

**TESTIMONY OF JACQUES JIHA, Ph.D., DIRECTOR, MAYOR'S OFFICE OF
MANAGEMENT AND BUDGET OF THE CITY OF NEW YORK TO THE CITY
COUNCIL ON THE PRELIMINARY BUDGET FOR FISCAL YEAR 2022 AND THE
JANUARY 2021 FINANCIAL PLAN**

March 2, 2021

Thank you, Speaker Johnson, Chairs Dromm and Kallos, Subcommittee Chair Rosenthal, and members of the Finance Committee, for the opportunity to testify today concerning the Fiscal Year 2022 Preliminary Budget.

My name is Jacques Jiha, Director of the NYC Mayor's Office of Management and Budget. I am joined today by OMB's First Deputy Director, Kenneth Godiner.

Before I discuss the budget, I want to thank you for your partnership in renewing the City's tax lien sale.

None of us wanted to add to the challenges that homeowners have faced over the last year. The bill supported by the Administration and passed by the Council created a new, fairer program for property owners and, at the same time, ensures that we are able to collect revenues that support vital services citywide.

We look forward to working with you throughout the year on many more issues that reflect our shared goals, which include rebuilding this city and forging a recovery for all of us.

In crafting this Preliminary Budget, we have remained focused on strong fiscal management. This is critical in light of the fiscal impact of COVID-19 and State cuts and cost shifts.

First, I would like to discuss the state of our economy and its impact on the budget.

We have recovered nearly one-third of the jobs lost since we became the epicenter of the pandemic. This is slightly faster than we projected in November.

However, the City's real estate markets are still down. Residential sales and rental prices have softened substantially. On the commercial side, demand for office space was weak last year, with shrinking new leasing volume.

Tourism, one of New York City's greatest assets, remained anemic. We hosted two-thirds fewer visitors last year, which drove hotel occupancy down by half.

Growth will be weak this quarter because of the pandemic's second wave. However, we expect the economy will gradually pick up as vaccination coverage expands, the second wave eases, COVID restrictions are carefully lifted, and the economy benefits from new federal stimulus that will put money directly into New Yorkers' hands

So – what does this mean for the City budget?

Because the value of commercial and rental properties has decreased, we lowered the Fiscal Year 2022 property tax forecast by \$2.5 billion.

This reduction drove the overall tax revenue forecast for that year down by \$1.5 billion and substantially increased the budget gap from \$3.8 billion in November to over \$5.0 billion in January.

To close the newly widened gap we leaned aggressively into our savings program and balanced the \$92.28 billion Fiscal Year 2022 Preliminary Budget without deficit borrowing or assuming fiscal stimulus.

In the Preliminary Budget we achieved more than \$2.0 billion in savings across Fiscal Years 2021 and 2022, which includes more than \$1 billion in PEG savings. Nearly \$600 million will recur annually beginning in Fiscal Year 2023.

This brings total savings across the two fiscal years to \$3.6 billion since June.

As part of our continuing effort to reduce headcount, our savings plan includes a strict hiring and attrition management initiative. Going forward, agencies can only add a new employee after three step down. This will reduce planned headcount by 5,000 in Fiscal Year 2022, which saves nearly \$350 million over two fiscal years. In total, we have taken actions since January 2020 that reduced next fiscal year's headcount by 12,000.

On top of our efforts, the City's Actuary has proposed a package of changes to strengthen the pension system that will save \$730 million over two years.

We will remain focused on savings throughout the budget process, as it is critical to our fiscal recovery.

However, cuts alone are not enough. It is important to make strategic investments that will strengthen the economy and help bring the city back. We must **grow** ourselves out of this crisis.

That's why in the Preliminary Budget we have:

- Deepened our commitment to the test and trace program and the NYC Vaccine For All campaign, which are essential to our recovery;
- Increased social and emotional learning programming for students who need the help;
- Funded 70,000 Summer Youth Employment slots to offer opportunities for young adults;
- Established the Learning Bridges program which provides free child care and learning options for young students on days they are scheduled for remote learning;
- Prevented hunger with GetFood NYC;
- Expanded WiFi in shelters to promote broadband equity, and;
- Made sure the 311call service, which has helped millions of New Yorkers navigate this crisis, continues to operate efficiently.

These initiatives are included within the new agency spending of \$885 million over Fiscal Years 2021 and 2022.

Now, I would like to discuss capital planning and the status of the City's infrastructure projects.

Every other fiscal year, we outline our long-term capital outlook. The Fiscal Year 2022 Preliminary Ten-Year Capital Strategy is \$118.8 billion. This reflects a nearly two percent increase over the 2020 Ten-Year Capital Strategy.

The bulk of the investments are in education, environmental protection, transportation, and housing. They include:

- Building and improving school facilities;
- Improving wastewater treatment facilities and sewage control measures;
- Expanding resilient infrastructure that addresses the impacts and risks of climate change;
- Enhancing pedestrian and cyclist safety;
- Improving roadways and traffic flow;
- Building and preserving record levels of affordable housing, and;
- Investing in repairs and improvements to NYCHA developments.

To improve capital planning and smooth project funding we redistributed \$3.8 billion in projects to out years of the plan

We also continue to make sure that the capital plan is affordable by cautiously estimating debt service and making sure it does not exceed 15 percent of the City's tax revenue – a hallmark for responsible debt financing.

Restarting capital projects, like vaccinations, is essential to our recovery. On January 25 the Administration lifted capital restart restrictions that were imposed in conjunction with the Governor's PAUSE order and in response to concerns about cash flow and access to financial markets. We have authorized a gradual return to the pre-COVID capital approval process that will be completed by the end of this month. In the interest of transparency, my team has prepared a list of projects and restart dates to share with the Council.

Because of cautious and prudent planning, expanding vaccine access, investing in the safe reopening of schools and the economy, and restarting the capital process, we can now see the light at the end of the tunnel. However, strong headwinds from Albany threaten our progress.

The Governor presented his Executive Budget five days after we released our January Financial Plan. As in previous years, it contains substantial cuts and shifts to education and programs that serve some of the most vulnerable New Yorkers.

You may remember last year when the State shortchanged New York City of more than \$700 million in Education Aid. It is happening again.

The State's proposed budget supplants \$800 million of the \$2.15 billion in federal aid that was set aside for New York City in the second stimulus package last December.

This leaves us with substantially less education funding than we expected and need.

This aid would help keep schools open, increase academic opportunity across the five boroughs, restore critical programs, and more. Like the Mayor said in his recent appearance before the State legislature, our students, their families, and educators have experienced a challenging year like no other in the city's history. Our one million schoolchildren deserve better.

The State's budget also makes more than \$600 million in cuts and cost shifts to our financial plan over Fiscal Years 2021 and 2022.

This includes shifting approximately \$280 million in mandated charter school costs to New York City.

And even though we are just in the very beginning stages of a recovery, the State wants to cut over \$50 million from core public health services in Fiscal Year 2022, which is less than four months away. This includes reducing our Article 6 Public Health aid reimbursement level by 50%. We will lose \$35 million that could be invested in school-based health centers, protect New Yorkers from outbreaks of contagious disease, and more.

