\$867	\$902
OMB	\$706	\$761	\$790	\$821	\$846	\$878

SOURCES: IBO; OMB
New York City Independent Budget Office

Rising Hotel Occupancy Tax collections is a function of both a greater number of hotel stays and rising average hotel prices, reflecting continuing upward demand for City hotel rooms.

Hotel Occupancy Tax

The Hotel Occupancy Tax is paid by individuals who stay in hotel rooms, based on the amount of money the occupant pays the hotel operator, including service fees. As shown in Figure 12, IBO forecasts Hotel Occupancy Tax revenue growth slightly higher than 9% in 2025, to total collections of \$770 million. Presently, the City continues to see a rebound in tourism following the COVID-19 pandemic. Rising Hotel Occupancy Tax collections is a function of both a greater number of hotel stays and rising average hotel prices, reflecting continuing upward demand for City hotel rooms. (See IBO's recent [report](#) on hotels in the City and a recent policy change.) Hotel Occupancy Tax growth is expected to moderate after this, to an annual average of 4.0% from 2026 through

2028, more in line with long-term norms before the pandemic. IBO's forecast is slightly higher than the

Figure 13
Cannabis Tax Revenue
Dollars in Millions

Forecast	2024 Actual	Fiscal Year				
		2025	2026	2027	2028	2029
IBO	\$4	\$17	\$23	\$28	\$33	\$36
OMB	\$4	\$14	\$20	\$28	\$30	\$30

SOURCES: IBO; OMB
New York City Independent Budget Office

As the City's newest tax, and amidst an initially slow rollout of legal dispensaries, it has taken time for Cannabis Tax collections to grow toward their potential.

Administration's in all years of the forecast period, growing to a difference of \$24 million (2.7%) in 2029.

Cannabis Tax

New York City's Cannabis Tax is paid by consumers on sales at licensed retail cannabis dispensaries in lieu of the City's General Sales Tax. As the City's newest tax, and amidst an initially slow rollout of legal dispensaries, it has taken time for Cannabis Tax collections to grow toward their potential. In the first two quarters of 2025, \$7.5 million was collected, compared to under \$4 million in all of 2024. The number of licensed dispensaries has grown rapidly—as of January 31 there were 106 stores operating in the City, an increase of 81 stores from a year prior. As a result, IBO has revised its forecast for Cannabis Tax revenue upwards, to \$23 million in 2026, as shown in Figure 13. IBO's Cannabis Tax revenue is projected to rise to \$36 million by 2029. This forecast is based on an estimate of average retail sales per store, which is in turn based on an estimate of how sales per store will change as new stores enter the market.

Endnotes

¹ U.S. Census Bureau, "[Advance Monthly Sales for Retail and Food Services](#)," Release Number: CB25-24, February 14, 2025.

² IBO's local economic model is a custom simultaneous equations model that forecasts over 90 local economic series, allowing for changes in any individual segment of the economy to impact others based on estimated economic interrelationships.

³ As discussed earlier in this report, IBO did not incorporate into its economic forecast any specific policy ideas put out by the incoming presidential administration. The size and speed of changes to the Federal Fund Rate will depend on trends happening in the national economy; it is too soon to predict how changes in federal government will impact this.

**New York City
Independent
Budget Office**



Preliminary Budget Fiscal Year 2026

The Independent Budget Office's Estimates for City Expenditures for The January 2025 Financial Plan



February 27, 2025

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Table of Contents

IBO's Methodology for Forecasting Expenditures.....	1
Findings.....	1
Federal Aid.....	2
Asylum Seekers.....	3
Citywide Staffing.....	3
Education.....	4
Government Operations.....	5
Housing, Environment, and Infrastructure.....	6
Public Safety & Criminal Legal System.....	6
Social Services & Health.....	7

As part of the Independent Budget Office's (IBO) charter-mandated analysis of the City's Financial Plans, IBO independently forecasts expenditures in current and future fiscal years. (All years refer to City fiscal years.)

IBO's Methodology for Forecasting Expenditures

For the current year, IBO assesses whether spending trends in particular areas align with budgeted amounts. In future fiscal years, IBO typically compares the budget against historical spending trends or whether programs or policy changes have been fully funded. It is common practice for the City administration to under-budget future years and add funds as needs arise. As a result, IBO typically finds net savings in expenditures in the current year and net increases needed to cover future expenses. IBO also conducts independent [forecasts of the local economy](#) and produces revenue projections. When combining the expense and revenue sides, IBO publishes [estimates of the City's surplus or deficit](#) for all the years of the financial plan.

IBO recognizes that the government landscape at all levels—federal, state, and local—is rapidly changing and has implications for the City's budget. At the federal level, efforts by the Trump Administration have begun to substantially cut or eliminate existing federal agencies and programs. The Trump Administration seeks to cut many programs, including those based on Congressional appropriations. While IBO's expenditure projections do not incorporate potential cuts to federal aid, this report provides information about federal funding in the City budget that is at risk.

In this report, IBO articulates assumptions that support estimates in various agencies and programmatic areas. While there is substantial risk to the New York City budget given the recent rhetoric and revocation of legally appropriated federal funds, IBO cannot forecast exactly how, when, or where such impacts could occur.

Findings

IBO estimates savings of \$985 million in City funds in 2025 and additional annual expenditures in 2026 through 2029 ranging from \$2.4 billion to \$3.2 billion. The largest areas of savings in 2025 are in two areas. First, in citywide and pedagogical staffing reflecting vacant positions. Second, in social services and health, largely for shelters for asylum seekers and for non-asylum seeker unhoused adults. Figure 1 shows the amounts for each IBO-defined category of spending.

Three areas account for the largest areas where IBO projects the need for increased spending in future years, over and above the Administration's projections:

Figure 1
IBO Estimated Adjustments to City Funds for the Preliminary Budget for Fiscal Year 2026
Dollars in Millions

	2025	2026	2027	2028	2029
Asylum Seekers	(\$319.4)	(\$926.9)	\$133.1	\$-	\$-
Citywide Staffing	(638.1)	(177.1)	(183.6)	(190.4)	(197.6)
Education	(320.1)	830.4	1,108.1	1,366.8	1,366.8
Government Operations	(26.0)	272.1	286.1	278.4	271.4
Housing, Environment & Infrastructure	(58.6)	\$165.9	152.5	152.1	153.1
Public Safety & Criminal Legal	844.2	843.6	670.8	557.7	379.4
Social Services & Health	(467.4)	1,415.1	1,033.4	\$773.6	773.6
Total City Funded Adjustments	(\$985.3)	\$2,423.1	3,200.5	\$2,938.2	\$2,746.8

SOURCE: NYC Independent Budget Office

New York City Independent Budget Office

- Social services funding for rental assistance (housing vouchers provided through the City Fighting Homelessness and Eviction Prevention Supplement program) and cash assistance for low-income New Yorkers.
- Education costs related to mandates (New York State's class size reductions, impartial hearings for special education, and tuition or charter school students). IBO projects that additional funding for programs previously funded by COVID-19 stimulus funds will need to be added.
- Uniformed personnel costs for police, correction, fire, and sanitation largely due to overtime costs.

Federal Aid

In 2025, federal funds account for \$9.7 billion (8%) of the City's \$116.8 billion budget. The federal share of each agency's 2025 budget ranges from less than 1% in many agencies up to 58% for Housing Preservation & Development (HPD). For HPD alone, federal support amounts to \$1.2 billion for rental housing vouchers, housing inspections, and financing the development of affordable housing.

Other agencies that depend on large amounts of federal funding include:

- Department of Education (\$2.3 billion, 7% of total budget) to fund:
 - programs mandated by the federal Every Student Succeeds Act, including funds for students at risk of failing, low-income students, migrant and immigrant students, English language learners, as well as for teaching improvement initiatives;
 - food assistance, including the federal school breakfast, lunch and summer feeding programs;
 - special education and related services, as required under the federal Individuals with Disabilities Education Act;
 - health and medical care through Medicaid;
 - additional grants for magnet schools, vocational education, and more.
- Department of Social Services (\$1.9 billion, 14% of total budget) to fund several areas, including:
 - [Home Energy Assistance Program \(HEAP\)](#): the federal government funds this \$43 million program, which helps low-income homeowners and renters heat and cool their homes.
 - [Child Support Enforcement](#): the federal government funds 62% of \$62 million dedicated to locating noncustodial parents, establishing parentage, and collecting and distributing payments.
 - [Supplemental Nutrition Assistance Program \(SNAP\)](#): the federal government funds approximately 50% of the \$76 million budget that provides food assistance for nearly 1.8 million low-income New Yorkers including families, people who are aging, and people with disabilities. The program helps families and individuals supplement the cost of their diet with nutritious foods.
- Administration for Children's Services (\$1.4 billion, 43% of total budget) to fund several areas, including:
 - [Child care](#): federal funding supports 80% of the \$880 million budget, which subsidizes free or low-cost child care for children in qualifying families.
 - [Adoption support services](#): federal funding supports 45% of the \$227 million budget, which provides monthly payments for the care, maintenance, and medical needs of adopted children with: disabilities, special needs, or who are otherwise difficult to place.

Figure 2 provides the breakdown of federal funding for agencies that receive substantial amounts consistently each year (either by dollar amount or share of the total agency budget). Together, they account for \$8.9 billion of the City's total of \$9.7 billion in anticipated federal funding for 2025. IBO notes that federal funding is rarely fully budgeted outside of the current fiscal year. City administrations usually increase the level of funding in future years as awards or appropriations are announced, given uncertainties around federal budgeting in general—and particularly so in current times.

Figure 2
Dollar and Share of Federal Funding by Agency, 2025 and 2026 Budget
Dollars in Thousands

Agency	Federal Share of Agency Budget		Federal Funding	
	2025	2026	2025	2026
Housing Preservation & Development	58.1%	51.4%	\$1,184,540	\$868,176
Admin for Children Services	42.6%	39.1%	\$1,430,375	\$1,105,995
Dept of Emergency Management	34.5%	11.2%	\$46,648	\$9,961
Department of City Planning	29.4%	33.4%	\$17,021	\$15,630
Dept Health Mental Hygiene	23.3%	13.3%	\$646,852	\$283,370
Dept Small Business Services	17.7%	24.0%	\$52,795	\$43,639
Department for the Aging	16.4%	17.8%	\$90,060	\$75,904
Dept of Homeless Services	15.5%	19.0%	\$628,063	\$679,592
Department of Social Services	14.4%	13.3%	\$1,907,644	\$1,527,622
Department of Transportation	8.6%	5.8%	\$127,615	\$84,442
Youth Community Development	7.8%	8.6%	\$110,421	\$105,039
Department of Education	6.9%	6.2%	\$2,305,281	\$2,092,979
Fire Department	3.8%	2.2%	\$103,275	\$57,980
Police Department	3.7%	0.3%	\$236,247	\$21,386
Health and Hospitals Corp	2.2%	0.1%	\$60,683	\$1,380

SOURCE: New York City Office of Management and Budget

New York City Independent Budget Office

Asylum Seekers

IBO has assessed and estimated the City's spending to provide services to new arrivals (also called asylum seekers) since April 2022. The Preliminary Budget includes a total of \$9.4 billion for new arrivals from 2025 through 2028. This is a reduction of \$2.8 billion from the November Plan, and \$3.2 billion less than the Adopted Budget. IBO projects costs for 2025 and 2026. As new arrivals have decreased and the City has closed several shelters that were set up outside of the traditional Department of Homeless Services system, IBO assumes even lower costs for service provision over time compared with the Administration's revised estimates.

Additionally, the Administration's estimated costs include \$1 billion and \$350 million in State funding in 2027 and 2028, respectively. Because those funds are speculative at this juncture, IBO reduces total estimated costs for those years to IBO's 2026 budgeted level. As a result, IBO assumed an additional \$133.1 million would be required in 2027 only. IBO's total estimated costs for new arrivals from 2025 through 2028 is \$6.9 billion, about 27% less than the Administration's current estimates.

Citywide Staffing

IBO estimates the costs of staffing across all City agencies using payroll records for salaries and wages and historical spending on various healthcare costs. Within this section, IBO addresses costs for all categories of employees except uniform and pedagogical employees, with those costs being addressed in their respective sections (see Education, Housing, Environment, and Infrastructure, and Public Safety & Criminal Legal System).

In 2025, IBO estimates that the City is likely to achieve nearly \$640 million in staffing savings across all employees except for those noted above. This amount factors in year-to-date spending and vacant positions

that affect citywide costs on health insurance and benefits. For salaries and wages, IBO estimates the average salary paid for each payroll in this fiscal year through January 31st and assumes the same average will be paid in the remaining number of payrolls in the fiscal year. Additionally, IBO estimates that vacant positions will net the City \$177 million in fringe benefit savings in 2026, which will grow to \$198 million in savings by 2029.

Education

IBO re-estimates several critical funding categories within the Department of Education (DOE) and the City's contribution to the City University system (CUNY) for community colleges (see Figure 3).

First, IBO estimates staffing cost projections as described above. Spending on pedagogical positions in both DOE and CUNY do not follow the usual pay cycle; it is much lower in the months of July and August, for example. Thus, IBO adjusts its method of calculating the year-to-date average by excluding those first two months of the fiscal year and then applying that average to the remaining amount to be paid in the year. Under this methodology, pedagogical spending will be \$579 million lower than the Administration's estimates in 2025, across both DOE and CUNY. IBO does not include this as a future year savings, as staffing levels may change between this year and next.

Separately, IBO forecasts staffing costs based on stated policy decisions and legal mandates. IBO estimates the City will need additional funds to comply with a State law that limits NYC's class size by grade level. IBO [estimates](#) compliance will require an additional \$53 million in 2026, \$303 million in 2027, and \$546 million in 2028 and annually thereafter.

Two other legal mandates that have yet to be fully funded by the Administration relate to charter schools and special education.

State law requires local school districts to fund charter school general education costs at tuition rates set by the State. To estimate those costs, IBO considers historical trends for charter school enrollment, as well as the expected opening of 14 charters. IBO estimates charter school general education tuition costs will exceed DOE projections by \$131 million in 2025, \$161 million in 2026, \$147 million in 2027, and \$164 million in 2028.

IBO estimates DOE will require additional funds in the current year, and beyond, for costs related to impartial hearing orders, which cover special education services outside of the public school system. These costs provide funds for students with disabilities, largely through tuition reimbursement for nonpublic schools (commonly known as "Carter Cases") and direct educational services. IBO anticipates current and future costs will remain at the most recent level of spending, which in 2024 was approximately \$1.2 billion. Because the Administration is currently estimating the spending levels for this year and future years to fall below the 2024 level, IBO anticipates this area of spending will require an additional \$113 million in 2025, \$258 million in 2026, and \$188 million in 2027 and in 2028, respectively.

Figure 3 IBO Estimated Adjustments to City Funds for Education <i>Dollars in Millions</i>					
Agency	2025	2026	2027	2028	2029
City University of New York	(\$7.6)	\$-	\$-	\$-	\$-
Department of Education	(312.5)	830.4	1,108.1	1,366.8	1,366.8
Total Education	(\$369.1)	\$781.4	\$1,059.1	\$1,317.9	\$1,317.9
SOURCE: NYC Independent Budget Office <div>New York City Independent Budget Office</div>					

A final area where IBO forecasts a need for greater funding is in programs that were previously funded by COVID-19 federal stimulus funds (see Figure 4). All federal stimulus funds expired in September 2024 (fiscal year 2025) and as a result, the Administration must either allocate new funds through City or State sources or reduce spending for those programs. In prior financial plans, the City baselined (see sidebar) some programs with \$316 million in additional State funds and included \$455 million in City funds to other programs for 2025. In the recent Preliminary Budget, the City allocated \$111 million in City funds for 2026 to Summer Rising and Learning to Work, two programs that previously received federal stimulus funds. Consequently, IBO anticipates that programs without baselined funding will require an additional \$344 million in 2026 and \$455 million in 2027, 2028, and 2029, respectively.

Figure 4

Additional City Funds Needed for Education Programs Previously Funded with COVID-19 Stimulus Funds

Dollars in Millions

Program	2026	Annually, 2027-2029
3-K	\$92	\$92
School Technology Resources	80	80
Summer Rising	-	80
Contracted Nursing	65	65
Arts Funding	41	41
Learning to Work	-	31
All Other Programs	66	66
Total	\$344	\$455

SOURCE: NYC Independent Budget Office
New York City Independent Budget Office

Government Operations

In recent mandated reports, IBO has built out its analyses of more “general government” or “government operations” agencies (see Figure 5). This category includes agencies like the Department of Citywide Administrative Services (DCAS), the Office of Technology and Innovation (OTI), the Campaign Finance Board (CFB), and the Board of Elections (BOE). The City’s centralized debt service payment costs are also included.

IBO’s forecasts for these agencies are generally based on historical spending levels, but in the case of the agencies administering elections, IBO also incorporates variation based on what type of election cycle the City is entering. In 2025, IBO estimates a need for \$37 million in additional funding for OTI based on current spending trends. In 2026 through 2029, IBO estimates roughly \$280 million annually needed across these agencies. The increase is largely driven by OTI, which historically has been underfunded by about \$150 to \$160 million.

Additionally, IBO is forecasting \$53 million and \$12 million savings on debt service in 2025 and 2026, respectively. This is based on the City’s variable rate debt, which the Administration assumed will be paid

What does it mean to adjust baseline funding?

When making an adjustment in the budget, the administration can choose to modify a program one year at a time or baseline the change by modifying the level of funding across every year of the entire financial plan. Effectively the City is setting a floor for the funding level.

As a program continues, that level of funding may no longer be sufficient, leading to a fiscal shortfall. The administration may choose not to change the baseline funding, instead opting to make an adjustment a year at a time. In leaving questions of a program’s full funding open, the administration may be trying to use it as a negotiating chip with Council or maintaining a level of flexibility to address the gap in a later year when program costs have become clearer.

Many of IBO’s estimates for the future year focus on changing the funding for various programs and agencies. This includes uniformed personnel costs, the City’s largest housing voucher program (CityFHEPS), and education costs for impartial hearings (also known as “Carter Cases”).

Figure 5
IBO Estimated Adjustments to City Funds for Government Operations
Dollars in Millions

Agency	2025	2026	2027	2028	2029
Board of Election	\$-	\$55.0	\$55.0	\$55.0	\$55.0
Campaign Finance Board	-	30.0	17.0	7.0	-
Department of Citywide Administrative Services	(10.8)	44.0	53.0	55.3	55.3
Debt Service	(52.6)	\$(11.7)	-	-	-
Office of Technology and Innovation	37.4	154.9	161.1	161.1	161.1
Total Government Operations	\$(26.0)	\$272.1	\$286.1	\$278.4	\$271.4

SOURCE: NYC Independent Budget Office

New York City Independent Budget Office

out at 4.25%. IBO updates this assumption to reflect current lower interest rates.

Housing, Environment, and Infrastructure

IBO projects savings of \$59 million in 2025 across several agencies related to Housing, Environment, and Infrastructure, as shown in Figure 6. These agencies include Small Business Services (SBS), Department of Environmental Protection (DEP), Housing Preservation and Development (HPD), Department of Buildings (DOB), Department of Sanitation (DSNY), and the Department of Transportation (DOT). These agencies are on track to spend less than budgeted in their 2025 non-staffing budgets across a wide range of programs.

For staffing costs, IBO forecasts DSNY will need an increase of \$17 million to cover uniformed overtime costs, offset by \$4 million in savings across other areas of the budget.

In 2026, IBO forecasts shortfalls across these agencies totaling \$166 million, driven largely by \$90 million in gaps in DSNY related to staffing and waste export contracts. IBO also forecasts gaps of approximately \$30 million each in DEP, SBS, and HPD, offset by savings of \$36 million in DOT. These estimates are based on historical spending and consider adjustments frequently made by the City later in the fiscal year.

Public Safety & Criminal Legal System

IBO projects substantial shortfalls in the City's funding of its three uniformed public safety agencies (see Figure 7): the Police Department (NYPD), the Fire Department (FDNY), and the Department of Corrections (DOC). These shortfalls are driven by the City's longstanding failure to address overtime for uniformed personnel. Between these three agencies, the City is on track to spend more than \$840 million in excess of the respective personnel budgets in 2025. NYPD accounts for the majority (59%), with additional funds for DOC (25%), FDNY (14%). IBO considers these budget gaps to be structural and assumes similar total costs

Figure 6
IBO Estimated Adjustments to City Funds for Housing, Environment, and Infrastructure
Dollars in Millions

Agency	2025	2026	2027	2028	2029
Department of Buildings	\$(1.2)	\$2.3	\$4.3	\$4.3	\$4.3
Department of Sanitation	13.0	90.9	44.2	37.1	37.1
Housing Preservation & Development	(2.1)	27.2	39.2	36.4	36.4
Small Business Services	(12.5)	35.8	46.9	46.6	46.6
Total Housing, Environment & Infrastructure	(\$2.7)	\$156.1	\$134.6	\$24.4	\$124.4

SOURCE: NYC Independent Budget Office

New York City Independent Budget Office

Figure 7
IBO Estimated Adjustments to City Funds for Public Safety & Criminal Legal System
Dollars in Millions

Agency	2025	2026	2027	2028	2029
Department of Correction	\$213.3	\$166.7	\$117.8	\$(4.1)	\$(4.1)
Fire Department of New York	120.8	154.8	171.0	178.2	-
New York City Emergency Management	3.7	4.0	4.0	4.0	4.0
New York Police Department	506.3	518.0	378.0	379.5	379.5
Total Public Safety & Criminal Legal System	\$844.2	\$843.6	\$670.8	\$557.7	\$379.4
SOURCE: NYC Independent Budget Office					
New York City Independent Budget Office					

in the years to come. IBO estimates that the need will peak in 2026 at \$887 million over the existing budget, and fall to a gap of \$526 million each year in 2027 and 2028. The decrease in additional need is based on increases in budgeted amounts. IBO uses the same methodology as for other citywide staffing costs, applying year-to-date average payrolls over the remaining pay periods of the year.

Outside of the three larger agencies, IBO forecasts smaller shortfalls in New York City Emergency Management's (NYCEM) City-funded budget. However, a substantial portion of NYCEM's budget is typically funded by federal dollars (see Federal Aid section). While IBO has not made any adjustments in this report, should federal funding be discontinued or scaled back, NYCEM's ability to coordinate emergency responses could be significantly curtailed in the coming years.

Social Services & Health

The City faces substantial shortfalls in the budgets of the agencies providing social services to vulnerable New Yorkers (see Figure 8): the Human Resources Administration (HRA), the Department of Homeless Services (DHS), the Department for the Aging (DFTA), Administration for Children's Services (ACS), and the Department of Youth and Community Development (DYCD).

The largest budget gaps in this area are in HRA's budget and related to the City's Cash Assistance (CA) and Rental Assistance (CityFHEPS) programs.¹ Neither area is generally baselined, and administrations have historically funded shortfalls one year at a time, leaving budget gaps in the years to come. The number of cases in the CA program has already increased 33% from 2022 to 2024, with more households timing out of federal cash assistance programs. As a result, more recipients have to be supported by City-funded CA for longer periods of time. IBO estimates that the size of these gaps will be \$920 million in 2026, but will shrink to \$106 million in 2028, as funding in the current budget increases over the years. In the CityFHEPS program, gaps in future years total \$486 million annually to keep the program funded at existing levels. This does not include any costs associated with [expanding](#) the program.

In DHS operations for unhoused New Yorkers (not including spending related to asylum seekers), IBO forecasts a budget surplus in 2025, followed by shortfalls in 2026 through 2029. For the current year, IBO projects \$226 million in savings, driven largely by the Administration having overestimated costs in shelters for single adults. However, IBO estimates that the Administration has underfunded the agency across all shelter types by \$281 million in 2026, and roughly \$250 million annually in 2027 and beyond. This is based on IBO analysis of data from the Mayor's Management Report and historical spending and shelter population counts.

IBO also forecasts smaller needs and realignments for DFTA, DYCD and the Department of Health and Mental Hygiene (DOHMH) for non-staffing spending. Such spending includes spending on goods or

Figure 8

IBO Estimated Adjustments to City Funds for Social Services & Health

Dollars in Millions

Agency	2025	2026	2027	2028	2029
Administration for Children's Services	\$7.4	\$-	\$-	\$-	\$-
Department for the Aging	(31.9)	65.8	59.7	59.6	59.6
Department of Homeless Services	(225.8)	281.5	253.1	249.4	249.4
Department of Health and Mental Hygiene	(153.3)	114.6	117.4	\$120.8	120.8
Department of Youth and Community Development	(64.4)	-	-	-	-
Human Resources Administration	0.6	953.3	603.3	343.8	343.8
Total Social Services & Health	(\$467.4)	\$1,415.1	\$1,033.4	\$773.6	\$773.6

SOURCE: NYC Independent Budget Office

New York City Independent Budget Office

contracted services, which account for large portions of these agencies' budgets. At rates of current spending, IBO projects that there is approximately \$250 million in savings in 2025 resulting from slower than anticipated non-staffing spending. In each year for 2026 through 2029, IBO forecasts combined annual gaps of approximately \$180 million between DFTA and DOHMH (the DYCD non-staffing budget appears to be sufficiently budgeted in these years). These estimates are based on historical spending trends against the current budget.

Endnotes

¹ For more information, see recent IBO reports on: [staffing at HRA for benefits processing](#) and [understanding the CityFHEPS program](#).



Department of Finance

Testimony on the Fiscal Year 2026 Preliminary Budget

Introduction

Good afternoon, Chair Brannan, members of the Finance Committee, and members of the City Council.

My name is Preston Niblack, and I am the commissioner of the New York City Department of Finance.

Thank you for the opportunity to testify today on our fiscal year 2026 Preliminary Budget.

I'm joined by Jeffrey Shear, the first deputy commissioner and Jacqueline James, our chief financial officer and deputy commissioner for administration and planning.

The Department of Finance plays a fundamental role for the City of New York, collecting over \$50 billion dollars in taxes and other revenues, which accounts for over 60 percent of City funds.

In this upcoming fiscal year, the agency's direction remains clear: to continue to administer the City's tax laws and perform our other responsibilities fairly, effectively, and with our customers—New Yorkers—squarely in mind at all times.

DOF Budget and Staffing

To begin, I'd like to give you a brief overview of the Department of Finance's proposed budget for the coming fiscal year.

Our preliminary budget for fiscal year 2026 is \$358.5 million, split between \$200.5 million for personal services (PS) and \$158 million for other than personal services (OTPS).

As you are aware, DOF continues to operate below our total authorized headcount of 1,993 positions. I am happy to report that we have recently onboarded our largest-ever class of deputy sheriffs, totaling 87, who started their training on February 24.

We continue to work on filling our other vacant positions as rapidly as we can within the constraints of City hiring rules and procedures. Our Office of Employee Services, led by Associate Commissioner Corinne Dickey, has been working with DCAS to schedule open competitive exams, establish civil service lists, and hold hiring pools for our most-used titles, including auditors, assessors, principal administrative associates, and clerical associates.

In the meantime, DOF staff continue to perform their jobs with professionalism and dedication, and I cannot thank them enough for all that they do every day in the service of our mission.

Accomplishments

The last time I sat before this committee, it was to discuss a significant joint accomplishment with the Council—the passage of Local Law 82. Thanks to the partnership of the Council, with special thanks to Chairs Brannan and Nurse, we enacted the most sweeping reforms to the tax lien sale since its inception almost 30 years ago.

Our goal is simple: to ensure that property owners who can pay, do, and to assist homeowners who are struggling to pay to get the help they need to resolve their outstanding debt.

Thanks to our outreach teams, we are engaged in an intensive effort to reach property owners who have fallen behind on their taxes—especially homeowners in low-income communities and communities of color—to make them aware of what they owe and of the options available to them, including exemptions and targeted payment plans. I want to thank the DOF External Affairs Outreach team, the Office of the Taxpayer Advocate, our Personal Exemptions Unit, and the staff at our business centers, as well as all our external partners in our outreach efforts: our sister agencies, HPD and DEP, the Center for New York City Neighborhoods, the Mayor's Public Engagement Unit, and the City Council. This has been an unprecedented level of outreach, and we hope to reduce even further the number of property owners whose liens are ultimately sold.

Throughout our agency, we continue to focus on adopting modern technology and customer service best practices to make the public's interaction with us easier.

This year our Personal Exemptions Unit, which is led by Assistant Commissioner Pierre Dejean and processes tens of thousands of applications every year, implemented a new Coop and Condo Abatement system. The new system is designed to streamline and simplify the application process for managing agents and buildings. We road-tested this system during development, working alongside managing agents, which was incredibly helpful in the design, and we appreciate their continued partnership.

We have also implemented electronic signatures for more documents, including property tax payment plans, making it much easier to fully complete transactions online, without the need to visit a business center in person or send documents in the mail.

I'd be remiss if I did not briefly discuss the important work that the Sheriff's Office has been conducting over the past year.

Last year, the Sheriff's Office was given enforcement authority over the sale of unlicensed cannabis. Since May of last year, the Sheriff's Office, working with the NYPD, DCWP, and the Law Department, has completed 5,700 inspections and closed 1,300 stores. Most of us have seen the results firsthand in our neighborhoods.

Lastly, I'm happy to report that we received a grade of A+ from the Mayor's Office of Minority and Women's Business Enterprises for fiscal year 2024. Our team, led by CFO James, our ACCO Roman Shpolyansky, and our M/WBE program director Christine Chin, has put in a great deal of

effort to ensure that we are doing our part to meet the Administration's M/WBE procurement goals, and we're very pleased and proud to be recognized for those efforts.

Plans for the coming year

Now let's turn to the upcoming year.

This spring, we are aiming to introduce a property tax reform bill in the state legislature. It is time to reform the system and make the burden of paying property taxes fairer. We look forward to the Council's support in this important endeavor.

In fiscal year 2026, we will kick off the replacement of our 30-year-old system for tracking parking violations, STARS, with a new modern system. Parking and camera violations in New York City account for a billion dollars in revenue. We will be replacing an outdated mainframe-based system to provide better service to the millions of motorists who interact with DOF and the parking violations bureau.

Right now, the Department of Finance is in the middle of the exemption application season. We are looking to build on last year's success in increasing enrollment in the Senior Citizen Homeowners' Exemption (SCHE) program. Last year, we mailed SCHE applications to over 19,000 households, and this year we mailed to 42,000 households. Our focus remains the same, and it is to find every eligible New Yorker and encourage them to apply for one of our personal exemptions.

Finally, we are constantly striving to meet our customers where they are and make interactions with us as smooth as possible. Led by Deputy Commissioner for Customer Operations Annette Hill and our CIO Caroline Carney, we have simplified access for our business and parking customers by combining platforms for multiple account types into one easily accessible system, enabled self-service payment plans, launched a chatbot, and begun cross training our call center staff to address the full range of inquiries we receive. As these improvements continue, we are exploring ways to better communicate with our customers via email and text.

Closing

It is a point of pride for us that the 311 Resolution Satisfaction Dashboard ranks DOF as the top agency in customer satisfaction, and we plan to stay there.

We remain committed to providing the best customer service in all of city government. We are grateful for the many DOF initiatives you have supported in the past and know that we can continue to count on your support in the future.

Our door is always open to assist you with any needs that your constituents might have.

Thank you for the opportunity to testify today, and I will be happy to answer any questions.

Courtney Bryan. Executive Director

Table of Contents

Page 1

- Center for Justice Innovation New York City Program Map

Page 2 - Page 14

- Written testimony for submission to 3/5/25 City Council Preliminary Budget Hearing of the Committee on Finance

Page 15 - Page 23

- Summary of FY26 Center for Justice Innovation Proposals

The Center for Justice Innovation is a non-profit organization that seeks to transform the policies and practices of the justice system to make it fair, effective, and humane. The Center operates the following sites throughout New York City.

- Family
- Criminal
- Community Development
- Civil/Housing

Click on the name of any program to learn more.

STATEN ISLAND

1. Staten Island Justice Center

MANHATTAN

2. Harlem Community Justice Center
3. Headquarters
4. Manhattan Justice Opportunities
5. Midtown Community Court

MULTI-BOROUGH

6. Legal Hand (Bronx, Brooklyn, Queens)

BRONX

7. Bronx Child Trauma Support
8. Bronx Community Justice Center
9. Bronx Community Solutions

BROOKLYN

10. Brooklyn Justice Initiatives
11. Brooklyn Mental Health Court
12. Brownsville Community Justice Center
13. Neighbors in Action
14. Red Hook Community Justice Center
15. Supervised Release Program

QUEENS

16. Queens Community Justice Center (Jamaica and The Rockaways)

Staten Island

Brooklyn

Queens

Manhattan

Bronx

Citywide

For More Information
Hailey Nolasco
Senior Director of Government Relations
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- Access to Justice
- Alternatives to Incarceration
- Driver Accountability Program
- Gender and Family Justice
- Neighborhood Safety Initiatives
- Parent Support Program
- Project Reset
- Restorative Justice Practices
- RISE Project
- Strong Starts Court Initiative
- Youth Action Institute
- Youth Impact

Courtney Bryan. Executive Director

Good afternoon Chair Brannan and esteemed members of the Finance Committee. My name is Hailey Nolasco, and I serve as Senior Director of Government Relations for the Center for Justice Innovation. Thank you for the opportunity to testify today.

Over the past thirty years, the Center for Justice Innovation (the Center) has provided programs and services spanning the entire justice continuum. We work to provide proportionate responses to harm that shrink the footprint of the justice system and give individuals the tools they need to thrive in community. In addition, we seek to generate safety through community engagement and the provision of resources. With residents as our partners, we work to address the root causes of crime, improving conditions through offerings such as youth engagement, workforce development, harm reduction, intimate partner violence prevention, and more.

Now more than ever, we need support from our partners in the City to continue such progressive advancements and grow our footprint of community safety.

Alternatives to Incarceration

Each year, thousands of people with substance use disorders, serious mental illness, and other treatable issues cycle through our city's jail system. Often, these individuals are returning to their communities destabilized, leading to more harm and ultimately, re-incarceration. With the goal of breaking that cycle, the Center is seeking funding to continue providing these vital programs.

Alternatives to Incarceration, or ATIs, link participants with mental health and substance use treatment, vocational and educational supports, individual and group counseling tailored to participants' needs, as well as supervision and regular reporting to the court. ATI programs therefore reduce the court's reliance on incarceration, lower the jail population, and allow people to remain in their communities while receiving the tools they need to avoid further justice involvement.

ATIs work to set individuals up for success upon completion of programming. Through significant staff training and quality assurance measures, we ensure our programs consistently adhere to evidence-based practices. As a result, our programs are successful in reducing re-offending and re-incarceration. In addition, our programs offer longer term services to participants on a voluntary basis following completion of their court-mandated program.

Utilizing these evidence-based practices results in shrinking some of the well-documented high costs associated with incarceration and detention. Ultimately, we can also reduce the potential harms of confinement, such as losing housing, critical benefits, or employment, protective factors that can be hard to regain once lost. These programs have the capacity to make real, tangible advances in our efforts to improve public safety, ensure justice and accountability, and strengthen communities in the long run.

Brooklyn Felony Alternatives to Incarceration

The Center for Justice Innovation (Center) seeks funding to support its Brooklyn Felony Alternatives to Incarceration (FATI) programs for individuals arrested on violent and non-violent felony charges in Kings County. These FATI programs offer holistic and individualized community-based interventions and rigorous judicial monitoring of participants on felony cases, thereby reducing the use of jail and prison sentences and leading to reduced criminal dispositions.

Brooklyn Mental Health Court

The Brooklyn Mental Health Court (BMHC), based within Brooklyn Supreme Court, was New York City's first mental health court and has been serving as a local and national model for over twenty years. BMHC works to craft effective responses to crime committed by those suffering from severe mental illness, including those facing felony charges. In addressing both program participant treatment needs and community public safety concerns, the court links defendants with serious and persistent mental illness, who would ordinarily be jail- or prison-bound, to long-term community-based treatment as an alternative to incarceration. Cases are referred by judges, defense attorneys, and the Kings County District Attorney's office.