Programs funded through other sources suffer too. Support was reduced for mental healthcare and the Nurse Family Partnership, which provides care and assistance to first-time mothers.

Social Service programs were not spared, either. The proposed budget cuts more than \$70 million over two years from domestic violence services, resources for youth in foster care, shelter operations, protection for seniors, and other vital programs.

On top of cuts to our budget that I just discussed, the State Executive Budget threatens to slash nearly \$500 million from the City's Health + Hospitals system across Fiscal Years 2021 and 2022.

I want to emphasize that the State wants to cut resources -- *in the midst of the pandemic* -- from a hospital system that has led the fight to save lives and protect New Yorkers from COVID-19 since last Spring.

As the Mayor recently highlighted for the legislature, these cuts could mean closing 19 H+H clinics, which treat 140,000 patients a year and losing 900 doctors and nurses, resulting in longer wait times for patients.

We will work with our partners in the legislature to fight all cuts that hurt New Yorkers, especially the most vulnerable. I also want to thank the Speaker and Council for your help in opposing State supplantation

While we have faced an avalanche of challenges over the last year because of COVID-19, and the State has put roadblocks in our path, there is some good news from Washington, D.C.

For months we have been clear that the federal government must provide a stimulus that makes up for the revenues we have lost. Without additional help we would have to make truly awful choices, including cuts to vital programs.

Now, in light of new leadership in the Senate and the White House, we are optimistic that Congress will pass a new stimulus package that includes \$350 billion in relief for states and localities, in addition to funding for other programs and needs.

And thanks to the tireless advocacy of Senator Schumer and others in the New York congressional delegation, FEMA announced in January that it will increase its reimbursement rate to 100 percent of eligible costs. This puts more than \$1 billion in the city's coffers. While this is a *very* welcome change, nearly \$700 million of the \$6.2 billion we have spent to date on COVID relief still may not be eligible for reimbursement. These costs will be paid from the City's resources.

Though I have finished on a somewhat positive note, there are good reasons to remain concerned. We balanced the Preliminary Budget despite unprecedented economic disruption and diminished revenues. Looking forward, we face billions of dollars in budget cuts and shifts from the State, and we are still the midst of an unprecedented health and fiscal crisis.

However, we firmly believe New York City will recover faster than many people expect as social distancing requirements ease, the stimulus impacts are felt, and consumers unleash pent up demand. As this happens, workers will return to their offices, Broadway shows will sell out again, tourism will flourish, and hotels will fill with guests. This is a resilient city, and we will be back better and stronger than before.

Thank you again for the opportunity to testify today.

Now I look forward to taking your questions.



THE CITY OF NEW YORK
INDEPENDENT BUDGET OFFICE

110 WILLIAM STREET, 14TH FLOOR
NEW YORK, NEW YORK 10038
(212) 442-0632 • FAX (212) 442-0350 • EMAIL: iboenews@ibo.nyc.ny.us
<http://www.ibo.nyc.ny.us>

Testimony of Ronnie Lowenstein
Director, New York City Independent Budget Office
To the New York City Council Finance Committee

March 2, 2021

Good afternoon Council Member Dromm and members of the Finance Committee. I am Ronnie Lowenstein, director of the New York City Independent Budget Office, and am pleased to discuss our latest economic forecast for the city and analysis of the Mayor's Preliminary Budget for 2022 and financial plan through 2025.

When the Covid-19 pandemic swept the city just about a year ago, the effect on the local economy was almost instantaneous. The shutdown of many local businesses triggered an economic crisis that left tens of thousands of residents out of work. New York City lost 557,000 jobs between the end of 2019 and the end of 2020, with many of those lost jobs in the restaurant, retail, and tourism sectors—jobs held by people in households and communities also enduring the worst of the pandemic. Even under our current forecast of employment growth over the next four years, the city would still have fewer jobs in 2025 than it did in 2019.

While the pandemic decimated the local economy seemingly overnight, the effect on the city's budget has been less immediate. Although the city has suffered substantial budget strains in the past year, we have not yet tumbled into full-fledged fiscal crisis. Whether we do will depend on a number of factors, ranging from decisions made in Washington and Albany to the course of the pandemic and how—in the long term—this experience shapes people's decisions about how and where to live, work, and travel.

Reflecting this less-immediate effect on the New York City budget, IBO estimates the city will end the current fiscal year with a surplus of \$3.6 billion, \$258 million more than expected by the de Blasio Administration. This surplus comes despite our projection of tax collections falling by nearly 2.0 percent this year compared with 2020. While some of the surplus results from the strength of the preceding year and the prepayment of some of this year's expenses, tax revenue has held up better than expected by many fiscal observers, including IBO.

Our projections for fiscal year 2022 and beyond underscore the ongoing strain on the city's budget. We expect tax revenues will grow by less than 3 percent, but the city will end next year with a modest surplus of \$500 million. Despite the expectation of continued growth in tax revenues, without substantial surpluses to roll forward we project budget shortfalls of about \$4 billion in each of the following years in the financial plan (roughly 5 percent of city-funded expenditures in 2023). While these projected budget gaps are fairly large, there is also some cushion: the budget includes more than \$1 billion in unallocated reserves in each year for 2023-2025 and funds remain in the Retiree Health Benefits Trust.

While economic and budget projections are always subject to a number of questions, we face a current landscape littered with uncertainty. Not all of these uncertainties, though, are negatives. One has

already been resolved positively for the city. Just as the Mayor prepared to release the Preliminary Budget, the Biden Administration announced that the Federal Emergency Management Agency (FEMA) would fully reimburse eligible Covid-related expenses, rather than at the agency's typically 75 percent share. This means the city will receive nearly \$1.2 billion more in aid than accounted for in the Preliminary Budget. The Mayor has said that nearly \$200 million will go to reversing planned cuts to school spending, leaving about \$950 million still to be allocated. It is worth noting the city still shouldered about \$1.3 billion in Covid-related spending on its own.

Another development on the horizon that could bode well for the city is the increasing likelihood of a new round of federal aid. At the moment it appears the city may receive upwards of \$5 billion in direct federal assistance, but that could change as a final deal approaches.

But there are also a number of uncertainties that could be very problematic for the city economically and fiscally. One overarching risk is the course of the pandemic. While infections and hospitalizations have trended downward of late, much hinges on the availability of vaccinations and whether enough people will avail themselves of it. A related concern is how long the vaccination will be effective and whether it will protect against coronavirus mutations. There also is the issue of behavioral changes: will some substantial portion of the workforce continue to work remotely all or part of the time, and will travelers for business or leisure return to the city? These are vital questions for the retail, leisure and hospitality sectors of the local economy that have been particularly hard hit by the pandemic.

Also of major concern is the fiscal condition of the Metropolitan Transportation Authority (MTA), a key thread to the city's economic and social fabric. The MTA's fare revenue plummeted as ridership declined with the onset of the pandemic and dedicated tax revenues fell in the wake of reduced economic activity. The MTA faces an estimated \$8 billion operating shortfall over calendar years 2022 through 2024. While the aid package currently being negotiated in Washington includes support for the MTA, the outcome remains uncertain.