The participants in our mental health courts often face numerous challenges, so being able to administer critical treatment services while preserving stability in participants' community is of vital importance. To date, over 1,300 participants have received treatment, satisfied program requirements, and graduated, all outside of the carceral setting. Active participants boast a 74 percent compliance rate while in Brooklyn Mental Health Court. These participants have a reduced likelihood of a rearrest and a 17 percent reduction in the likelihood of a re-conviction versus a comparison group.¹ This data shows that these programs are not just effective at administering treatment but also at improving public safety, features traditional incarceration often lacks. As evidenced by the reduction in re-arrests and convictions, these programs function in a way that is true to their name, working to solve the problems that result in justice system involvement to benefit individuals and communities for years to come while saving the city from increased incarceration costs.

Brooklyn Felony Alternatives to Incarceration Court

The Brooklyn Felony Alternatives to Incarceration Program offers community-based interventions and rigorous judicial monitoring to people with criminal charges in Supreme Court who are not otherwise eligible for other specialized treatment courts, such as the Brooklyn Mental Health Court or Brooklyn Treatment Court. The court aims to serve participants with a wide range of felony charges and diverse needs.

¹ Rossman, S.B., J. Buck Willison, K. Mallik Kane, K. Kim, S. Debus-Sherrill & P.M. Downey (2012, July). Criminal Justice Interventions for Offenders with Mental Illness: Evaluation of Mental Health Courts in Bronx and Brooklyn, New York. New York, NY: Urban Institute.
<https://www.urban.org/sites/default/files/publication/25576/412603-Criminal-Justice-Interventions-for-Offenders-With-Mental-Illness-Evaluation-of-Mental-Health-Courts-in-Bronx-and-Brooklyn-New-York.PDF>

The goal of the program is to improve public safety by increasing the use of community-based social services and supervision as a response to felony cases. Participants complete mandated, individualized services that are designed to help them avoid future contact with the justice system, reduce unnecessary incarceration, minimize the collateral consequences of criminal justice involvement, and promote swift case resolutions.

Judges and attorneys are provided with independent assessments and tailored interventions that offer clinically informed, effective, and restorative responses. Social workers assess participants and develop individualized treatment plans. These treatment plans can include individual or group counseling, job training, and substance use or mental health treatment, among other services. The clinical staff has access to a consulting psychiatrist for individuals with significant mental health needs.

EmpowerHER

At the Center's Staten Island Justice Center (SIJC) and the Queens Community Justice Center (QCJC), there has been an increase in the number of female participants (including female-identifying participants) referred to Alternative to Incarceration programming, a trend that is reflected nationwide.² The Staten Island Justice Center has been offering ATI programming since 2020. In its first full year of operation, 2021, Staten Island ATI programming served 94 female participants representing about 21 percent of ATI participants. This number has steadily increased each year, and in 2024, 200 women were served through Staten Island's ATI program, approximately 29 percent of the 678 participants served. The Queens Community Justice Center has also seen a notable increase in the number of female participants referred to its ATI program: in 2022, Queens ATI programming served 91 female participants; this increased to 325 in 2023 and 334 in 2024.³ These upward trends in both Staten Island and Queens underscores the growing demand for resources for women and emphasizes the importance of responsive support for female participants in ATI programs. To meet this rising need, the Staten Island and Queens Justice Centers are requesting funding from City Council to develop specialized ATI programming to meet the unique needs of female-identifying participants.

Research shows that women who come into contact with the justice system often have unique needs and experiences that differ significantly from those of men. Women involved in the justice system are more likely to have experienced physical, emotional, or sexual abuse compared to their male counterparts.⁴ In addition, they often report higher rates of mental health issues and substance abuse disorders.⁵ Women involved in the justice system may face greater challenges securing stable, well-paying jobs upon release, impacting their ability to provide for

² Budd, K. M. (2024, July 23). *Incarcerated Women and Girls*. The Sentencing Project. <https://www.sentencingproject.org/fact-sheet/incarcerated-women-and-girls/>

³ Center for Justice Innovation. (2025). Justice Center Application and Reset referral database. [Data file].

⁴ *Women and Girls in the Justice System: Overview*. Office of Justice Programs. (2020, August 13). <https://www.ojp.gov/feature/women-and-girls-justice-system/overview>

⁵ Council on Criminal Justice. (2024, July). *Women's Justice: A Preliminary Assessment of Women in the Criminal Justice System*. <https://counciloncj.org/womens-justice-a-preliminary-assessment-of-women-in-the-criminal-justice-system/>

themselves and their families. Finally, a large portion of women involved in the justice system are mothers and often the primary caretakers for their children.⁶

Internal data collected from female participants at the Staten Island Justice Center and the Queens Community Justice Center support these findings. At the Staten Island Justice Center, 29.5 percent of women served in the ATI program were flagged as having mental health needs and 62 percent flagged for employment needs, which correlated with economic challenges. At the Queens Community Justice Center, education, employment, and housing are consistently identified as the top areas requiring attention for women. In 2023, 18.4 percent of female participants flagged education as a need, 56.4 percent cited employment, and 26.7 percent identified housing. By 2024, these figures increased, with 30.2 percent of females flagging education needs, 61.1 percent indicating employment needs, and 31.9 percent highlighting housing as a priority.⁷ Addressing these unique needs with gender-informed approaches can lead to better outcomes for female ATI participants.

With support from City Council funding, the programs will launch EmpowerHer: Pathways to Justice, which will provide both group and individual programming to address the needs of female participants. Funding will be used to hire a case manager for Staten Island Justice Center and a case manager for Queens Community Justice Center, who will deliver trauma-informed and gender-specific programming that address the intersections of trauma, race, gender, and sexuality for women involved in the justice system. Psychoeducational groups will aim to address the most pressing needs of women in the justice system, in tandem with individual case management services. The program's primary focus will be on addressing economic development, health, mental health, and parental support needs.

Bronx Community Solutions Driving While Intoxicated (DWI) Program

Since 2010, Bronx Community Solutions (BCS) has assisted all individuals ordered by Bronx Criminal Court mandate to complete a screening and assessment on DWI-related charges.. This initiative began at the request of the judiciary, who noted that participants were having difficulty navigating the complicated network of private providers of these statutorily mandated services. While BCS never charges any cost to participants for services, private providers regularly charge in excess of \$300 to \$400 to complete a screening and assessment. BCS has negotiated with several providers who have been willing to accept a reduced fee of \$150 in order to serve the volume of court mandated cases that come from Bronx Criminal Court, but that still remains a significant financial hurdle for participants and a barrier to entering the treatment process as soon as possible, thus making Bronx streets safer. To eliminate this financial burden on participants and also expedite the treatment process, BCS is seeking funding to cover the costs of DWI treatment and assessments for BCS participants, and to fund the staffing of a DWI treatment coordinator so that BCS may continue to be relied on by the courts to do the necessary work of connecting mandated participants to treatment.

⁶ *Women and Girls in the Justice System: Overview*. Office of Justice Programs. (2020, August 13). <https://www.ojp.gov/feature/women-and-girls-justice-system/overview>

⁷ Center for Justice Innovation. (2025). Justice Center Application and Reset referral database. [Data file].

This initiative will provide two key benefits to the community. First, by addressing the significant financial barrier to screening and assessment for DWI treatment, BCS will provide equity and fairness to all mandated participants, regardless of their ability to pay. For those facing the financial burdens of lost income and lost transportation, this will be particularly beneficial. Second, this initiative will be beneficial to the entire Bronx community as every Bronx resident will gain from safer streets. The very nature of DWI charges mean that they may impact any pedestrian, cyclist, driver, property owner, or resident of the Bronx who interacts with the streets of this borough. By eliminating barriers to treatment and getting participants to the help needed to make them a safer driver, this initiative will speed up the timeline to achieving enhanced road safety in the Bronx. In 2024, 288 clients were referred for screening and assessment. Since 2020, among the participants referred and followed by BCS through their treatment process, 84 percent successfully completed treatment.⁸

Driver Accountability Program

Traffic safety is an issue that directly impacts the majority of New Yorkers, whether they are drivers, pedestrians, or cyclists. According to a recent study by Transportation Alternatives, 70 percent of New York City voters know someone who has been injured or killed in a traffic crash, and 30 percent have been injured in a traffic crash themselves, making this a particularly pertinent issue to be addressed.⁹

The Center's Driver Accountability Program seeks to reduce dangerous driving behaviors and improve street safety in New York City by utilizing principles of restorative justice to engage drivers in meaningful reflection around their driving behaviors, and encourage self-empowerment to change those behaviors. The program also works to reduce systemic harms that are caused by traditional punitive responses, by offering an alternative to fines, fees, traditional prosecution, or short-term incarceration for vehicular charges. We are seeking funding from City Council to support this vital program.

The program draws upon principles of restorative justice to address the dangerous behaviors that are the primary cause of pedestrian fatalities. It utilizes a group participation model that enables drivers to self-reflect and have honest conversations about their own behaviors, the reasons behind their choices, and an opportunity to learn from one another in a non-judgmental environment. Participants are required to actively engage in a series of exercises and discussions led by trained group facilitators.

After a brief introduction, participants complete a questionnaire that requires them to rate and describe their driving beliefs and behaviors, a practice that initiates meaningful self-reflection. Participants are then asked to share their answers, providing a framework for a discussion about what constitutes dangerous driving and why. Incorporating victims' voices is a critical component of the program. Participants watch the Vision Zero video, "Drive Like Your Family Lives Here," which includes testimonials from people who have lost loved ones due to unsafe driving. Group facilitators then lead a discussion about the video and the importance of thinking broadly about one's place on the road and in the community. Participants also learn

⁸ Center for Justice Innovation. (2025). Justice Center Application and Reset referral database. [Data file].

⁹ Troutman, M. (2021, January 15). Traffic Violence Touches 70 Percent of NYers, Study Finds. <https://patch.com/new-york/new-york-city/traffic-violence-touches-70-percent-nyers-study-finds>

about the importance of language and why it is critical to view these tragedies as “crashes,” rather than “accidents.”

In the latter part of the session, participants are required to identify two to three driving behaviors that they are committed to changing. The group then develops concrete steps to change each of these behaviors, such as identifying alternative practices and decision-making skills that can be harnessed in those critical moments of judgment. This portion of the group empowers participants to become agents of their own change—an essential element of the Driver Accountability Program’s restorative approach.

Throughout the session, the facilitators introduce important facts and safety tips for the group to consider and discuss, such as the scientific data behind speed limits, the lead causes of fatalities, and the importance of street design and engineering. This allows participants to come away with an understanding of the myriad elements that contribute to street safety, and the role they can play as drivers in that ecosystem.

With the support of the City Council, the Driver Accountability Program currently operates at six sites, in all five boroughs, serving criminal courts in the Bronx, Brooklyn, Queens, Manhattan, and Staten Island. The program is offered in both Spanish and English; individuals who are referred with other language needs are provided with translation services to conduct the program in a one-on-one setting. In 2024, 980 participants completed the program across all five boroughs.¹⁰

A recent impact evaluation conducted by the Center found a 50 percent reduction in recidivism in Brooklyn, and success at improving street safety in both Brooklyn and Staten Island. Specifically, the evaluation found that DAP participants in both Brooklyn and Staten Island were less likely to recidivate on selected DAP charges within six months than the comparison group. In Brooklyn, the recidivism effect remained significant across all periods analyzed, up to two years post-disposition. Participation in DAP was also associated with different case outcomes: DAP participants in Brooklyn were more likely to have their case dismissed and less likely to receive a fine than individuals not mandated to DAP.¹¹ This evaluation built upon an earlier participant-focused evaluation conducted by the Center, which found that the program was successful in engaging drivers in meaningful self-reflection and changing their driving beliefs and behaviors.¹²

Over several years of operating the Driver Accountability Program, facilitators noticed a growing number of participants who were being referred to the Program for charges related to a suspended license, or other invalid documentation (such as registration or insurance). For this participant population, program staff determined that a more tailored intervention was needed that offered more insight into state laws and regulations governing such documentation, as well as what steps they would need to take to be in compliance with these laws. As such, program staff created a new version of DAP that would focus on supporting participants to better

¹⁰ Center for Justice Innovation. (2025). Salesforce database. [Data file].

¹¹ Strong, H., Reynolds, D., & Sharlein, J. (2024, November). Steering Towards Safety: An Impact Evaluation of the Driver Accountability Program.
https://www.innovatingjustice.org/sites/default/files/media/document/2024/DAP%20eval_11072024.pdf

¹² Sexton, E., & Jeffrey Sharlein. (2022, February). The Driver Accountability Program: A Participant-Focused Evaluation of a New York City Alternative Sentencing Program.
[https://www.innovatingjustice.org/sites/default/files/media/document/2022/Driver Accountability Program Report Final Draft.pdf](https://www.innovatingjustice.org/sites/default/files/media/document/2022/Driver%20Accountability%20Program%20Report%20Final%20Draft.pdf)

understand the requirements associated with having a license, how to check the status of their license, how to clear suspensions with the Department of Motor Vehicles, and other rules of the road related to documentation. This curriculum, currently titled “Driver Accountability Program 2.0/Documentation,” began a pilot phase in April 2024 in Brooklyn and has since expanded to Staten Island. In 2024, 52 participants were served through the Driver Accountability Program 2.0 group.¹³

Circles for Safe Streets

The Center is also requesting support for the second tier of the DAP program, called Circles for Safe Streets: Driver Accountability Through Restorative Justice, which responds to vehicular crashes involving serious injury or death. The Center worked with Families for Safe Streets to develop Circles for Safe Streets which offers more intensive intervention that brings together drivers and victims and/or surviving family members of their crashes through restorative circles to work toward healing, accountability, and reparation. During the circle sessions, victims (or family members) have an opportunity to articulate their feelings, the depth of harm they have suffered, and what has been taken from them as a result of the driver’s actions. Significantly, it also provides an opportunity for the driver to be held accountable, acknowledge the harm they have caused, and express remorse or even take steps to repair the harm.

Before bringing the parties together, program staff work separately with the drivers and victims/surviving family members to provide intensive individualized support in the form of case management, support groups, and referrals for long-term counseling to address trauma and mental health care that is often needed in the aftermath of these crashes. Additionally, as part of the preparation process, all drivers who participate in Circles for Safe Streets are required to complete the Driver Accountability Program to begin the process of educating and to introduce drivers to the voices of those who have experienced this kind of harm. In the majority of cases, Circles for Safe Streets serves as an alternative to incarceration. In a limited number of cases, where the case requires some period of incarceration due to aggravating circumstances (such as the involvement of alcohol or excessive rates of speed in the crash), participation in Circles for Safe Streets may serve as mitigation and result in a reduced period of incarceration.

UPLIFT

To address the high levels of exposure to community violence and trauma among young men of color in Queens, the Queens Community Justice Center piloted UPLIFT in FY2022, a program that provides trauma and healing services to justice-involved young men of color, ages 16-25. By offering client-driven individual therapeutic sessions and supportive group workshops, case management and victim services assistance, and advocacy and mentoring, participants are supported to recognize, process, and heal their own trauma, resulting in better life outcomes. Given the program’s initial success, the Justice Center was able to fully implement and sustain the program, thanks to the ongoing support of City Council.

While men and boys of color are too often viewed as perpetrators in our society, many are victimized by violence. Despite being at high risk of violent victimization from multiple

¹³ Center for Justice Innovation. (2025). Justice Center Application and Reset referral database. [Data file].

kinds of violence (community, interpersonal, family), young men of color who have been involved in the justice system are rarely recognized as crime victims, rarely self-represent as crime victims, and are rarely treated as survivors of crime by their communities or by the agencies that provide coordinated services.¹⁴ Yet the overlap between victimization and justice system involvement should not come as a surprise. Among adult offenders, experience with childhood violence and trauma is high; in a study conducted with inmates in a medium security prison in New York State, more than two-thirds reported that they had experienced some form of childhood victimization. Nationally, approximately half of all young people involved in juvenile justice systems have a history of significant trauma.¹⁵

Few programs help address the trauma histories of young men that often perpetuate their justice involvement and halt their development into healthy adulthood. UPLIFT serves young men between the ages of 16-25 that live in Queens neighborhoods that face substantial environmental challenges, including high levels of violence, poverty, and unemployment. In particular, UPLIFT provides trauma and healing services to community members who have been touched by gun violence, in a manner designed to meet participants “where they are,” in terms of type, intensity, and location of services.

Pre-Arrest Diversion

In recent years, a critical and growing part of the Center’s work has been an effort to develop proportionate responses that shrink the footprint of the justice system and minimize its harms. This has led to the launch of several early diversion programs which seek to provide offramps to individuals even further upstream than traditional system responses have allowed for. The Center is seeking funding to support two such early diversion programs.

Bronx HOPE

Bronx Heroin Overdose Prevention and Education (HOPE), an initiative of Bronx Community Solutions, addresses substance use issues with a harm reduction model at the precinct level. By giving clients the option of accessing community services instead of appearing in court, Bronx HOPE gives Bronx residents the opportunity for rehabilitation and connection to community rather than jail or options that don’t address the underlying issues.

The process begins when an individual is issued a Desk Appearance Ticket (“DAT”) from the New York Police Department. The NYPD will forward this DAT to the Bronx District Attorney’s Office, which will review the individual for eligibility. Individuals who receive a DAT for drug possession will have the option to participate in the HOPE program. If an individual is eligible, they will be met at the precinct after their arrest by a peer mentor, who explains the program, provides a Naloxone kit and overdose prevention education; and connects

¹⁴ Sered, D. (2014, December). Young Men of Color and the Other Side of Harm. <https://www.vera.org/publications/young-men-of-color-and-the-other-side-of-harm-addressing-disparities-in-our-responses-to-violence>

¹⁵ Weeks, R., & Widom, C. S. (1998). Self-reports of early childhood victimization among incarcerated adult male felons. *Journal of Interpersonal Violence*, 13(3), 346–361. <https://doi.org/10.1177/088626098013003003>

the individual to Bronx HOPE case managers. If an individual chooses to participate, they must meet with a Bronx HOPE case manager within seven days of their arrest. Case managers then conduct an assessment and work with the individual to develop an individualized plan of care; help identify services that address an individual's needs; and provide support in the completion of services.

Bronx HOPE demonstrates that eligible individuals are more likely to engage in programming with peer presence at the precinct. In 2024, Bronx HOPE had a contact rate of 88 percent for dispatched cases. Of those cases that were dispatched and began services, 70 percent completed their services, thereby preventing the need for those participants to appear in court and face criminal charges.¹⁶

Project Reset

Much like Bronx HOPE, Project Reset offers participants the option to avoid court and a criminal record by completing community-based programming. The Center operates Project Reset for adults ages 18 and older in all five boroughs with support from the Mayor's Office of Criminal Justice, New York City Council, District Attorneys' offices, and the New York City Police Department. Police alert individuals who are arrested and receive DATs for low-level offenses that they may be eligible for Project Reset. Prosecutors then review each case. Those with eligible charges are offered the opportunity to engage in programming rather than going to court. Individuals may consult with a defense attorney at any time.

Participants complete an intake interview with program staff and engage in two-to-four hours of programming. Participants who successfully complete this intervention never set foot in a courtroom and don't get a criminal record. Instead, the local district attorney's office declines to prosecute their case and the arrest record is sealed. Project Reset programming varies by borough and the participant's age. Participants are offered interventions such as group workshops, restorative justice circles, arts programming, or individual counseling sessions. Through these interventions, participants gain a better understanding of the criminal justice system, personal accountability, and knowledge of the resources available to them in the community. All participants are offered voluntary referrals to social services, such as counseling, job training, or substance use treatment.

Since 2015, Project Reset has helped more than 10,000 participants avoid court and the consequences of a criminal record. As of 2024, the program has a 96 percent attendance rate of those scheduled.¹⁷ An evaluation of 16- and 17-year-old Project Reset participants in Manhattan found they were significantly less likely than defendants in a comparison group to be convicted of a new crime within one year. It also documented improved case processing times and case outcomes, as well as positive perceptions of the program. More than 95 percent of participants said they had made the right decision by entering the program and that they would recommend Project Reset to someone in a similar situation.¹⁸

¹⁶ Ibid.

¹⁷ Center for Justice Innovation. (2025). Justice Center Application and Reset referral database. [Data file].

¹⁸ Cadoff, B. & K. Dalve (2019, January). *Project Reset: An Evaluation of a Pre-Arrest Diversion Program in New York City*. New York, NY: Center for Justice Innovation.
<https://www.innovatingjustice.org/publications/projectreset-evaluation>

Bronx Same-Day Reset

With ongoing City Council support, Bronx Community Solutions, an initiative of the Center, will continue offering same-day at-arraignment programming that gives eligible individuals the opportunity to participate in programming at their first court appearance and receive an immediate dismissal the same day. This programming, first piloted in 2024 with City Council funding, addresses the large gap in services caused by the inability to contact many Bronx Reset and Bronx HOPE (Bronx Heroin Overdose and Prevention Education) pre-arraignment diversion participants before their initial court date. Ultimately, these expanded diversion services reduce the collateral consequences of justice system involvement while instilling accountability; address underlying reasons for justice system involvement; and alleviate the massive backlog in the court system, an issue that disproportionately impacts the Bronx.

Rapid Reset

While same-day programming in the Bronx is funded through Bronx Project Reset's existing City Council award, in Manhattan, this work is presently unfunded. The Center is seeking funding from City Council to maintain this vital resource in an additional borough.

In Manhattan, around 70 percent of eligible people miss the chance to take advantage of pre-arraignment diversion due to inaccurate or missing contact information on their arrest paperwork. These participants might have inconsistent access to phones or email, and may have no reliable method of receiving mail, making it difficult or impossible for Reset program staff to reach them and engage them in services. For years, these individuals missed out on the benefits of Project Reset, including the opportunity to participate in a meaningful program session, gain access to voluntary resources, and have their case resolved favorably with a "decline to prosecute". Perhaps most significantly for many, those individuals had no opportunity to avoid going to court, and along with all of the stressful and harmful consequences that can accompany that.

To remedy this, the Midtown Community Justice Center (MCJC), in partnership with the Manhattan District Attorney's Office, launched same-day Project Reset programming, or "Rapid Reset," in Manhattan Criminal Court Arraignment Parts. The goal of this initiative was to serve individuals who would have already been eligible for Project Reset, but for a variety of reasons were not able to be contacted prior to their arraignment date. Upon appearing in court, these individuals would have the opportunity to engage in Project Reset programming that same day. Upon successful completion of the session, participants' cases are dismissed the same day and they are not required to return to court.

During the first quarter of FY2024, before the inception of Rapid Reset, MCJC provided Project Reset programming to 160 individuals. In the first quarter of FY2025, MCJC served 299 people through traditional Reset and 479 people through Rapid Reset, a near 500 percent increase in program participants overall. From the inception of the program through 2024, 2,030 people have completed Rapid Reset in Manhattan ¹⁹

¹⁹ Center for Justice Innovation. (2025). Justice Center Application and Reset referral database. [Data file].

Community-Based Diversion

The Center's community-based work is an important complement to our court-based services. At the Center, we understand that safety goes beyond the courtroom, and our offerings reflect that. Below are a selection of our community-based diversion programs that the Center is seeking City Council funding to support.

Staten Island Justice Center

In response to growing community need, the Staten Island Justice Center has worked in close collaboration with the Richmond County District Attorney's Office to plan and begin operationalizing programming for a Staten Island Community Justice Center. When fully implemented, this Community Justice Center will offer a robust array of programming, including replications of community-based interventions piloted and established at the Center for Justice Innovation's existing Community Justice Centers in the Bronx, Queens, and Brooklyn. In FY2023, with City Council support, the Staten Island Justice Center conducted a public safety assessment, which sought to pinpoint community strengths, needs, and gaps in service for Staten Island residents. The results of the survey helped shape the Community Justice Center planning process as well as the development of several initiatives being piloted in FY2024, also with City Council support. The Staten Island Justice Center seeks continued funding for FY2026 in order to fully implement several of the piloted initiatives, including youth and placemaking programs.

The Staten Island Justice Center has provided an array of programs to the entire borough of Staten Island since 2009. In 2024, the Justice Center served over 2,500 youth and adults, providing alternatives to incarceration and detention, diversion options, as well as individual and group programming in the areas of mentorship, work readiness and placement, civic engagement activities, positive prosocial engagement, health and wellness, and peer leadership—all with the unifying goal of supporting people in building successful lives and avoiding justice system involvement.

Reimagining Intimacy through Social Engagement (RISE) Project

The RISE Project transforms responses to intimate partner violence (IPV), focusing specifically on its intersection with gun violence. Gun violence and intimate partner violence are often viewed as separate problems that require different responses, but neighborhoods impacted by high rates of gun violence also have the highest levels of reported domestic violence incidents. Access to a gun makes it five times more likely that a partner experiencing abuse will be killed.²⁰

The project works with 30 gun violence prevention programs Citywide to train staff on intimate partner violence, facilitate workshops and ongoing groups with youth participants, and execute community events raising awareness around intimate partner violence.

²⁰ Center for Justice Innovation. *Rise Project*. New York, NY.
<https://www.innovatingjustice.org/programs/rise-project>

Additionally, RISE provides support and technical assistance when gun violence sites are responding to incidents of violence that are IPV related. This partnership with gun violence prevention programs has provided important access to information to help identify sites where gun violence is likely to occur. As a large percentage of New York City gun violence is IPV related, anti-violence programs need to improve their ability to understand IPV dynamics. Additionally, partners have benefited through the education and prevention efforts that RISE provides to youth and the community at large. RISE also benefits from this partnership, because gun violence prevention programs that are on the ground 24/7 in neighborhoods with the highest rates of IPV are building relationships with individuals who are engaged in violence. This allows RISE direct access to a high-risk population to offer them much needed resources.

RISE also facilitates programming for youth from neighborhoods most impacted by gun and intimate partner violence. Youth engage in a seven-week program to develop a place-based project to increase public safety with a healthy relationships lens. With offerings in areas such as visual arts and journaling, RISE engages participants to design and create a culminating interactive community activation. The approach is rooted in community healing, neighborhood-specific, and place-based principles. The culminating exhibit included pieces on identity, healthy relationships, boundaries, consent and more. Additionally, youth participants have hosted a teen dating panel for their peers where they discussed topics relevant to healthy relationships and community accountability.

Moreover, RISE reaches tens of thousands of individuals each year through public campaigns (e.g., via social media), community events, and direct engagement to change community norms, increase access to resources and information, and ultimately prevent intimate partner violence. Last year (FY24), RISE directly engaged 5,222 people through a variety of community events and services, such as workshops, trainings, crisis support, small business poster board campaigns, citywide barbershop talks, and community healing responses to intimate partner violence-related incidents.²¹

Brownsville Girls Collaborative

The Brownsville Girls Collaborative (BGC) is an intensive leadership development program for female-identifying individuals ages 15-18, that focuses on healing from personal and community trauma. Through BGC, the Brownsville Community Justice Center recognizes the intersectionality of community, interpersonal, and structural violence that young women experience, especially within marginalized communities and oppressive systems. Working with a rites of passage framework, BGC diverts young women from violence and justice system involvement, while also supporting their healing from trauma and personal development. BGC utilizes trauma-informed, peer-based, and youth-led practices to address the developmental needs of each participant, creating career pipelines and economic opportunities in areas of interest, such as science, technology, design, or engineering, amongst others, where women of color are traditionally underrepresented. Young women in programming are connected to employment opportunities, internships, and gender-specific movements led by women of color throughout New York City. The Justice Center strives to help young women in Brownsville understand the complexities of navigating gender as a construct within the community and the workforce, as well as creating opportunities for success within oppressive systems.

²¹ Center for Justice Innovation. (2025). Justice Center Application and Reset referral database. [Data file].

Conclusion

Thank you for the opportunity to testify today on the importance of these vital programs. City Council funding allows the Center to access more communities in need to provide programs, resources and community engagement that build long-term safety. Programming like ours decreases the footprint of the justice system, saves taxpayer dollars and builds a more equitable society. We appreciate your partnership in the upcoming fiscal year.

Courtney Bryan, Executive Director

FY26 Center for Justice Innovation Major Proposals

Bronx Community Justice Center

- **#192488 - Bronx Community Justice Center Insight Initiatives - \$100,000**

Court Involved Youth Mental Health (New)

Description: The Bronx Community Justice Center (Justice Center), an operating project of the Center for Justice Innovation, seeks Court Involved Youth Mental Health Initiative funding to enhance the Insight Initiatives program (Insight). Insight is a diversion and alternative-to-incarceration program for young people ages 14 to 24. Insight is specifically designed to engage youth who have been impacted by violence and/or gang involvement. Insight is a community-based, localized program model that is strongly rooted in the neighborhoods the program serves and where youth live. Insight leverages community engagement as the foundation of its successful approach. Insight uses a transformative, healing-centered model to allow youth to take accountability for their actions, contribute to their communities, and address root causes to prevent future justice involvement. Many of the participants, who are justice-involved youth, have also experienced harm and trauma which oftentimes leads to substance misuse as a coping mechanism. As such, with support from City Council funding, the Justice Center hopes to expand Insight to also provide support for justice system-involved youth struggling with substance misuse.

- **#192552 - Bronx Community Justice Center In-She-Spire - \$100,000**

Young Women's Leadership Development (New)

Description: The Bronx Community Justice Center's Project In-She-Spire works to create a safe, empowering, and nurturing environment designed to address the unique needs of young women, femmes, and gender-expansive individuals between the ages of 14 and 24. In the South Bronx, girls encounter a distinct set of challenges, resulting in fractured community bonds, overrepresentation in the criminal justice system, and involvement in gangs. Project In-She-Spire is dedicated to fostering meaningful social connections among these young women and gender-expansive youth, with the aim of fostering positive development, strengthening resilience, and boosting self-esteem. Project In-She-Spire's goal is to provide participants with the vital skills and resources

needed to navigate systemic obstacles and overcome adversity, ultimately building a brighter future.

Bronx Community Solutions

- **#197361 - Bronx Community Solutions Driving While Intoxicated Program - \$100,000**

Member Item; Bronx Delegation (New)

Description: Since 2010, Bronx Community Solutions (BCS) has assisted all individuals ordered by court mandate to complete a screening and assessment and any potential treatment associated with a charge of Driving While Intoxicated (DWI). This initiative began at the request of the judiciary, who noted that participants were having difficulty navigating the complicated network of private providers of these statutorily mandated services. While BCS never charges any cost to participants for services, private providers of DWI treatment regularly charge participants \$300 to \$400 to complete a screening and assessment. BCS has negotiated with several providers who have been willing to accept a reduced fee of \$150 to serve the volume of court mandated cases that come from Bronx Criminal Court, but that remains a significant financial hurdle for participants and a barrier to entering the treatment process as soon as possible, thus making Bronx streets safer. To eliminate this financial burden on participants and expedite the treatment process, this application seeks funding to cover the costs of DWI treatment and assessments for BCS participants, and to fund the staffing of a DWI Treatment Coordinator so that BCS may continue to do the necessary work of connecting court-mandated participants to treatment.

Brooklyn Mental Health Court

- **#192513 - Brooklyn Mental Health Court Court-Involved Youth Mental Health - \$150,000**

Court Involved Youth Mental Health (Renewal)

Description: The Court-Involved Youth Mental Health initiative of Brooklyn Mental Health Court provides specialized support to youth ages 18 to 24, who have unique social and cognitive needs and who represent a growing percentage of the cases we serve. Since 2017, more than 191 youth in this age range have been served by Brooklyn Mental Health Court. Thanks to City Council support, we hired a new dedicated Youth Engagement Social worker who leads youth programming and fosters close relationships with our participants. Renewed funding will enable us to continue and strengthen our youth-focused programs, provide meaningful activities and healthy meals and snacks to our participants, continue essential training for staff, and maintain our critical Youth Engagement Social Worker.

- **#192478 - Brooklyn Mental Health Court - \$100,000**

Speaker's Initiative (Renewal)

Description: Launched in 2002 as the first mental health court in New York City, Brooklyn Mental Health Court (BMHC) is a specialized court that seeks to craft meaningful responses to the problems posed by defendants with mental illness in the criminal justice system. Addressing both the treatment needs of defendants with mental illness and the public safety concerns of the community, BMHC links defendants with serious and persistent mental illnesses or neurodevelopmental disorders (such as schizophrenia and bipolar disorder), who would ordinarily be jail- or prison-bound, with long-term treatment as an alternative to incarceration. BMHC performs psychosocial assessments and psychiatric evaluations, comes up with treatment plans, monitors clients' adherence to treatment plans, and refers clients to community-based services. For FY26, BMHC is seeking renewal funding to enhance its support of some the City's most vulnerable residents.

Brownsville Community Justice Center

- **#192523 - Brownsville Community Justice Center Brownsville Girls Collaborative - \$150,000**

Young Women's Leadership Development (Renewal)

Description: The Brownsville Girls Collaborative (BGC), a cornerstone of programming at the Brownsville Community Justice Center, is a leadership development program focused on the holistic empowerment of young women in the community. The program creates a safe space for young women from Brownsville, who are at high risk of violence or justice involvement, to engage with Justice Center staff, facilitators, and one another. Throughout the year, the Justice Center will work with BGC participants to address the root causes of trauma, violence, and risk behaviors to reduce justice system contact and develop participants into positive actors within the Brownsville community.

Queens Community Justice Center

- **#190772 - Queens Community Justice Center UPLIFT - \$100,000**

**Mental Health Services for Vulnerable Populations;
Court-Involved Youth Mental Health;
Speaker's Initiative;
Community Safety and Victims Services (Renewal)**

Description: To address the high levels of exposure to community violence and trauma among young men of color in Queens, the Queens Community Justice Center piloted UPLIFT in FY22 with City Council support. Through the pilot, staff provided trauma and healing services to justice-involved young men of color, ages 16-25. Given the program's

initial success, the Justice Center was able to fully implement and sustain the program, thanks to the ongoing support of City Council. By offering client-driven individual therapeutic sessions and supportive group workshops, case management and victim services assistance, and advocacy and mentoring, UPLIFT participants are supported to recognize, process, and heal their own trauma, resulting in better life outcomes. This year, the Justice Center requests funding to continue UPLIFT's critical work through the following initiatives: Court-Involved Youth Mental Health, Mental Health Services for Vulnerable Populations, Community Safety and Victim Services, and Speaker's Initiative.

The RISE Project

- **#191278 - RISE Project IPV Community Intervention - \$150,000**

Domestic Violence and Empowerment (Renewal/Expansion)

Description: This is an application for continued support of the RISE Project. RISE is a part of New York City's Crisis Management System, working in partnership with Cure Violence sites to provide community-based intimate partner violence (IPV) prevention services to individuals at risk of being impacted by gun violence in communities most impacted. RISE works to reduce IPV by engaging individuals who are causing abuse in voluntary programming to stop violence and change behavior, change community norms to reduce tolerance for IPV, train credible messengers to identify risk factors for IPV, build skills to talk about IPV, and connect community members in need of services to RISE. RISE incorporates components of the Cure Violence and restorative justice models in its work.

Staten Island Community Justice Center

- **#195496 - Staten Island Community Justice Center - \$200,000**

Speaker's Initiative (Renewal)

Description: In response to growing community need, the Staten Island Justice Center has worked in close collaboration with the Richmond County District Attorney's Office to plan and begin operationalizing programming for a Staten Island Community Justice Center. When fully implemented, this Community Justice Center will offer a robust array of programming, including replications of community-based interventions piloted and established at the Center for Justice Innovation's existing Community Justice Centers in the Bronx, Queens, and Brooklyn. In FY23, with City Council support, the Staten Island Justice Center conducted a public safety assessment, which sought to pinpoint community strengths, needs, and gaps in service for Staten Island residents. Continued City Council support in FY24 and FY25 enabled the Staten Island Justice Center to use the results of the survey to inform the Community Justice Center planning process, as well as develop, pilot, and implement several new initiatives responsive to identified community needs. The Staten Island Justice Center respectfully seeks continued funding

for FY26 to support this ongoing work, and, particularly, to sustain full implementation of the piloted initiatives, including youth and placemaking programs.

- **#192670 - Staten Island Community Justice Center Youth Wellness Initiative - \$130,000**

Court-Involved Youth Mental Health (Renewal)

Description: This is a renewal proposal for Staten Island Justice Center's Youth Wellness Initiative (YWI), a program providing wrap-around services to court-involved and justice system-impacted youth in Staten Island, ages 12 to 18, to decrease the likelihood of long-term justice involvement and support those who may have unmet mental health needs. We specifically seek to engage youth who have participated in some form of community harm (such as assault, robbery, or gang violence) or who have experienced community harm such as community violence or violence at home. YWI works to decrease community harm and the likelihood of long-term justice involvement through transformative education, youth-led community engagement, peer support and mentorship, and individual short-term counseling and advocacy. YWI also offers interactive and holistic family resources and support to parents or guardians who may need assistance in caring for their youth while navigating the justice system. Participants will be able to translate their therapeutic encounters into an opportunity to restore themselves back into their communities.

Major Cross-Site Proposals

- **#197482 - Center for Justice Innovation General Funds - \$750,000**

Innovative Criminal Justice Programs; Speaker's Initiative (Renewal/Redesign)

Description: This is an application to support the continuation of the Center for Justice Innovation's innovative criminal justice responses, community-based public safety initiatives, and access to justice programs across all five boroughs in New York City. City Council's support allows us to serve tens of thousands of New Yorkers with mental health services, family development, youth empowerment, workforce development, and housing, legal, and employment resource services. Our goal continues to be improving safety, reducing incarceration, expanding access to community resources, and enhancing public trust in government to make New York City stronger, fairer, and safer for all. With expanded funding, the Center will be able to make deeper investments in housing justice: a key priority area that underpins our efforts at large to build community justice.

- **#194898 - Driver Accountability Program - \$885,000**

Diversion Programs; Alternatives to Incarceration (Renewal)

Description: The Center for Justice Innovation's Driver Accountability Program has been proven to improve street safety by changing driver behavior, while minimizing

harms perpetuated by the criminal justice system's historically punitive responses. It does so by offering a proportionate and meaningful alternative to fines, fees, traditional prosecution, or short-term incarceration for vehicular charges; and by utilizing principles of restorative justice to address the dangerous behaviors that are the primary cause of pedestrian fatalities. The program currently operates at seven sites in all five boroughs, with six of those sites receiving support from City Council. This application seeks funding to sustain those operations, as well as the operations of its more intensive version, Circles for Safe Streets, which brings together drivers and their victims for a process of accountability and healing in cases where traffic crashes have caused critical injury or death.

- **193911 - Bronx Project Reset - \$710,000**

Diversion Programs (Renewal)

Description: The Center for Justice Innovation seeks renewal funding to continue expanding diversion services for adults in the Bronx through its Bronx Community Solutions site. These diversion services build on Bronx Community Solutions' success running the City Council-funded Project Reset restorative model for six years, the Center for Justice Innovation's deep experience providing community- and court-based restorative justice programming since 2013, and the robust support and collaboration of Bronx court system stakeholders. With ongoing City Council support, Bronx Community Solutions will continue offering same-day at-arraignment Project Reset programming that gives eligible individuals the opportunity to participate in programming at their first court appearance and receive an immediate dismissal the same day. This programming, first piloted in 2024 with City Council funding, addresses the large gap in services caused by the inability to contact many Bronx Reset and Bronx HOPE (Bronx Heroin Overdose and Prevention Education) pre-arraignment diversion participants before their initial court date. Ultimately, these expanded diversion services reduce the collateral consequences of justice system involvement while instilling accountability; address underlying reasons for justice system involvement; and alleviate the massive backlog in the court system, an issue that disproportionately impacts the Bronx.

- **#194075 - Felony Alternatives to Incarceration - \$1,385,000**

Diversion Programs; Alternatives to Incarceration (Renewal)

Description: The Center for Justice Innovation (Center) seeks continued and expanded funding to support its Brooklyn Felony Alternatives to Incarceration (ATI) programming for individuals arrested on violent and non-violent felony charges in Kings County. This programming offers holistic and individualized community-based interventions and rigorous judicial monitoring of participants on felony cases, thereby reducing the use of jail and prison sentences and leading to reduced criminal dispositions. The enhanced funding would target two areas of particular need: housing support and peer support. Specifically, the additional funds requested would support the hiring of two additional staff members: a Housing Case Manager, and a Peer Mental Health Specialist. These two

staff members would significantly enhance the capacity of the Felony ATI Programs to better meet the increasingly complex needs of our growing population; and ultimately, improving outcomes for participants and society.

- **#193978 - Bronx Project Heal - \$52,935**

Support for Victims of Human Trafficking (Renewal)

Description: This application is for Bronx Project HEAL (Helping to Empower through Advocacy and Leadership), an evolution of the Bronx Human Trafficking Intervention Court (HTIC) initiative. Based on the National Project HEAL curriculum, developed by the Center for Justice Innovation, Bronx Project HEAL is a leadership development and peer support initiative for justice-involved gender-based violence and human trafficking survivors that is informed by, co-created with, and often co-led by, survivors themselves. It is a 3- to 4-month voluntary program that aims to enhance the capacity of survivors to become leaders and advocates in the Bronx community by offering community-based professional development experiences, leadership and advocacy opportunities, and mentorship and peer support. Funding will support the implementation of the survivor leader empowerment program aimed at providing professional development services, including leadership and advocacy training, to survivor leaders to enhance their professional skills and encourage their participation in anti-trafficking policy and advocacy efforts.

- **#194130 - EmpowerHER: Pathways to Justice, a gender-responsive program for female ATI participants - \$300,000**

Diversion Programs; Alternatives to Incarceration (New)

Description: This is an application to expand the Center for Justice Innovation's Misdemeanor Alternative-to-Incarceration (ATI) programming in Queens and Staten Island across two operating programs: Queens Community Justice Center and Staten Island Justice Center by adding EmpowerHER: Pathways to Justice, a gender-responsive program for female ATI participants. The goal of the ATI programs is to offer a single point of access to a wide array of community-based services as alternative sentencing options in criminal cases, thereby reducing incarceration and improving public safety by addressing the underlying issues that lead to justice system involvement. Funding will support staffing and program delivery to meet the unique needs of female ATI participants at the Queens Community Justice Center and Staten Island Justice Center.

- **#195412 - Pro Se Pilot Program - \$188,917**

Information and Referral Services; Mental Health Services for Vulnerable Populations (New)

This application seeks to expand an ongoing pilot program to provide holistic case management and legal navigation services for pro se litigants in civil court (i.e.,

individuals who are representing themselves in court without the assistance of an attorney). Currently housed in Judge Anne Swern's Kings County Civil Supreme Courtroom, the Pro Se Support Program connects unrepresented litigants with a case manager/social worker who works to address the underlying needs which bring these litigants to court. Judge Swern brought this idea to the Center for Justice Innovation as a response to the types of cases pro se litigants in her court were bringing, noticing that almost always an underlying resource gap was the true source of the issue before the court, and that a legal resolution often failed to address these underlying issues. By providing case management and legal navigation services to unrepresented litigants, The Pro Se Support Program seeks to increase civil access to justice for indigent, marginalized populations, prevent mental health crises and criminal offending upstream, and save the court time and resources.

- **#194222 - Strong Starts Court Initiative - \$100,000**

Children Under Five (New)

Description: The Center for Justice Innovation seeks funding to build the capacity of the successful Strong Starts Court Initiative to meet the needs of infants, toddlers, and their families throughout New York City and help build a sustainable program not entirely dependent on private foundation support. The Strong Starts Court Initiative is a Family-Court-based project; it employs a two-generational approach to provide specialized supports for infants, toddlers and their families who have child protection cases, and it works to educate court-based professionals in an approach focused on early child development that will transform the traditional family court response to this extremely vulnerable population.

- **#197405 - Manhattan Rapid Reset - \$280,000**

Diversion Programs; Alternatives to Incarceration (New)

Description: The Center for Justice Innovation (Center) is seeking support for Rapid Reset, an expansion of the Citywide pre-arraignment diversion program, Project Reset, in Manhattan. In partnership with the Manhattan District Attorney's Office, the Center's Midtown Community Justice Center (MCJC) launched Rapid Reset in late 2023 to provide an opportunity for pre-arraignment diversion to all eligible individuals who appear for court. Like the decade-old Project Reset, Rapid Reset offers people one session of programming, connections to voluntary services, and a chance to receive a "decline to prosecute" from the District Attorney's Office, in lieu of a court appearance. MCJC offers Rapid Reset at all Desk Appearance Ticket (DAT) arraignment parts at 100 Centre Street and at MCJC.



Freedom
Agenda

Testimony to the City Council Committee on Finance

Submitted March 5, 2025

Thank you Chair Brannan and Council members, for the opportunity to testify today.

My name is Sarita Daftary, and I am Co-Director of Freedom Agenda. We are led by our members who have experienced incarceration themselves, or through a loved one. We're one of the organizations leading the [Campaign to Close Rikers](#).

We're calling on the City Council to ensure that the adopted budget paves the way to strengthening our communities and closing Rikers Island. **Instead of allocating \$150M to hire 1,100 more correction officers, the City should:**

- **Allocate an additional \$39.8M to meet critical mental health and housing needs** through investments in Justice Involved Supportive Housing, Intensive Mobile Treatment, Forensic Assertive Community Treatment, and Crisis Respite Centers
- **Restore \$11.8M in planned cuts the Office of Criminal Justice** for alternatives to incarceration and reentry programs
- **Restore proposed cuts to the Board of Correction for jail oversight** and increasing their headcount

As we set budget priorities for our City, Rikers Island stands out as the worst possible use of our dollars. Recently, the *Nunez* federal monitor pointed out what our members know far too well – that the *“enormous resources—that the City devotes to a system that is at the same time overstaffed and underserved—are not being deployed effectively.”* Incarcerating one person at Rikers Island for a year costs over \$507,000 – equivalent to providing supportive housing for ten people, or engaging ten people in quality mental health services like Intensive Mobile Treatment. [A recent survey](#) of crime survivors in New York City showed that 3 of 4 prefer alternatives to incarceration and mental health treatment instead of jail.

The plan to close Rikers Island approved by this Council in 2019 marked a commitment to take a more effective approach to public safety. That shift requires spending our money differently. But Mayor Adams has refused to align our City's budget with the legal and moral obligation to close Rikers Island by 2027. The mayor has been willing to let hundreds of people sit on waiting lists for evidence-based programs like community-based mental health treatment teams, and Justice Involved Supportive Housing. Compare this to the City's approach to jail capacity. DOC recently added beds to already-crowded dorms at Rikers Island out of concern they would exceed capacity. What if the City treated preventive investments with the same urgency? What if they took emergency action to ensure that anyone who needs a supportive housing unit or a placement with a mental health treatment team could

get one immediately. Instead of helping our communities thrive, Mayor Adams is set on budgeting for their desperation.

To prevent more waste and harm, the Council must intervene, and pass a People's Budget. We will submit along with this testimony a [full budget analysis](#) that outlines the amendments needed in the FY26 budget to close the revolving door of Rikers Island.

The City also has an opportunity to move concretely forward on the Renewable Rikers plan, after completing studies last year (on [wastewater treatment](#), and [clean energy](#)) that showed its viability and clear benefits for all New Yorkers. **We urge the City Council to secure \$3M in this year's budget for the Department of Environmental Protection to begin a master planning process for the conversion of Rikers Island to green infrastructure.**

This City Council has reaffirmed its commitment to closing Rikers, and that commitment must be backed up by this year's budget.

Thank you,

Sarita Daftary

Co-Director, Freedom Agenda

Sdaftary@urbanjustice.org

[attached – FY2026 Campaign to Close Rikers Budget Analysis]



FY2026 Budget Analysis & Priorities

At a cost of over half a million dollars per person per year, Rikers Island is the most expensive and least effective tool our City has to create safety. In addition to exposing people to rampant abuse and violence, Rikers Island wastes resources that are desperately needed for housing, treatment, education, and other investments. It's time to use our precious resources to fund the things that work.

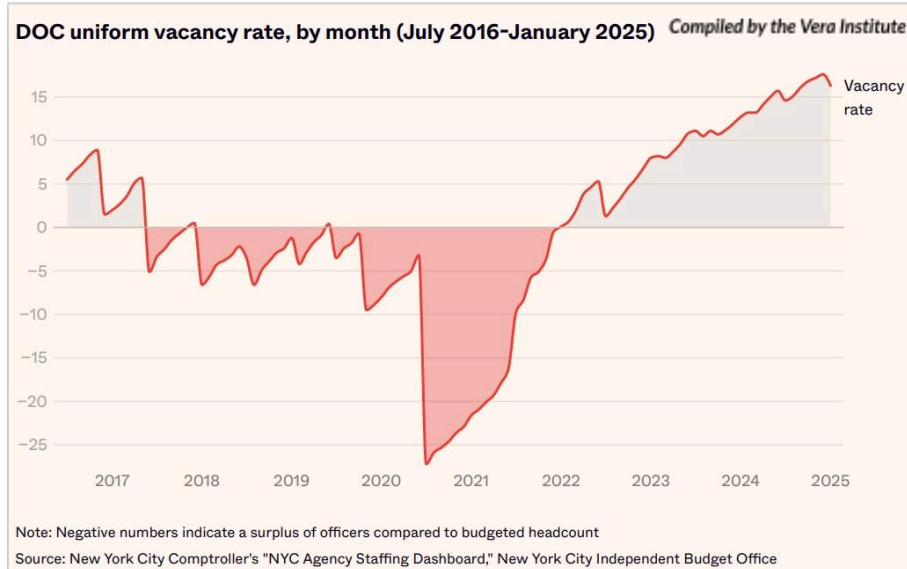
Priorities for this year's budget to advance the closure of Rikers:

- **Allocate at least an additional \$39.8M to meet housing and mental health needs**, and fulfill commitments in the Close Rikers plan, including:
 - Building on the City Council's investment last year, the administration must appropriate **\$4.8 million more in annual funding for [Justice Involved Supportive Housing](#)**, and reissue the RFP for 380 new units with service funding levels in line with those of similar supportive housing programs. This will enable the City to deliver on the Close Rikers Points of Agreement to expand JISH to 500 units.
 - **Allocate \$22M more to create 15 more [Intensive Mobile Treatment](#) teams**. The waitlist to access this evidence-based program is over 400 people.
 - **Allocate \$7M more to create more [Forensic Assertive Community Treatment](#) teams** and cut the long wait times (average of 6 to 12 months) to access this service.
 - **Allocate \$6M more to open four new crisis respite centers**, in compliance with Local Law 118-2023.
- **Fully restore cuts to the Office of Criminal Justice** for ATI (\$3.8M) and reentry (\$8M) programs. The budget should also go further, and increase discretionary funding for alternatives to incarceration (ATIs) by \$2.4 million to enhance and support the scaling of ATIs citywide as requested by the [ATI/Reentry Coalition](#).
- **Fully restore cuts to the Board of Correction and increase their headcount** to at least 1% of the number of people in DOC custody.¹ The [preliminary budget](#) proposes \$210k in cuts and 5 fewer staff positions at BOC, when more oversight of the jails on Rikers is sorely needed, not less. Establishing a minimum budget linked to the number of people in custody would add 37 BOC staff positions (versus the preliminary budget), but would add only \$4.5M to the overall expense budget.²
- **Eliminate vacancies for DOC uniformed staff.**

¹ Other oversight agencies [like the CCRB](#) have minimum budgets linked to the size of the agency they oversee.

² The FY2026 projected budget allocates \$3.6M to BOC, for 30 staff; 67 staff would constitute 1% of the currently jail population (6,7000 people)

- The Department of Correction is budgeted for 7,060 uniformed officers, but as of January 1, 2025 they employed [5,908](#) and [1,152 positions were vacant](#).³ DOC has not made a plan to rightsize this agency in alignment with reducing the number of people in jail and closing Rikers. By eliminating uniformed vacancies (which have been growing since 2022 - see chart below), DOC could realize cost savings of **\$149.6M annually**.⁴



- **Reduce overtime spending** by consolidating operations and permanently closing jails on Rikers, starting with the vacant Anna M. Kross Center, where 109 officers are still assigned.⁵

Preliminary Budget Analysis

Mayor Adams' proposed budget continues to misappropriate funds that are needed for real public safety investments, by maintaining DOC budget bloat while cutting funds to alternative to incarceration and reentry programs, and failing to adequately fund supportive housing and community-based mental health treatment. In order to follow through on the legal and moral obligation to Close Rikers, City Council must secure a budget that will improve community safety and reduce our City's overreliance on incarceration.

DOC's budget is still bloated:

- The Mayor has proposed spending **\$2.87 billion**⁶ on jail operations in FY2026.
- The administration is budgeting for **7,060 uniformed DOC officers through FY2029**.⁷ By that time, New York City is required to close Rikers Island and shift to a borough jails system with **approximately 4,000 beds**. Uniform headcount reductions are consistent with and necessary for a lower jail population and closing Rikers - in fact, these reductions should have started years ago **when the jail population started to decline**.
- DOC is on track to spend roughly \$300 million on overtime for uniform staff in FY25, 136% above **their adopted budget**.

³ Per Independent Budget Office

⁴ Based on \$129,897 per officer, as [calculated by the Vera Institute](#).

⁵ The City of New York. Departmental Estimates. January 2025. p 1368

⁶ Including expenses, associated fringe benefits, pensions, and debt service. ["A Look Inside the NYC FY 2026 Preliminary Budget."](#) Vera Institute of Justice. February 2025.

⁷ Financial Plan of the City of New York. Fiscal Years 2024 - 2028. Full time and full time equivalent staffing levels.

- [An analysis by the New York City Comptroller](#) showed that the **cost of incarcerating a person at a Rikers on an annual basis reached \$507,317** in FY 2023.
- Most of DOC's costs are driven by overstaffing. The FY2026 budget projects that [87% of DOC expenses](#) will be staff salaries, overtime and benefits.
- **The administration is planning either to continue overusing incarceration or to employ almost twice as many correction officers as people in custody by FY2028.** Either option makes no sense, morally or financially.

Commitments in the Close Rikers plan are still inadequately funded:

- In the [Points of Agreement on Closing Rikers](#), the administration agreed to establish 380 more units of [Justice Involved Supportive Housing](#), a model that has been hugely successful in reducing jail, shelter, and hospital stays, and generating substantial cost savings. But funding rates proposed in the RFP issued were so low that [qualified providers have not applied](#), and operators of the existing 120 units have been struggling to provide the quality services they are committed to because of funding rates that were drastically lower than other similar supportive housing programs. In FY2025, the City Council included \$6.4M in their discretionary budget to increase funding rates, but without a commitment from the administration to scale up this investment, these funds could only be applied to increase funding rates for the 120 existing units for 3 years.
- [The Close Rikers Plan](#) also promised "A new community-based mental health safety net." This administration has clearly fallen short of that goal - the number of people in Rikers diagnosed with a serious mental illness has [increased by more than 60% since January 2022](#) without sufficient investments in community-based interventions and care. Additionally, there are long waiting lists for services like Intensive Mobile Treatment and Forensic Assertive Community Treatment teams that create holistic pathways out of the criminal legal system for people with serious mental illness.
- The budget includes increased investments in the Supervised Release Program, which will be beneficial if applied to expand the Intensive Case Management pilot program. The budget also includes increased investments in transitional housing, which must be brought online immediately, must have the lowest possible barriers to entry, and must be paired with an increased investment in permanent housing (like JISH, 15/15 supportive housing, and deeply affordable housing).

Reentry and alternative to incarceration programs face cuts:

- The administration is proposing \$8M in cuts to reentry services, while a key commitment in the [plan to Close Rikers](#) was to "Enhance Reentry and Discharge Planning Services Available to Everyone Leaving City Jails," as [evidence recommends](#).
- The administration is proposing \$3.8 million in cuts to alternative to incarceration programs. Opportunities to divert people from Rikers should be fully utilized, in collaboration with the Jail Population Review Initiative that the Council established last year through Local Law 75-2023. Expanding alternatives to incarceration was also a key commitment in the [plan to close Rikers](#).
- The above programs are funded under the Office of Criminal Justice (formerly MOCJ).

Jail oversight cuts are proposed:

- DOC continues to [violate minimum standards](#) established by the Board of Correction, including [continued illegal use of solitary confinement](#); revelations of [sexual abuse claims on Rikers spanning decades](#); and recent disclosure of [DOC officers "deadlocking" people with severe](#)

[mental health needs](#). Strong oversight is crucial. BOC needs more staff to fulfill its mandate, but the Mayor proposes [reducing their staff from 35 to 30 positions, and cutting BOC's budget by \\$210,418 \(5%\)](#).

Frequently Asked Questions

Does the Department of Correction have a staff shortage?

No. In fact, they are overstaffed. In "[A Shrinking System with Similar Spending](#)," the Independent Budget Office reported that between 2014 and 2023 "DOC staffing declined by 24%, while the jail population fell by 45%." In her [contempt order](#) issued in November 2024, Judge Laura Swain noted that "*enormous resources—that the City devotes to a system that is at the same time overstaffed and underserved—are not being deployed effectively.*" Reducing their headcount now is an important first step to [rightsizing](#) the department.

If they are not understaffed, why is there a shortage of officers to cover posts and provide basic services?

Multiple investigations and reports from the Nunez federal monitor have documented widespread mismanagement of DOC's enormous workforce, including officers [failing to fulfill their duties and falsifying tour records](#), [improper assignment of officers to non-jail posts](#) (including over [700 uniformed officers assigned to civilian posts](#)), and likely abuse of medical and personal leave (as reported [in November 2024](#)).

Does DOC need to replace officers who are retiring?

Eliminating vacancies would not prevent DOC from replacing officers who quit, retire, or are terminated. It could push DOC to more effectively supervise and manage their very large staff.

How does NYC's jail spending compare to other cities?

DOC's budgeted headcount of more than one uniformed officer for each incarcerated person is more than [4 times higher than the national average](#). NYC's is the only jail system among the nation's 50 largest cities that has nearly as many officers as people in custody.

What will we do about those jobs? Aren't a lot of correction officers people of color, and women?

The choice to invest so much of New York City's budget in incarceration has meant that DOC has become a path to the middle class, including for many women and people of color.⁸ New York City could and should make a different choice - to invest in and raise salaries, for example, for [EMS workers](#), [green jobs](#) that can help us meet our goals for a vibrant and climate resilient city, and [human services jobs](#) that address community needs. Black and Brown workers deserve jobs with good wages and benefits that aren't dependent on the incarceration of their neighbors and families. We must invest in a [just transition](#) to expand and better compensate jobs outside of law enforcement - for example, human services, a sector in which more than 80% of workers are women of color, and which is subject to constant budget cuts that have resulted in lost jobs and depressed wages.

⁸ New York City correction officers are paid \$92,000/year after 5.5 years on the job, and receive generous benefits. <https://www1.nyc.gov/site/jointheboldest/officer/salary-benefits.page>



Testimony of the Family Homelessness Coalition

The New York City Council Committee on Finance

Oversight – The Preliminary Budget for Fiscal Year 2026, The Preliminary Capital Plan for Fiscal Years 2026-2029, and The Fiscal 2025 Preliminary Mayor’s Management Report

March 5, 2025

The Family Homelessness Coalition (FHC) is made up of more than 20 organizations representing service and housing providers, children’s advocacy organizations and people with lived experience with family homelessness. We are united by the goal of preventing family homelessness, improving the well-being of children and families in shelter, and supporting the long-term stability of families with children who leave shelter.

We would like to thank Chair Brannan and members of the committee for the opportunity to deliver testimony on this topic.

Introduction

New York City’s homeless population has more than doubled since 2022, including the number of children experiencing homelessness. Almost one in three of New York’s homeless population are children. This humanitarian emergency is also coming at a time when federal support to fight homelessness is under threat. It is more important than ever that this year’s adopted budget urgently address the crisis in family homelessness with resources.

The current landscape impacts both people experiencing homelessness and the organizations that work to help them, including the Steering Committee members of the Family Homelessness Crisis. Our organizations are directly impacted by real and proposed federal funding cuts to their programs. In addition to additional resources, we call for greatly increased efforts to expedite owed payments to homeless and social service providers. This is a problem that has gone on for far too long and is now an existential threat to providers.

FHC strongly urges the following priorities in the upcoming budget.

Improving Eviction Prevention and Aftercare

Increase the Budget for Homebase by \$37.9mm to a Total of \$100mm. Since the pandemic, Homebase providers have taken on tremendous increases in caseload as well as an ever-

expanding set of responsibilities. This has not been accompanied by funding levels to match the new post-Covid reality. As a result, wait times have increased for critical Homebase services like help with eviction prevention, emergency rental assistance and obtaining benefits.

Establish a Dedicated Funding Stream Strictly for Aftercare Services. Families who are placed in permanent housing from shelter require support in their period of transition to avoid the trauma of a return to homelessness. Through an RFI, establishing a strict separate funding stream for this essential work will ensure organizations can properly dedicate staff and tailor programs which will increase stability.

Release an RFP and Dedicate Funding for Organizations Beyond Homebase Providers to Process CityFHEPS. Legal services organizations who have taken on this role on a temporary basis have been successful in speeding processing times and reducing overall burden on the system. Opening this opportunity further will reduce strain on Homebase providers and expedite processing.

Expediting Housing Placements

Adequately Fund the City Commission on Human Rights to Enforce SOI Discrimination. We support \$4 million in additional funding for CCHR to a total agency budget of around \$18 million. This will help bring CCHR staffing back to 2019 levels and allow for greater enforcement of Source of Income Discrimination laws and implementation of new Fair Chance laws.

Conditions in Shelter

The City Should Commit to a Capital-Needs Assessment of the Entire Shelter Portfolio. Building conditions at both the City's shelter sites and sites owned by homeless services organizations vary wildly, and in many instances conditions at properties are poor. While shelter is and should be temporary, conditions at the worst sites do not meet minimum acceptable standards, particularly for families with children. An overall assessment of the entire system would help to identify the most pressing needs and allow for a plan to direct capital funds to address them.

Increase the Pay of Shelter Staff to Establish Parity with Comparable Settings. Difficult-to-hire titles such as social workers are particularly difficult to retain to when there is disparity between pay and comparable settings, such as NYC H+H Hospitals. Bring pay for these roles in line with the comparable roles in order to adequately staff and support shelters in the city.

On behalf of FHC, thank you for the opportunity to submit this testimony.

Adhikaar for Human Rights and Social Justice
Testimony submitted to Committee on Finance
Preliminary Budget Hearing for FY26
March 5, 2025

"I came to the United States from Nepal in 2010, hoping I could find work similar to my civil service job back home. But without formal education in the U.S. and limited English skills, I struggled. I eventually started working as a nanny but long hours and cultural differences in caregiving made it challenging.

Everything changed when I connected with Adhikaar and with the training opportunities like nanny training, CPR certification and newborn care training programs, I gained knowledge and confidence. Most importantly, I learned about worker's rights, which empowered me to speak for myself and others like me.

Through Adhikaar, I got the opportunity to participate in the New Jersey Domestic Workers Bill of Rights campaign, advocating for fair treatment and protections. Visiting the NJ Senate and Assembly House was a proud moment, and I am committed to supporting workers like me. I am deeply grateful to Adhikaar for their support, which has transformed my life and given me a voice."

- Meena Khanal, Adhikaar member and Domestic Worker Program

Adhikaar, meaning "rights" in Nepali, is a women-led community and workers' center that provides direct services to the Nepali-speaking community and organizes low-income workers and impacted community members to promote social justice and human rights. At Adhikaar, we define the Nepali-speaking community as descendants of Nepal, Bhutan, India, Burma, and Tibet that speak Nepali. We are often referred to as our community's 911 and 311 line.

Since 2005, Adhikaar has been a trusted resource for the Nepali-speaking community, providing critical direct services to an estimated 6,000 members and reaching 15,000 Nepali-speaking individuals annually. Our work spans workers' rights, immigrant rights, healthcare access, and language justice - ensuring our community has the support and resources needed to navigate life in New York City.

Every day, our bustling community center provides essential services, including healthcare support, community safety assistance, adult literacy classes, civic engagement programs, and legal services. As a designated worker center, we empower members through workforce development workshops, leadership training for domestic workers, and nail technician licensing support.

Due to our deep cultural and linguistic ties, Adhikaar serves as the first-stop for many Nepali-speaking immigrants seeking support. This unique role enables us to directly assess and address evolving community needs. Our English for Empowerment program alone has served over 2,000 Nepali-speaking individuals, helping them negotiate higher wages, navigate social services, obtain NYC ID cards, and advocate for their children in NYC schools. Beyond literacy, we ensure our limited-English members receive critical information on workers' rights, healthcare access, and other pressing issues.

In the previous fiscal year, Adhikaar provided direct support to over 6,941 individuals, including:

- 1,428+ members receiving Workforce Development Training
- 350+ individuals accessing legal support for immigration, worker rights, and other issues
- 1,483+ members enrolled in health insurance, NYC Care, and food assistance programs
- 50+ member leaders engaged in five advocacy campaigns at the city, state, and federal levels

Over the past year, we have seen a sharp increase in new Nepali-speaking immigrants. Each week, more than 50 new individuals visit our community center, seeking support. To meet this growing demand, we plan to expand our workforce development programs - offering on-the-job training in the nail salon and domestic work industries. Through partnerships with NYCOSH, Cornell ILR, and the National Domestic Workers Alliance-NY, our NY Nail Salon Beauty School and We Rise nanny training program provide industry-specific, rights-based training in Nepali. These programs are not just job pathways but critical tools for community building and worker empowerment. With the new administration, we are also witnessing heightened attacks on AAPI and other marginalized communities, threatening workers' rights and immigrant protections. Now more than ever, we need increased support to safeguard our communities and ensure they have the resources to thrive.

For FY26 Budget, we ask that the New York City Council continue and expand this funding for these essential services and programs. We urge the Council to enhance the AAPI Community Support Initiative to \$7.5 Million to expand social services by AAPI serving community-based organizations to address the fiscal equity needed to build bridges between culturally competent and linguistically accessible services and the most vulnerable AAPI New Yorkers.

To sustain and expand these vital services, we urge the New York City Council to:

1. Strengthen AAPI-serving organizations:
 - Enhance the AAPI Community Support Initiative to \$7.5 million, ensuring culturally competent and linguistically accessible services for the most vulnerable AAPI New Yorkers
 - The Access Health Initiative to \$4.5 million.
 - Communities of Color Nonprofit Stabilization Fund to \$7.5 million.

For Adhikaar, we have requested funding for essential services through the FY26 Discretionary Budget:

- \$40,000 from CM Krishnan
- \$40,000 from CM Won

Also to continue funding for our four key worker initiatives:



71-07 Woodside Ave.
Woodside, NY 11377
(718) 937 - 1117

-
- \$150,000 for the Domestic Worker and Employer Empowerment Initiative
 - \$100,000 for the Immigrant Women Workers Initiative
 - \$150,000 for the Adult Literacy Pilot Project
 - \$100,000 for AAPI Community Support
 - \$50,000 for Welcome NYC

We look forward to partnering with the City Council to ensure that our growing community not only survives, but thrives.

Thank you for your time and consideration.

In Solidarity,
Adhikaar Team



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Asian American Federation

Testimony to the Committee on Finance on the FY 2026 City Preliminary Budget *March 5, 2025*

Written Testimony

Thank you for giving the Asian American Federation (AAF) an opportunity to testify. I am Andrew Sta. Ana, the Interim Co-Executive Director at AAF, where we proudly represent the collective voice of more than 70 member nonprofits serving 1.5 million Asian New Yorkers.

In 2025, New York's Asian community faces a fundamentally changed landscape. From a sharp rise in anti-immigrant policies and drastic cuts in federal funding, to the acute targeting of Asian communities, we are facing an unprecedented crisis. However, through this unstable climate, our member organizations exhibit resilience and courage, leading the way in numerous service sectors and programming organized by the Asian American Federation. Together, we work to amplify our collective voices, secure our seat at the table with policymakers, and champion fairness and justice for low-income, vulnerable Asian New Yorkers. However, our ongoing resilience and success are not sustainable without continued support from the City Council.

Direct Services to Address Essential Needs

For years, Asian-led and Asian-serving direct service providers have diligently met the basic needs of our community members during ever-evolving times of crisis. They have delivered a wide range of culturally responsive services, including essential social services, mental health programming, congregate meals, and food deliveries. They have also provided information on anti-violence measures to help community members understand their rights and keep their communities safe, along with training in English as a Second Language (ESL) and English for Speakers of Other Languages (ESOL).

Throughout the pandemic, amidst the rise in anti-Asian hate, and during other challenging times, these providers engaged in life-saving work while acknowledging the strength of our diverse cultures and the many languages we speak. Indeed, under the steady leadership of AAF, they have remained united in their mission: to help our neighbors and support our most vulnerable members.

Hope Against Hate

As each wave of anti-Asian violence and anti-immigrant sentiment continues to ripple through our communities in new ways, many Asian New Yorkers are increasingly afraid to leave their homes and are reluctant to engage with the broader community. Indeed, recent increases in Islamophobia—affecting South Asian, Arab, Muslim, and Sikh communities—as well as the resurgence of Anti-Asian sentiment following the November 2024 presidential election underscore the ongoing threats faced by Asian New Yorkers.

Fortunately, AAF has exercised bold leadership through difficult climates. Since its launch in 2021, AAF's Hope Against Hate Campaign (HAH) has addressed the persistent and evolving threats of anti-Asian violence. Sustaining HAH is crucial for providing essential safety programs in multiple languages, including safety training, youth programs, and victim support services. To respond to our community's needs, AAF will strengthen the Hope Against Hate Campaign network to provide coordinated, proven, ready-to-go interventions to sustainably increase street safety and provide wrap-around support for victims of anti-Asian assaults. In FY 26, we will expand our network of 30+ community-based organizations. We will give in-language safety training, victim support services, and youth programming through community outreach and education to those impacted by anti-Asian violence.

Implementing RISE: Rapid Immigrant Support and Empowerment Program to Protect Vulnerable Asian Immigrants

AAF's leadership also developed a solid infrastructure to respond to attacks on New York's vibrant immigrant community. Between 2017-2019, AAF built a rapid response network with 10 Asian-led, Asian-serving nonprofits to increase access to immigration legal services for low-income, vulnerable Asian New Yorkers. In FY 2026, our **RISE: Rapid Immigrant Support and Empowerment** initiative will leverage our track record to implement a multi-pronged rapid response program to increase Asian immigrants' access to critical immigration-related services and support the nonprofits that serve them. Specifically, we will: 1) Convene an Immigration Referral Network by strengthening the internal capacity of our member nonprofits to provide immigration-related services, connecting organizations to legal service groups, creating stronger networks with experts, and supporting community education and outreach projects. This network will enhance case management support for limited-English-proficient individuals and families. 2) Provide Know Your Rights and best practices compliance training to Asian-serving groups, equipping them with the knowledge and resources needed to protect their clients and organizations. 3) Launch an in-language media strategy to combat rampant misinformation and disinformation within Asian communities regarding immigration policies and their impact—or lack thereof—on public benefits and public systems.

By integrating these efforts, we will create a more robust and coordinated support system for Asian immigrants and the organizations that serve them.

Protecting Immigrant Small Businesses

Since 2017, AAF has been operating a small business program to bridge the gap between city services and immigrant small business owners who need critical information and resources to sustain and grow their businesses. AAF has recognized that while small businesses are often the heart of New York City neighborhoods, they also face specialized challenges. AAF's small business team is regularly contacted by small business owners in our community who need help navigating a lack of information, hostile inspection practices, and inaccessible assistance programs.

Moreover, Immigrant small businesses often struggle to adapt quickly to changing markets and consumer behavior. To meet this need, AAF's basic training and support services to establish an online presence for such businesses are critical to ensuring the survival of New York City's

diverse ethnic commercial corridors. In FY 25, our team reached over 2,000 Asian American small businesses via informational outreach activities and served over 300 businesses with technical assistance, with over 100 business owners participating in our training sessions.