Another uncertainty is the \$1 billion in unspecified labor savings contained in each year of the Mayor's budget plan. Savings were achieved this year by deferring retroactive payments and payments to union welfare funds, but it remains unclear how savings will be achieved next year and in the years through fiscal year 2025.

New York State could also prove a challenge to the city's budget balance. The state's fiscal condition is arguably more tenuous than the city's and Albany is not shy about sending its problems south to the city. The Governor's budget includes the possibility of mid-year cuts in aid to schools and localities, which would then force the city to either cut services or find local funds to replace state dollars.

With these and a number of other critical variables, the city's economic and fiscal future remains precarious. A major factor will be how the pandemic changes the way people work and live. If, for example, there is more work from home and less business travel, how will that effect commercial real estate as well as retail, restaurants, and hotels? A changing economic landscape can have major fiscal effects.

We have issued a number of publications on the Preliminary Budget, including a [snapshot](#) of our latest economic and revenue forecast and key findings about the Mayor's budget plan, a [discussion](#) of aid from

FEMA, and a [review](#) of shifts in the homeless shelter population and its effect on spending. Yesterday we released [details](#) of our economic forecast and this morning our [tax revenue forecast](#).

More publications will follow in the days and weeks ahead.

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



TESTIMONY TO INCLUDE INCREASED FUNDING FOR COMPOSTING IN FY2022 NYC BUDGET
March 2, 2021

My name is Jane Selden, and I'm here representing 350NYC, a grass-roots environmental activist group focusing on NYC climate issues. 350NYC is a member of the Climate Works for All Coalition, composed of labor, community, climate, and environmental justice organizations advocating for policies that address both reduction in carbon emissions and income inequality. We strongly support the Coalition's goal of including \$13 million for composting in the FY2022 budget.

Funding for community composting must be prioritized in this year's budget for a number of reasons. As an environmental group, we recognize the vital role recycling of organic waste plays in confronting the climate crises. 1/3 of the City's waste stream is composed of organic material. If composted it has the environmental benefit of sequestering carbon. However, if it enters landfill or ends up in incinerators, it adds more greenhouse gases to the atmosphere. Landfills emit methane, a greenhouse gas 30 times more than carbon dioxide. Incineration produces not only carbon dioxide, but dioxin, nitrogen oxide, mercury, lead and sulfur dioxide. Landfill and incinerators are generally located in low income communities and communities of color, which suffer from a range of serious health issues as a result of exposure to these toxic emissions.

Last year's draconian cuts to the DSNY's composting programs meant that even more waste was trucked to the City's waste transfer stations, which, like landfill and incinerators, are located in environmental justice communities, where residents were already subjected to unhealthy levels of noise and air pollution. Exposure to particulate matter produced by diesel exhaust from heavy garbage truck traffic has resulted in some of the country's highest asthma rates and is now linked to higher rates of COVID deaths.

A budget allocation of \$13 million for composting will divert tons of organic matter from waste facilities by increasing neighborhood organics drop-off and processing sites, supporting school composting, and establishing organic recycling programs in municipal buildings. This money will also be used to subsidize piloting and studying organics and recycling programs in multi-family buildings to facilitate reaching our goal of a city-wide composting program. And, at a time of high unemployment, especially in low income communities, composting programs will create good, green jobs.

We are acutely aware that our City continues to face an unprecedented financial crisis. However, decisions about the next budget should reflect the priorities of New Yorkers. We can

see from the public outcry when cuts to curbside pick-up and community-based composting were first announced, the continued demand for additional organics drop-off sites, and the overwhelming number of individuals and organizations that have testified at city council hearings in support of organics recycling that New Yorkers recognize the need for composting and the importance in terms of job opportunities these programs provide.

We ask that this strong popular support for organics recycling be reflected in the budget and that the members of this committee seriously consider the many benefits expansion of composting will mean for our city – and for our planet.

Thank you.

Jane Selden
350NYC



THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
SCOTT M. STRINGER

Good afternoon, Chair Dromm, Chair Rosenthal, and members of the Finance Committee. Thank you for the opportunity to discuss the City's Fiscal Year 2022 Preliminary Budget. Joining me is Preston Niblack, Deputy Comptroller for Budget.

2021 began on a much more hopeful note than how we ended 2020 — with a new president taking office, and vaccines for COVID-19 finally available. But the challenges of the past year aren't behind us — not by a long shot.

Our economic recovery has slowed, with job growth actually turning negative in the last couple of months. Small businesses are still struggling. There are 30 percent fewer businesses open today than before the pandemic, and their revenues are down 50 percent. The vaccine rollout remains rocky, with unstable supply and inequitable, unorganized distribution stalling our progress toward a full reopening. And the economic shutdown has taken its toll on property values. These factors have had real impacts on our budget.

One of the most notable developments in the Preliminary Budget was the drop in property tax revenues. For the first time in a quarter century, property tax revenues for the coming year will actually decline. That led to substantially bigger budget gaps, bringing them to over \$6 billion dollars.

It was in that context that the Mayor introduced his FY 22 Preliminary Budget. At \$92.3 billion dollars, it's almost \$3 billion dollars less than this year's budget. But as we'll see, it's going to grow, with the addition of new federal stimulus funds.

Non-property taxes — especially the personal income tax and business taxes — have held up better than the property tax. That's helped offset at least some of those bigger gaps.

Why is it that these other taxes have come in higher than expected? Wall Street has raked in \$38 billion dollars in profits in the last 3 quarters — more than at any time since the bank bailout of 2009. But at the other end of the spectrum, in the sectors that were hardest hit by the shutdowns — hotels and restaurants, arts and entertainment, personal services — jobs were still down 37

percent in December compared to their pre-pandemic levels. Those jobs earn on average less than \$50,000 dollars, compared to over \$200,000 dollars for jobs in the sectors least affected. So the most vulnerable among us were made more vulnerable by shutdowns, and the wealthiest among us are doing fine –they still have jobs, and they’re still making lots of money.

But even though non-property taxes were stronger than expected, there was still a \$5.5 billion dollar gap that had to be closed in the Preliminary Budget. The City closed that gap with an additional savings program of \$1 billion dollars, drawing down \$1.15 billion dollars from next year’s contingency reserves, and refinancing our outstanding debt at lower rates, to save another \$326 million dollars next year.

I worked with the Mayor’s Office of Management and Budget to already realize over \$800 million dollars in savings this year and next, and I want to thank the excellent Public Finance team in the Comptroller’s Office for their efforts on this front. Altogether, lower debt service costs account for over 40% of the Citywide Savings Plan and I’m proud to have helped achieve this.

The budget expects that lower pension contributions will save us \$300 million next year. Our early investments in the Bureau of Asset Management, to make it a modern and highly professional investment advisor to the pension boards, has paid off for retirees and taxpayers alike. So I am proud to announce here that last year, 2020, our pension funds earned over 14 percent. Through December, the pensions funds have earned on average nearly 9 percent a year since the beginning of my tenure — well over the target return of 7 percent.

The biggest component of the gap-closing program was an additional surplus of \$2.7 billion dollars from the current year — again, mostly because our income and business taxes have done much better than anticipated. We achieved this without laying off a single worker. As I said at the time — all those layoff threats to our frontline workers were completely unnecessary.

Just because we’ve closed the FY 22 gap doesn’t mean we don’t have work to do to get our own fiscal house in order for the future. It’s important to remember that even when our economic recovery is fully underway again, we still face substantial budget gaps in the future. And there are some risky assumptions in the Mayor’s budget that mean the gaps could be even larger than projected –like unrealistic assumptions about overtime spending or underestimating the costs to place students with special needs in appropriate educational settings.

The State’s budget troubles present additional challenges. Over the last five years, the State has already pushed \$1.3 billion in costs onto the City. This year’s budget would cut back \$800 million in State education funds, substituting federal funds from December’s stimulus bill instead, plus another \$220 million in other costs. The State’s long-term budget prospects could

leave us facing even bigger shortfalls in the future — at a time when we will need to make investments to build the new economy of our City.

We must do the work here at home, too. We simply cannot continue with business as usual. For years, I've highlighted areas where we continue to spend hundreds of millions of dollars year after year — without proven results.

The homelessness crisis in our city is heartbreaking and frustrating. We're spending \$3 billion a year on homelessness — twice as much now as we did seven years ago. But the single-adult shelter population has reached an all time high of 20 thousand New Yorkers and more than 21 thousand of our children sleep in shelter every night. It is unacceptable to continue spending more than 3 billion dollars a year and not make a measurable difference for New Yorkers in crisis.

We're spending over \$400,000 dollars a year to incarcerate one person on Rikers Island — while violence continues to climb. We must redirect resources to programming and treatment that can help prevent incarceration, reduce violence within the jails, and help people succeed in their communities after they leave.

And with the pandemic exacerbating mental health challenges, especially for our young people, we're spending \$200 million dollars a year on mental health programs without sufficient accountability, data, or measurable outcomes to show for it. This spending must be evaluated and agencies must be held accountable for producing measurable results.

There is some good news, which is that we will have federal stimulus funds coming in — which will give us some much needed resources. The same morning the Mayor released his preliminary budget, we got word that the Biden Administration was going to pick up 100 percent of our eligible COVID disaster-relief spending – worth an estimated \$1 billion in extra funding. And on Friday, the House of Representatives passed President Biden's \$1.9 trillion dollar American Rescue Plan, which includes \$350 billion dollars in aid for hard-pressed state and local governments — including \$5.6 billion to New York City.

Let's remember an important fact, though: Stimulus money is temporary. It will give us some help this year and next, maybe even a little the year after that. But after that, it is gone. We need to strategically use these federal funds to relieve the suffering of New Yorkers, to jump-start our economic recovery and to lay the groundwork for a new, fairer economy. Doing that will be the best use of those one-time stimulus funds, to position us to stand on our own two feet when that money is gone, and to build a better future for all New Yorkers.

We must use the FEMA reimbursement money to help families who are still struggling through this pandemic, and to give our economy the shot in the arm it needs to bring back jobs for the

hundreds of thousands of New Yorkers who are still without one. Families are anxious and suffering. Even with unemployment benefits, they're falling behind on the rent. They're struggling to feed their families. We must make sure they are getting the help they need.

We must cancel rent for the hundreds of thousands of New Yorkers who have fallen behind through no fault of their own. And we must ensure that every New Yorker — regardless of immigration status — has access to the benefits and support they need during this pandemic. Two weeks ago, I called for a \$25 million dollar emergency food program for New Yorkers left out of federal and state safety net programs. Now we have the funds — we must feed every family in our City that needs it.

We must invest in our schools to ensure that they are able to operate full-time next year. Many of them will need new ventilation systems, air purifiers, and other modifications, and we will need programs to address the learning loss and emotional trauma of the past year.

We must bring justice to the thousands of taxi medallion owners and drivers who are crushed under a mountain of debt. Many have been forced into bankruptcy already. We can bring all the parties together and solve this problem before it ruins even more lives.

And we need to help jump-start our economy. More than 2,800 small businesses closed this summer, and that number has only grown in the months since. If they don't re-open, hundreds of thousands of unemployed workers won't have jobs to go back to. So we must use those extra federal funds to help businesses re-open and give our economy the boost it needs this Spring.

Millions of square feet of retail space currently sit unused. We should give retailers tax breaks for locating in high-vacancy corridors throughout the City. We need to help struggling restaurants with tax credits or grants until it's possible for them to fill their seats with customers again.

There are thousands of workers in small firms that support Broadway and the performing arts with costumes and sets, and everything else that goes into a performance. These are good-paying jobs — often union jobs. They need help surviving until Broadway and other performance venues can re-open again.

Most of all, we need to ensure that all New Yorkers have equitable and easy access to vaccines. Without that, there is no recovery. These are the kinds of ideas we need now, to take advantage of those federal dollars and get our people back to work and open our City up for business again.

Those are our immediate needs, which we can use stimulus funds to help meet. And while the next round of stimulus funds can provide the down payment to start building a new economy, we

cannot simply re-open the same economy we closed. The new economy we build must be fairer and more just, with benefits that are more widely shared and that helps right the historic wrongs of the past.

For that, we will need new investments: investments in new affordable housing, investments to rebuild NYCHA, investments in childcare, investments in healthcare to correct inequities in access and outcomes, investments in public safety to end the criminalization of poverty and mass incarceration and move us toward a new, public health-focused model, investments in transit and to make streets safe and friendly for walking and bicycling and investments in resiliency for all of our neighborhoods and to build a new green economy for the future of our city and our planet.

For these investments, we will need new resources and new revenue streams. That's why I support the Invest in Our New York agenda. We can use stimulus funds to start these new investments — because we must act now, and take advantage of the moment. But we must carry them forward, and for that we will need a stable and steady revenue base.

We have reached a crucial moment in the extraordinary history of the COVID-19 pandemic and the Great Lockdown. We can start to see the light at the end of the tunnel. But we cannot go back to a status quo that wasn't working before the pandemic and is not going to serve us now.

We have a challenge before us — and an opportunity. The challenge is to create a new, better New York with more opportunity, more justice, more fairness. The opportunity is to seize this moment to make the investments we need to realize that vision.

Thank you, and I'm happy to take your questions

Testimony
New York City Council Finance Hearing
FISCAL YEAR 2021 EXECUTIVE BUDGET
March 2, 2021
By Ralph Palladino, Local 1549 2nd Vice President

This testimony is on behalf of Local 1549 President Eddie Rodriguez and the 14,000 members and taxpayers of New York City Clerical-Administrative Employees Local 1549. Our members are front line workers in nearly every city agency, 311, New York Police Department (NYPD) and New York Health and Hospitals (NYC H+H) and MetroPlus HMO. Our members are primarily women of color who live, work, shop and vote in every community in this city.

Our city's citizens need services and jobs. Our city's healthcare system and economy are on life support. We need to get through this crisis and the slow rebuilding processes in a smart way beginning with the resources we have at hand.