In FY 26, AAF's Small Business Program will continue to provide technical assistance to hundreds of first-generation Asian American small business owners throughout New York City who often have difficulty navigating city agencies and accessing critical services due to language, cultural, and digital barriers. In our outreach to community members, we co-host events with AAF's member and partner organizations, ensuring that participating small business community members are diverse in region and demographic profile. We will also continue working with member and partner organizations that serve small businesses in their local neighborhoods to invite more businesses to capacity-building training sessions.

This testimony encapsulates a glimpse of the work AAF does to serve Asian New Yorkers. Our other programs address mental health, civic engagement, language access, and support for older adults and Non-profits. Here are our Citywide funding requests that we need your support for to help fund critical work going toward our community:

- Support AAF's work and priorities through:
 - AAPI Community Support (\$250,000)
 - Communities of Color Non-Profit Stabilization Fund (\$150,000)
 - CUNY Citizenship NOW! Program (\$250,000)
 - Hate Crimes Prevention (\$200,000)
 - Immigrant Health Initiative (\$100,000)
 - Mental Health Services for Vulnerable Populations (\$140,000)
 - Speakers Initiative (\$400,000)
 - Support Our Older Adults (\$100,000)
 - Worker Cooperative Business Development Initiative (\$700,000)
- Support funding to the AAPI Community Support Initiative at **\$7.5 million**. AAF requests a budget allocation from this Initiative of **\$250,000** to support ongoing support for our Hope Against Hate Campaign.
- Continue to fund the Communities of Color Nonprofit Stabilization Fund at **\$7.5 million**. AAF requests a budget allocation of \$150,000 from this initiative to support our technical assistance work.
- Fund the development of a worker cooperative for Asian language interpretation (**\$700,000**). We also ask, in partnership with African Communities Together, Masa, and New York Immigration Coalition, for **\$2.25 million** to support a community interpreter bank (CIB).
- Invest **\$120,000** to support the operation and expansion of AAF's small business programs, such as technical assistance and merchant organizing.

Thank you so much for giving us this opportunity. We look forward to working with you to provide critical services to our most vulnerable populations.



Asian American Pacific Islanders for a Fair Budget

**New York City Council Fiscal Year 2026
Executive Budget Hearings
Committee on Finance, March 5, 2025**

**The 18% and Growing Campaign to Fight For An Inclusive and
Equitable Budget for the AAPI Diaspora**

My name is Nikita Boyce and I am the Budget Policy Coordinator at CACF, the Coalition for Asian American Children and Families. Thank you to the Finance Committee and attending City Council members for your time.

Since 1986, CACF is the nation's only pan-Asian children and families' advocacy organization that **leads the fight for transformative movements and policy, progressive systems change, and racial equity within government institutions to increasingly invest and equitably fund** community based organizations and city initiatives that directly impact and far reach the Asian American and Pacific Islander Diaspora, which include: East Asia, Southeast Asia, South Asia, West Asia, Southwest Asia, Central Asia, Pacific Island regions, and the Indo-Caribbean diaspora.

I am testifying on behalf of the 18% and Growing Campaign, a critical and diverse city-wide campaign **uniting over 90 AAPI-led and serving organizations across New York City to fight for a fair and equitable budget that protects the needs of our most vulnerable community members**. We advocate as a collective in solidarity to hold New York City accountable in providing the necessary resources to serve and empower the diverse needs of all AAPI New Yorkers and other communities of color.

The AAPI Diaspora across New York City has historically been marginalized. Despite facing unique challenges that continue to isolate us from receiving proper support, our community is seen as "thriving." That is because of the Model Minority Myth which seeks to divide the AAPI community from other communities of color, that gives us the false attribution of not being in need, and uses us as a wedge to stop progress.

The AAPI Diaspora is the fastest growing ethnic diaspora in New York City, yet, it faces the highest rates of poverty, linguistic isolation, rising inequities, and widening gaps between social services. Despite this growth, in the past few fiscal years, we have not seen enhancements in critical city-wide initiatives though the needs on the ground have exponentially grown. AAPI organizations only receive a 5.3% share of discretionary funding (based on initial Schedule C data). As the needs of impacted communities become more diverse and require increased capacity, providers who are willing to do the work must have the resources needed to allow



Asian American Pacific Islanders for a Fair Budget

them to be able to best serve New Yorkers. That means AAPI-led and AAPI-serving organizations must be prioritized for funding opportunities.

AAPI Community Based Organizations are trusted, culturally responsive, and language accessible. We employ thousands and serve hundreds of thousands of New Yorkers. We not only deserve a more equitable fiscal investment because of the direct services provided, but because these services are provided in a manner that is culturally competent and linguistically accessible - far reaching our diverse communities when the widening gaps between social services and our most vulnerable are at its most apparent.

We demand that we receive the funding that our communities so desperately need in order to fill the gaps left by city government. Because we envision a community where 1 in 5 AAPIs do not have to live in poverty. A community that provides culturally competent and linguistically accessible social services to the 78% of AAPIs who are foreign born. A community where the number of Anti-Asian Hate Crimes that are reported, underreported, and unreported decline drastically. A community that emphasizes safety as the presence of wellness in our society and empowers social safety nets and opportunities for communities of color to achieve their full potential in life.

That's why CACF urges the New York City Council to uplift the collective priorities of the 18% and Growing Campaign which include expanding the AAPI Community Support Initiative to \$7.5 million, Communities of Color Nonprofit Stabilization Fund to \$7.5 million, and the Access Health Initiative to \$4.5 million, among other key city-wide initiatives to take further steps in not envisioning, but truly creating a more inclusive, safe, healthy, and sustainable society for our diverse diaspora. We need a People's Budget that leads to a more value driven, culturally representative, and human centered New York City.

Thank you.



Center for Family Life in Sunset Park

TESTIMONY

Preliminary Budget Hearing for Fiscal Year 2026:
“New York City’s Worker Cooperative Business Development Initiative:
Worker Cooperatives to Fight Economic Inequality in NYC”

Presented to

New York City Council, Committee on Finance
Hon. Justin L. Brannan, Chair
Wednesday, March 5, 2025

Prepared By:

Juan Cuautle,
Program Director, Cooperative Development Program
Center for Family Life in Sunset Park

New York City’s Worker Cooperative Business Development Initiative

Center for Family Life

443 39th St., Brooklyn, NY 11232

Phone: 718-633-4823

Good afternoon, Chair **Justin Brannan** and distinguished members of the New York City Council Committee on **Finance**.

My name is **Juan Cuautle**, and I am **the Director** of the Cooperative Development Program at the Center for Family Life in Sunset Park (CFL), a 47-year-old social service organization dedicated to providing vital resources to low-income families in Brooklyn, helping them to thrive and build sustainable futures.

I am here today to respectfully request that the New York City Council continue to support the Worker Cooperative Business Development Initiative (WCBDI) by allocating \$5.1 million for fiscal year 2026.

Since 2014, CFL has been a proud participant in WCBDI, an initiative funded by the Council that enables organizations like ours to incubate and nurture worker-owned businesses. Through this invaluable support, CFL has successfully incubated 27 cooperative businesses in the domestic work industry, empowering over 600 immigrant women with a transformative opportunity to take control of their economic and professional lives.

Each year, through our Cooperative Development Program, 420 participants benefit from training and information sessions on worker-owned cooperatives, business management, and community leadership. These sessions are designed to equip individuals with the skills and confidence needed to manage their own businesses. At CFL, we firmly believe that with the right resources, anyone—regardless of socio-economic status—can become a successful entrepreneur. The Council's support also allows us to provide 273 business management consulting services annually to operating cooperatives, ensuring their stability and growth. Importantly, all our services are offered in the languages spoken by our participants, breaking down language barriers and enhancing accessibility within immigrant communities.

Your continued support has enabled CFL to innovate and scale our initiatives, broadening the reach of the cooperative business model to other low-income communities across New York City. One of our proudest achievements is the creation of Up & Go, an online marketplace where clients can book and pay for residential and commercial cleaning services from worker-owned cooperatives. Since its launch in 2017, Up & Go has generated over \$3 million in sales, directly benefiting 100 families in our community. The average income for cooperative members through Up & Go is \$33 per hour—more than double the average wage of \$16 per hour for domestic workers outside of the cooperative model. Additionally, Up & Go's cooperative infrastructure has completely eliminated wage theft, providing a safe and equitable work environment for all its members.

These accomplishments would not have been possible without the steadfast support of the New York City Council. Continued investment in worker-owned cooperative businesses through the Worker Cooperative Business Development Initiative is critical to combating economic inequality and fostering resilient communities throughout our city.

On behalf of the Center for Family Life, I thank you for your time, consideration, and unwavering commitment to economic equity. We look forward to your continued support in fiscal year 2026 and beyond.

Thank you.

Dismantling Racism Team
Congregation Beth Elohim

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Testimony of Congregation Beth Elohim's Dismantling Racism Team
New York City Council Committee on Finance
Preliminary Budget Hearing, March 6, 2025

Congregation Beth Elohim's Dismantling Racism Team engages in advocacy to reform the criminal legal system, in alliance with directly impacted groups. Congregation Beth Elohim, with locations in Park Slope and Prospect Heights, is the largest Reform synagogue in Brooklyn, with over 1,200 households.

In Genesis 1:27, we read that all human beings are created *b'tzelem Elohim*, in the image of God. This foundational text guides us, as a Jewish community, to advocate for policies that will protect people who are incarcerated and increase public safety.

Mayor Adams' proposed budget perpetuates the crisis on Rikers Island instead of investing in programs desperately needed to improve public safety and keep people from cycling in and out of Rikers, such as supportive housing, alternatives to incarceration, and re-entry services.

We need a budget that follows through on the legal and moral obligations to close Rikers by 2027. We urge you to do all you can to secure a budget that will improve community safety and reduce our City's overreliance on incarceration, including specifically:

- **Restore funds cut from the Mayor's Office of Criminal Justice for alternatives to incarceration (ATIs) (\$3.8M) and reentry programs (\$8M), and increase ATI funding.** ATIs have an excellent track record of diverting people safely from Rikers and helping them stay out. Not only should the \$3.8M in cuts to ATIs be reversed, but the budget should increase discretionary funding for ATIs by \$2.4 million. This would enhance and support the scaling of ATIs citywide as requested by the ATI/Reentry Coalition. Furthermore, a key commitment in the plan to close Rikers, as outlined in the [2019 Points of Agreement](#), was to "Enhance Reentry and Discharge Planning Services Available to Everyone Leaving City Jails." Almost six years later, that promise is still not met. Now is not the time to cut reentry programs by \$8M.

- **Fully restore cuts to the Board of Correction (BOC) and increase their headcount to at least 1% of the number of people in Department of Corrections (DOC) custody.** The preliminary budget proposes \$210k in cuts and five fewer BOC staff positions. More, not less, oversight of the jails on Rikers is sorely needed. DOC continues to violate minimum standards established by the BOC, including continued use of forms of solitary confinement like [“deadlocking”](#) and reported failures to adequately investigate sexual abuse claims. Strong oversight is essential, but that will only be possible if BOC is fully funded.
- **Eliminate vacancies for DOC uniformed staff.** The preliminary budget proposes spending over \$420,000 a year to incarcerate just one person on Rikers. There are 5,900 officers on payroll today – already one of the most richly staffed jail systems in the country. But the DOC preliminary budget includes funding for over 7,000 officers. If we just eliminated vacancies for uniformed DOC officers, New York City could save \$149.6M next year to reinvest in programs and services that create real community safety and wellbeing.
- **Allocate at least an additional \$39.8M to meet housing and mental health needs** and fulfill commitments in the Close Rikers plan, including:
 - Build on the City Council’s investment last year by appropriating **\$4.8 million more in annual funding for [Justice Involved Supportive Housing](#)** (JISH), and reissue the RFP for 380 new units with service funding levels in line with similar supportive housing programs. This will enable the City to deliver on the Close Rikers Points of Agreement to expand JISH to 500 units.
 - **Allocate \$22M more to create 15 more [Intensive Mobile Treatment teams](#).** The waitlist to access this evidence-based program is over 400 people.
 - **Allocate \$7M more to create more [Forensic Assertive Community Treatment teams](#)** and cut the long wait times (average of 6 to 12 months) to access this service.
 - **Allocate \$6M more to open four new crisis respite centers**, in compliance with Local Law 118-2023.

Thank you for hearing us.

**Chinese-American Planning Council, Inc.
Testimony at the New York City Council Finance Committee
Honorable Justin Brannan, Chair
March 5th, 2025**

Thank you Chair Brannan and members of the City Council for the opportunity to testify today. The mission of the Chinese-American Planning Council, Inc. (CPC) is to promote social and economic empowerment of Chinese American, immigrant, and low-income communities. CPC was founded in 1965 as a grassroots, community-based organization in response to the end of the Chinese Exclusion years and the passing of the Immigration Reform Act of 1965. Our services have expanded since our founding to include three key program areas: education, family support, and community and economic empowerment.

CPC is the largest Asian American social service organization in the U.S., providing vital resources to more than 80,000 people per year through more than 50 programs at over 30 sites across Manhattan, Brooklyn, and Queens. CPC employs over 700 staff whose comprehensive services are linguistically accessible, culturally sensitive, and highly effective in reaching low-income and immigrant individuals and families. With the firm belief that social service can incite social change, CPC strives to empower our constituents as agents of social justice, with the overarching goal of advancing and transforming communities.

As we face an era of heightened challenges—particularly under federal policies that are increasingly hostile to our immigrant population—it is more important than ever that we invest in our local safety net. Our city has long been a place of refuge and opportunity, and we must ensure it remains so, especially in times of adversity.

CPC's community members have already felt the effects of new federal policies. Coupled with rising costs of living and housing, they are creating significant strain. Below are just a few stories from our community:

- Community members who use SNAP benefits have asked if they think SNAP benefits will be cut, because they rely on them to feed their families. Community members have asked if they should withdraw from SNAP benefits because it might make their data available to the Federal government, and despite being citizens, they are concerned about the impact it might have on their families.
- Many community members asked should pull their children (citizens) out of school because of fears that ICE will enter the school property. For one of our school programs, we run a monthly teen night, which does different educational and academic workshops as well as opportunities for young people to socialize and build connections. 100 young people attended our teen night in early January, a typical attendance. In early February only 40 young people attended. When asked about their friends' whereabouts, the young people said their parents were scared for them to leave home and wouldn't allow them to attend.
- Multiple community members have asked if they should not go to immigration appointments or to doctors appointments to protect their physical safety.
- One community member came from China through the southern border of the US with her partner and had a baby in New York. Her partner was abusive and she had to take

out a restraining order to protect her and the baby. She has now been asking about whether she needs to marry her partner to reduce her chances of getting deported under the Trump administration. CPC was able to work with her to provide in-language support and get her a lawyer through free legal programs, but these programs have long waiting lists, especially for Asian languages.

We are demanding that the City prioritize the wellbeing of immigrants in our community. We can no longer afford cuts and austerity budgets that disproportionately impact working class communities of color. The federal administration has created an environment of fear and uncertainty for many immigrants, with policies that not only threaten their safety but also their fundamental rights. In light of this, it is our duty as a City that was founded and run by immigrants to step up and protect those who call our city home. We must invest in community-based support systems that can help immigrants navigate these trying times. This includes legal aid services, mental health resources, and direct access to essential services such as housing, healthcare, and education. These resources are vital for ensuring immigrants are not left to face these challenges alone, and they provide a pathway to stability and dignity in an increasingly hostile environment.

We need to ensure that we ensure and center the following in this year's FY26 adopted budget:

- Relief for Essential Human Services Staff
- Maintain Social Services and Social Safety Net Programs
- Support Immigrant and Working Class New Yorkers

Relief for Essential Human Services Staff

We were incredibly grateful to see the Council and the administration's commitment towards establishing prevailing wage requirements for city-contracted human services workers last year with an investment of \$741 million as part of a COLA for an estimated 80,000 human service workers. This was part of years of tireless advocacy of the Just Pay campaign led by the Human Services Council (HSC) and we are grateful that we were able to secure this historic win. We look forward to working with the Administration and the City Council to ensure that this funding is implemented to get swiftly to human services staff with ease to providers.

We are also asking the City to set a living wage floor of no less than \$21 an hour for all City and State funded human services workers and create, fund, and incorporate a comprehensive wage and benefit schedule for government contracted human services workers comparable to the salaries made by City and State employees in the same field. Our human service workers have been on the frontlines to ensure that our community members get the support that they need and deserve to be compensated properly.

Maintain Social Services and Social Safety Net Programs

Among the most pressing issues is the ongoing problem of anti-Asian discrimination, which continues to affect members of the Asian American and Pacific Islander (AAPI) community. To address this, the AAPI Community Support Initiative should be enhanced with a significant increase in funding, raising it to \$7.5 million. This additional investment will be directed toward Asian American-led organizations that have built deep connections within the communities most impacted by hate and discrimination. These organizations, with their established trust are uniquely positioned to provide the necessary support and create lasting change for marginalized communities. By investing in these trusted entities, the initiative would not only address the

immediate effects of discrimination but also foster long-term resilience and empowerment within the AAPI community.

In addition to this focused support for the AAPI community, it is essential to restore and enhance funding for other critical programs that serve a broad cross-section of New Yorkers. Programs that support early childhood and youth development, senior services, and various Council Initiatives are vital in providing comprehensive assistance to the city's most underserved populations. Programs such as **Access Health NYC**, which helps individuals navigate the healthcare system, the **Adult Literacy Program**, which empowers immigrants and limited-English proficient residents, and the **Older Adult Mental Health Initiative**, which addresses the unique mental health needs of older adults, all play a crucial role in ensuring that vulnerable communities have access to essential services. Legal services initiatives are equally important, offering assistance to individuals who face barriers to justice due to financial constraints or lack of legal knowledge. By adequately funding these programs, New York City can ensure that all residents, regardless of their background or circumstances, have the resources and support necessary to thrive.

Another significant legislative effort that deserves attention is the **Age in Place 2.0 package**, sponsored by Council Member Hudson. This initiative represents a pivotal step toward ensuring that older adults across New York City can age with dignity and maintain a high quality of life. The Age in Place 2.0 package would provide seniors with the resources necessary to stay in their homes and communities for as long as possible, preventing unnecessary institutionalization and promoting independent living. As the city's population continues to age, it is crucial that we prioritize policies that enable older adults to remain in familiar, supportive environments while maintaining their health and well-being. By investing in programs that help seniors age in place, New York City can enhance the lives of its elderly residents and ensure they are not forced into institutions unnecessarily.

Equally important is the issue of housing stability, particularly for families who struggle with the ever-increasing cost of living. To address this, the city must expand the eligibility for the **CityFEPS** program, which provides rental assistance, as well as other housing voucher programs. Housing instability remains a significant challenge for many New Yorkers, and by making these programs more accessible, the city can help more families find and maintain stable housing. These programs are essential for preventing displacement and ensuring that individuals and families can remain in their homes, contributing to a more stable and secure living environment for all. Expanding eligibility would provide crucial support for families who are on the brink of losing their homes and give them the opportunity to build a more secure future.

In conclusion, the city's commitment to supporting its most vulnerable populations through targeted initiatives and increased funding is more important than ever. Enhancing the AAPI Community Support Initiative, restoring funding for critical programs like Access Health NYC, the Adult Literacy Program, and the Geriatric Mental Health Initiative, passing the Age in Place 2.0 package, and expanding housing assistance programs are all essential steps toward building a more equitable and inclusive New York City. By investing in these initiatives, the city can ensure that all its residents, regardless of their age, background, or socio-economic status, have access to the support they need to thrive.

Support Immigrant and Working Class New Yorkers

As the city continues to grow, it is crucial that the policies and laws enacted reflect the values of fairness, inclusivity, and support for all its residents. As we are continuing to face threats from

our federal administration, our state needs to take meaningful action that reflects our values as an immigrant city. This includes protecting our undocumented immigrant communities in which we need to put an end to the Mayor's limits on shelter stays and defend New York City's right to shelter which has historically provided stability and safety for immigrants in their journey towards self-sufficiency.

Additionally, we are urging the City Council to immediately pass **Intro. 395** and **Intro. 396** to protect our immigrant communities from over policing and other carceral methods. These pieces of legislation would prohibit transfers and communication between ICE and NYPD, and the Department of Correction unless a person is convicted of a violent or serious crime or there is a warrant signed by a federal judge.

Several key pieces of legislation, if passed, would significantly improve the lives of many New Yorkers, particularly those who are most vulnerable. These bills, including the Secure Jobs Act, the Universal Child Care Program, the Street Vendor Reform Package, and funding for adult literacy, emergency legal services, and summer youth employment, would lay the foundation for a more equitable and thriving city.

One of the most important legislative efforts is the passage of **Intro. 0909**, also known as the Secure Jobs Act. This bill aims to provide crucial protection for non-unionized workers, ensuring that they cannot be unjustly fired without proper cause. For many New Yorkers, particularly those in low-wage or precarious employment, job security is a constant concern. The Secure Jobs Act would help alleviate this anxiety by offering a legal framework that prevents arbitrary dismissal and ensures workers are treated fairly. It would particularly benefit those who are not part of a union and who often lack the protections that unionized workers enjoy. By passing this legislation, the city would be taking a significant step toward promoting fairness in the workplace, ensuring that all workers can feel secure in their jobs and have recourse if they are unfairly dismissed.

Another critical piece of legislation is **Intro. 0941**, which seeks to establish a universal child care program for all New Yorkers, regardless of immigration status. Access to affordable, quality child care is a fundamental need for working families, yet many New Yorkers, particularly those from immigrant communities, face significant barriers in finding reliable care for their children. The introduction of this bill would provide a lifeline to thousands of families who struggle with the high cost of child care or cannot access it due to their immigration status. By ensuring that all families, including undocumented ones, can benefit from a universal child care program, New York City would be promoting equity and equal opportunity for every child, allowing parents to work and participate in the broader economy without the added burden of child care concerns.

Equally important is the **Street Vendor Reform Package**, which seeks to uplift and protect street vendors, many of whom are immigrants and people of color. Street vendors play an essential role in New York City's economy, providing affordable goods and services to communities often overlooked by larger businesses. Despite their importance, many street vendors face harassment, discriminatory regulations, and unjust fines. This reform package would address these issues by offering legal protections and improving the working conditions for street vendors, ensuring they can operate safely and without fear of being unjustly penalized. Passing this legislation would help create a more supportive environment for street vendors, who make up a vital part of the city's economic and cultural landscape.

Furthermore, the city must invest in its adult residents by fully funding **Adult Literacy Programs**, a crucial resource for limited English proficient (LEP) New Yorkers. Literacy is the

gateway to countless opportunities, from gaining employment to participating in community activities and engaging with essential services. By baselining an additional \$10 million in funding for the Department of Youth and Community Development (DYCD) Adult Literacy programs, the city can ensure that LEP individuals have the support they need to improve their literacy skills. This funding would not only enhance the capacity of adult education programs but would also empower immigrants and non-English speakers to fully participate in New York City's social and economic life.

Youth in New York City would also benefit greatly from an expansion of the **Summer Youth Employment Program (SYEP)**. This program provides job opportunities for young people, offering them valuable work experience during the summer months. Expanding SYEP to ensure that every young person who wants a job has access to one would provide thousands of young New Yorkers with the skills and financial independence needed to thrive. Fully funding the program would also ensure that participants are paid fair wages, with good compensation for program staff and youth participants, including undocumented young people. By expanding this initiative, the city would help foster the next generation of leaders, equipping them with the tools they need to succeed in the future.

In addition to youth employment, the city must invest in **emergency legal services for immigrants**. By allocating \$10 million to support legal assistance for immigrant residents, the city would provide essential protection for individuals facing complex immigration issues. Immigrants, particularly those who are undocumented, often struggle to navigate the legal system alone and face the risk of deportation. This funding would ensure that they have access to legal support when they need it most, helping them to remain in the city and continue contributing to its economy and society. Providing legal resources is a crucial part of fostering a just and inclusive community for all residents.

Lastly, the city must **renew and expand Promise NYC**, a program that provides subsidized child care to undocumented families. By increasing funding to \$20 million, the city would allow more immigrant families to benefit from affordable child care services, helping parents work, pursue education, and participate more fully in their communities. This expansion would help alleviate the financial burden on undocumented families, enabling them to thrive and contribute to the city's growth and prosperity.

Together, these initiatives represent a bold vision for a more inclusive and equitable New York City. By passing legislation like the Secure Jobs Act, the Universal Child Care Program, the Street Vendor Reform Package, and expanding programs like adult literacy, summer youth employment, emergency legal services, and Promise NYC, New York can ensure that all its residents—regardless of their immigration status or background—have the resources they need to succeed. As the city continues to grow, it is essential that these efforts are made to level the playing field and provide equal opportunities for all.

Thank you so much for the opportunity to testify and if there are any questions or concerns, feel free to reach out to Ashley Chen, Policy Analyst at achen9@cpc-nyc.org.



**Preliminary Budget Hearing Testimony on behalf of Dancewave, Inc.
New York City Council Committee on Finance | March 5, 2025
Presented by Nicole Touzien, Executive Director**

Chair Brannan and Members of the Committee, thank you for your time and consideration of my testimony, which I am providing on behalf of Dancewave.

Dancewave has an impressive 29 year record of service providing inclusive and empowering dance education in New York City. We are a fiscally responsible and values-led organization, investing close to \$1M each year compensating artists and arts workers who contribute to and stimulate our local economy. We provide direct services to an all-ages audience of over 6,200, and connect with upwards of 24,000 people via digital engagement efforts each year. Last year alone, we:

- Engaged 2,200 New Yorkers of all ages and backgrounds with free dance programming in neighborhoods throughout all five boroughs
- Provided 800 early and mid-career artists with access to affordable and subsidized rehearsal space
- Connected 520 youth artists with over 250 hours of free and low-cost performance training with professional choreographers
- Facilitated 400 high schoolers' successful transitions into higher education for the arts
- Supported 88 artists as entrepreneurs earning \$1,800 in monthly profits through our unique Class Share Program model

While there is ample data to provide further evidence of Dancewave's impact, I'll instead share the words from NYC artist Theanne Welsh, who rents rehearsal space at Dancewave:

"I believe that Dancewave is an important community organization because it provides a space for people to express their creativity. As someone who believes that arts experiences should be accessible to all people, I want organizations like Dancewave to be able to thrive. Dancewave's programs empower people who may not otherwise have equitable access to resources or opportunity."

Dancewave is one of over 1,000 arts and cultural organizations in New York City that steadfastly serves and delivers for the people of New York. We go above and beyond, filling persistent gaps in city services and staffing, and our work is made possible by -- and will only continue with increased investment from -- the City. **I ask for the committee's full support in advocating for increased and baselined arts and culture funding in the amount of \$75M for FY26.** There is no New York City without arts and culture, and the City must invest in the organizations that make arts and culture possible.

Thank you,

Nicole Touzien, Executive Director



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Homeless Services United's Written Testimony for the New York City Council Preliminary Budget Hearing on Finance March 5, 2025

My name is Kristin Miller, and I am the Executive Director at Homeless Services United. Homeless Services United (HSU) is a coalition representing over 50 mission-driven, homeless service providers in New York City. HSU advocates for the expansion of affordable housing and prevention services and for immediate access to safe, decent, emergency and transitional housing, outreach and drop-in services for homeless New Yorkers. Homeless Services United promotes effective solutions to end the crisis of homelessness in New York City.

The FY26 Budget must take decisive action to rectify payment issues for Shelter Providers.

We are thankful for recent action the City is taking to address overdue payments. The recent Backlog Initiative moved hundreds of outstanding invoices pending at the Department of Homeless Services alone. While these efforts did provide some temporary relief, most providers still have months, and for some years, of catch-up in pending budget, budget updates, and invoice approvals that are prohibiting them from being reimbursed for services performed.

HSU members are experiencing a cash flow crisis, worse than ever seen before. HSU worked with a sample of twelve DHS-contracted providers to assess the outstanding budget actions. Out of this sample group, **these 12 providers have over \$170,000,000 in outstanding budget actions from FY19 to FY25.** Some providers have stopped bidding on new DHS contracts because the risk of doing further business with the City is simply too high.

Providers routinely experience delayed contract registration, delayed approvals for budget modifications and invoices for review, and repeated requests for supporting documentation, only for there to be continued delays once submitting requested documentation.

Alongside procedural inefficiencies, short staffing within City Agencies has also contributed to delays in payment. Per the New York Housing Conference, the DHS' budgeted headcount dropped by 448 staff from Dec 2019 to Mar 2024, and HRA by 1,546 staff for the same time period.¹ DSS has not been able to recruit and retain staff at a rate that keeps up with the demand, which results in payment lag times.

We urge the Council to ensure that the FY26 budget includes sufficient funding to restore and expand headcount at DHS, DSS and MOCS to eliminate pervasive contracting and reimbursement delays for non-profit providers.

¹ 2024-2025 Budget Analysis. New York Housing Conference. <https://thenyhcn.org/budget-analysis/>

The new federal administration has created much uncertainty for nonprofit providers across NYC.² Between the proposed federal funding freezes and federal staff firings, many providers are concerned over the reliability of funds from the federal government. Most recently, the administration has proposed cutting the staff at Department of Housing and Urban Development (HUD) by 50%. Some offices in HUD are being cut at higher rates.³ We know that destabilizing HUD will have dire results, including the closure of homeless shelters and households receiving rental assistance may see evictions due to delays.

Given the uncertainty of federal resources and proposed cuts, it is all the more important that the City registers contracts in a timely manner and pay nonprofit homeless service providers for their services on time.

Finally, with the transitions in the city administration, including with the Deputy Mayors, we need the support of the New York City Council more than ever to ensure immediate and timely payments.

We ask the FY26 budget to include \$307 million in capital to develop and preserve congregate units and \$72.6 million for the service and operation for both new and existing units operating for the NYC 15/15 Supportive Housing Initiative.

According to data from the Supportive Housing Network of New York (the Network), the City has exceeded its 7,500-unit target for congregate housing. Unfortunately, scattered site housing underperforming, with only 1,410 units awarded. This leaves over 6,000 units unawarded. We support the Network's proposal that calls for reallocating the majority of these units to new congregate housing and preserving existing supportive housing, ensuring we do not lose a single unit in pursuit of new development.

We are appreciative of the Council's ability to secure \$115 million in capital for NYC 15/15 through the City of Yes. However, without a codified reallocation plan, the City's development goals may not be realized. To reach the desired 15,000 units, we recommend developing and preserving 944 units per year, which would require \$307 million in capital funding for FY26.

In addition, service and operating funding are just as essential to making supportive housing work. For the proposed 944 new units, the cost is \$45 million in FY26. Finally, aligning service and operating rates across the program is critical. Currently, congregate operating rates, in the form of rental subsidies, are well below fair market rates and insufficient to keep up with rising maintenance and operational costs. The cost to increase congregate rates for all current units to match HPD's rent payment standards would be \$27.2 million for FY26.

² Oreskes, B., Newman, A. (2025, January 28) Nonprofits in New York Are Told Their Contracts 'Have Been Paused'. *The New York Times*. <https://www.nytimes.com/2025/01/28/us/politics/nyc-nonprofit-contracts.html>

³ Kleimann, J. (2025, February 24). Internal memo outlines DOGE's plan to gut HUD. *HousingWire*. <https://www.housingwire.com/articles/internal-memo-outlines-doges-plan-to-gut-hud/>

The FY26 Budget must place a greater focus on eviction prevention and aftercare.

As a member of the Steering Committee of the Family Homelessness Coalition, made up of organizations representing service and housing providers, children's advocacy organizations, and people with lived experience in homelessness, united by the goal of preventing family homelessness, improving the well-being of children and families in shelters, and supporting the long-term stability of families with children who leave shelter. This can be done by taking the following actions:

- **Increase the Budget for Homebase by \$37.9mm to a Total of \$100mm.** Since the pandemic, Homebase providers have taken on tremendous increases in caseload as well as an ever-expanding set of responsibilities. This has not been accompanied by funding levels to match the new post-Covid reality. As a result, wait times have increased for critical Homebase services like help with eviction prevention, emergency rental assistance and obtaining benefits.
- **Establish a Dedicated Funding Stream Strictly for Aftercare Services.** Families who are placed in permanent housing from shelter require support in their period of transition to avoid the trauma of a return to homelessness. Establishing a strict separate funding stream for this essential work will ensure organizations can properly dedicate staff and tailor programs which will increase stability.
- **Release an RFP and Dedicate Funding for Organizations Beyond Homebase Providers to Process CityFHEPS.** Legal services organizations who have taken on this role on a temporary basis have been successful in speeding processing times and reducing overall burden on the system. Opening this opportunity further will reduce strain on Homebase providers and expedite processing.

The FY26 Budget must take steps to expedite housing placements.

2024 was a record year for homelessness in New York. The state overall experienced a 53% increase in homelessness last year, the highest per capita rate in the nation, according to data from the Department of Housing and Urban Development (HUD). Meanwhile, a recent report from the State Comptroller's office shows that the city's homelessness population has more than doubled since 2022. Furthermore, New York experienced a 71% increase in unaccompanied youth experiencing homelessness from last year.

Particularly with uncertainty at the federal level, it is imperative to invest in resources like CityFHEPS which are critical to housing stability and reducing homelessness. We must also collectively work to reduce administrative barriers to these resources working effectively.

The City should work to implement the CityFHEPS Expansion and Reforms Passed into Law in 2023. The series of reforms and changes to CityFHEPS passed into law in 2023 are now in legal limbo. We urge implementation of these important changes as a means to increase housing stability and reduce homelessness for more families citywide

Additionally, we urge the City to adequately Fund the City Commission on Human Rights to Enforce SOI Discrimination. We support \$4 million in additional funding for CCHR to a total agency budget of around \$18 million. This will help bring CCHR staffing back to 2019 levels and allow for greater enforcement of Source of Income Discrimination laws and implementation of new Fair Chance laws.

Finally, we need to reduce barriers in voucher administration that greatly expedite placement in permanent housing. A number of recent streamlining measures and reforms have been implemented in homeless placements, voucher administration, and NYC Housing Connect lease-up. However, further steps are needed to greatly expedite placement and meaningfully reduce family homelessness. These include:

CITYFHEPS - On Inspections:

- Do Not Allow Minor Issues to Hold Up Move-In: Apartment inspection processes should be standardized and include a hierarchy of issues, such that minor issues will not result in an inspection failure. Currently, minor issues, which can be immediately rectified, such as a missing light switch cover, may result in an inspection failure and a severe delay to the client's move-in date. This is modeled after NYCHA's approach to inspections.
- Reform Double Inspection Rule: For units which require a DHS inspection (cellars and ground floor units), DSS requires both a DHS and a separate HRA inspection. We call for the secondary inspection to be limited to a fraction of the units as a secondary review/audit procedure but not policy for every unit.

CITYFHEPS - On Income Verification:

- The \$100 Rule: The incomes presented in a voucher package must be within \$100 of the original shopping letter amount. With low-income tenant incomes often varying greatly week by week, this discrepancy often triggers a rebudgeting letter, which is a source of delay. DHS/HRA staff who are reviewing this should be allowed to reissue the tenant share with the new income numbers, and not require a separate rebudgeting process.

CITYFHEPS - On Public Assistance Single Issuance:

- Time Frame: The current time frame is 30 days but often the process for applying and getting the voucher is longer and requires the single issuance to be resubmitted. We recommend a 90-day time frame.
- Add Option for Access HRA: There is currently no process on Access HRA to signify that an application is for single issuance public assistance. This results in many applications being treated as ongoing public assistance. This should be a distinct option on Access HRA to avoid confusion.