Some of our requested items, if placed in the final budget document, **will save taxpayers' dollars**, and enhance public services. Some will help generate tax funds the city needs. All of them can lead to increased employment for people living in high areas of unemployment in the city. This would generate increased taxes for the city and help small businesses thrive thanks to having more customers.

An additional benefit from our staffing requests in the final budget is to provide meaningful jobs to those who need them the most, in the communities that we serve and represent. It will help people move out of poverty into decent middle-class jobs. These jobs, in turn, will result in better services and greater tax revenues for the city. The buying power of our members will help businesses get back on their feet and help create more tax paying workers.

City Wasting Tax Dollars

1-NYPD Civilianization

Crime has risen in the city during the COVID-19 Pandemic. Attacks on people from various Asian backgrounds and nationalities has increased. Crime is rising on subways. Yet the city continues to use higher paid uniformed personnel including much higher paid captains to perform routine clerical duties. We have documented roughly 500 able bodied uniform personnel performing clerical tasks in the past. That number has grown.

These uniformed personnel should be on the street protecting the public. Besides impacting public safety, the city and NYPD wastes over \$30 million of tax dollars per year.

The city should end this wasteful policy and use savings to shift funds for social services as social justice advocates have demanded. The NYPD can hire Police Administrative Aides and Clerical Associates and put those able-bodied officers on patrol where they belong do community policing. Community residents could fill these decent jobs to help reduce unemployment. These community residents also can be positive liaisons in building good community relations. Morale of the clerical workforce in the NYPD would increase.

But what has the city done?

The city and NYPD have designated that the Police Administrative Aide (PAA) and Clerical Associate positions are to be downsized. The budget last June did not allow for

backfilling of retired PAA's or Clerical Associates. Instead, the NYPD just assigns more higher paid uniformed employees to fill those positions.

The city administration has failed to civilianize clerical positions despite acknowledgement of the problem and promises to do so. A city audit of the NYPD on savings from Civilianization was promised but never performed.

The PAA and Clerical Associate titles have been reduced by well over 400 positions the past six years. Meanwhile the Court Assistant Processing job function has been given to the PAA's on top of their other duties. The PAA's gather all the information on record of cases and incidents that the ADA's need for court appearances.

The NYPD has used the C.A.M. system to downsize civil service clerical titles. The work has been taken over by uniformed officers and in some cases non-competitive titles.

Two years ago, the NY City Council had requested a civilianization project over a few years beginning with 100 positions a year for three years. This was taken off the table at negotiations. The reason I was told was that it was is that the NYPD said that there was a "clerical employee job freeze" for budgetary reasons.

How absurd is it that the city and NYPD claims to "save" tax dollars by freezing hiring of PAA's and Clerical Associate and fill those jobs with higher paid uniformed personnel.

It is estimated by various sources including former City Comptrollers, Public Advocates, Citizens Budget Commission, and the Independent Budget Office that **NYPD Civilianization could save the taxpayers anywhere between \$17 and \$127 million dollars. Our latest figures factoring in our collective bargaining raises but NOT those of uniformed personnel show a saving of: Roughly \$30 million recurring year!**

2- Higher Paid Non-Competitive Titles Performing Civil Service Title Duties Wasting City Tax Dollars

The city, DCAS and various agencies, especially Agency for Children's Services and Human Resources Administration are wasting over \$3 million annually and under cutting the civil service system. They are doing so by replacing civil service employees, especially Clerical Associates with mostly higher paid non-competitive titles. The non-competitive employees performing the same duties as the replaced Clerical Associates.

Too often we hear that this problem is an "intra-union problem". NO, it is not! Unions do not hire and fire. Unions do not change job titles. It is a problem for taxpayers whose funds are misspent.

Last June's city budget called for a decrease of Civil Service Clerical Associates and an increase of non-competitive titles. These non-competitive titles are slightly higher paid but perform the same duties as civil service Clerical Associates.

In HRA the numbers for Clerical Associate and Office Machine Aide are down by 24% and 36% respectively the last four years. The numbers for non-competitive titles performing our work increased by 20% according to the final budget document last June.

In the **HRA** they are taking people off the civil service lists when they pools are called for Eligibility Specialists (ES), making them non-competitive titles. While these employees are not performing ES duties, they do not have civil service protections. There has been an attrition of 300 Clerical Associate (33%) positions in HRA over five years and our members tell us those positions were turned over to non-competitive titles at a higher rate of pay though performing the

same duties. **The City Council should request that the city, DCAS and NYC H+H strictly adhere to the placement of employees in positions according to their job description and proper titles. These are higher paid titles performing clerical-administrative duties. Most are non-competitive titles taking civil service positions. But a significant amount are also higher titles including managerial and semi-managerial.**

The City Council should ask that DCAS send a memo to all city agencies to cease this practice. That this practice begun by the Bloomberg Administration which is a waste of city tax dollars must be ended.

Local 1549 has filed numerous grievances against management in several agencies, including the NYPD (other than the ones already won at Arbitration) and the NYC H+H, for replacing Clerical-Administrative Employees with higher paid, mostly non-competitive titles while assigning those replacements the same routine work that our members perform. Our analysis of most, not all, of the grievances filed shows that the city, by conservative estimate, is wasting approximately \$3,220,000 *annually* in just five city agencies and NYC H+H. This does not include the cost of processing and hearing the grievances nor the cost of arbitration. (*We have already provided detailed documentation on this in earlier testimony.*)

This is an attack on merit, the civil service system, and a waste of taxpayers' money.

AGENCIES WHERE MORE STAFFING IS NEEDED

1-Need for Eligibility Specialists-Human Resources Administration (HRA)

Every year the NY Daily News runs articles exposing the atrocious way needy clients are being treated when trying to obtain assistance at HRA. For well over a decade, we have testified as have advocates and clients about the mishandling of services for the poor in HRA, especially in SNAP, Medicaid Recertifications and HASA.

How does HRA management deal with the problem? They blame the employees. They use all sorts of ways to mistreat and bully workers. They downsize needed jobs like Eligibility Specialists, subvert Civil Service by replacing Clerical Associates with higher paid non-competitive jobs. They close centers and force clients who to use social media that too many of them do not know how to use, and phone lines that a highly problematic to use. This over automation is exactly what former Indiana Governor Pence did when his mission was to destroy the SNAP program in his state. Fortunately, Indiana has reversed that issue. It is too bad New York City has not.

This city prides itself on being able to help the poor and needy. That is the rhetoric. In fact, the practice is to disregard the needs of a workforce that has low morale and a clientele whose needs are disrespected in practice. HRA has increased the usage of low wage, highly exploitative private temp agencies in HRA to perform clerical duties.

Client Problems

The city, DCAS and HRA management has allowed a nearly 400 loss of Eligibility Specialist (ES) jobs over the past four years. This has led directly to deteriorating service providing by the agency. The number of Clerical Associate support staff has also decreased, some being replaced by non-competitive titles and private temp agency employees.

Clients are waiting on long lines when entering centers. They are waiting endlessly long on phone lines. They wait along with ES's too long for phone line contracted out, low wage interpreter services, and have trouble completing their applications online. 50% of those who use

phone lines and computers still come into the centers as a necessity. Calls are being dropped when on phone lines and clients rarely get return calls back when leaving messages. There are a lot of issues with people's cases being closed after their recertification period, even though they submit their paperwork. This is also verified by the Urban Justice Center.

Virtually all the problems with servicing reported in the NY Daily News article last August still exist. The HRA management has not committed to reopening any closed centers it closed due to the COVID crisis. They haven't learned that centralizing and automating services just doesn't work for SNAP, HASA or Medicaid enrollees. They should be expanding services and decentralizing more.

The Mayor of New York's 2021 Year Management report supports what we see at the centers. In SNAP the timeliness rate for applications dropped from 92.7% in 2019 to 74.5% in 2020. The ERROR RATE was not reported by HRA to the Federal Government as it was supposed to and is listed as N/A in the report. **QUESTION IS- WHAT ARE THEY HIDING? HOW BAD IS IT?** The timeliness for Medicaid applications dropped from 93.5% in 2019 to 80.5% in 2020. We would have to give the HRA an "F" on the report card for delivery of services based on their own numbers. This is due in large part to the reduction of ES titles and back up Clerical Associate titles. It certainly is not the fault of the staff left who have signed up roughly 100,000 more SNAP applicants than the previous year.

2-Additional Staffing for 911

To illustrate the need for additional staffing note that the NYPD had to move 400 less senior officers into the PSAC's to satisfy the demand of calls during the COVID-19. This was done as crime increased in the city! Texting work began last Summer. These reserves no longer are required but it illustrates the need to bolster this emergency service.

Note that ALL emergency calls including those to the FDNY, and EMS go through our 911 members first.

250 additional Police Communication Technicians (PCT) for the two Public Safety Answering Centers will enhance public safety, reduce the rising cost of overtime and increase the morale of 911 personnel. It will help to satisfy the increasing workload that will become more intense with the new 'text-to-911' requirements. Currently there are many empty cubicles in both PSACs that could be utilized to better meet emergencies.

Many of those eligible for retirement are retiring. Staffing must be monitored constantly. The additional staffing has helped alleviate overtime, sick leave and stress. The centers receive just over 9 million calls.

Overtime is still a problem. This adds additional stress to these first responders. Now, texting has been added to their job requirements. Stress and burn-out, we believe is, partially responsible for absenteeism and the high turnover rate.

3-Increased Staffing of CCR Title in DOITT 311

The current staffing levels have remained the same the last two years for Call Center Representatives (CCR). However, the number of calls has jumped by 15% since 2016 and 10% in 2020 from 2019 alone. Texting increased by 68% from 2019 to 2020. Yet staffing remains the same. The number of Spanish speaking calls rose by 25% and 36% for calls from non-English and Spanish speaking people.

4-Hiring Civil Service Interpreters

The New York Daily News articles about the low wage, worker exploiting contracts by the city for interpreter services. These services are being done on phonelines, often by people not living in this country.

We know the needs for utilizing the civil service Interpreter Title is growing. Our members tell of growing problems in HRA and NYPD in wait times, misunderstandings and at times arguments since the contract labor is not well versed in the rules of the various benefits and services provided by different agencies.

In 311 last year the number of phone calls by Spanish speaking people increased by 25%. The number of non-Spanish calls increased by 36%. The lack of Interpreters versed in city services meant long waits and misinformation being disseminated.

The growing needs for services among immigrants are another reason that interpreter services need expansion.

The Interpreter services should be performed face to face by the Civil Service Interpreter title as much as possible. Currently interpreter services except in a very few areas is done by private for-profit phone lines. A New York Immigration Coalition study verifies that face to face interpretation is more efficient than phone use.

The Interpreter job title tasks includes in helping clients fill out legal documents. They can go out to the community to work.

It is critical that the various agencies have their own interpreters to draw from given the different rules and laws governing servicing. For instance, our members in HRA have complained about phone line interpreters egging on clients to challenge the rules that the ES's presented to the clients

5-Continued Support for NYC Health and Hospitals

NYC Health and Hospitals lost over \$ 1.3 billion fighting COVID this year. H+H also was cut another \$100 million thanks to last April's state budget agreement. Now they face hundreds of millions of dollars in additional cuts thanks to across-the-board reduction proposals in Medicaid, the Global Cap and potentially from the shifting of Indigent Care Pool (IPC) of 50% payments from the state to the city.

There exists severe staffing shortages in H+H already. They still use private temp agencies to fill positions because of the lack of funds.

It is obvious the city will have difficulty in paying this if the proposal by the state is adopted. It is unfair that the state is doing this, especially after the losses incurred by the city in fight COVID on many fronts.

The unfair distribution of funds for Medicaid and the uninsured continues to be in the state proposals. This should end. Medicaid dollars should follow Medicaid patients. The amount of money allocated to safety net hospitals should be at the same percentage as the number of indigent patients cared for.

City Council Needs to Speak Up on the State Budget

We are asking the entire City Council membership to voice opposition to these cuts for NYC H+H and other safety net institutions by the state. No aid from the state for the city should be cut. The state should raise revenues instead of cutting by supporting the proposals in the Invest in New York Program.

Finally

Our 14,000 members hope that you will listen to our requests and make them happen. If you do it will increase employment of city residents, make for better, efficient servicing and help save tax dollars for the city.

THANK YOU!

For additional follow up contact on any or all of these issues::

Phone- 212--815-1053

Email- ralphpalladino@local1549.com



Subcommittee on Capital Budget

March 2nd 2021

10am

Good Morning. Thank you for the opportunity to testify. My name is Phoebe Flaherty, I'm an Organizer at ALIGN: The Alliance for a Greater New York. ALIGN is a community-labor coalition dedicated to creating good jobs, vibrant communities, and an accountable democracy for all New Yorkers.

We coordinate the Climate Works for All coalition, a coalition of environmental justice groups, labor, climate and street safety organizations working on aggressive climate policy and good green job creation for New York City. In 2019 we worked with the City Council to pass the Dirty Buildings bill to lower emissions and create more than 40,000 jobs.

We thank this committee for taking up the discussion on how to restart the City's Capital program during COVID. As we all know, we are still in the midst of this pandemic, and New York's Black and brown and environmental justice communities are bearing the brunt of the impact of the virus and the economic downturn. We're seeing record high unemployment, concentrated in BIPOC and environmental justice communities.

Our City's capital budget priorities this year must prioritize investment and job creation for the communities that have been hit the hardest by this pandemic.

The Climate Works for All coalition created an Equitable Recovery Report, a roadmap to creating 100,000 good green jobs for New York City's Black and brown communities and moving us out of the pandemic and recession towards our climate goals by investing 16 billion dollars over 3 years. This is the comprehensive plan we need to move our city through crisis and towards equity and climate justice.

However, we know that the city budget is still reeling from the crisis, and we have developed interim Climate budget priorities that will lead us on the same path towards investment in communities and green job creation, while acknowledging the reality of our budget constraints.