CITYFHEPS – Process Improvements:



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- Electronic Paperwork: Application packet forms should be readable/fillable PDF forms that can be signed electronically and emailed back, while still allowing for a paper process.
- Outreach: If a client's application is missing documents, DSS should not wait to contact that client via mail or phone call. DSS should also reach out to clients via text or email which to have the best chance of successfully connecting with clients. DSS often calls to detail this type of information from an unknown number, so clients may not pick up, and then they miss the opportunity to talk about their application. Then, DSS's next step is to send a letter to the client in the mail. The letter should be clear about what information is needed via the AccessHRA portal. Additionally, if a DSS staff person does call a client for this purpose; they should leave a call back number, along with hours of availability.
- Family Moves Within Shelter: When families are transferred into new shelter locations, the application process should not begin again. When this has occurred, it has added significant time delays. Applications should maintain even when families move locations.

Thank you for your time and attention to this matter. If you have any questions, please contact me at kmiller@hsunited.org.



New York City Council Committee on Finance
Preliminary Budget Hearing
March 5, 2025

Submitted by:
Gloria Kim
Director of Policy, Research, and Impact
Human Services Council of NY

Introduction

Good afternoon, Chair Brannan, and members of the New York City Council Committee on Finance. My name is Gloria Kim, and I am the Director of Policy, Research, and Impact at the Human Services Council (HSC), a membership organization representing over 170 human services providers in New York. HSC serves our membership as a coordinating body, advocate, and intermediary between the human services sector and government. We take on this work so that our members can focus on running their organizations and providing critical direct support to New Yorkers. These are the nonprofits that support our city's children, seniors, those experiencing homelessness, people with disabilities, individuals who are incarcerated or otherwise involved in the justice system, immigrants, and individuals coping with substance abuse and other mental health and behavioral challenges. We strive to help our members better serve their clients by addressing matters such as government procurement practices, disaster preparedness and recovery, government funding, and public policies that impact the sector.

Fund MOCS

The Mayor's Office of Contract Services is responsible for overseeing the City procurement process and leading reform initiatives to make it more equitable, transparent, and efficient. However, there are a significant amount of pending contract actions that are preventing providers from getting paid for the services they provided. This is unsustainable for the sector especially as they continuously deal with delayed procurement processes, which further exacerbates the cashflow challenges that countless human services nonprofits face. Also, MOCS plays a critical role in implementing the COLA so the lack of MOCS funding has a detrimental impact on the implementation process leading to workers not receiving the investment in a timely manner. At a time where so many human services organizations are facing financial issues and workers are reliant on this COLA, funding for MOCS is crucial to ensure that providers contracting needs are met and workers are compensated so that they can focus on providing services to their communities and so we support what MOCS is asking for in the budget to ensure appropriate service levels.

Late Contracting Issues

For too long nonprofits have incurred substantial costs for service delivery before they have a legal right to be paid and are often forced to borrow to meet payroll. Interest payments on such borrowings are not reimbursable, except in rare cases, and must therefore be paid from reserves already stretched to the breaking point. The City and its residents ultimately bear the brunt of these problems, when highly qualified providers cannot afford to take on City contracts, or when those providers must close programs or go out of business altogether because of the financial strains imposed by the City's late payments. The New York City Comptroller's Fiscal Year 2024 Annual Summary Contracts Report demonstrates that much more needs to be done – and quickly – to improve the timeliness of human services contract registration. Although the City procures over \$12 billion in human services, more than 91% of total contract value for human service and non-profit contractors were registered late in Fiscal Year 2024.¹ Although the City previously cleared the backlog of more than \$4 billion in unpaid contracts and amendments, more needs to be done to support the sector. The City needs to hold each agency accountable to pay invoices on time and clear the backlog of indirect and COLA contracting actions.

This City Council championed the three-year COLA deal that will invest over \$1 Billion in human services wages, and on behalf of the 80,000 workers impacted by that, we want to thank you again. That investment, along with other investments like the Indirect Cost Rate Initiative (ICR), are backlogged like so many other payments owed to nonprofits. This funding is critical, and providers are still owed money from ICR rates from three or more years ago, and delays in payment make it more difficult for providers to frontload COLA funding to workers. Late payments impact even crucial investments such as these, and we would encourage the Council to fund MOCS appropriately but also ask agencies how they are working to make sure these monies are paid to contracted providers.

Conclusion

The nonprofit sector has struggled for decades with the government procurement system to the detriment of the financial health of nonprofits. Although the City has taken on a great effort in creating substantial reforms to address the procurement challenges that nonprofits face, there are still compounding delays in the contracting process that force providers to undertake costly borrowing to make payroll and rents, often accruing interest not covered by government contracts. There are real and insurmountable financial hurdles that the current system has placed on providers, which must be resolved so that the sector can continue to deliver its human services programs.

We thank the City Council for their commitment to procurement reform and understanding the chronically delayed procurement process that providers face. However, MOCS is responsible for overseeing the procurement process and is an essential partner in enacting these reforms. To ensure that the City continues to see improvements to the procurement process, MOCS must be adequately funded as providers continue to experience contracting and payment delays, which contribute to the unsustainability of the sector.

Thank you for giving me this opportunity to testify. We greatly value our partnership with the City Council and know you stand with us in our call to support the human services sector.

¹ (New York City Comptroller Brad Lander, 2025)

Gloria Kim
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Defend Their Future: Fund Legal Services for Immigrant Children

Who We Are: ICARE is a coalition of legal service organizations dedicated to expanding access to legal representation for immigrant children facing deportation in New York City, while advocating for universal access to counsel.

The Challenge: Every year, thousands of children—some as young as infants - appear in NYC immigration courts without an attorney. New York ranks 4th nationwide in unaccompanied arrivals released to sponsors, yet many must face the system alone.

Most of the children and families we represent are fleeing extreme violence, trafficking, and persecution, seeking safety in the U.S. Without an attorney, they have only a 15% chance of winning their case. With ICARE representation, their success rate jumps to over 90%.

At the same time, immigration court backlogs have hit record highs, leaving children and families in legal limbo for years. Federal policy shifts have created new legal hurdles, requiring providers to expand services to meet emerging needs. Without City Council's continued investment, thousands of children will be left to represent themselves, leading to deportation and life-threatening consequences.

What We Do: With City Council's help, ICARE provides **free legal services** for immigrant children and families fighting deportation in NYC. Our services include: **Know-Your-Rights trainings**, **legal screenings**, **direct representation** and **connections to city & social services**, ensuring vulnerable New Yorkers don't face the immigration system alone.

Our Impact (Since 2014)	Screened over 14,000 children for relief	Represented over 3,000 children	Obtained relief for 1,500 children	Secured over \$24M in public funding for legal services
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ICARE FY26 Discretionary Funding Request: \$6,297,250

Despite overwhelming demand, ICARE providers have not received a funding increase in six years. This year's funding request is the difference between safety and deportation for 2,013 children and families.



**No child should face
the immigration process alone**



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TESTIMONY

New York City Council Committee on Finance
FY26 Preliminary Budget Hearing

Delivered by:
Sierra Kraft, Executive Director, ICARE Coalition
March 5th, 2025

Chairperson Brannan and members of the Committee on Finance, thank you for the opportunity to testify today. My name is Sierra Kraft, and I am the Executive Director of Immigrant Children Advocates' Relief Effort (ICARE), a coalition of seven legal services organizations dedicated to ensuring that unaccompanied immigrant children in New York City have access to free legal representation. Our members, Catholic Charities Community Services, Central American Legal Assistance, Human Rights First, Kids in Need of Defense (KIND), Legal Aid Society, The Door, and Safe Passage Project, are on the frontlines of this work every day, fighting to ensure that no child has to face the immigration system alone.

We are calling on the City to meet this moment and expand its investment in legal services for unaccompanied children.

Right now, thousands of immigrant children in New York are stuck in legal limbo, waiting years for their cases to be resolved. Nearly 7,000 unaccompanied children arrived here last year alone—fleeing war, trafficking, and gang violence. Instead of finding safety, they are thrown into an immigration system so complex that even trained attorneys struggle to navigate it. Yet, these children—some as young as toddlers—are expected to stand before a judge and argue their own case against a government prosecutor. Without an attorney, they have just a 15% chance of success. With an ICARE attorney, that number jumps to over 90%.



Despite the critical need, legal services for unaccompanied children remain dangerously underfunded. Just two weeks ago, a sudden federal stop-work order temporarily froze all funding for unaccompanied children's legal services nationwide. Although the order was rescinded within 48 hours, it was a wake up call: these protections can disappear overnight. The federal government has made it clear that funding for immigration legal services is unpredictable, politically vulnerable and clearly not enough. With ongoing threats of mass deportations and additional funding cuts at the federal level, New York must step up to protect young immigrants and ensure their legal rights are not dependent on an uncertain federal landscape. **We cannot gamble with children's futures.**

At the same time, the immigration court backlog is at an all-time high. Cases that once took months now stretch on for years, leaving children in legal limbo—unable to move forward with their education, employment, or sense of stability. The backlog also puts an enormous strain on legal service providers, who are being forced to stretch already limited resources, making it harder to take on new cases or provide the comprehensive representation that these cases require. We are at a breaking point: without increased city investment, thousands of children will remain unrepresented and at risk of deportation, homelessness, trafficking, and exploitation.

For over a decade, the City Council's investment in the Unaccompanied Minors and Families Initiative has been a lifeline. ICARE providers have represented more than 14,000 children and families. These legal services don't just help children navigate court—they create pathways to stability and opportunity. They allow kids to enroll in school, access healthcare, and build a future here in New York. Legal representation changes lives.



But while the need continues to grow, city funding for unaccompanied children's legal services has remained stagnant for six years. At the same time, costs have risen, and demand has skyrocketed. ICARE providers are being forced to do more with less, while thousands of children remain on waiting lists for legal help. This is unsustainable.

That is why today, **ICARE is requesting \$6,297,250 through the Unaccompanied Minors and Families Initiative to support 2,013 children and families through legal screenings, know-your-rights trainings, direct representation, and referrals to essential social services.** This investment is not just about legal services—it is about ensuring New York remains a city that protects its most vulnerable.

New York has long been a place that stands for justice. But justice requires action. These children came here seeking safety, and we have a responsibility to ensure they have the opportunity for due process, and we cannot turn our backs on them now.

We urge the Council to meet this moment and expanding funding for unaccompanied children's legal services. Thank you for your time, I look forward to our continued partnership in making sure that New York remains a city of refuge, opportunity, and justice for all of our community members.

In Community,

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To Finance Chair Brannan, the Finance committee, & NYC Council,

My name is Candice Ficalora, I am the President of Local 1757 of DC37. I represent city assessors, appraisers, and assistant city assessors (ACA), the majority of NYC Assessors work in the Department of Finance and Office of Administrative Tax Appeals Tax Commission. Department of Finance values approximately 1.1 million taxable properties with all 5 boroughs of NYC.

At Dept of Finance we have a total of 83 districts at either level 1, 2, or 3A (non-supervisory positions within valuation only) throughout the 5 boroughs.

We currently have 112 Assessors throughout the entire agency (this includes assessors in valuation, the condo/remissions unit, supervisor level 3B, & senior supervisor level 4). There are also 12 assistant city assessors (ACAs - working in valuation, as well as other units – such as exemptions), there was recently a hiring of approximately 14 additional ACA's, I do not know where they will be assigned.

We are asking for additional budget of approximately \$3,300,000 to DOF and TC combined to fulfill the staffing need for hiring/promoting. we need to hire (promote) level 3B (supervising assessors), then level 3A (advanced level assessors), then level 2 assessors (intermediate level assessors). We are currently overstaffed with level 1 (entry level assessors).

Our Vacancies at DOF are currently as follows:

- Manhattan field valuation is missing 3 level 2 assessors. and level 1 districts 1-11, 1-15, 1-16 are overstaffed with 2 level 1 assessors each.
- Bronx field valuation is missing 2 supervisors (level 3b assessors), missing 2 level 2 assessors. level 1 district 2-8 is overstaffed with 2 level 1 assessors.
- Brooklyn field valuation is missing 3 supervisors (level 3b assessors), missing 1 level 3A assessor (greenpoint area). level 1 district 3-16 is overstaffed with 3 level 1 assessors.
- Queens field valuation is missing 1 supervisor (level 3b assessor). level 1 districts 4-2, 4-4, are overstaffed with 2 level 1 assessors each, and level 1 district 4-8 is overstaffed with 3 level 1 assessors.
- Staten island field valuation is missing 1 supervisor (level 3b assessor). Level 1 districts 5-5, 5-6 are overstaffed with 2 level 1 assessors each.
- DOF also needs 5 reviewers for 5 boroughs for which are level 3b assessors.
- We also need one level 3b & one level 3a for the specialized condo/remissions unit, as condos are growing in nyc, & we need more staff to carry the workload.

Why is it important to fill these vacancies?

- Property tax inequity. Why are areas with properties which have lower market values paying more in tax than areas with properties which have much greater market values?

For class 1 properties (1-3 family home) & tax class 2abc properties (4-10 residential properties) this is due to New York State Real Property Tax Law (NYS RPTL) section 1805 – Maximum Permissible Assessment (MPA) which states that the assessed value, which is what we apply the tax rate to, cannot increase by 6% for one year or a total of 20% over 5 years for tax class 1 properties – this is referred to as the 6/20 rule. It also states that the assessed value cannot increase by 8% over 1 year or a total of 30% over 5 years, known as the 8/30 rule for tax class 2abc properties. unless there is a physical change made to the property – such as major alterations, renovations, new buildings, demolitions, enlargements, or change in use. The wording of the law is quoted below:

“Limitation on increases of assessed value of individual parcels Real Property Tax (RPT) CHAPTER 50-A, ARTICLE 18 § 1805. Limitation on increases of assessed value of individual parcels.

1. The assessor of any special assessing unit shall not increase the assessment of any individual parcel classified in class one in any one year, as measured from the assessment on the previous year's assessment roll, by more than six percent and shall not increase such assessment by more than twenty percent in any five-year period.
2. The assessment roll of a special assessing unit wholly contained within a city shall identify those parcels classified in class two which have fewer than eleven residential units. The assessor of any such special assessing unit shall not increase the assessment of any parcel so identified in any one year, as measured from the actual assessment on the previous year's assessment roll, by more than eight percent and shall not increase such assessment by more than thirty percent in any five-year period.
5. Nothing in this section shall prevent placing on the assessment roll new property, additions to or improvements of existing property or formerly exempt property or the full or partial removal from the roll of property by reason of fire, demolition, destruction or new exemption and such increase or decrease in value shall not be included in the computation of the limitations prescribed by this section.”

The assessed value cannot rise more than 6% in one year or 20% over five years, no matter how quickly the market value of the 1-3 family home increases, unless there is a physical change to the property.

Assessors must manually input these physical changes into the system for them to be reflective on the assessment roll, IF NOT then the AV's stay capped.

Therefore, vacancies in the level 3A & 2 districts contribute towards the property tax inequity throughout NYC when currently these busy districts, which are undergoing many physical changes, are left vacant without an assessor to input these physical changes into the assessment system. When these vacant districts are staffed properly, there will be an equalization of fair share of property taxes being paid by NYC property owners of these properties.

The level 3B assessor (supervising assessors & reviewers) is a very important position to fill in order for property valuation to run efficiently. Supervising assessors should be supervising a staff of 5-8 (this includes assessors & ACAs). Currently in Brooklyn alone, 26 districts are split amongst 2 supervising assessors. This greatly diminishes their ability to do their jobs effectively, help the assessors to grow & produce. The large number of vacancies among the 3b level is stunting the ability to value properties fair, equitably, & efficiently throughout the agency citywide. Reviewers review properties to make sure that the valuations are correct & consistent & give assessors constructive criticism regarding the work they are doing throughout the year. Both supervisors & reviewers (both level 3b assessors) oversee request for review's (RFRs) which are submitted by the taxpayers of NYC to DOF challenging the valuation, and request to update's (RTUs) which are descriptive inconsistencies in our records. When speaking to a supervisor recently they told me they are struggling to get their RFR queue under 100 items, this is also in addition to other responsibilities this supervisor has.

Additionally, in theory there should be as many ACA's as there are district assessors.

As time passes the workload is not decreasing, it is increasing, yet the staff (especially experienced staff) keeps shrinking.

In addition to the Department of Finance, the OATA Tax Commission (TC) also has 5 vacancies according to a member there. 2 level 2 assessors, 2 level 3A assessors, & 1 level 4 assessor. The members at the Tax Commission have voiced that they have a work overload which is impossible to complete without working overtime.

The existing budget for assessor salaries at TC is \$1,657,000. Requesting additional funding for TC staff of \$523,000.

The existing budget for assessor salaries at DOF is \$10,191,000. Requesting additional funding for DOF staff of \$2,800,000.

Thank you on behalf of all members of local 1757, dc37, NYC assessors & appraisers.



Joy. Power. Possibility.

The Lower Eastside Girls Club connects young women and gender-expansive youth of color throughout New York City to healthy and successful futures through free, innovative year-round programming and mentoring. Together, we are building a just and equitable future filled with "Joy. Power. Possibility."

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Testimony from the Lower Eastside Girls Club City Council FY 26 Preliminary Budget Hearing Committee on Finance March 5, 2025

Good afternoon, Chair Brannan and members of the Finance Committee. My name is Jenny Dembrow, and I am the Executive Director of the Lower Eastside Girls Club. I've been with the organization since its founding in 1996. Initially, there were three Boys Clubs but no Girls Club. We operated out of a basement, community rooms, schools, and over two dozen locations until we moved into our current 35,000 sq ft facility in 2013. Over nearly 30 years, thousands of young women, gender-expansive youth, and their families have benefited from our free programming.

The Lower Eastside Girls Club (LESGC) has created a safe space of "Joy, Power, Possibility" where young people can dream big, find their passions, and connect to peers and careers through free, year-round programming and mentoring. In 2022, we launched our Center for Wellbeing & Happiness (CWBH), expanding our mission and service population with a core belief that the well-being of our members is intimately connected to the well-being of their family, community, and world. Through CWBH we offer wellness services with a healing-centered approach to all generations and genders on the Lower East Side. 10,000+ individuals benefit annually from LESGC's programming, services, and initiatives.

Our innovative model of community youth development has attracted visitors from around the globe. We have made great strides; every day, I have the privilege of witnessing our members challenge the status quo and actualize the future they deserve, all while joyfully shining and thriving. And yet we are currently facing a moment where girls', women's rights, and the rights of marginalized people are being taken away. We must not back down in our fight for a just and equitable future for all New Yorkers.

We are requesting \$2.5 million from the City Council in FY 26 to support the stabilization of the organization. Currently, LESGC is navigating a challenging financial reality and stands at a critical inflection point. Between a \$3 million mortgage for purchasing our CWBH space, rising costs due to inflation, and declining giving, our revenue has fallen behind, resulting in a \$2 million deficit. These fiscal challenges pose a direct and imminent risk to our ability to provide the vital services and innovative programming so many rely on at a time when the need is greater than ever.

In the post-pandemic period, LESGC has seen operating costs escalate due to inflation. Essential salary increases were implemented to align with COLA and retain our dedicated staff. Revenue has failed to keep pace with expenditures in recent years. Funds from donors, foundations, and the government are declining, expenses are rising, and demand for services is growing. Expiration of pandemic-era aid — coupled with inflation, staffing shortages/rising wages, and declines in giving — are creating an uncertain financial landscape for nonprofits. NYC nonprofits are facing financial challenges that are leading to hiring freezes, program cuts, layoffs, mergers, acquisitions, and closures. According to NY Council of Nonprofits 2024 State of the Sector report, 62% of NY Nonprofits are concerned about



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funding basic operations (up from 50% in 2023), and 25% of NY Nonprofits are considering reducing services.

City government contracts, including DYCD contracts, have become unreliable, as have Federal and State funding sources in light of the recent stream of Executive orders. With New York City and State budgets tight, reimbursements for services/programming are increasingly delayed, complicating cash flow for nonprofits. The city currently has \$500 million in unregistered contracts. As of March 2025, LESGC has \$760,426 in outstanding City government contracts for programming and services that have already been rendered. At the State level, we are awaiting over \$800,000 in reimbursements from DASNY and REDC. Delayed payments have put LESGC and nonprofits across NYC in a precarious financial position.

The NYC Department of Youth and Community Services (DYCD) also cut key programs in FY24, negatively impacting youth service providers. Specifically, LESGC lost two DYCD grants: Compass Explorer (\$65,765) and Adolescent Literacy (\$108,274). We also only received half of our EFSP funding for our food pantry this year (\$7,000 of \$14,096). The EFSP program has been frozen with recent federal policy decisions impacting FEMA. These contracts, while not fully covering program costs, are essential to our overall funding model. Beyond the government funding, the recent attack on DEI initiatives and general post-election fiscal uncertainty have also negatively impacted philanthropic giving among corporate and private foundations. Amid these challenges, our strategies for ensuring financial stability include exploring partnerships with mission-aligned organizations, evaluating real estate leasing opportunities, and actively pursuing major philanthropic gifts.

LESGC's mission to provide Joy, Power, and Possibility is more urgent than ever. Our community-driven approach fosters long-term resilience, addressing the root causes of hardship and providing a holistic solution for the youth and families we serve. As we search for a way forward, we aim to secure our legacy as a transformative force in New York City and expand our impact for generations to come.



Make the Road New York
Testimony to Finance Committee
Written version

Good afternoon, Chair Brannan and Council Members. My name is Sienna Fontaine, and I am the General Counsel at Make the Road New York. On behalf of our 28,000+ members and staff, I thank the Committee for the opportunity to share our concerns with the FY26 budget and its impact on all immigrant New Yorkers.

Make the Road firmly believes in safeguarding dignity and fairness across our society. Over the years, the Council has done so much to ensure that New York continues to be a city that welcomes all, including immigrants.

In the face of anti-immigrant attacks, budget cuts, and other assaults on working people, Make the Road and other community based organizations are working round the clock to meet the surge in need. Make the Road is scrambling to meet demand for immigration legal services to reunite families who have been separated by ICE, to help workers to win back stolen wages, to make sure that tenants know their rights, to provide afterschool programs for low-income young people, and so much more. We are in dire need of resources to meet the need.

The city must fortify, rather than undermine, the critical services and funding for our diverse communities and protect New Yorkers of all immigration statuses. We ask the Council to use every available tool to reverse the Mayor's attacks on immigrants and working class New Yorkers of color. The services that organizations like us provide are essential. Amid a historic housing, shelter, and cost-of-living crisis, we need to invest in communities and protect each other, and expand funding for critical services.

Here are 4 examples of programs that we need to preserve and expand:

1) The City Council must expand and safeguard funding for the Rapid Response Legal Collaborative (RRLC). The RRLC is a unique program within the city's legal services ecosystem: it provides high-quality legal representation to individuals on the precipice of deportation. Last year, the mayor proposed cutting the RRLC's budget by about half, despite the uptick in demands for RRLC's services at the time. While temporary funding from this Council helped

avert a crisis, the program's future remains precarious. This instability could not come at a worse time, when immigrant communities across the boroughs are facing a concerted attack on their rights from a new Trump administration—from trying to end or constrain paths to legal status to reviving deportation processes that violate basic notions of due process. For good reason, demand for RRLC's services continues to soar daily. With deportation cases surging, the City Council must make a bold statement—create a \$25 million rapid-response fund that would safeguard and expand the RRLC's funding and address the cascade of crises families face during immigration enforcement actions, from housing instability to food insecurity.

Demand for legal services for immigrant workers is at all time highs while anti-immigrant rhetoric and federal policy threatens community well-being and funding levels remain stagnant or are at risk. The City must prioritize resources for the Low Wage Worker Support initiative to ensure that immigrant workers have access to quality legal representation, and commit at least \$362,750 to Make the Road New York to sustain our program. Our attorneys and advocates do the critical work of educating workers about their workplace rights and representing them in the face of exploitation and abuse.

The City must allocate an additional \$5 million to the Department of Consumer and Worker Protection (DCWP) to ensure their ability to enforce key worker and consumer protections such as Paid Sick Leave and the new minimum pay rule for delivery workers, which affect the immigrant workers we serve. Without meaningful and adequately resourced enforcement these protections are not real for immigrant workers in New York City.

2) Second: our city-funded adult English classes help immigrant New Yorkers find better jobs and help their kids in school. There are currently over 2.2 million adults in New York City with limited

English language proficiency or who do not have a high school diploma. Yet combined city and state funding for adult literacy education is so limited that fewer than 3% of these New Yorkers are able to access ESOL, adult basic education (ABE), or GED classes in any given year. Given the Mayor's incomprehensible cuts in FY25, and given the risk of further cuts or restrictions on federal funding for adult education that could profoundly impact the availability of services to New Yorkers, we support the recommendation of the New York City Coalition for Adult Literacy (NYCCAL) to double its baseline funding for adult literacy programs funded through DYCD from \$12 million to \$24 million, restoring the cuts from last year and enabling programs to bolster and stabilize their services in a time of increased need and continuous threats to our communities.

3) Third, failure to fund critical health initiatives would harm our communities' health in a moment when immigrant New Yorkers are most vulnerable. MRNY relies on initiatives like Access Health and others to provide essential health access services to immigrant communities in NYC. Our full range of health access programs include SNAP and health insurance benefits outreach and community education, enrollment, navigation and connection to wrap-around services. We offer programs that help to manage chronic conditions, such as asthma and diabetes, through our Community Health Worker services, and TGNCIQ health access services, which thousands rely on to meet their basic health needs. Furthermore, cuts to Health + Hospitals could impact the health services our immigrant community members receive, for example, through NYC Care, because many are not eligible for health insurance and therefore rely heavily on Health + Hospitals to meet all their healthcare needs.

4) All children and families in our communities deserve safe, supportive, well-resourced public schools. School districts are responsible for ensuring the safety and well-being of ALL their students. Schools can and should be stabilizing forces in the lives of immigrant students, offering safety, belonging and hope in the face of uncertainty. As the federal government moves toward dismantling the US Department of Education with the devastating potential of slashed funding and protections for the most vulnerable students, we need the city to fully fund our public schools. This includes saving key education programs at risk of being rolled back or eliminated this year. We are facing cuts to restorative justice, community schools, mental health support and Student Success Centers - programs that Make the Road NY members fought for and are now implementing on the ground. With 1 in 9 students experiencing homelessness, rising mental health needs, and the growing attacks on Black, immigrant and trans students and schools, this is not the time to let these vital services be cut. Immigrant youth should be able to focus on school - not on whether they will be deported. Trans youth should be able to focus on school - not on whether their civil rights will be stripped away. We are calling on you today to restore and baseline funding for the programs and supportive staff these young people need and deserve - \$12M for restorative justice, \$14M for community schools, \$3.3M for Student Success Centers and \$5M for the Mental Health Continuum.

Also as a reminder to what our youth members have been saying for years - police in school don't make them feel safe. We have the largest school police force in the entire country. We spend more than \$400M to police students in schools. We need those resources to be immediately redirected to protect and expand restorative justice, mental health, and other staff and practices that help students learn and thrive.. This includes putting in place an immediate freeze on hiring of any new school police - the safest schools have the most resources, not the most police. We must invest in student care, not criminalization.

The loss of thousands of seats for free, universal 3-K, an essential early childhood education program, will hurt working-class and immigrant New Yorkers and their families, who they cannot feed without adequate childcare. Cuts to CUNY and the support for students from our communities to get the extra support they need to succeed in college will also be devastating. At a time when colleges are struggling with enrollment and re-engaging students, this is the last thing that should be cut.

Many City Council initiatives help the city meet urgent needs of immigrant New Yorkers by sustaining the services that Make the Road and other organizations provide. We request the Council's support on the following in FY26 for Make the Road:

- Securing \$300,000 under the Speaker's Initiative for wraparound legal, health, and educational services, plus \$50,000 under the Speaker's Initiative for our Trans Immigrant Project for vital outreach to this extremely vulnerable community.
- Increasing Make the Road funding under the Low Wage Worker Support initiative to \$362,750 for our unique model of comprehensive legal support and mobilization of immigrant workers for better working conditions.
- Renew Legal Services for the Working Poor funding at \$165,900 to provide free, culturally competent legal services in employment, public benefits, housing, and more.
- Expand overall funding for the Access Health Initiative to \$4M, allocate \$2.36M in funding for the MCCAP Initiative, and maintain FY25 levels of funding for the Ending the Epidemic and Immigrant Health initiatives.
- Double the administration's baseline funding for adult literacy programs funded through DYCD from \$12 million to \$24 million, restoring the cuts from last year and enabling programs to bolster and stabilize their services in a time of increased need and continuous threats to our communities.

Thank you for standing up for these vital services that immigrant and working class New Yorkers depend on.

**TESTIMONY OF NEW DESTINY HOUSING
TO THE NEW YORK CITY COMMITTEE ON FINANCE HEARING
ON THE PRELIMINARY BUDGET FOR FISCAL YEAR 2026**

**Gabriela Sandoval Requena, Director of Policy and Communications
March 5, 2025**

Thank you, NYC Council Finance Committee Chair Brannan, Committee Members, and Council Central Staff for the opportunity to submit written testimony on the preliminary budget for Fiscal Year 2026.

ABOUT NEW DESTINY

Founded in 1994, New Destiny's mission is to end the cycle of domestic violence and homelessness for low-income families and individuals by developing and connecting them to safe, permanent, affordable housing and services.

New Destiny is the only organization in New York City solely dedicated to the solution of permanent housing for survivors of domestic violence. We are the largest provider of supportive housing for survivors in New York and a leading advocate in the effort to increase housing resources for New Yorkers impacted by domestic violence.

We are also a co-convenor of the [Family Homelessness Coalition \(FHC\)](#), a collective of mothers with lived experience of homelessness and organizations committed to tackling housing insecurity among families in our city. New Destiny is also a member of the Supportive Housing Network of New York and the Association for Neighborhood & Housing Development.

DOMESTIC VIOLENCE AND HOMELESSNESS

Domestic violence and homelessness are fundamentally connected. As New Destiny documented in its report: [*A Crisis Compounded: The Dual Crises of Domestic Violence and Homelessness*](#), domestic violence is the leading cause of family homelessness in New York City, pushing more families into shelter than evictions.

Due to the lack of permanent housing options, which are compounded by the devastating long-lasting effects of abuse, survivors may linger in shelter for years. Less than 10% of survivors moved to a permanent home and more than half left Human Resources Administration domestic violence emergency shelter for another shelter, upon reaching the State-mandated limit of 180 days. One in four survivors and their children had to move to a Department of Homeless Services family shelter, where the average length of stay is over a year, according to the Fiscal Year 2025 Preliminary Mayor's Management Report.

With no certainty of when they might be able to find a safe home, survivors are forced to make the impossible choice between entering the shelter system or remaining in abusive situations, putting their lives at risk. In 2023, 1 out of every 5 homicides were domestic violence homicides

in New York City (73 of 386), where the victim was either an intimate partner or a family member.

FEDERAL FUNDING CUTS

The proposed federal budget cuts will be devastating for survivors. Specifically, the cuts to programs funded by the U.S. Department of Housing and Urban Development, or HUD.

Since 2018, New Destiny has received HUD funding through the New York City Continuum of Care (CoC) to provide housing navigation services to hundreds of survivors and, in many cases, also temporary rental assistance. But our program, and hundreds of others like it in New York City, are at risk of disappearing.

As of today, HUD is withholding over \$3.57 billion in CoC funding nationwide, including nearly \$174 million for New York City. This year, more than ever, we need our city leaders to step up and protect New Yorkers impacted by domestic violence by:

Expanding CityFHEPS eligibility to include survivors fleeing abuse, regardless of immigration status

A shelter stay is often required to qualify for rental assistance programs, which effectively excludes survivors who are fleeing abuse and have never spent time in shelter. As it is the case for countless survivors without children, who are often members of the LGBTQIA+ community, trafficking survivors, and older adults, and often unable to access domestic violence emergency shelter. Expanding all voucher program eligibility to include survivors who are escaping an abusive situation and regardless of family size, as the federal Emergency Housing Voucher program did, is vital.

We thank the Council for their leadership in passing the CityFHEPS legislative package in 2023, which scaled up the rental assistance program to include households at risk of eviction or experiencing homelessness, among other key enhancements. Such modification would expand access to CityFHEPS for survivors who are fleeing domestic violence.

However, Mayor Adams refuses to implement the bills, and the case continues to be litigated in court. The Adams administration must fully enact the CityFHEPS legislative package to ensure survivors fleeing abuse. For noncitizen New Yorkers or those in mixed-status households, where at least one member of the family is a U.S. citizen or eligible immigrant, it can be difficult – if not impossible – to access sufficient housing support. This includes countless immigrant survivors of domestic violence, who lack equitable access to housing resources and, as a result, tend to stay in shelter for longer.

Expediting NYCHA emergency transfers for domestic violence survivors

Under the Emergency Transfer Program, the New York City Housing Authority (NYCHA) allows tenants who are escaping domestic abuse, dating violence, sexual assault, or stalking, as well as other crime victims, to apply for an apartment transfer. The process is intended to protect at-risk public housing residents by providing them with confidential relocation quickly. Eligible tenants are placed on a waiting list and assigned a transfer priority status. The total number of

residents approved for an [emergency transfer dropped](#) from 1,552 in Fiscal Year 2023 to 1,207 in Fiscal Year 2024. Since the City does not report the number of applications submitted, the drop in approved transfers does not necessarily indicate a decrease in demand.

At a City Council Committee on Public Housing hearing in March 2023, [NYCHA testified](#) that the agency had a total of 2,330 emergency transfers pending, of which 76%, or more than 1,770, were related to domestic violence. They reported that crime victims requesting emergency transfers must wait for a significant period of time for a new home. The agency has struggled to accommodate emergency transfers for years. According to a City Limits investigation, in July 2017, one of the 256 families on NYCHA's emergency transfer waiting list had been [waiting since March 2012](#) to move. The prolonged wait for a transfer forces survivors to choose between remaining in unsafe situations or entering the shelter system.

As Legal Services NYC's eye-opening report: [Trapped in Danger](#), exposed, NYCHA places emergency transfers in its lowest priority category, which results in domestic violence survivors waiting anywhere from one to three years, or more, for an emergency transfer. New York City must adhere to federal VAWA regulations and address the significant delays in NYCHA emergency transfers that put survivors' lives in jeopardy. NYCHA must give emergency transfer requests a much higher priority. This is a budget neutral, administrative change.

Additionally, NYCHA must ensure timely completion of repairs of vacant units and assess alternative resources, such as Section 8, for pending transfers waiting over 12 months, who are willing to relocate outside of public housing.

Investing \$6 Million in ENDGBV's microgrant program

Nearly all survivors face economic abuse, and more than half endure coerced debt, with long-lasting detrimental effects. An immediate, but otherwise manageable financial or health crisis can quickly snowball into a catastrophe causing homelessness for survivors.

In 2022, New York City took a major step in homelessness prevention by creating a housing stability program for domestic violence survivors, also known as microgrants. The program provides low-barrier grants to survivors and connects them to supportive services, with the goal of helping them maintain housing.

During COVID, a privately funded microgrant pilot, overseen by the Mayor's Office to End Domestic and Gender-Based Violence and administered by Sanctuary for Families, demonstrated that flexible funding can significantly improve survivors' financial situation, help them remain housed, and foster financial stability. The pilot illustrated the high demand for low-barrier financial support among survivors of domestic violence in New York City. The \$500,000 for the pilot was quickly depleted and forced the program to cease receiving applications in less than 2 months.

Based on existing, but limited, federal service funding from the United States Department of Housing and Urban Development, it is estimated that the average microgrant amount requested will be about \$2,000. Considering that and annual domestic violence service data from the New York City Family Justice Centers, the city must increase funding for the program to [at least \\$6 million](#).

Investing in NYC 15/15 reallocation

Supportive housing is one of the safest and most cost-effective housing solutions for survivors of domestic violence. Abuse has long-lasting detrimental effects on the physical and psychological well-being of survivors.

Survivors are [31% more likely to develop cardiovascular disease](#) and 51% are more likely to develop type 2 diabetes compared to those who have not been impacted by domestic violence. At least half of survivors experience posttraumatic stress disorder and depression; moreover, [survivors can sustain head trauma more often than football players](#), but they are rarely diagnosed. In fact, research shows that almost [75% of domestic violence incidents involve brain injury](#), and the Centers for Disease Prevention and Control (CDC) now recognize intimate partner violence as a [leading cause of traumatic brain injury](#).