Within the City's 2022 capital and expense budgets, we need to see the following, realistic and achievable investments:

- 80 million to retrofit public buildings

- 50 million for solar on schools in Environmental Justice neighborhoods

- 17 million for public waste management, including 4 million for the implementation of Commercial Waste Zones and 13 million to expand organics collection

- 3 million towards clean transportation expansions via electric school buses

This total of \$150 million is what is necessary to invest in New York's BIPOC and frontline Environmental Justice communities, address the inequities of the pandemic and move us out of the COVID crisis while addressing the climate crisis. We believe these investments will move us forward on the path towards an Equitable Recovery.

Thank you for your time and consideration today.

ALIGN: The Alliance for a Greater New York

50 Broadway, 29th FL

New York, NY 10004

T: 212-631-0886

F: 888-370-3085

www.ALIGNny.org

ALIGN is a local affiliate of Jobs with Justice and the Partnership for Working Families



New York City Anti-Violence Project

116 Nassau Street, 3rd Floor
New York, New York 10038
212.714.1184 voice | 212.714.2627 fax
212.714.1141 24-hour hotline

AVP Committee on Finance Hearing Testimony

(Held Jointly with Committee on Capital, Committee on Contracts)

3/2/21

Good afternoon, Chairs Dromm, Rosenthal, and Kallos; my name is Beverly Tillery, and I am the Executive Director of the New York City Anti-Violence Project (AVP). I am grateful to be testifying at this Finance hearing at a time when the COVID-19 pandemic makes AVP's work that much more important. My testimony today lays out the funding restorations we are seeking from the City Council that allows us to do our vital work.

We appreciate the Council's past support of AVP, and our work with and for LGBTQ and HIV-affected survivors of violence. AVP is the only LGBTQ-specific anti-violence agency in New York City, and the largest organization in the country dedicated exclusively to working with LGBTQ and HIV-affected survivors of all forms of violence. The majority of those we serve and support (65%) are queer and trans communities of color. AVP's work has a special focus on intimate partner violence (IPV), sexual violence (SV), hate violence (HV), hookup/pick-up/dating violence, stalking, and institutional violence. AVP contracts with HRA as the City-Wide provider of non-residential domestic violence services to LGBTQ communities, and we are the only LGBTQ-specific rape crisis center in New York State. We operate a 24/7 hotline that is bilingual in English and Spanish and provide legal services, counseling, and community organizing and advocacy to our community.

All of our services are free, confidential, and moved online and remote as a result of COVID-19 last March. We continue to provide all of our services and activities in remote and online settings, including safety planning and crisis counseling, legal assistance, training and technical assistance, and community organizing and outreach.

AVP's core client base, those most impacted by violence and yet those with the least access to service, are even more vulnerable now a year into this crisis, and have been disproportionately impacted by COVID-19. AVP focuses our work on those most impacted by violence and



New York City Anti-Violence Project

116 Nassau Street, 3rd Floor
New York, New York 10038
212.714.1184 voice | 212.714.2627 fax
212.714.1141 24-hour hotline

inequity, including low-income (including homeless) New Yorkers; transgender and gender nonconforming (TGNC) communities; undocumented immigrants including those seeking asylum; people of color (including Black and Latinx New Yorkers who have some of the highest COVID-19 related fatalities in the city); individuals who are incarcerated or involved in the criminal legal system; sex workers; and those at the intersections of these identities.

Given that LGBTQ and HIV-affected communities already have poorer health outcomes than their non-LGBTQ peers living without HIV, the issues for our communities in this pandemic, particularly for queer and trans communities of color, are acute and urgent.

In addition to the health concerns, right now, many in our community are facing instability in other ways; many have lost part-time and full-time work, their access to health care may be limited, or they may be unable or afraid to seek resources because of their immigration status. Day after day, AVP hears from clients who have lost housing and employment as a direct result of the pandemic, or that they are sheltering in place with the very person causing them harm, whether it is an intimate partner, a roommate, or a family member, as intimate partner violence incidents rise during this pandemic. Over the past year, due to xenophobic, racist, and anti-LGBTQ hate speech from those in power across the country, our city has seen an increase in hate violence, including against our Asian and Pacific Islander American communities, and 2020 being one of the deadliest years for Black trans women in particular.

As these crises grow, so do the needs of our community, and so do the caseloads of clients and community members whose cases are now more complicated and need more time and effort from our staff.

We know the city is in a challenging financial position, and still waiting for federal funds and relief to really determine what funding levels are possible in the next fiscal year. But we strongly urge the City Council to restore funding to at least Fiscal Year 2020 levels. Last year's cuts to the City Council's FY21 discretionary funding had a damaging impact on organizations serving LGBTQ and HIV-affected communities of color. AVP almost had to lay off a quarter of our staff



New York City Anti-Violence Project

116 Nassau Street, 3rd Floor
New York, New York 10038
212.714.1184 voice | 212.714.2627 fax
212.714.1141 24-hour hotline

due to the reduced funding coming in from city, state, federal, and private funders. AVP holds other competitive contracts with HRA and MOCJ, and we use discretionary funds to expand that work further into marginalized communities. It is deeply disconcerting to have our remote work honored in one contract, but not others. When the cost of delivering services continues to go up, in the long term, this kind of underfunding and unpredictability deeply affects our ability to effectively serve LGBTQ and HIV-affected survivors of violence.

Additionally, the discretionary funding process is deeply important to engage grassroots organizations led by and serving communities of color who often do not have the organizational capacity to engage in the onerous City agency RFP process. We encourage the City to restore its discretionary budget to FY20 and find other ways to find savings and efficiencies in the FY22 budget. AVP is a part of the Communities United for Police Reform coalition calling for significant cuts to the NYPD budget so the City can spend that funding on vital services for marginalized New Yorkers including LGBTQ survivors of violence.

On that note, AVP is seeking a FY20-level restoration in our funding around general operations, DoVE, the Hate Crimes Prevention Initiative, the Outreach Work to Connect Persons Involved in the Sex Trades with Supportive Services initiative, Initiative for Immigrant Survivors of Domestic Violence, and Legal Services for the Working Poor Initiative.

General operations (Request for \$125,000, Speaker's Initiative). City funding supports our most core and important work of operating our bilingual hotline and providing citywide, free direct social services including counseling and legal support, outreach, education, information, safety planning, and leadership development to LGBTQ and HIV-affected survivors of all forms of violence.

DoVE (Request of \$45,000). Additionally, a restoration of funds for DoVE citywide will support AVP to work with LGBTQ survivors of violence and their specific needs when experiencing intimate partner violence. AVP will be able to continue to provide intake, crisis intervention, safety planning, and case management, including counseling, information, and referrals to



New York City Anti-Violence Project

116 Nassau Street, 3rd Floor
New York, New York 10038
212.714.1184 voice | 212.714.2627 fax
212.714.1141 24-hour hotline

provide support and safety for LGBTQ survivors of intimate partner violence through this funding. We thank the Speaker and Council Members Powers, Rivera, and Van Bramer for their past support of this funding.