After years of advocacy from New Destiny and other organizations, last summer the Adams administration included domestic violence survivors as an eligible population for New York City 15/15, the latest city-funded supportive housing program. However, 100% of NYC 15/15 congregate units have already been allocated, which means that organizations like New Destiny cannot develop supportive housing for domestic violence survivors under this program. As the [Supportive Housing Network of NY recommends](#), we urge the city reallocate a portion of the remaining scattered site units to congregate.

Thank you for your leadership and the opportunity to submit written testimony.



March 7, 2025

NYC-EJA Testimony on FY 2026 Preliminary Budget Hearing: Committee on Finance

Greetings Chair Brannan and members of the Finance Committee. My name is Michael Higgins Jr. and I am the Land Use Planner at the New York City Environmental Justice Alliance (NYC-EJA). We are submitting testimony to support the inclusion of \$3 million in the FY 2026 budget for the Department of Environmental Protection to develop a Master Plan for Rikers Island as a sustainable infrastructure hub for the city of New York.

Founded in 1991, NYC-EJA is a non-profit, 501(c)3 citywide membership network linking grassroots organizations from low-income communities of color in their struggle for environmental justice. NYC-EJA empowers its member organizations to advocate for improved environmental conditions and against inequitable environmental burdens by the coordination of campaigns to inform City and State policies. Through our efforts, member organizations coalesce around specific common issues that threaten the ability for low-income communities of color to thrive.

NYC-EJA is a founding member of the Renewable Rikers coalition, a movement to advance a green and restorative vision for Rikers Island and the environmental justice communities around it that coalesced after the announcement of the closure of the carceral facilities on the island during the De Blasio administration. Since then, the New York City Council has passed the Renewable Rikers Act, a package of three separate bills to both create a governance structure that would inform both the management of the land on the island and decision making on how the city would move the plan forward, and study potential uses that would support the city's reduced carbon emission goals. More than four years after that key win however, the Adams administration has done little to either ensure the closure of the facilities along the 2027 deadline or give city agencies the latitude to make clear decisions on what types of facilities will be sited on Rikers.

It is for this reason that it is imperative that the City Council use its power to secure the funding necessary to keep Renewable Rikers on track. [Int. 1038-2024](#), introduced by Council Member Sandy Nurse, would require the Department of Citywide Administrative Services (DCAS) to submit a master plan for the redevelopment of Rikers Island. In line with this, NYC-EJA is asking for the Council to include \$3 million in the FY 2026 budget for the Department of Environmental Protection (DEP) to lead this planning work necessary to get Renewable Rikers to the finish line. Not only is it the law, but creating a clear vision for the island will mean a healthy and greener future for many communities suffering ongoing pollution from the numerous peaker

plants, waste transfer stations and wastewater treatment facilities found on both sides of the segment of the East River that encircles the island.

We look forward to working with the Committee on Finance and the rest of the Council to ensure that Renewable Rikers doesn't just stay a plan, but instead turns into a reality for the city of New York. Thank you for the opportunity to submit this testimony.



Written Testimonial Letter to the New York City Council Committee on Finance

Hon. Just Brannan, Chair

Hearing: Preliminary Budget Hearing - Fiscal Year 2026

Wednesday, March 5, 2025

Thank you to Chair Brannan and the City Council for your commitment to New Yorkers and support of arts, culture, and arts education across New York City.

My name is Kimberly Olsen, and I am proud to be the Executive Director of the NYC Arts in Education Roundtable. We are a nonprofit service organization working to improve and advance arts education across NYC. I'm testifying as part of the It Starts with the Arts coalition and Coalition for Equitable Education Funding — calling on our city to prioritize funding for arts education in NYC schools and communities.

Engagement in the arts provides students with an avenue for learning, social, and career development that is not measured by standardized tests. Instead, the arts create a safe environment for students to learn essential life skills to help them reach their full potential. These skills are more important now than ever, as our students navigate a complex and ever-changing world.

The past few years have underscored the profound need for spaces where young people can process their experiences, think critically about the world around them, and build resilience. Arts learning opportunities provide precisely that space. These are not merely "soft skills"; they are the very foundation upon which future success is built.

[Research](#) consistently shows that arts programs equip students with the skills necessary to thrive in the 21st-century economy. These competencies, honed through artistic practice, include problem-solving, attention to nuance, eye contact, adaptability, empathy, visualization of goals and outcomes, and effective decision-making. These are the very qualities employers seek in their workforce. Moreover, arts competencies themselves can be highly marketable skills in today's economy — opening doors to careers in NYS's booming creative industries and beyond.

However, despite these undeniable benefits, the data reveals a stark reality. Funds budgets for arts education accounts for [3% of NYC Public Schools budget](#). When adjusted for inflation, NYCPS is budgeting \$40.8M less money on arts education now than we were back in FY17. Only 31% of NYC middle school students meet state arts learning requirements (ranging from 2% - 62% of students meeting requirements per school district), and arts instructional hours vary drastically at the elementary level. The [term and condition passed by the Council last year](#) revealed that 379 NYC public schools lack a certified arts teacher (about 1 in 5 schools) — leaving thousands of students without a dedicated arts teacher in their school. Furthermore, implications of the Class Size Mandate rollout, the Governor’s proposed changes to the Foundation Aid formula, and shifting federal funding stand to widen the arts education access gap for years to come.

More than 700 cultural organizations worked in partnership with schools last year to bridge that gap, broaden access to world-class artists, and provide external funding to schools, but delays in contracting and payment from multiple government agencies cause not only delayed educational opportunities for students but delayed employment for our city’s creative workforce.

Students without access to robust arts education taught by certified arts teachers and cultural organizations are denied opportunities to develop essential skills, explore their creativity, and connect with their communities. This inequity perpetuates existing disparities and ultimately limits the potential of our young people.

Investing in arts education is an investment in our future. Investment in quality of life. And investment in the development of our youngest New Yorkers. Therefore, I urge our City to take decisive action to ensure that all students have access to high-quality arts education. This includes:

- **Extend and baseline at-risk arts education funding (\$41M):** Following one-year funding to off-set expiring temporary federal stimulus dollars and city funds, arts education programs (alongside early childhood, community schools, teacher recruitment, and more) are once again at-risk of being eliminated. We stand with the Coalition of Equitable Education Funding and call on the city to shift from a one-year restoration to an annual allocation to sustain arts education and other programs currently on the chopping block.
- **Ensure Every School Has a Certified Arts Teachers (\$39.8M):** Ensure that all schools have at least one certified arts teacher, closing the equity gap for at least 379 schools. This can be done in part by bolstering the pipeline of certified arts teachers via

supplemental certification program (\$4M) or funding a PE Works-inspired improvement plan.

- **Restore and Enhance “Support for Arts Instruction” initiative funding (\$6M):** Build on city’s down payment and boost allocation from \$4M to \$6M to meet city-wide demand.
- **Require DOE arts funding be spent on the arts (\$12.5M):** Boost the per student arts allocation to \$100 from \$86.67 and require that money be spent on arts education.
- **Center Arts and Culture in Youth Development Programs (\$5M):** Allocate funds to better support arts and cultural education opportunities during Summer Rising 2025 and other DYCD programs to support public safety and continued community-building opportunities via the arts.
- **Restore and Increase Baseline Funding for the Department of Cultural Affairs (\$75M):** Add \$30M to baseline funding plus a one-time add of \$45M.
- **Prioritize timely processing of contract renewals and extensions:** *As a nonprofit who is still waiting to be paid for work done in FY23 and FY24, our City should establish accountability mechanisms to ensure that agency staff process awards, extensions and renewals so that service gaps are avoided (especially when it comes to MTAC process within NYCPS).*

We want inviting, colorful, vibrant, and thriving communities — that starts with the arts. Thank you for your time and consideration.

From: [Cecilia Arana](#)
To: [Testimony; Anderson, Nicole](#)
Cc: [District35](#)
Subject: [EXTERNAL] Thank you for your work--on behalf of the youngers....
Date: Wednesday, March 5, 2025 2:31:56 PM
Attachments: [image.png](#)

Hello to all who work so diligently in Council Chambers to keep our precious city working at top capacity--

I write on behalf of the students of NYC. The ones who will grow up to fill your shoes, someday. I am a parent and a non-profit director (we teach empathy/inclusion using puppetry and theater) and I commend you for your efforts to respond, not react, to each other as you navigate the stressors of financing our robust and needy communities! (I was able to view 30 minutes of your meeting today on zoom.)

At a recent symposium run by the Arts-in-Ed Roundtable, I was lucky enough to meet Crystal Hudson, and am impressed by her dedication to our seniors. At NYC Kids Project, and at many other nonprofits that benefit students, we are *equally* dedicated to the well being of our youth--their education, both academic and social/emotional. I urge you to think of them, our students, as you continue the impossible--making a little money go a long long way! With medicaid, H&H, Housing and Development, Transportation, Education, Arts and Culture, and every other dept. you serve--we know you can only do so much.

But creativity feeds all types of knowledge. Arts in Ed programming keeps our NYC children creative and flexible, crucial skills as we build a better society. Empathy is a skill we can all practice and improve upon--and equity grows when everyone is included. Even those who may not be present at the table when the meal is being served.

Thank you for remembering the youngers today, and always, as you direct finances fairly and equitably.

--

With respect for all,



Cecilia Arana

Artistic Director of NYC Kids Project

www.nyckidsproject.org

https://www.youtube.com/watch?time_continue=38&v=jR0LkZmgAqI



**New York City Council
Committee on Finance**

**NEW YORK CITY COUNCIL FISCAL YEAR 2026
PRELIMINARY BUDGET HEARING**

**Testimony of the New York Immigration Coalition
March 5, 2025**

Good morning. My name is Caroline Conroy and I am Senior Director of Policy and Programs at the New York Immigration Coalition, an umbrella policy and advocacy organization that works statewide with over 200 immigrant-serving member and partner organizations. Thank you to Speaker Adams, Chair Brannan, and the members of the City Council for convening this hearing and allowing us the opportunity to testify.

We stand in solidarity with fellow activists, organizations, and New Yorkers and decry Mayor Adams' engagement in a shameful quid pro quo to collude with the Trump administration to deport immigrant New Yorkers and commit full attention and city resources to Trump's draconian immigration enforcement agenda in exchange for his federal corruption charges being dropped. Mayor Adams has compromised his ability to lead this city with true autonomy and has compromised the trust we have in his ability to make critical decisions for the benefit of all New Yorkers moving forward. Our city deserves a leader with a backbone, one who stands up to temptation and threats, maintains the city's integrity and institutions, and puts the interest of the communities they have sworn to serve above self-preservation and self-interest. Instead, Mayor Adams has chosen to target our immigrant families, the very same people he has shamelessly used as scapegoats to justify his brutal cuts to key and essential public services and programs.

More so, we are deeply alarmed by the devastating cuts and glaring omissions outlined in Mayor Adams' Executive Budget, which completely slashes funding for asylum seeker centers and immigration legal services, which are lifelines for both longstanding and newly arrived asylum seekers and refugees at a time of unprecedented need. The proposed budget also neglects to allocate new funding for libraries and cultural institutions, parks, universal 3-K, Pre-K, child care programs, and secure inclusive housing supports. Moreover, the Administration neglects to include funding to sustain essential education programs that could be rolled back or eliminated as soon as July 2025. These cuts are not just numbers on a spreadsheet, they are a direct attack on the well-being, and future of our city's immigrant communities.

Since 2022, New York City has been a critical sanctuary for more than 229,000 asylum seekers and refugees, many of whom have endured unimaginable hardship to seek safety



here. Yet, the Executive Budget would completely eliminate funding for asylum seeker centers and legal services, leaving hundreds without support. We urge the City Council to restore and expand funding for immigration legal services, including funding for community based organizations that provide legal services

The NYIC strongly urges the City Council to stand in solidarity with their communities and fully restore the funding and programs that support them so that they can uplift our city by:

- Investing \$59 million in funding for immigration legal services to ensure continuity of services and to help defend immigrants against ongoing aggressive, anti-immigrant policies.
- Increasing and baselining \$40 million in Immigrant Opportunity Initiative (IOI) funding to meet the needs in immigrant communities.
- Establishing a \$25 million Citywide Rapid Response fund to provide emergency immigration legal services, housing, and food assistance to families impacted by immigration enforcement actions.
- Increasing funding for NY Immigrant Family Unity Program (NYIFUP) to sustain and support representing detained individuals.
- Fully restoring funding for 3-K and Pre-K programs, the only free early childhood education and care available to many immigrant families. These programs are linked to better academic outcomes, less engagement with the criminal justice system, and greater ultimate financial stability for children who go through these programs.
- Investing \$4M in the Immigrant Family Communications and Outreach Initiative. This essential funding helps NYCPS provide critical school-related information to immigrant families with varying levels of literacy and access to digital media.
- Investing \$24M through DYCD in funding for Adult Literacy programs to address gaps in digital literacy, systems navigation skills, and access to critical, family-stabilizing information.
- Maintaining \$16.5M in funding for the Adult Literacy Pilot and the City Council Adult Literacy Initiative.
- Renewing \$25M in funding for the Promise NYC child care program to provide subsidized child care for children without citizenship status who cannot be served under existing subsidies.



- Fully renewing funding for critical outreach programs for immigrants, including the Access Health Initiative and the Key to the City Initiative, which help connect thousands of immigrant New Yorkers to critical services.
- Baseline increased funding of \$10M in FY26 City Budget to sustain the development and operations of the NYC Community Interpreter Bank and to support the growth of worker-owned language service cooperatives, ensuring that all New Yorkers have access to high-quality interpretation and translation services.
- Fighting back against the Mayor's 30- and 60-day shelter rule by allocating adequate funding in the budget to expand the CityFHEPS voucher program, regardless of status, can access vital housing supports..

New York City has long prided itself on being a vibrant, diverse city with endless opportunity — a city that calls itself the capital of the world. And New Yorkers have long understood that our status as a beacon and safe haven for the global community is why we have, and continue to be, a cultural and financial leader on the national and international stage. To put it succinctly, our city is key to making our state, and country, great — and immigrants are key to making New York City great.

While we understand the need to be fiscally prudent, we cannot continue to allow unnecessarily conservative budget forecasting and unjustified funding cuts to threaten New York's most vibrant, and vulnerable, communities. In order to meet the overwhelming and unmet needs of New Yorkers, whether they've been here 30 years or 30 days, we must act strategically — not reactionarily.

So far, the Adams administration has cut costs without consideration, or care, of the long term effects on current New Yorkers and the future of our city. We call on the Council to protect the rights of all New Yorkers and do everything in your power to ensure everyone in the city, regardless of their immigration status, can thrive in safe communities. Now is the time to ensure that our investments are protected, our people are taken care of, and that we maintain and sustain the services that allow all New Yorkers to flourish.

Thank you for the opportunity to testify.

Submitted by:
Caroline Conroy
Senior Director of Policy and Programs
New York Immigration Coalition



**Testimony of Alia Soomro, Deputy Director for New York City Policy
New York League of Conservation Voters
City Council Committee on Finance
FY26 Preliminary Budget Hearing
March 5, 2025**

My name is Alia Soomro and I am the Deputy Director for New York City Policy at the New York League of Conservation Voters (NYLCV). NYLCV is a statewide environmental advocacy organization representing over 30,000 members in New York City. Thank you, Chair Brannan, and members of the Committee on Finance for the opportunity to comment.

One of NYLCV's top priorities is ensuring that environmental laws and programs are successfully and equitably implemented by adequately funding and sufficiently staffing city agencies. **While we plan to submit detailed written comments for the City Council's various Preliminary Budget hearings over the next few weeks, our top line funding priorities are:**

Eliminate DEP's Billion Dollar Water Rental Payment

First, NYLCV strongly opposes DEP's water rental payment that the Adams Administration has implemented starting in FY25. The Administration reintroduced the full water rental payment in 2024, taking a \$289 million rental payment for FY25 and adding that to the City's general fund, for unspecified, non-water-related purposes. From 2026 through 2029, the City plans to charge the Water Board more than \$1.3 billion in rent over four years to lease the water system from the City, including \$303 Million in FY26.

For background, the NYC Water Board collects funds generated by water ratepayers across the city. These funds form the majority of the budget for DEP, which manages and maintains the city's drinking water supply, stormwater infrastructure and wastewater treatment systems.

Under the 1985 lease agreement between the City and the Water Board, the City—at the mayor's discretion—may request a rental payment from the Water Board for use of the city's water lines. Originally, this rental payment was used to pay off the principal and interest payable on general obligation bonds issued by the City for water and sewer purposes.¹ Although those bonds have been paid off since 2004, mayoral administrations have continued to take a rental payment at the expense of water ratepayers.

¹ Paige, J., Gudino, V., Defelice, G., & Mendez, J. L. (2024). (rep.). New York City's Water and Sewer System: Examining Rate Setting and Billing Structures. Retrieved from <https://www.ibo.nyc.ny.us/iboreports/new-york-citys-water-and-sewer-system-examining-rate-setting-and-billing-structures-october-2024.pdf>.

After a pause from 2017 to 2023, the Adams Administration reintroduced the full rental payment in 2024 purportedly to fund rising costs of caring for asylum seekers. This means DEP's water payment revenue will be handed over to the City general fund for non-water-related purposes instead of staying with DEP, where they can direct it towards capital infrastructure projects.

In 2024 alone it was estimated that the rental payment taken by the Adams Administration resulted in a 3.1% increase in water rates for everyday New Yorkers. Looking ahead to May 2025, and through at least 2028, New Yorkers can expect continued yearly impact on their water rates as a result of this rental payment.

While the City has done this in the past, NYLCV believes this is a poor policy decision, especially given the urgency of the climate crisis. Capital funding for water infrastructure is urgently needed to address critical stormwater flooding, support coastal resiliency, improve water quality and strengthen drinking water infrastructure in New York City. By taking billions of dollars in the form of a rental payment, the Administration is raiding desperately needed funds and threatening the long term resilience of the city. This especially impacts parts of the City that have historically been neglected and will suffer the brunt of more frequent extreme weather events due to the ongoing climate crisis. DEP needs to keep this revenue to make essential infrastructure upgrades, especially in parts of the City that have historically been neglected and will suffer the brunt of climate change.

Because the general obligation bonds have been paid off, we call for the elimination of the water rental payment entirely to ensure future administrations do not have the authority to raise water rates on ratepayers or reallocate money away from DEP to the City's general fund. Agencies, like DEP, working on solutions to climate change must be fully funded and supported. **We strongly encourage the City Council and Mayor's Office to reject the \$1.3 billion water rental payment in the City budget.**

Restore and Grow the NYC Parks Department

As co-founders of the Play Fair for Parks Coalition, we stand with New Yorkers for Parks, DC37, and over 400 coalition members to demand a City budget that gives parks the fair funding they deserve. We appreciate Speaker Adams' State of the City Address calling out the need for full restoration of the NYC Parks Department budget for FY26 and the City Council's steadfast support for the Play Fair for Parks Campaign over the past couple of years.

For FY26, the Play Fair for Parks Coalition is calling for \$79.7 million to restore lost staff and strengthen NYC Parks' workforce and programs. This includes:

- **Restore and Baseline the NYC Parks Workforce – \$65M**
 - Restore and baseline 795 critical NYC Parks staff positions that have been lost due to budget cuts and attrition, supporting a stable union workforce and working families while ensuring a safe and well-maintained parks system for all New Yorkers.

- 400 Operations – Park maintenance and upkeep
- 60 Parks Enforcement Patrol (PEP) – Public safety in parks
- 125 Forestry and Natural Areas – Tree care, urban canopy management, trails and forest restoration
- 60 Capital – Ensure efficient capital project management
- 75 Public Programs – Community engagement & programming
- 75 Administration – Essential management & oversight
- **Renew Council-Funded Parks Staffing and Initiatives – \$14.7M**
 - Funding key initiatives that bolster operations and community programs:
 - \$4.1M – Baseline or renew council funding for 50 Urban Park Rangers to enhance public safety, education and wildlife management
 - \$2M – Baseline or renew council funding for tree stump removal for replanting and improving heat resilience
 - \$2.6M – Baseline or renew council funding for GreenThumb to support community gardens and volunteers
 - \$5M – Increase council funding for Parks Equity Initiative (PEI) member allocations to expand citywide programming
 - \$1M – Increase PEI lump sum council funding to City Parks Foundation for expanded volunteer support

This city needs our elected leaders to take climate action seriously. And with leaders in Washington denying the very existence of climate change, local action and investment in our city's agencies and programs is more important than ever.

Thank you for the opportunity to comment.

**Testimony to New York City Council Finance Committee
Executive Budget FY25**

Public Hearing

March 5, 2025

Tanya Krupat
Vice President, Policy & Advocacy
Osborne Center for Justice Across Generations



Thank you for the opportunity to provide testimony to the Finance Committee for the upcoming FY 2025 Budget. My name is Tanya Krupat and I am the Vice President of Policy and Advocacy at the Osborne Center for Justice Across Generations. As many of you know, Osborne Association is one of the oldest and largest criminal justice service organizations in the state. Our services reach over 14,000 individuals each year, assisting them and their families in navigating arrest, courts, incarceration on Rikers and in state prisons, and reentry. Through advocacy, direct service, and policy reform, Osborne works to create opportunities for people to heal, grow, and thrive. Osborne also now provides a variety of reentry housing, including transitional housing at the Fulton Community Reentry Center in the South Bronx and permanent supportive housing at Marcus Garvey Apartments in Brownsville, Brooklyn. Fulton, a former prison that we opened last April, houses 140 men returning from DOCCS, and Marcus Garvey provides apartments for older adults returning from long-term incarceration.

Osborne has been a member of the NY ATI/ Reentry Coalition since its inception and we are among the 12 organizations included in the funding request for an increased investment of \$2.4 million, a \$200,000 increase for each of our 12 organizations. As a coalition, we are critical to the closure of Rikers, as documented in the recently published [report](#), *Expanding Alternatives to Incarceration in NYC: A Pathway to Safely Closing Rikers Island*.

This critical funding allows for our organizations to continue providing services across the full spectrum of the criminal legal system. We remain grateful for the flexibility ATI funding provides to our organizations as we work to decarcerate our jails and prisons with a particular focus on reducing the population on Rikers Island and moving towards its closure. It bears repeating as often as possible how effective and affordable ATI programs are. For the cost of detaining one person on Rikers for one year (around \$507,000) – a year in which they are separated from their family, are likely to experience or witness violence, may lose their job and home, and experience deteriorating health and mental health – ATIs can serve more than 30 people, and yield positive and life-changing results that make us all safer.

Despite these positive outcomes and demonstrated cost savings, the preliminary budget proposes to cut ATI (\$3.8 million) and reentry (\$8 million) funding, while increasing the budgets of NYPD and DOC, which include vacancies, over-spending, runaway overtime, and a lack of accountability.¹ This flies in the face of the goal of public safety. To add to the argument that more police and correction officers do not make us safer, consider that NYC paid out more than \$205 million last year alone in police and prosecutorial misconduct legal settlements for 953 cases. Since 2018, the City has paid out over \$750 million in legal settlements related to police misconduct lawsuits.² This comes out of our tax dollars. The City should be investing in what works and increasing this investment, not investing in bloated spending and greater harm.

1

<https://vera-institute.files.svdcdn.com/production/downloads/publications/A-Look-Inside-the-New-York-City-Fiscal-Year-2026-Preliminary-Budget.pdf>

²More information can be found [HERE](#).

As you negotiate this year's budget, we support the recommendations of the Freedom Agenda and urge you to:

- **Allocate at least an additional \$39.8M to meet housing and mental health needs,** and fulfill commitments in the Close Rikers plan, including:
 - Building on the City Council's investment last year, the administration must appropriate **\$4.8 million more in annual funding for [Justice Involved Supportive Housing](#)**, and reissue the RFP for 380 new units with service funding levels in line with those of similar supportive housing programs. This will enable the City to deliver on the Close Rikers Points of Agreement to expand JISH to 500 units.
 - **Allocate \$22M more to create 15 more [Intensive Mobile Treatment](#) teams.** The waitlist to access this evidence-based program is over 400 people.
 - **Allocate \$7M more to create more [Forensic Assertive Community Treatment](#) teams** and cut the long wait times (an average of 6 to 12 months) to access this service.
 - **Allocate \$6M more to open four new crisis respite centers,** in compliance with Local Law 118-2023.
- **Fully restore cuts to the Board of Correction and increase their headcount** to at least 1% of the number of people in DOC custody.³ The [preliminary budget](#) proposes \$210K in cuts and 5 fewer staff positions at BOC, when more oversight of the jails on Rikers is sorely needed, not less. Establishing a minimum budget linked to the number of people in custody would add 37 BOC staff positions (versus the preliminary budget), but would add only \$4.5M to the overall expense budget.⁴ Given the annual cost of incarcerating someone on Rikers, releasing just 9 people would cover this needed funding.
- **Eliminate vacancies for DOC uniformed staff.** The Department of Correction is budgeted for 7,060 uniformed officers, but as of January 1, 2025, it employed [5,908 and 1,152 positions were vacant](#).⁵ DOC has not made a plan to rightsize this agency in alignment with reducing the number of people in jail and closing Rikers. By eliminating uniformed vacancies (which have been growing since 2022), DOC could realize cost savings of **\$149.6M annually**.⁶

While we fully support closing Rikers and thank the Council for supporting this legally required goal, we must underscore the devastating impact of the City's decision to eliminate the targeted approach program providers almost 2 years ago. Close to the same time, the Probation Department eliminated Next STEPS, which served young people living in NYCHA housing. In both cases, the abruptness of the decision was additionally harmful, particularly for the young people who had their mentors taken away in a matter of days, and the negative effects of both

³ Other oversight agencies [like the CCRB](#) have minimum budgets linked to the size of the agency they oversee.

⁴ The FY2026 projected budget allocates \$3.6M to BOC, for 30 staff; 67 staff would constitute 1% of the currently jail population (6,7000 people)

⁵ Per Independent Budget Office

⁶ Based on \$129,897 per officer, as [calculated by the Vera Institute](#).

decisions have been felt deeply by the individuals who benefited greatly from these programs, by the staff who poured their passion into serving and achieving positive outcomes, and by the organizations who coordinated the programs. Frankly, we all lose out when programs are cut that promote public safety and support people to thrive.

In the case of Rikers programming, we remain deeply concerned that the five-hour daily programming requirement under local law⁷ is not being met. We urge the City Council and the Board of Correction to examine compliance with this mandate and to restore funding for programs on Rikers. While we are grateful for the recent RFPs issued by DOC, a \$14 million investment in trauma-informed and educational programming, and substance abuse treatment, this is not a restoration of the programming eliminated by the previous \$17 million cut, which included an array of cognitive-behavioral and trauma-informed programs facilitated by trained and experienced staff.

To strengthen New York City's families and communities, and contribute to public safety and a brighter City, we have submitted the following requests for FY26 City Council funding:

Court Advocacy and Mitigation Services (CAS), funded in large part by City Council ATI funding, continues to demonstrate how effective court mitigation services are in human and economic terms.

- In Fiscal Year 2024, CAS's programs:
 - **Enrolled 796** people
 - Assisted **98%** of those served with **court-imposed conditions** in meeting all conditions
 - Achieved a **93% successful disposition rate**
 - Prevented **1,411 years of incarceration** at a cost savings to the City and State of more than \$162 million
- Since regaining funding in July 2023, the **Second Look** program at Rose M. Singer Center has secured the release of **16** women or transgender people (one-third of the clients enrolled into programming during this same period) who are detained in DOC custody, which yields a cost savings of more than \$8 million.

Safeguarding Children

For the past 4 years, the City Council has funded Osborne to work with the NYPD to **Safeguard Children at the Time of Their Parent's Arrest**. The funding allowed us to assist NYPD in complying with the recently passed Local Law 1349-A, enacted to reduce trauma to children when NYPD arrests the parent or caregiver of a child. Our role has been to assist in developing and delivering training, provide technical assistance to the NYPD regarding data collection, and build a network of community-based providers who can offer post-arrest support to children and families. While we have trained more than 5,000 recruits and newly promoted Sergeants and Lieutenants, as well as Youth Coordinating Officers, there remains much more to do, and much that is currently in progress.

⁷ NYC Code, Title 9, Chapter 1, Section 110, [Education and Programming](#).

In FY26, with continued funding, we can train Training Sergeants, create practice tools for Officers to access on their phones via NYPD's intranet, equip scenario-based training rooms with props to indicate the presence of children, and reach many more of the 30,000 members of service. We can also work to create sustainable training plans and ensure this work continues and is embedded in NYPD policy and practice. As mentioned, the funding we received from the City Council also allowed us to build a consortium of service providers that can address the needs of children and families after a parent's arrest. Sustained funding would allow this work to continue; without a dedicated focus on this vital component and funding for it, these efforts would end. FY25 funding would also allow us to pursue aspects of this work that are critically important but we have not yet addressed: safeguarding children present when warrants are executed through pre-arrest planning, and confronting the ongoing lack of data. We are requesting \$300,000 to continue this work, and to expand it to the NYC Department of Correction to improve interactions with children visiting NYC jails.

Improving the Health & Well-Being of NYC's Youth

The impact of a parent's or family member's arrest and incarceration on young people is often overlooked yet is a very common and significant experience: one in 14 children have experienced the incarceration of a parent. Racial disparities in the criminal legal system transfer to children as well: one in 4 Black children, one in 10 Latino/a children, and one in 25 white children experience parental incarceration.⁸ We seek renewed funding for our Improving Behavioral Health and Well-being of NYC's Youth services, which assess and address mental health and trauma in youth impacted by the criminal legal system. We are requesting \$158,000 (funded through the Court-involved Youth Mental Health Initiative) to assess and connect young people with treatment options that alleviate stress, improve functioning, and reduce trauma symptoms. Specific deliverables include conducting 60 assessments, and connecting youth via at least 120 referrals.

- With support from the **Court-Involved Youth Mental Health Initiative** in FY24, 84 young people were assessed for mental health needs, and Osborne made **165 internal and external referrals** for services.
- In Calendar Year 2024, Osborne's programs engaged **129 children of incarcerated parents** and **8 grandchildren** of incarcerated grandparents.

Gun Prevention

Bronx Osborne Gun Accountability and Prevention (BOGAP) Program

Osborne has submitted a funding request of \$20,000 to expand a program developed with the Bronx DA for 16- to 30-year-olds that provides an accountability-based alternative to the 3.5-year mandatory minimum prison sentence for carrying a loaded gun in the absence of any other crime. This funding would supplement funding we have received from other sources, and

⁸ Turney & Goodsell (2018); The Annie E. Casey Foundation Kids Count Data Center reports that in fiscal year 2019-2020; Children of the Prison Boom: Mass Incarceration and the Future of American Inequality. Wakefield & Wildeman (2009).

allow us to serve 75 young people this coming fiscal year. It costs about \$110,000 per year for one person incarcerated in a NY State prison, and about \$507,000 per year per person detained on Rikers. BOGAP successfully keeps young people out of jail and prison, saving millions of dollars and achieving positive outcomes and brighter futures for young adults, as demonstrated by our extraordinarily high retention rate (98%) and described last year in [this feature article by the Bureau of Justice Assistance](#). With our requested funding, we'll be able to provide hot meals to program participants, stipends for internships, and additional supportive services to increase young people's success in the program and beyond.

- In CY24:
 - **65** BOGAP participants were served
 - **24** out of **29** exits were successful, or an **83% success rate**, preventing **84 years** of incarceration
 - Of participants enrolled in CY24 who were eligible to reach their **3-month-retention** rate, 23 out of 24 participants, or **96%** did so
 - Staff **facilitated 824 unique group sessions**

Reentry Housing

The housing crisis in the City remains significant and those reentering the community from jail and prison encounter not only the shortage of affordable housing, but also housing discrimination due to their conviction histories, which we hope will be mitigated with the passage of the Fair Chance for Housing Act. Thank you to the City Council for passing this landmark bill in December 2023, which went into effect in January of this year!

According to the *State of the Homeless 2023*⁹ report, every year since 2015, between 45 and 55 percent of those leaving state prison were discharged to the NYC shelter system. To address the dire need for reentry housing, Osborne opened the **Fulton Community Reentry Center** last year, where we are providing transitional housing beds for 140 older men returning from prison, and an array of reentry services in the former state-owned Fulton Correctional Facility. We are grateful for past Council funding for Fulton, and this year we are requesting funding for our innovative Kinship Reentry Housing program in the amount of \$250,000.

Osborne launched the **Kinship Reentry Housing Program** (Kinship) in 2021 in response to the desperate need for reentry housing and a support system for families housing their returning loved ones. Inspired by kinship foster care model, Kinship's services for families include:

- \$500 monthly cash assistance payments for up to 12 months to offset the economic impact of housing a formerly incarcerated family member;
- Case management and counseling to support families in the reunification process, delivered by credible messenger staff who draw from their own experiences with welcoming a loved one home;

⁹ Coalition for the Homeless, June 2023, [State of the Homeless 2023, Compounding Crises, Failed Responses](#)

- Home visits and advocacy for families, including addressing unsafe living conditions with landlords;
- Financial literacy education and financial planning for the end of the 12-month cash assistance program; and
- Service coordination with the formerly incarcerated person's reentry services provider.

The maximum \$6,000 cash assistance distributions (which do not affect an individual's benefits) provided to Kinship families per year are significantly less than the costs associated with housing a person in a city shelter: \$50,370 annually.¹⁰ The annual cost of serving a Kinship family is approximately \$12,000, resulting in shelter diversion savings of \$38,370 for every family served.

To date, we have served 256 NYC families and the initial results are highly promising:

- A 83% successful exit rate (meaning that the loved one continued living with their family for 12 months, and the family completed 12 months of supportive services);
- 90% reported that their family relationships were "better" at time of program exit than when they started the program;
- 94% reported their family's financial stability was "better" at time of program exit than when they started the program;
- Only two individuals hosted by their families have been reincarcerated (both due to parole revocation rather than new criminal convictions)
- No one involved in the program has become homeless.

With support from the City Council, Osborne will be able to sustain this innovative cost-effective program, and strengthen clinical support offered to families, including a focus on supporting older caregivers.

Elder Reentry

Currently, 15% of the total population in NYC DOC custody, or 967 adults, are aged 50 and older. The numbers of aging people in prisons across New York State have climbed steadily over decades even as the overall prison population has fallen, due to harsh sentencing laws and repeated parole denials¹¹. Moreover, elders in jail are likely to have experienced repeated incarceration, often for acts related to mental illness or substance use disorder (SUD), which affect more than half of people on Rikers Island.

¹⁰ NYC Independent Budget Office (2022). *Focus On: The Preliminary Budget, Adams Increases Funds for Homeless Shelters, But More Needed for Shelters and Other Programs*. Retrieved from <https://ibo.nyc.ny.us/iboreports/adams-increases-funds-for-homeless-shelters-but-more-needed-for-shelters-and-other-programs-fopb-march-2022.pdf>

¹¹ https://www.osborneny.org/assets/files/Osborne_HighCostsofLowRisk.pdf;
<https://www.vera.org/news/new-yorks-parole-system-is-broken>;
https://fortunesociety.org/media_center/opinion-addressing-the-plight-of-new-yorkers-aging-behind-bars/

Osborne's Elder Reentry Initiative (ERI) provides cognitive-behavioral interventions and transitional planning services to older adults in DOC custody, as well as reentry support for older people returning from incarceration. While the numbers of people in State custody is going down, 22% of people in custody are now over age 50, and the numbers of people in DOC custody as well as those over 50 are, unfortunately, increasing.

On Rikers, ERI staff travel through all 8 jails and prioritize housing areas with the greatest concentration of older, high-risk individuals. ERI staff will assist SLE with participant referrals and linkages to community resources. Funded by the Council in the past, we request continued funding in the amount of \$125,000 to support two related program areas: (1) The Elder Reentry Initiative's participant screening, intake and assessment, reentry service plans, community case management, and technical assistance; and (2) Osborne's advocacy and public education on behalf of older adults.

- On **Rikers Island**, a DCJS-funded program centered on a cognitive behavioral intervention curriculum, Interactive Journaling, supplements the City council funding for elder detainees. The curriculum is delivered in both in-person group sessions and one-on-one sessions via video conference.
- ERI facilitators also discuss with participants their plans for discharge from custody and complete a basic discharge plan. Follow-up for those released to the community is performed by Osborne's Community Reentry Justice Network staff.
- **94** individual participants were served by the program on Rikers Island in CY24.
- Last year, **293** individual CBI sessions were delivered to elders on Rikers Island.

Funding for Osborne's ERI program addresses a critical need to support older people as they come home from lengthy incarceration and make the very challenging adjustment into a fast-paced, digital world, as well as those on and returning from Rikers. Not only does this benefit public safety, but it also benefits us all as older people have much to contribute and teach us.

Health & LGBTQIA+ Reentry Services

We have submitted a renewed funding request for \$110,000 to support formerly incarcerated people who are living with or at high risk of contracting HIV and come from low-income communities of color, with a focus on LGBTQIA+ people. Osborne will provide sexual health education, referrals to prevention and treatment services, trauma support, and other supportive services. In FY24, this program's staff:

- participated in **20 outreach events** (both virtually and in person) in the Bronx, Manhattan, and Queens, **averaging about 51 attendees** per outreach event and distributing over **400 educational pamphlets**.
- facilitated **59** educational sessions, with an estimated 153 participants served through the groups.

Please see our full list of seven (7) funding requests in the attached document.

In closing, we urge the City Council to invest in community-based solutions with demonstrated track records of achieving positive outcomes that drive public safety. The proposed cuts to these very services while increasing the police and corrections budgets just make no sense if the goal is truly public safety. With a robust ecosystem of ATI and reentry providers standing ready and organized as the NY ATI/Reentry Coalition, we need an “all hands on deck” approach to decarceration, including investing in ATDs and ATIs, expanding treatment and mental health services, improving court processing times and court production, funding Second Look efforts, and expanding an array of housing options.

And in the midst of all of this, we thank the Council for standing strong against allowing ICE onto Rikers and not reopening the shuttered ICE facility on the island.

It will take all of us working together along with critical investments to transform Rikers from a place that is filled with terror, trauma, and tragedy to a smaller, fairer, safer place. Investments in community programs and in communities – including alternatives to detention and incarceration, but also core services for young people, and addressing mental health and addiction needs – will help fewer people end up on Rikers in the first place and make us all safer.

Thank you.

The Osborne Association

New York City Council Discretionary Funding Requests FY26

Program	Description	FY26 Request	FY25 Funding
Alternatives to Incarceration and Reentry Services (Ref. 194457)	Osborne’s portion of the ATI coalition request, which will support multiple programs: (1) court advocacy and mitigation services; (2) video visiting and family strengthening activities; (3) expansion of job training and placement; (4) elder reentry services; and (5) the Osborne Center for Justice Across Generations. (Application PDF)	\$2,052,074	\$1,852,074
Bronx-Osborne Gun Accountability and Prevention Program - BOGAP (Ref: 193844)	To support BOGAP—an innovative diversion program developed with the Bronx DA—to serve approximately 75 participants annually. Funds will be used to provide hot meals to program participants, stipends for internships, and additional support services to participants to increase their chances of success in the program. (PDF)	\$20,000	\$20,000
Elder Reentry Initiative Services and Advocacy (Ref: 194063)	To support two related program areas: (1) The Elder Reentry Initiative’s participant screening, intake and assessment, reentry service plans, community case management, and technical assistance; and (2) Osborne’s advocacy and public education on behalf of older adults. (PDF)	\$125,000	\$90,000

Health and Wellness – Ending the Epidemic (Ref. 193984)	To support formerly incarcerated people who are living with or at high risk of contracting HIV and come from low-income communities of color, with a focus on LGBTQIA+ people. Osborne will provide sexual health education, referrals to prevention and treatment, trauma support, and other supportive services. (PDF)	\$110,000	\$104,325
Safeguarding Children Initiative (Ref: 193568)	To support the work of Local Law 1349-A, enacted to reduce trauma to children when NYPD arrests their parents. Osborne will provide necessary training and administrative support to the NYPD, and build a network of CBOs that can provide post-arrest support to children. (PDF)	\$300,000	\$265,000
Improving Behavioral Health and Wellbeing for Youth (Ref: 194209)	For assessing and addressing mental health and trauma in youth impacted by the criminal legal system through treatment options that alleviate stress, improve functioning, and reduce trauma symptoms. Targets: 60 assessments; 120 referrals. (PDF)	\$158,000	\$158,000
Kinship Reentry Housing Initiative (Ref. 194304)	To sustain and expand the <i>Kinship Reentry Housing Program</i> , which provides financial assistance, case management, and peer support to families housing a loved one returning from incarceration. By addressing economic and logistical barriers to stable reentry housing, the program reduces reliance on the shelter system, strengthens family reunification, and lowers the risk of recidivism. (PDF)	\$250,000	N/A



moving victims of violence from crisis to confidence

March 5, 2025

New York City Council
Committee on Finance
Hon. Justin Brannan, Chair

Testimony of Jimmy Meagher, LMSW, Senior Policy Director, Safe Horizon

On the Fiscal Year 2026 Preliminary Budget

Thank you for the opportunity to submit testimony. My name is Jimmy Meagher, and I am Senior Policy Director at Safe Horizon, the nation's largest non-profit victim assistance organization. Safe Horizon offers a client-centered, trauma-informed response to 250,000 New Yorkers each year who have experienced violence or abuse. We use a lens of racial equity and justice to guide our work with clients, with each other, and in developing the positions we hold.

Whether we are called on to provide expert testimony at an oversight hearing or to assist a constituent in crisis and in need of emergency services, we are proud to partner with the City Council in a collective effort to make our city safer for all. We look forward to helping you and your staff learn how best to support survivors and connect them to the resources available in your borough and community.

Over many years, the City Council has been a key supporter of our programs helping adult, adolescent, and child victims of violence and abuse. City Council funding fills in gaps where no other financial support exists and allows us to draw down critical dollars from other sources. Moreover, this funding demonstrates the value that you and your colleagues place in helping survivors of all ages access desperately-needed shelter, support services, legal assistance, and counseling.

The City Council has also championed the human services nonprofit sector. Our sector desperately needs your continued help to ensure that human services workers across our sector receive the compensation and support we need. To be frank – our sector is in crisis. Nonprofit human services organizations are shuttering as a result of delayed contracts and payments – preventable and solvable problems.

Late Contracting Issues

Safe Horizon is grateful that the City Council understands and has demonstrated deep concerns that human services providers continue to face late contracting issues, which have detrimental effects on community-based organizations and the communities that you serve. Although the City previously cleared the backlog of more than \$4 billion in unpaid contracts and amendments, more

needs to be done to support the sector. The City needs to hold each agency accountable to pay invoices on time and clear the backlog of indirect and COLA contracting actions.

Frequent government contract payment delays put providers at risk of eviction and worsen deficits by forcing organizations to borrow to pay rent and salaries. Providers enter a risky situation where they start work without a registered contract and payment, which affects the communities that depend on our services. The City's delays cost us real money and jeopardize the quality of services by diverting funds away from programs to pay interest on lines of credit. The sector and our city simply cannot continue to operate under these conditions.

Fund MOCS

MOCS is responsible for overseeing the City procurement process and leading reform initiatives to make it more equitable, transparent, and efficient. However, there are a significant amount of pending contract actions that are preventing providers from getting paid for the services they provided. This is unsustainable for the sector especially as we continuously deal with delayed procurement processes, which further exacerbates the cashflow challenges that countless human services nonprofits face. MOCS needs to be adequately funded to ensure that providers' contracting needs are met so that we can focus on providing services to our communities. We support what MOCS is asking for in the budget to ensure appropriate service levels. Given the mounting concerns emanating from Washington, D.C., we must get the City's house in order.

Initiative and Discretionary Funding

City Council Initiative and Discretionary funding supports the following Safe Horizon programs:

Domestic Violence and Empowerment (DoVE) Initiative

Since 2006, the New York City Council's DoVE Initiative has provided critical resources to communities impacted by domestic violence. Recognizing that survivors of domestic and intimate partner violence have varied needs and may not always access the criminal justice system, the City Council partnered with Safe Horizon to create the DoVE Initiative to provide a neighborhood-based response to survivors and their families. The DoVE Initiative was funded at \$12,010,000 in FY25, with Council Members then allocating funding to local providers in their district.

Currently, 180 organizations across NYC use DoVE funding to address domestic violence in the community by providing legal services, crisis intervention, case management, counseling, support groups, outreach, education, and training. **Safe Horizon oversees and administers this entire project and ensures program compliance.** We provide in-depth training to help organizations stay competitive in future funding environments, as well as networking opportunities to help DoVE-funded organizations learn from each other and coordinate services. DoVE has always been important, but it has literally been a lifesaver for New Yorkers in every neighborhood and every community who continue to navigate these scary times. As we advocate for options for victims and survivors both inside and outside traditional criminal justice responses, DoVE is pivotal. DoVE directs funds to the organizations rooted in community that provide necessary and life-

saving supports to survivors. This is especially critical for survivors who are undocumented and/or LGBTQI+ who may fear seeking help from government systems under this current Administration.

We are very grateful to the City Council for supporting the DoVE Initiative for many years. We are seeking **a restoration of \$12,010,000** so our network of CBOs can continue to reach survivors in every neighborhood and every district across New York City.

Child Advocacy Centers (CACs)

Child abuse cases grab at the heartstrings of every New Yorker. We recoil at the very thought of someone knowingly harming a child, and we entrust a number of different agencies - the police, prosecutors, child welfare specialists, doctors - to investigate and respond to these cases and help ensure the safety of children placed in harm's way. For many years, these agencies worked almost entirely in silos, focusing on their specific roles in uncovering what took place, or responding to the child, or holding the offender accountable. Such a disconnected approach required that children disclose repeatedly the painful details of the harm they endured in a variety of settings not commonly thought of as "child-friendly" – police precincts, district attorneys' office, and hospital emergency rooms. Over and over, children would be asked to talk about the violence they suffered, only to have to repeat their story yet again every time a new investigator stepped into the picture. Each time, the child wondered how many more times they would have to relive this pain so that another adult could write down some notes and ask yet another round of probing, deeply personal questions. Many child victims were left feeling as if no one believed them and felt to blame for causing disruption to their families. And many would recant their story. This method of investigating incidents of abuse was traumatizing, stigmatizing, and unjust.

For many years now, child victims in New York City who experience severe physical or sexual abuse are brought to Safe Horizon's Child Advocacy Centers (CACs), which are at the forefront of the city's response to child abuse. At our CACs, child victims of sexual and/or severe physical abuse receive the help they need quickly and in one location. The police, prosecutors, medical professionals, victim advocates, clinicians, and child protective caseworkers are all under one roof in a child-friendly environment that minimizes trauma and facilitates healing. This allows us to facilitate a swift, comprehensive, coordinated investigation and multi-disciplinary team response that significantly reduces the number of times children must disclose details of their abuse. This coordinated, trauma-informed response to abuse helps to prevent the re-traumatization of the child during each re-telling of the violence that took place. And we are able to connect children and their families to the mental healthcare and services they need to heal. In FY24, our CACs provided services to over 8,800 children and nearly 3,500 caregivers throughout the five boroughs. The City Council supports our CACs through the **Initiative to Combat Sexual Assault**.

We are requesting **a restoration and an enhancement to \$1,000,000** in FY26 to sustain general operations in our CACs across the five boroughs so we can continue to provide healing and support to child victims. Additionally, we are seeking for this core funding to be baselined to ensure the City's continued investment in the CAC model.

Streetwork Project

Safe Horizon's Streetwork Project provides shelter, showers, hot meals, therapy, service linkage, safer sex supports, case management, and so much more, in a therapeutic harm reduction community serving homeless youth ages 13 to 25. We work with homeless and street-involved young people to help them find safety and stability. Many homeless young people face a day-to-day struggle to survive, which can lead to physical and emotional harm. Homeless youth may have experienced family abuse, violence, rejection, and instability that led to their homelessness. We welcome these young people, help them navigate complex systems, and provide essential resources at our Drop-In Centers, at our overnight shelter, and through our street outreach teams. This work can be incredibly challenging but also rewarding. Our work at Streetwork did not pause during this pandemic. Rather, our dedicated team continued to respond to homeless and at-risk young people in need of shelter, services, and understanding. Streetwork has been doing this community-based work since 1984, and we will continue to do so for as long as our services are needed. Over the past several years, Streetwork has experienced a dramatic increase in the number of migrant young people seeking help and having nowhere else to go.

In FY24, our Streetwork Project provided services to about 1,400 clients across our drop-in centers and overnight shelter, while our overnight street outreach team engaged in over 12,000 contacts with homeless and at-risk young people. The City Council currently supports Streetwork Project's work through the **Supports for Persons Involved in the Sex Trade Initiative** and the **Viral Hepatitis Prevention Initiative**.

The **Support for Persons Involved in the Sex Trade Initiative** bolsters Streetwork's ability to provide services and access to housing to young people engaged in the sex trade. With this funding, we have been able to increase our engagement and response to the number of young people both in the Drop-In Center and on the streets who are in crisis and involved in the sex trade and to connect them to supportive counseling, access to benefits and housing, and primary and mental healthcare. Safe Horizon is seeking **a restoration and enhancement to \$750,000** to continue to bolster our response and offer critical services to this vulnerable population navigating homelessness, violence, racism, and so many other traumas.

The **Viral Hepatitis Prevention Initiative** helps Streetwork increase our capacity to connect potentially Hepatitis C-affected clients to testing, medical care, treatment, and infection control services. We are seeking **a restoration and enhancement to \$50,000** - so we can link runaway and homeless youth to the medical supports they need and deserve.

Streetwork Project has experienced an increase in the number of undocumented and migrant young people seeking our support and our assistance. We believe that when young people are connected to legal assistance, longterm representation, and wraparound services, we help to prevent them from experiencing further exploitation, trafficking, and violence. **We are seeking \$250,000 in new Speaker's Initiative funding to enhance Streetwork's ability to address the complex immigration and social services needs of this population.**

Immigration Law Project

Safe Horizon's Immigration Law Project (ILP) provides expert legal advice and representation to victims of crime, violence, abuse, trafficking, and torture. ILP staff help guide their clients through complex immigration proceedings and assist them in VAWA self-petitions, petitions for U nonimmigrant status and Special Immigrant Juvenile Status (SIJS), applications for asylum, adjustment of status and citizenship, as well as in removal defense. ILP receives referrals internally from Safe Horizon's other programs, such as our domestic violence shelters and our Crime Victim Assistance Program, as well as externally from the immigration courts, law enforcement agencies, other community-based organizations, legislators, and from former and current clients. ILP strives to provide the highest quality services to a very vulnerable population. Clients live in all five boroughs and experience a multitude of victimizations including domestic violence, sexual assault, and other crimes. As a result of the settling of recent arrivals in New York City and the anti-immigrant policies emanating from Washington, Safe Horizon's ILP has seen an increase of survivors seeking our immediate assistance. In addition, the overwhelmed systems have left countless in tenuous circumstances—food and housing insecure and desperate for work—making them even more vulnerable to abuse and exploitation and in need of our support and services.

The City has prioritized assisting migrants with completing asylum applications, but nonprofit civil legal providers with expertise in complex immigration cases have not seen equitable investments in our services, namely more comprehensive legal screenings and longterm representation and assistance. Without additional resources, we are simply unable to serve everyone who seeks our help.

In FY24, ILP provided full representation, advice, and consults to nearly 800 clients and also provided over 5,400 telephonic information and referral services. The City Council supports ILP through the **Immigrant Opportunities Initiative (IOI)**, the **Young Women's Initiative (YWI)**, and the new **Protect NYC Families Initiative**.

Safe Horizon's Immigration Law Project utilizes funding through the **Immigrant Opportunities Initiative (IOI)** to provide expert legal advice and representation to undocumented victims of crime, violence, abuse, trafficking, and torture. To help ensure that our ILP has the capacity to respond to pressing legal cases for immigrant and undocumented survivors, including those who submitted an asylum application but now need representation and/or screening for additional immigration options beyond asylum, we are seeking **an enhancement to \$100,000** through IOI in FY26.

The **Immigrant Survivors of Domestic Violence Initiative** – part of the **Young Women's Initiative (YWI)** – allows ILP to provide full representation to immigrant victims of domestic violence. The majority of these cases include clients or families where there is a survivor of domestic or sexual violence and where the victim is between the ages of 16 and 24. To help ensure that we have the capacity to respond to pressing legal cases for immigrants, we are seeking **an enhancement to \$100,000** through the YWI - Immigrant Survivors of Domestic Violence Initiative in FY26.

The **Protect NYC Families Initiative** supports ILP and enhances our ability to assist noncitizen survivors across New York City who have experienced violence here and abroad with a wide range of immigration relief including special nonimmigrant visas, green cards, asylum, removal defense, and work authorization. This work is especially vital as violent, anti-immigrant policies are issued by the federal government. We are seeking **a restoration of \$30,000** through this initiative in FY26.

Domestic Violence Law Project

Safe Horizon's Domestic Violence Law Project (DVLP) provides expert legal services and guidance to at-risk New Yorkers seeking relief on family and matrimonial law matters. Our team of attorneys and paralegals help their clients access orders of protection, custody, visitation, child support, and divorces. In FY24, DVLP provided services to over 2,700 clients and offered telephonic helpline services to over 3,600 callers seeking assistance. The City Council supports DVLP through the **Safe Alternatives to Violent Encounters (SAVE) Initiative**.

Our Domestic Violence Law Project utilizes funding through the **Supportive Alternatives to Violent Encounters (SAVE) Initiative** to provide direct legal services to indigent victims of domestic violence in Family, Supreme, and Integrated DV Courts throughout the city. Our dedicated legal staff assist with orders of protection, child support, custody, visitation, and divorce proceedings. We also operate a legal helpline that provides information, referrals, and assistance to domestic violence survivors. In the months and years ahead, our legal services, and the services provided by our legal partners across NYC, will be critical for the many, many survivors who are waiting for the courts to address the immense backlog of cases that worsened during the pandemic. We are seeking **a restoration and enhancement to \$300,000** so our Domestic Violence Law Project can continue to provide survivors with the legal services they require to find safety and healing.

Counseling Center

Safe Horizon's Counseling Center has provided mental health treatment to adult and child victims of violence and abuse since 1988. We provide ongoing support and counseling services during victims' recovery and healing journey. We offer supportive counseling without judgment, and we work with survivors to develop coping strategies. Our Counseling Center is one of the only New York State-licensed mental health clinics focused solely on treating trauma reactions that many victims of crime and abuse experience. Our Counseling Center provided over 5,000 therapy sessions to nearly 300 clients in FY24. The City Council supports our Counseling Center's work through the **Children Under Five Mental Health Initiative** and the **Court-Involved Youth Mental Health Initiative**.

The City Council's **Children Under Five Mental Health Initiative** supports our work with infants and toddlers who are survivors of crime, as well as their families, through training of clinicians and staff in evidence-based treatment for this population. The Counseling Center continues to adapt training, co-facilitate training, and recruit trainers for a curriculum on how exposure to domestic violence, the dynamics of domestic violence (DV), and the systems of oppression families experiencing DV often encounter all come together in ways that can disrupt the bond

between infants and their caregivers. The training uses real (but de-identified) case vignettes to bring those ruptures into view and to explore how attachment-based intervention facilitates healing in those relationships. This training is also structured to provide a practical introduction to the impact of DV on very young children and the healing power of attachment relationships as well as specific interventions to promote attachment. A unique element of this training initiative is that it holds space for training participants to reflect on the fact that, as shelter staff, they are also caregivers, and they, too, are impacted by trauma in this environment and in their lives. By training a greater number of individuals who come into contact with these children to recognize signs of trauma, we can prevent lifelong developmental consequences while providing healing and relief. We are seeking **a restoration and enhancement to \$150,000** in FY26 to continue supporting young children who have been victims of or witnesses to crime.

The City Council's **Court-Involved Youth Mental Health Initiative** allows us to address the impact of traumatic experiences that are so often at the root of behaviors that precipitate involvement in family court of children and youth aged 7 to 17. There is growing recognition of the many types of trauma (interpersonal violence, community violence, historical racism, systemic violence, and daily experiences of racism and other forms of oppression) that impact young people. Our project involves the enhancement of trauma-informed care for youth by creating training, providing training, and cultivating trainers for a short-term trauma-focused intervention. Staff learn how to implement this intervention with youth and caregivers that helps survivors identify specific trauma reactions and to practice coping strategies for managing them. In addition, staff are supported to provide training to additional staff in this intervention. We are seeking **a restoration of \$140,000** so we can continue to do this work in a meaningful way.

Community Programs, Helpline, and SafeChat

Safe Horizon offers a continuum of service for all victims of crime through telephonic, live chat, and/or in-person supports. With sites that serve all five boroughs, our compassionate Community Program staff provide safety planning, advocacy, case management, information and referrals, supportive counseling, and support groups. Clients are connected to our continuum of services by calling our citywide Helpline (1-855-234-1042). Safe Horizon's SafeChat is a live chat platform that allows victims of all forms of crime and abuse to access Safe Horizon services digitally. Crime victims utilize their computer, phone, or tablet to safely and confidentially engage in a one-on-one chat with trained Safe Horizon Live Chat Specialists by visiting safehorizon.org. Live Chat Specialists utilize a best practice, client-centered approach to engage with victims by providing information and referrals across NYC, supporting victims in fully assessing their safety, and collaborating with victims to develop comprehensive safety plans. Live Chat Specialists conduct safety assessment, safety planning, crisis counseling, supportive counseling, psychoeducation, information about and referrals to supporting resources. In FY24, our Community Programs provided services to over 1,000 clients, the Helpline provided telephonic services to clients at 5,703 unique telephone numbers, and SafeChat responded to nearly 700 chats from survivors.

The City Council supports our Community Programs and SafeChat through the **Mental Health Services for Vulnerable Populations Initiative** and a **Speaker's Initiative**.

The work of the **Mental Health Services for Vulnerable Populations Initiative** aligns with Safe Horizon's commitment to working with young Black and brown men who have experienced harm and violence. One of Safe Horizon's main goals is to increase accessibility to needed services for young men of color through a specific microsite geared directly to young men of color. Research shows that young men of color are more likely to experience harm, yet Safe Horizon recognizes that boys and young men of color are not accessing our services at comparable rates. This funding increases our capacity to connect community members who have experienced harm, with a particular focus on young men of color, to our continuum of services, including counseling and mental health supports. Our Helpline and SafeChat serve as a first point of contact, linking to Community Programs for ongoing coordination within Safe Horizon and beyond. Our services are offered telephonically, remotely, and in-person at our Community Program offices, ensuring that folks have options. We are seeking a **restoration of \$150,000** in FY26 to support this essential healing work.

In FY22, Safe Horizon was awarded **Speaker's Initiative** funding to launch a SafeChat microsite intentionally directed towards young men of color. The site provides educational materials related to trauma and provides access to our live chat platform. We have continued to receive Speaker's Initiative funding to support the salary of a SafeChat Live Chat Specialist and enhance our ability to respond in particular to young men of color seeking help. This year, we are seeking a **restoration of \$100,000** in Speaker's Initiative funding to continue to support SafeChat's operations and the salary of a SafeChat Live Chat Specialist. This support allows us to respond in particular to young men of color seeking help and intentionally build avenues for young men of color to access supportive services and healing.

Conclusion

As the City Council and the Administration sets the budget for the next fiscal year, it's imperative that our city expand, perfect, create, and invest in programming that provides healing and support to people who have experienced harm, violence, and trauma. When we invest in the safety, healing, and well-being of individual New Yorkers, we invest in the safety, healing, and well-being of New York City as a whole.

And it is essential that the City invest in the nonprofit human services workforce that we collectively rely on to support our safety net. We urge you and your colleagues to listen to providers, our dedicated workforce, and survivors. Thank you again for the opportunity to submit testimony.



Center for
New York City
Affairs

Testimony Submitted to the
Committee on Finance, New York City Council
Hearing on
New York City Council Budget and Oversight Hearings on
The Preliminary Budget for Fiscal Year 2026

March 5, 2025

George V. Sweeting
Senior Fellow, Economic and Fiscal Policy
Center for New York City Affairs at The New School

Good morning, Chair Brannan and members of the Finance Committee. I am George Sweeting, a Senior Fellow at the Center for New York City Affairs at the New School. Thank you for the opportunity to testify at this hearing on the Mayor's 2026 Fiscal Year Preliminary Budget.

Today I will evaluate four topics related to the Mayor's Preliminary Budget and some concerns or recommendations related to each. These topics include:

- The City's current fiscal condition;
- The "Axe the Tax" proposal to eliminate the City Personal Income Tax PIT for taxpayers below 150 percent of the federal poverty line;
- The RACE credit to induce firms from outside the state to relocate to the city; and
- Potential threats from current federal tax proposals on the City's fiscal condition.

The City's current fiscal condition: The City's current fiscal condition is strong. As often happens, the Preliminary Budget this year includes upward revisions from the November plan in the tax revenue forecast: \$1.2 billion for Fiscal Year 2025, \$2.0 billion in FY 2026, and \$1.3 billion in FY2027. (The revenue outlook for years after FY 2027 was increased, too.)

Much of the upward revision for 2025 is due to the strength of the city's securities and investment banking firms. When final numbers are available, they are expected to show that profits of New York Stock Exchange member firms grew by about 80 percent in calendar year 2024, boosting the City's business tax revenues by 6.1 percent in FY2025. Some of the profits are distributed to employees in the form of bonuses, which are subject to either the City's personal income tax (PIT) or passthrough entity tax (PTET), helping to push those revenue sources up 11.1 percent year-over-year.

The additional tax revenue, combined with lower spending projections for asylum-seeker shelter and assistance and a draw-down of some of the within-year reserves, has produced a \$2.3 billion surplus in FY 2025 which will be rolled forward to bring FY2026 into balance as required. As usual, gaps remain in the outyears.

While the City's current fiscal condition is strong, actions by the Trump Administration on tariffs, immigration, and tax policy have increased the risk of slower growth during the rest of calendar year 2025 compared to the outlook before Inauguration Day.

Axe The Tax: The Mayor's Preliminary Budget includes a proposal to eliminate city personal income tax (PIT) liability for taxpayers with at least one dependent in the household (usually a child) and income below 150 percent of the federal poverty line (FPL). The Governor's Executive budget legislative package includes enabling legislation for this tax credit.

The FPL amount varies by the size of the household. The benefit would diminish over a phase-out range for those taxpayers with income up to \$5,000 above the 150 percent threshold.

("taxpayers" here refers to tax returns, which can cover one or more individuals). The estimated cost is \$63 million in City Fiscal Year 2026 growing to \$70 million by Fiscal Year 2029.

About 170,000 taxpayers would benefit from the credit. The City's Office of Management and Budget (OMB) estimates that the average annual benefit would be about \$350. Roughly two-thirds of beneficiaries – those with incomes below the 150 percent FPL threshold - would receive the full credit. The other one-third - those with incomes up to \$5,000 over the FPL- would receive a reduced credit determined by how much their income exceeds the 150 percent FPL threshold

The credit is non-refundable, meaning if a taxpayer's outstanding tax liability is less than the computed credit, the unused portion of the credit is not refunded to the taxpayer. Because this credit is applied last, after other available credits such as the Earned Income Tax Credit (EITC), this will likely be a fairly frequent outcome.

However, the new credit effectively delivers on the goal of eliminating any remaining tax liability for eligible taxpayers among the working poor. If enacted, this important objective would be achieved while preserving other City resources for what are likely to be challenging budgetary times ahead. The credit is also better targeted at low-income relief than the Governor's proposed Inflation Refund Credit and modest rate reductions in the first five in the State's PIT tax table. It should be adopted.

Relocation Assistance Credit for Employees (RACE): Although not mentioned in the Mayor's Preliminary Budget, the Adams Administration has proposed a new credit designed to induce firms to relocate from outside the state and absorb some of the vacant space in older office buildings in the city. As with the Axe the Tax credit, the enabling legislative language is included in the budget bills in the Governor's Executive Budget package.

For now, the RACE credit is established as a three-year pilot program with a cost of \$150 million. During the three-year pilot, firms relocating to the city from outside New York State and taking space in an eligible building anywhere in the city can receive a credit against their business income tax liability equal to \$5,000 per relocated employee for 10 years, making the value of the credit \$50,000 per employee (\$38,600 net present value, or NPV). The credit, which would be refundable, can be used for a maximum of 500 employees per firm and the pilot would be capped at 3,000 relocated employees. A participating firm must lease at least 20,000 square feet of space in a building that was constructed before 2000. The space cannot be used for retail or hotel businesses, or non-profits. The City's Economic Development Corporation (EDC), which developed the proposal, estimates that the \$150 million pilot program will generate an estimated \$385 million benefit to the City over 10 years.

Much of the structure of the RACE credit mirrors the City's existing relocation incentive known as Relocation Employment and Assistance Program, or "REAP." One big difference is that REAP is not available in all areas of the city while RACE would be. Another key difference is the focus on driving tenants to lease space in older office buildings. Since the pandemic and the embrace of

remote work, vacancies, particularly in Class” B” and “C” buildings, have remained elevated relative to pre-pandemic levels, as newer buildings with amenities that are in demand account for much of the new leasing activity. Yet despite the lower demand, asking rents in older buildings have not fallen dramatically. The proposed credit against business taxes would enable relocating firms to use the savings to sign leases with higher rents than they otherwise would have. EDC estimates that the credit is equivalent to a roughly \$20 per square foot rent discount.

EDC also estimates that in addition to the hoped for 3,000 relocated workers, the credit will generate almost as many additional indirect jobs in business services, eating and drinking establishments, and other personal services in business districts. Evaluations of REAP and other employment incentive programs, such as the Commercial Expansion Program and the Commercial Revitalization Program, have often found that these programs do not generate the expected employment gains, and that the return to the city, if any, is less than anticipated. These evaluations suggest caution and careful scrutiny of the assumptions used in developing this credit. Bringing existing jobs into the city and signing leases in qualified buildings will help support the value of older buildings and hopefully allow landlords to avoid tax delinquencies. Because building owners often face minimum asking rent requirements in their financing agreements and other constraints on their rent flexibility, it is unrealistic to expect asking rents to move inversely in lockstep with vacancy rates. However, to the extent that relocating firms use the savings from the credit to pay rents that are out of line with vacancies, the credit is using public dollars to cover the difference between asking rents priced in relation to actual vacancy rates and asking rents priced as if vacancies were lower than current levels.

While the program may be more generous than necessary, it promises to help address a major challenge for the City budget – namely, how to increase occupancy rates in older commercial buildings so as to avoid a major fall in the value of those buildings. The simple answer is to increase the number of tenants. The RACE credit is set up as a pilot program. As such, there must be an opportunity to look carefully at how the program is working before deciding whether there is still an extended need for the credit and whether the benefits to the city are in line with the cost. The program should only be extended beyond the three-year pilot period if such a review answers these questions in the affirmative.

Federal Tax Policy Threat: Much of the discussion of federal threats to New York City has focused on the spending side, and for good reason. However, there are proposed changes underway that would also harm the revenue side of the City’s budget. One is President Trump’s continued demand for ending taxes on Social Security benefits, tips, and overtime pay. Because the New York City (and State) income taxes are closely linked to the federal income tax, removing those sources from Adjusted Gross Income at the federal level would flow through to the city and state tax bases. Very rough estimates suggest that ending the tax on half of Social Security benefits for incomes greater than \$32,000, along with exempting tip income and overtime pay could cost the City roughly \$2 billion a year. The City would almost certainly move to “de-couple” from the federal code and continue taxing these sources. This would come at a cost of adding to the already complex process of filing taxes.

Another change being debated is the extension of the 2017 Tax Cut and Jobs Act (TCJA). Many of its components will expire at the end of calendar year 2025. Prior to the passage of TCJA, state and local taxes (SALT) paid were fully deductible for federal tax purposes. This meant that for New York taxpayers who itemized their deductions, roughly a third of the burden of their state and local taxes were shifted to the full complement of federal income taxpayers. In 2017, the SALT deduction was capped at \$10,000, effectively raising the federal income tax for many taxpayers in high tax/high service states and cities, such as New York, whose state and local taxes exceed \$10,000.

The SALT deduction has long prompted a mixed response. Many progressives and tax analysts oppose the deduction because it disproportionately benefits higher income taxpayers. On the other hand, progressives also are generally supportive of strong tax bases to fund local services. President Trump has called for removing the cap as part of the extension of TCJA while some of the most conservative members of Congress have proposed ending the deduction entirely to raise money as an offset to other tax cuts. For New York, the concern is that eliminating the SALT deduction entirely would make it harder to garner support if local taxes must be raised in the future, because the burden would fall entirely on New Yorkers, with no shifting to the federal level.

Thank you and I am happy to answer any questions.

New York City Council Finance Committee Budget Hearing

Written Testimony of Alana Sivin
Director, Greater Justice New York
Vera Institute of Justice

March 5, 2025

My name is Alana Sivin, and I am director of the Greater Justice New York initiative at the Vera Institute of Justice, which works to end mass incarceration, protect immigrants' rights, ensure dignity for people behind bars, and build safe, thriving communities. Thank you for the opportunity to submit testimony.

This year's preliminary city budget for Fiscal Year (FY) 2026 includes \$2.87 billion for the DOC (a 9 percent increase from last year's adopted budget) and \$12.4 billion for NYPD (a 4 percent increase).¹ In contrast, despite some large proposed investments in safe haven beds and temporary housing, funding is set to decrease for agencies that deliver safety and stability by providing community-based services to New Yorkers, including the Department of Youth and Community Development (11 percent decrease), Department of Homeless Services (8 percent), Department of Housing Preservation and Development (6 percent), and Department of Health and Mental Hygiene (3 percent).²

New York City cannot punish its way to safety. Instead, we must increase funding for supportive housing, a community-based continuum of care for New Yorkers experiencing mental illness, alternatives to incarceration, and reentry services. Contact with law enforcement can increase the likelihood of future criminal behavior, and even one day incarcerated can increase the likelihood of rearrest.³ Rather than overfund agencies that trap New Yorkers in an ongoing cycle of instability, arrest, and incarceration, New York's leaders must invest in evidence-backed services that prevent crime, respond to crisis, and stop violence. These investments are also essential to lowering the jail population on Rikers Island so that it can be closed and replaced with the four smaller, modern borough-based jails.

City leaders must invest in safety services proven to work. To increase safety via the FY 2026 budget, city leaders should invest \$56.1 million in annual funding as follows:

- **\$4.8 million for Justice-Involved Supportive Housing (JISH).** Also, reissue the request for proposals for new units with higher service funding levels to enable service providers to create and maintain 380 additional JISH units, bringing the total number of units to 500. The city should baseline them in their own unit of

appropriation within the Department of Health and Mental Hygiene to increase budget accountability.

- **\$22 million for Intensive Mobile Treatment (IMT) teams**, a 50 percent increase in IMT funding that will help to clear the waitlist of people seeking vital mental health support.
- **\$7 million for Forensic Assertive Community treatment (FACT) teams**, a 50 percent increase that will enable more justice-involved New Yorkers with mental health needs to access care.
- **\$8 million to restore slated cuts to reentry services** that help New Yorkers returning from incarceration find stable housing, employment, and mental health and substance use treatment.
- **\$3.8 million to restore slated cuts for alternatives to incarceration (ATIs)** to enhance and support the use of ATIs citywide.
- **\$4.5 million for adequately paid peer specialists** to staff mental health and crisis response teams.
- **\$6 million for four new crisis respite centers**, two of which must be opened by the end of 2025 per legislation passed in 2023.⁴ These centers provide up to 28 days of housing and care for people experiencing mental health crises.

Through this \$56.1 million investment, the city can improve safety for less than 6 percent of the \$954.7 million that NYPD spent on uniformed overtime last year.⁵

In addition to funding evidence-based safety solutions, the city council must increase budget accountability for NYPD and DOC, particularly their overtime budgets. As of January 1, 2025, NYPD and DOC had already overspent their annual uniformed overtime budgets, which are meant to last another six months. In contrast, the Department of Sanitation (DSNY) and Fire Department (FDNY), two agencies with large uniformed workforces, had only spent 57 and 63 percent of their respective overtime budgets as of January 1.⁶ Despite astronomical year-to-date overtime spending, NYPD and DOC have not increased their overtime budgets for FY 2026. Moving forward, the city must insist on accurate and transparent overtime budgets.

To increase transparency and enable greater oversight of DOC's budget, the city council should pass a budget resolution requiring DOC to introduce new units of appropriation. At a minimum, these units of appropriation should include personal services (PS) and other than personal services (OTPS) related to programming for incarcerated people and executive management. DOC's FY 2026 budget includes only six units of appropriation for PS and five for OTPS.⁷ These overly broad units of appropriation inhibit transparency and

accountability, ultimately undermining safety, justice, and accountability for all New Yorkers.

By funding community-based, evidence-backed services that deliver safety and by insisting on greater budget transparency and accountability for NYPD and DOC, the city council can create a safer city for all New Yorkers.

Thank you for the opportunity to provide testimony. Please do not hesitate to contact me at asivin@vera.org if the Vera Institute of Justice may provide further support.

¹ All budget numbers in this brief provided by the New York City Independent Budget Office (IBO), shared with the authors throughout January and February 2025 and on file with the authors. Vera used data from IBO to have the most up-to-date numbers; for more information, contact Benjamin Heller at bheller@vera.org. Note that all Fiscal Year (FY) 2026 preliminary and FY 2025 adopted departmental budget totals include fringe benefits, pension fund contributions, and debt service. See New York City Mayor's Office of Management and Budget (OMB), *The City of New York Preliminary Budget Fiscal Year 2026: Expense Revenue Contract* (New York: OMB, 2025), <https://www.nyc.gov/assets/omb/downloads/pdf/jan25/perc1-25.pdf>; and OMB, *The City of New York Adopted Budget Fiscal Year 2025: Expense Revenue Contract* (New York: OMB, 2024), <https://www.nyc.gov/assets/omb/downloads/pdf/adopt24/erc6-24.pdf>.

² Alice Gainer, "New \$650 Million Plan to Address NYC's Mentally Ill Homeless Unveiled by Mayor Eric Adams," CBS News, January 15, 2025, <https://www.cbsnews.com/newyork/news/bridge-to-home-nyc-mentally-ill-homeless-plan>.

³ Juan Del Toro, Tracey Lloyd, Kim S Buchanan, et al., "The Criminogenic and Psychological Effects of Police Stops on Adolescent Black and Latino Boys," *Proceedings of the National Academy of Sciences of the United States of America* 116, no. 17 (2019), <https://doi.org/10.1073/pnas.1808976116>; Abigail Novak and Shelby Gilbreath, "Police Stops and Subsequent Delinquency and Arrest: Race and Gender Differences," *Justice Quarterly* 40, no. 7 (2023), 910-949, <https://doi.org/10.1080/07418825.2023.2235416>; and Core Correctional Solutions, *The Hidden Costs of Pretrial Detention Revisited* (Houston, TX: Arnold Ventures, 2022), <https://perma.cc/4UQV-4S4Q>.

⁴ Caroline Lewis, "Deadlines for New Community-Based Mental Health Services Pass the NYC Council," *Gothamist*, July 14, 2023, <https://gothamist.com/news/deadlines-for-new-community-based-mental-health-services-pass-the-nyc-council>.

⁵ IBO budget data, January 2025.

⁶ Ibid.

⁷ OMB, *The City of New York Preliminary Budget Fiscal Year 2026: Expense Revenue Contract*, 40E-41E.



**Testimony on behalf of Volunteers of America-Greater New York
The New York City Council Committee on Finance
Preliminary Budget Hearings
March 5, 2025**

Introduction and Thanks

My name is Eric Lee, Director of Public Policy for Volunteers of America-Greater New York (VOA-GNY). We are the local affiliate of the national organization, Volunteers of America, Inc. (VOA). I would like to thank Chair Brannan and the members of the Committee for the opportunity to submit testimony for this hearing.

About Us

VOA-GNY is an anti-poverty organization that aims to end homelessness in Greater New York through housing, health and wealth building services. We are one of the region's largest human service providers, impacting more than 12,000 adults and children annually through 70+ programs in New York City, Northern New Jersey, and Westchester. We are also an active nonprofit developer of supportive and affordable housing, with a robust portfolio permanent supportive housing, affordable and senior housing properties—with more in the pipeline.

Overview of Payment Process and Current Challenges

Thank you to Speaker Adams, Chair Brannan, and Members of the Council for your unwavering leadership and for continuing to elevate the critical role that non-profit providers like VOA-GNY play in safeguarding New Yorkers and the urgent need to pay providers on time. The administration must act swiftly to address payment backlogs and streamline city contracting and reimbursement processes to blunt the impact of Federal uncertainties and restore the fiscal health of our city's non-profit human services safety net.

VOA-GNY is grateful for the city's commitment to improving the procurement process, but to date our organization is still owed approximately \$40 million for our city contracts dating as far back as FY17. Timely reimbursements are critical to maintaining our ability to continue to answer the city's call to stand up new programs and to maintain the flow of our development pipeline of affordable and supportive housing projects.

While efforts have been made to streamline the contracting and payment process, we have found the implementation of key reforms to be uneven and at times counterproductive. Contracts continue to be registered late, and once registered, payments are often slow. While bridge loans should be available, we have found this resource to be limited and are often told that our needs are not a priority or that the fund may not have sufficient dollars to support our operations.

Therefore, to bridge the gap in funding, VOA-GNY has been forced to rely on our line of credit and incur interest costs that are not reimbursable. This year, VOA-GNY spent \$1,000,000 on interest fees to keep our NYC contracted programs running, and we project spending \$1,500,000 in interest fees for FY26. We could do a lot of good if we weren't forced to divert funds to pay for interest to cover the City's fiscal delays. These delays could also impede our development pipeline, as banks may eventually view our diminished cashflow and the highly leveraged position of our investments as possible concerns when considering future loans for financing affordable and supportive housing projects.



We appreciate Chair Brannan and the Council's attention regarding the need for sufficient staffing at the Mayor's Office of Contract Services (MOCS) and city contracting agencies like the Department of Homeless Services (DHS) to ensure they have the headcount to eliminate the fiscal and budgetary backlog, streamline processes and sustainably do the work moving forward.

At the contracting agency level, adherence to Citywide policy on timely payment continues to be an issue.

- 1) DHS only allows providers to submit 2 invoices at any given time to control their workflow, meanwhile, providers are unable to submit invoices for payment that often stack up while awaiting contract registration. Additionally, providers must halt invoicing to allow the City to process a budget amendment or modification because the system will not permit two actions to be pending at once. The result is that providers are never able to invoice in real time, further delaying payments even after a contract is registered.
- 2) The agency also routinely asks for 100% up front verification of expenses prior to payment even though the policy is designed to have most of those reviews happen on the backend, post-payment.
 - a) These reviews can be particularly time consuming because not only does the finance team have to approve the payment but so do program analysts and administrators. Because so many people are reviewing the same materials, it is not unusual for the invoice to be returned more than once by different staff for revision. Each time invoices are re-submitted to respond to issues flagged by various reviewers, they must go through each stage of the approval process again, even if the invoice had previously cleared one of the stages of review. It takes an average of 12 levels of approval before payment is made.
 - b) Invoices are often delayed awaiting approval from the program teams since the staff at the agency at the program level responsible for approval invoices is the same staff that are also tasked with field supervision and programmatic oversight limiting their availability to sit and review pending invoices. There are simply not enough hours in the day for the average program analyst to fulfill both their fiscal and programmatic oversight duties in a timely manner, particularly given the size of the backlog.

In addition to these process-related reasons for payment delays, some contracts have structural issues that impact the City's ability to pay VOA-GNY on time for our services. HRA has short funded several contracts for our SRO Supportive Housing such that while the agency is aware that the costs of operating the program for the duration of a multiyear contract is higher than the budgeted amount in the system. Rather than right-size the contract amount prior to registration, the agency registers the contract without sufficient funding and asks us to amend it half-way through the contract period to encumber the required funds in the out-years of the contract when those years come up. Because the agency does not allow us to begin the process to amend the contract until the short-funded year is upon us, there are delays in payment every time.

A better solution: Consolidated Fiscal Reporting

As we have outlined, New York City's contract and payment system is riddled with inefficiencies making slow payment a nearly inevitable function of its design. In contrast, New York State's contracting and



fiscal reporting model features a healthy amount of oversight but also allows for prompt payment. That system is known as Consolidated Fiscal Reporting. In that model, once the State selects a vendor to provide a service, they negotiate the budget and register the contract. At that point and in each quarter of the contract period, the vendor/provider is issued a 25% advance and is permitted to draw down funds as expenses are incurred. At the end of the quarter, the provider works with the contract agency to report on how those monies were spent reconciling any differences between expenses and budgeted amounts. This process repeats each quarter until close such that every quarter there is the opportunity to reconcile, adjust and report on spending but, because the funding is advanced each quarter, the provider is not left waiting to draw down dollars necessary to conduct business. Consolidated Fiscal Reporting also allows providers with multiple contracts for the same service (for example, operating several housing programs with the same scope of services at different sites) to consolidate reporting across contracts reducing duplication while preserving oversight. We strongly urge New York City to adopt a similar approach which balances the need for oversight with the practical needs of service providers who need to access funds to effectively do their work.

Int 514

VOA-GNY is deeply appreciative of the Council's attention to the myriad of issues plaguing the nonprofit sector and your legislative efforts to improve the situation.

VOA-GNY strongly supports the intent of this legislation which would make interest a reimbursable expense when the City of New York fails to pay for services on time. Our one note of caution regarding the language of the bill is that, as written, it may mean that while providers could bill the City for interest payments, that funding may come out of the monies budgeted for programming.

While in some instances, that may mean that providers simply serve fewer people (an outcome that is undesirable but possible), shelter providers do not have the option to reduce services because our clients are in residence irrespective of when the contract is scheduled to renew. Regardless, our costs are fixed regardless of occupancy and, there is a right to shelter making scaling back programs impractical in any case. Therefore, while we could in theory be reimbursed for interest payments, unless new funding is added to the contract to pay this cost, we would still be operating at a deficit.

The second flag we have for the bill as written is that the "The applicable interest rate for such interest payments shall be the rate set by the commissioner of taxation and finance for corporate taxes pursuant to paragraph (1) of subsection (e) of section 1096 of the tax law". This seems unnecessarily complicated; if the Council wishes to make interest payments reimbursable, the rate should be paid at the actual interest rate charged to the nonprofit provider.

We are grateful to Speaker Adams, Chair Brannan and Members of the Council for your commitment to supporting the nonprofit sector.

Testimony respectfully submitted by Eric Lee.

Should you have any questions or require further information, please contact me at elee@voa-gny.org



PUBLIC TESTIMONY OF WATERFRONT ALLIANCE

March 5, 2025

New York City Council Committee on Finance Preliminary Budgetary Hearing RE: Long-term Planning and Funding for Waterfronts and Resilience

Submitted by Tyler Taba, Director of Resilience, Waterfront Alliance

My name is Tyler Taba, and I am the director of resilience at the Waterfront Alliance. Waterfront Alliance is the leader in waterfront revitalization, climate resilience, and advocacy for the New York-New Jersey Harbor region.

The Waterfront Alliance is committed to sustainability and to mitigating the effects of climate change across the region's hundreds of miles of waterfront. We spearhead the Rise to Resilience Coalition of 100+ groups advocating for policy related to climate resilience, we bring education focused on climate resilience to students in NYC DOE schools through our Estuary Explorers program, and we run the national Waterfront Edge Design Guidelines (WEDG®) program for promoting innovation in climate design. We thank the City Council Committee on Environmental Protection, Resilience, and Waterfronts Chair Gennaro for holding this hearing.

I am grateful to submit testimony today in favor of dedicated funding and long-term planning for climate resilience, public waterfront access, and a green maritime and working waterfront for New York City. Thank you, Speaker Adams, Chair Brannan, and members of the Committee, for the opportunity to submit testimony.

New York City has witnessed, firsthand, the risks and impacts that climate change poses to our residents, infrastructure, and natural resources. We can see the dire projections that experts at the International Panel on Climate Change (IPCC), and our own New York Panel on Climate Change (NPCC), have laid out for us.

The reality is that many of the projections are being realized today. Flooding events are the most common climate-related hazard across the city.¹ The city has also experienced other

¹ Rebuild by Design. *Atlas of Disaster: New York*. <https://rebuildbydesign.org/atlas-of-disaster-new-york-state/>



types of extreme weather occurrences, including over 40 extreme heat events and over 20 winter storm events and extreme winter weather emergencies in the last 10 years.²

Climate risks and impacts are no longer abstract or projections of the future. They are tangible, measurable, and while not avoidable anymore, we know there are critical policies, plans, and funds that can reduce the burden of impact on New Yorkers. In order to reduce the city's vulnerability to climate change, direct and bold action must be taken immediately. That starts with making critical investments in the City Budget toward a more resilient, equitable future.

Climate resilience involves repairing, maintaining, and innovating physical infrastructure – such as roads, bridges, transportation, and buildings. It also involves expanding technical capacity within the local agencies with regards to risk mitigation, emergency management, and socioeconomic vulnerabilities in the face of observed and projected climate change impacts. Climate resilience efforts also include raising awareness through educational programs and campaigns. This cannot be tackled without explicit line items in the City's budget dedicated towards climate resilience programs.

Especially in the current context of federal rollbacks on climate regulation and funding, local spending on climate resilience cannot be lost or minimized. The time to prepare for climate change has been ongoing and the City has yet to take the critical steps necessary to reflect this priority across all agencies and through its budgeting processes.

Moreover, the financial costs of climate impacts will be a burden to the City and to all New Yorkers. **Studies estimate that the costs of climate change in across New York will rise to \$10 billion annually by 2050.³ And yet, the costs of inaction are far greater. Studies estimate that the cost of inaction in the state will be \$55 billion in the next decade for coastal storm and flood-event-related damages.⁴**

The investments we make today will determine the future level of damages, loss of life, and well-being of New York City's residents, infrastructure, and natural resources.

² NYC Emergency Management. *Hazard History & Consequences Tool*.

<https://nychazardhistory.com/PublicSearch.aspx>

³ Rebuild by Design. *Resilient Infrastructure for New York State*. <https://rebuildbydesign.org/wp-content/uploads/2021/12/1329.pdf>

⁴ Rebuild by Design. *Atlas of Disaster: New York*. <https://rebuildbydesign.org/atlas-of-disaster-new-york-state/>



Below is a list of Waterfront Alliance's FY26 budget priorities for New York City.

Climate Change, Resilience, and Adaptation

Nearly 14 percent of New Yorkers (about 1.3 million people) live within or adjacent to the 100-year floodplain.⁵ Nearly 78 percent (about 7.2 million New Yorkers) have an urban heat index (UHI) of 8°F or higher, meaning that people in those census tracts feel at least 8°F more heat because of the local built environment.⁶ **Waterfront Alliance strongly urges the City's budget to reflect the reality that climate change is already here, affecting millions of residents today.**

The New York City Department of Environmental Protection (DEP) is responsible for upgrading critical drinking and stormwater infrastructure, as well as coastal resiliency infrastructure across New York City. To support DEP's capital projects and the often-overlooked operations and maintenance of these projects, **Waterfront Alliance strongly supports a \$2 billion budget for the New York City Department of Environmental Protection.** We applaud the formation of a new Bureau of Coastal Resilience within DEP, as part of commitments made in the latest PlaNYC. Waterfront Alliance encourages the Council to introduce legislation to codify this office into permanent existence, and to lead the governance of coastal resiliency for the City. Given the large portfolio of this new office, we are calling for the City to fund the office with adequate permanent staff. Specifically, **the budget for the Bureau of Coastal Resilience in FY26 should be \$8.5 million, of which \$5 million would support staff and \$3.5 would go towards the City of Yes budget in support of resilience citywide.**

Additionally, we would like to see long-term, dedicated, and increased funding for the City's current portfolio of climate resilience. For instance, we applaud the 2023 expansion of the Cloudburst Program, investing \$390 million at four new sites. **We encourage the City to build on this investment and expand to new sites in 2025.**

We would also like to acknowledge the Bluebelt Program, which preserves natural drainage corridors including streams, ponds, and wetlands, and enhances them to perform their functions of conveying, storing, and filtering runoff precipitation or stormwater. The program

⁵ Rebuild by Design. *Who Lives in the NYC Floodplain*. <https://rebuildbydesign.org/reports/who-lives-in-the-nyc-floodplain-2/>

⁶ Climate Central (July 2023) *Urban Heat Spots*, <https://www.climatecentral.org/climate-matters/urban-heat-islands-2023>



has only been implemented on Staten Island. **Waterfront Alliance encourages the City to expand Bluebelts in other boroughs**, such as Kissena Park in Queens near a major sewer line along Peck Avenue that drains roughly 20 percent of the entire borough's stormwater.

Additionally, the City committed to launching a voluntary buyout program in the latest PlaNYC. As one of the many solutions we need in the face of the climate crisis, Waterfront Alliance strongly supports voluntary buyouts. However, these types of programs can only be successful with large, committed, and dedicated long-term funding. **We strongly urge the City to leverage the \$250 million investment from the New York State Environmental Bond Act** and to identify other funding sources to support the implementation of this program and all its components, such as education, mental health and counseling services, and financial assistance.

Related to climate resilience solutions for housing, Waterfront Alliance also supports retrofit programs like HomeFix, which provides access to affordable low- or non-interest (and potentially forgivable) loans to eligible homeowners for repairs that address building or housing deficiencies. This program has potential to serve as a tool for resiliency retrofits and upgrades for homeowners, like elevating critical systems; sealing basements; and adding green infrastructure to properties exposed to flood risk. Climate resilience retrofit options ensure access and create incentives for New Yorkers to prepare and reduce their levels of vulnerability to climate-related impacts. Additionally, Council Member Nantasha Williams has introduced legislation, Intro 1067, to connect residents experiencing groundwater flooding with retrofit programs. **Waterfront Alliance supports Intro 1067 along with the investment required to support residents with affordable and quality home retrofits.**

A major concern in the FY26 budget is related to the water rental payment charge. The water rental payment is a regressive tax that originated at a time when there was substantial debt related to the water and sewage systems. The debt has since been rectified, making this payment outdated and unnecessary. Additionally, the rental payment takes funds generated by water ratepayers and transfers them to the City's general fund. These funds are critical for supporting investments in water infrastructure. Forcing a payment upon the NYC Water Board further strains DEP's budget and handcuffs the City's ability to respond to climate change.

Waterfront Alliance urges the City Council to reject the water rental payment in the FY26 budget. A more equitable route would be to restructure water utility rates to consider the contribution to stormwater runoff. Currently, water rates do not capture the permeability or impermeability of surfaces. By separately and fairly categorizing stormwater runoff, the City will benefit from designated revenues for stormwater management, as well as the creation of an incentive program(s) for green infrastructure and other strategies that reduce flooding events.



In fact, the New York City Independent Budget Office released a research report on November 2023, which estimated that the City could receive revenue ranging from \$266 million to \$892 million per year from a similar structure as other major U.S. cities like Seattle, Baltimore, and Philadelphia.⁷

Dedicated and long-term funding is critical, but the absence of a comprehensive resilience plan continues to threaten an efficient, systemic, and citywide resilience strategy. There is an urgent need for comprehensive, long-term planning for climate resilience in New York City, which will dictate how funding can and should be spent. Waterfront Alliance and our [Rise to Resilience Coalition](#) partners led the advocacy around Local Law 122, which established a Five Borough Climate Adaptation Plan to be led by the Mayor's Office of Climate and Environmental Justice (MOCEJ). This plan would include recommendations for resiliency and adaptation measures to protect residents, property, and infrastructure throughout the city. It would identify areas that are highly vulnerable to climate hazards to help determine where resiliency and adaptation measures should first be implemented. **Local Law 122 has the potential to be the backbone for climate resilience in New York City but has yet to be fully realized.** While the City made the initial step of creating the educational website, known as AdaptNYC, we are still looking for the development and implementation of a comprehensive climate plan.

Waterfront Alliance, as an advisory member of the Play Fair for Parks Coalition, strongly supports restoring and increasing funding for the New York City Department of Parks and Recreation (NYC Parks). In FY25, budget cuts resulted in the loss of nearly 800 jobs and canceled essential programs. Parks offer climate solutions to flooding, water quality, and extreme heat. The waterfront facilities maintained by NYC Parks are nearly 80 years old, on average, far exceeding what many of the facilities were designed for. **Waterfront Alliance urges the City Council to adopt \$60 million in the City's budget for the restoration and baseline of 720 Parks staff cut from FY23-FY26.**

Climate resilience extends beyond coastal and inland flooding. Extreme heat poses a significant threat to public health and safety in New York City. As climate change progresses, the city is experiencing more frequent, intense, and prolonged heat waves. These extreme heat events can lead to severe health issues, including dehydration, heat exhaustion and stroke, and even death. Vulnerable populations, such as the elderly, individuals with pre-

⁷ New York City Independent Budget Office (November 2023). *Raindrops Keep Falling On New York: Potential Implications Of a Stormwater Fee In New York City*. <https://www.ibo.nyc.ny.us/iboreports/raindrops-keep-falling-on-new-york-potential-implications-of-a-stormwater-fee-in-new-york-city-november-2023.pdf>



existing health conditions, and those living in poorly ventilated housing, are particularly at risk. In fact, extreme heat is the leading cause of weather-related fatalities in the United States, and New York City sees an average of 350 heat-related deaths annually⁸. Addressing this issue is critical to reducing health risks and improving the well-being of all New Yorkers.

Waterfront Alliance strongly supports Intro 998 to codify New York City's cooling center program. We also strongly urge the City to allocate the necessary funding that will be identified through the annual survey on the utilization of the program. This legislation is vital for ensuring vulnerable populations have access to safe, air-conditioned spaces during extreme weather events. **We encourage the City Council to preserve \$24.8 million cut for cooling center funding in Mayor's proposed budget.**

Public Waterfront Access

New York City's waterfront is a vital resource that provides open space for recreation, relaxation, and reflection. However, there are significant disparities in public access to these spaces. Over 800,000 New Yorkers live within a half mile of the waterfront but lack a public access point, with these areas often being less wealthy and home to communities of color. Expanding access to waterfront open spaces is not only a matter of equity but also essential for promoting public health, environmental awareness, and community well-being. Addressing these access gaps will ensure that all New Yorkers can benefit from the city's extensive waterfront.

To address these disparities and enhance waterfront access, it is crucial to support funding opportunities that can execute commitments made in the NYC Comprehensive Waterfront Plan. This plan outlines a 10-year vision to create a more equitable, resilient, and healthy waterfront for all New Yorkers. By investing in this plan, the City can prioritize underserved communities, improve climate resiliency, and support economic opportunities along the waterfront. With additional funding, this plan will enable the city to implement strategies that connect and unify public spaces, enhance recreational opportunities, and improve the quality of life for all its residents. Ensuring adequate funding for this comprehensive plan is essential for the long-term sustainability and inclusivity of New York City's waterfront.

⁸ Mayor's Office of Climate & Environmental Justice – Extreme Heat Adaptation, [Extreme Heat - NYC Mayor's Office of Climate and Environmental Justice](#)



Maritime, Ports, and the Working Waterfront

The New York-New Jersey Harbor region faces significant challenges related to waterfront and industrial land use. As urban development pressures increase, valuable industrial waterfront areas are at risk of being repurposed for non-industrial uses. This threatens the maritime sector, which is crucial for regional economic competitiveness, job creation, and sustainability. The limited availability of industrial waterfront land, coupled with the need for modernization to support activities like offshore wind development, exacerbates these challenges. Protecting these areas is essential to maintaining the economic vitality and resilience of the harbor region, reducing truck congestion, and minimizing greenhouse gas emissions by facilitating efficient transport of goods.

Waterfront Alliance strongly advocates for securing funding to conduct a comprehensive, long-term maritime study of New York City's waterfront. This study is crucial for making informed land use decisions and ensuring the sustainable development of maritime spaces. The analysis should project at least 50 years into the future and consider factors such as port capacity, supply chain flexibility, truck congestion, emissions, and climate resilience. Waterfront Alliance believes that such a study will provide the necessary insights to protect and enhance the maritime sector, ensuring it thrives and supports the region's economy.

Waterfront Alliance fully supports the development of Blue Highways as a sustainable solution for urban freight transportation. By leveraging the city's extensive network of waterways, this initiative can enhance economic resilience by diversifying transportation modes and creating new jobs in port operations and related industries. The Brooklyn Marine Terminal, currently undergoing a Master Planning Process, needs to be preserved for maritime use, and more particularly needs to continue to be evaluated as a hub for Blue Highways. To support this transformation, the U.S. Department of Transportation's Maritime Administration (MARAD) has committed \$163.8 million in federal funding. The City has also committed an initial \$80 million investment to stabilize and repair Piers 7, 8, and 10. Waterfront Alliance strongly advocates for these commitments to be realized and for the vision of Blue Highways to come to New York City.

Lastly, the City must re-prioritize port projects that support the implementation of offshore wind development. Across Brooklyn, Staten Island, and Queens, the offshore wind industry is actively developing port and other critical infrastructure facilities. New York City should work with these projects to provide critical financing and ensure a speedy permitting process so that urgently needed offshore wind power can be developed.



Thank you for the opportunity to testify today and for your work to ensure New Yorkers are protected from the impacts of the climate crisis. Waterfront Alliance is willing and looking forward to partnering with the City Council to advance any and all of these recommendations and initiatives. I am happy to discuss these items in more detail with you at any point.

Testimony for Finance Budget Hearing
Akiana Smith, Director of Community and Court Navigation
Women's Community Justice Association (WCJA)

Greetings,

As we recognize International Women's Month, we must acknowledge the resilience and strength of women and gender-expansive individuals who have been directly impacted by the criminal legal system. My name is Akiana Smith, and I serve as the Director of Community and Court Navigation at the Women's Community Justice Association (WCJA), home to the #BeyondRosies Campaign. Our work is rooted in the mission of ending the incarceration of women and gender-expansive people and advancing gender-responsive, community-based alternatives to incarceration.

One of the most critical resources for justice-impacted individuals is court peer navigation. Having a dedicated Court Peer Navigator—exclusively a woman or gender-expansive individual—provides not only practical guidance but also a crucial source of moral support for those navigating the complexities of our criminal legal system. The challenges of court proceedings, reentry, and detainment are deeply traumatic, and peer navigation offers a vital bridge between individuals, their legal representation, and community resources.

At WCJA, we recognize that true justice requires a shift in investment—from carceral systems to community-based solutions that prioritize care over punishment. Through our initiatives, including the Court Peer Navigation program, we advocate for the redistribution of funding to ensure that justice-impacted women and gender-expansive individuals receive the support they need, rather than being left to navigate this system alone. Investing in these resources is not just a necessity—it is a moral imperative.

I urge this body to prioritize funding for programs that provide direct support and guidance for justice-impacted individuals, ensuring that no one has to face this system without the resources they deserve.

Thank you.

Jorjina Amefia-Koffi

Testimonial Letter to the New York City Council Committee on Finance
March 7th, 2025

Thank you to the City Council for your support of arts education across New York City. I'm writing to support the It Starts with the Arts coalition — calling on our city to prioritize funding for arts in NYC schools. My name is Jorjina Amefia-Koffi and I am a freelance Teaching Artist living in Brooklyn.

As a freelance Teaching Artist, I work with multiple arts organizations and schools in order to deliver English Language Arts (ELA) specific programming utilizing Dramatic Arts skills. City funding impacts my students through field trips, supplies, and learning various life skills like public speaking and editing.

As a Teaching Artist, I have seen many of my former students move onto successful careers and enter prestigious universities. I have even had the opportunity to work with former students as colleagues.

Arts education should be available to ALL students, not just some. Unfortunately, only 33% of eighth-grade students met NYS learning requirements for arts education last school year. Between 2020 and 2023, NYC public schools lost 14.8% full-time certified arts teachers — leaving thousands more students without a dedicated arts teacher in their school. The combined impact of proposed budget cuts and the loss of federal stimulus money set to expire on June 30th stands to only widen this access gap for years to come.

Let us not take it out on our students or their future. Programs that foster student engagement, creativity, mental health, and community rejuvenation must be prioritized. We join our colleagues in asking the city to:

Hire certified arts teachers (\$38M): Ensure that all schools have at least one certified arts teacher, by bolstering the pipeline of certified arts teachers via supplemental certification program and filling arts staffing gaps (closing the equity gap for at least 307 schools).

Continue and increase “Support for Arts Instruction” initiative funding: Build on city’s down payment and boost allocation from \$4M to \$6M.

Require DOE arts funding be spent on the arts (\$15M): Boost the per student arts allocation to \$100 from \$80.47, and require that money be spent on arts education.

Improve data transparency by compelling NYC Public Schools to provide a school-by-school breakdown of the state of arts education in public schools via a Legislative Services Request, T&C, and/or Oversight Hearing.

Thank you for your attention and consideration.

Warm regards,
Jorjina Amefia-Koffi

Testimony of Kevin Ly

Before the New York City Council Committee on Finance

Chair Justin Brannan

March 5, 2025

Good morning, Chair Brannan and members of the Committee. My name is Kevin Ly, and I am a lifelong New Yorker, a proud graduate of NYC public schools, and a resident of Forest Hills, Queens, where I live with my wife and our two young children, ages 5 and 3. I am here today to urge the Council to prioritize funding for **Pre-K at faith-based schools like Catholic academies, fully fund and enhance Summer Rising programs, and make afterschool programs universal.**

For working families like mine, these programs are essential—not just for education, but for practicality. **I firmly believe that faith-based institutions and schools are best suited to provide early childhood education, starting from birth through Pre-K.** These schools have a long history of delivering **high-quality, values-driven education** in a nurturing environment that fosters both academic and social-emotional development. One of the biggest reasons we chose a **Catholic academy** for our children's Pre-K education is the **extended hours**. Right now, I can drop my child off at **7:15 AM and pick them up at 5:30 PM**. Public schools simply do not offer this flexibility, making it extremely difficult for working parents who rely on a full workday to support their families. Expanding funding to allow **faith-based schools to continue offering high-quality, extended-day Pre-K** would ensure families have real choices that meet their needs.

I also want to recognize and commend **NYC Public Schools and the Department of Youth & Community Development (DYCD)** for making **Summer Rising** a reality. However, **last year, only 60% of families who were accepted actually attended the program.** This is deeply unfair to the thousands of parents who desperately needed a Summer Rising seat, **but were turned away** due to limited capacity. When a family secures a spot and then does not show up, that is a **wasted opportunity for another child**—a child whose parent may have been counting on that program for safe, structured care while they work.

We need a **more efficient enrollment process** that ensures seats go to families who will actually use them. Additionally, Summer Rising should be **more recreational-based and enrichment-enhancing**, especially during **July and August**. Expanding the program to include **structured sports activities like soccer and basketball, arts programs, and hands-on STEM learning** would make the experience more engaging and valuable for children, ensuring higher attendance and participation. If fully funded and improved, **Summer Rising could truly serve as a premier summer enrichment program that keeps children engaged and learning in a fun and active way.**

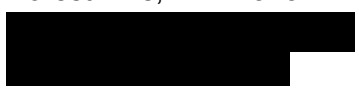
Finally, we must make **afterschool programs universal**. Every child should have access to a **safe, supportive environment** after school. Right now, too many families face **limited slots, high costs, or logistical challenges** that force difficult decisions. Expanding universal afterschool care would provide **stability for working parents and enrichment opportunities for all children, regardless of income or neighborhood.**

As a father, a New Yorker, and a public school graduate, I urge the Council to make these investments in our city's children and working families. Thank you for your time and leadership.

Sincerely,

Kevin Ly

Forest Hills, NY 11375



**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 3/5/25

(PLEASE PRINT)

Name: Nikita Boyce

Address: _____

I represent: CACF & 18% and Growing Campaign

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 3/5/2025

(PLEASE PRINT)

Name: Kimberly Owen

Address: [REDACTED] LIC, NY 11109

I represent: NYC Arts in Education Roundtable

Address: 520 W 8th Ave, Suite 302 NY 10018

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 3/5/25

(PLEASE PRINT)

Name: FRANCES [REDACTED]

Address: [REDACTED]

I represent: Family Homelessness Coalition

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Alice Mo

Address: _____

I represent: Homeless Community Services

Address: 1409 W 7th St Brooklyn NY 11204

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☒ in favor ☐ in opposition

Date: 3/5/25

(PLEASE PRINT)

Name: Christopher Leon Johnson

Address: _____

I represent: Self

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Jane Fox

Address: 50 Broadway Ste 1601 NY NY

I represent: UAW local #2325

Address: same

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 3/5/25

(PLEASE PRINT)

Name: GABRIELA SANDOVAL PEQUENA

Address: [REDACTED] QUEENS, NY

I represent: NEW DESTINY HOUSING

Address: 12 W 37TH ST. NY, NY

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Hailey Nolasco

Address: _____

I represent: Center for Justice Innovation

Address: 520 8th Avenue, NY, NY

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Jacqueline Jones, Commissioner

Address: Chief Financial Officer and Deputy

I represent: Commissioner New Administration and planning

Address: NYC DOF

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Preston Niblack

Address: Commissioner

I represent: NYC Finance

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Jeffrey Shear

Address: First Deputy Commissioner

I represent: NYC DOF

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: George J. Impletin

Address: Adm. Center for NYC Affairs

I represent: _____

Address: 17 5th Ave, NYC

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

4

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Sarita Dattary

Address: 40 Rector St

I represent: Freedom Agenda

Address: 40 Rector St

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

3

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 3/5/2025

(PLEASE PRINT)

Name: Candice Ficalore

Address: 125 Barclay St NY NY 10007

I represent: President, Local 1757, DC 37

Address: (Artessors)

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 3/5/2025

(PLEASE PRINT)

Name: Sharon Brown

Address: [Redacted]

I represent: Rose of Sharon Enterprises

Address: [Redacted]

Billyn NY 11238
Please complete this card and return to the Sergeant-at-Arms

Family
Homelessness
Shelter
DC

THE COUNCIL THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 3-5-2025

(PLEASE PRINT)

Name: Gabriela SANDOVAL Requena

Address: _____

I represent: New Destiny Housing/Family Homelessness

Address: Coalition

THE COUNCIL THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: FRANCESCO BRINDIN

Address: Centre St.

I represent: NYC CUP-FULTON

Address: _____

THE COUNCIL THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Krista Olson

Address: _____

I represent: NYC Comptroller's Office

Address: Centre St.

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: BRAD LANDER

Address: _____

I represent: NYC COMPTROLLER

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Tara Beron

Address: 255 greenwich st

I represent: NYC CMR

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Latoria McKinney

Address: _____

I represent: OMB

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Jacques Jha - OMB Director

Address: _____

I represent: OMB

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Ken Godiner, OMB First Deputy Director

Address: _____

I represent: OMB

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 3/5/25

(PLEASE PRINT)

Name: THOMAS GOGAN

Address: [REDACTED] BROOKLYN 11215

I represent: MOVE THE MONEY - NYC

Address: 40288 ATLANTIC AVE B'KLYN 11217

◆ Please complete this card and return to the Sergeant-at-Arms ◆

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 3/5/2025

(PLEASE PRINT)

Name: Kerian Pauls

Address: 123 William St. 4th Fl NY, NY

I represent: Take Root Justice

Address: _____

◆ Please complete this card and return to the Sergeant-at-Arms ◆