Hate Crimes Prevention Initiative (Restoration of \$77,500). AVP is also seeking a restoration under the Hate Crimes Prevention Initiative, an initiative that was completely cut in the FY21 discretionary budget. AVP played a key role in establishing the HCP initiative in 2019, and the funding supports our work to collect data about hate crimes against LGBTQ people, provide support services to survivors of hate violence, do community education including upstander/bystander intervention trainings, and do rapid incident response. AVP took leadership for the NYC Day Against Hate in February 2020, joining eight other partners to lead 20 bystander/upstander intervention trainings that trained hundreds of New Yorkers on effective techniques to de-escalate potentially violent incidents. This funding remains critical as violence against LGBTQNC people has not ceased during this time of social distancing, and anti-Asian bias and anti-semitism continues to rise. With a restoration in funding, AVP will continue to deliver bystander and upstander intervention trainings online on a bi-monthly basis, operate community-based, culturally competent reporting of hate violence incidents, provide free counseling services, and do rapid incident responses to violence.

Outreach Work to Connect Persons Involved in the Sex Trades with Supportive Services initiative (Restoration of \$100,000). AVP also seeks to sustain funding to support outreach work to LGBTQ sex workers and those involved in the sex trades who are survivors of violence. AVP has been working to outreach to people in the sex trades and assess their needs for the planned services center, and has collaborated with community members to both plan outreach (now online) and support leadership development. AVP has also been leading a twice-a-month community space for LGBTQ sex workers to engage in peer support around safety in digital spaces, Know Your Rights, and other important issues.

Additionally, AVP has received past funding under the **Initiative for Immigrant Survivors of Domestic Violence (Restoration of \$55,000)** and **Legal Services for the Working Poor**



New York City Anti-Violence Project

116 Nassau Street, 3rd Floor
New York, New York 10038
212.714.1184 voice | 212.714.2627 fax
212.714.1141 24-hour hotline

Initiative (Restoration of \$47,500), and seeks renewals under these initiatives. Our legal staff have expertise in working with LGBTQ and HIV-affected low-income and/or immigrant survivors of violence (including specific types of immigration relief such as asylum, VAWA petitions, U and T visas). This funding allows our legal department to continue to provide legal services around with civil legal matters such as name changes, asylum, family law, housing, public benefits, and outreach to the community including emergency legal clinics for immigrants, Know-Your-Rights Trainings; legal trainings for attorneys, judges, and advocates, and more. Our legal staff have seen a 30% increase in the number of clients seeking assistance with immigration matters in 2019 over 2018, with demand only continuing to increase. This funding is very important in serving this extremely vulnerable population, as LGBQ and TGNC immigrants and people with unstable documentation status are even more vulnerable during the COVID-19 crisis. These community members are not eligible for the stimulus checks distributed by the federal government, are often employed in unstable employment situations or informal economies, and are subjected to anti-LGBTQ and TGNC bias and violence, both here in the United States and also back in their country of origin if deported.

We appreciate our consideration of these requests of funding. We stand with our partners in the nonprofit sector advocating restore to FY22 discretionary funding to FY20 levels. The communities most impacted by COVID-19 are the communities heavily reliant on discretionary funding, which only accounts for 0.42% of the city budget. Discretionary funding is how small organizations closest to New Yorkers and organizations led by people of color get access to public funding. Instead of cutting discretionary funding, we call on the city to find more impactful efficiencies, while maintaining a low-cost budget line with huge impact for under-served communities.

We also support what other nonprofits are calling for: the City should allow restricted funding to be made into general operating support, eliminate the hearings requirement for FY21 contract registration, avoid retroactive cuts, including to approved indirect rates, give at least two weeks planning time if a program must end, and raise New York City's "lobbying threshold" from \$5,000 to \$10,000. These concrete actions the Council can take will support community based



New York City Anti-Violence Project

116 Nassau Street, 3rd Floor
New York, New York 10038
212.714.1184 voice | 212.714.2627 fax
212.714.1141 24-hour hotline

organizations led by and serving those most impacted by COVID-19.

AVP looks forward to our continued partnership with the Council to ensure that NYC's LGBTQ communities have access to culturally responsive, inclusive, and affirming safety, support, and services, during and after this pandemic. We appreciate your past support of AVP, and our work with LGBTQ and HIV-affected survivors of violence, and hope for your continued support as we serve these populations during this tumultuous time. Thank you, Chairs Dromm, Rosenthal, and Kallos for the opportunity to testify.

Beverly Tillery

btillery@avp.org

Basic asks for FY22 – for any other details, contact
andy@bowenpublicaffairs.com or call 410-991-3556/917-765-3014

Testimony before the Committee on Finance and Subcommittee on Capital Projects

Chairs Danny Dromm and Helen Rosenthal, respectively

March 2, 2021

Thank you Chairs Dromm and Rosenthal, Speaker Johnson, and Council Members and Council staff. I am Andrea Bowen, and I am Principal of Bowen Public Affairs Consulting, here to discuss briefly some of the asks of my clients, who all work on causes I believe in strongly.

Thank you to Chair Rosenthal for your leadership on supporting the Worker Cooperative Business Development Initiative, or WCBDI. Worker cooperatives are businesses owned and managed democratically by people working there. WCBDI, which received \$3.06m in FY21, provided many times that in grants and loans to cooperatives in light of the COVID crisis, while helping other businesses get off the ground and receive technical assistance in various ways. WCBDI partners, building off of Council support and working with the Mayor's Office, created a new website, owner2owners.nyc, as well as a help line, which helps provide assistance to owners seeking to convert their businesses to worker ownership. We seek a restoration of \$3.06m in FY22.

The Sex Workers Project at the Urban Justice Center (SWP) provides client-centered legal services to individuals who engage in sex work, regardless of whether they do so by choice, circumstance, or coercion. We seek a restoration of our \$100,000 in Speaker's Initiative funds, cut in FY21, and a continuation of \$50,000 of our FY21 funding from Support for Persons Involved in the Sex Trade Initiative—we seek this to fill a gap in city legal services, workers' rights legal services to those in the legal sex trades. These workers are at great risk of wage theft, sexual harassment, sexual assault, and federal and state labor laws are rarely enforced in these trades.¹

¹ For info about shady wage practices in the COVID era, see <https://decriminalizesex.work/onlyfans-policy-endangers-swiers/>; pre-COVID, but still quite relevant, see: <https://www.nytimes.com/2019/07/24/style/strip-clubs.html>

Basic asks for FY22 – for any other details, contact
andy@bowenpublicaffairs.com or call 410-991-3556/917-765-3014

SWP also for elimination of funding for NYPD’s Vice Enforcement Division, approximately \$18.2 million, with reinvestment in human services that can actually support sex workers and their surrounding communities. A recent ProPublica article explains in depth how NYPD Vice clearly targets BIPOC communities.²

Thank you so much for your time and attention, and I look forward to talking with you further.

² <https://www.propublica.org/article/nypd-cops-cash-in-on-sex-trade-arrests-with-little-evidence-while-black-and-brown-new-yorkers-pay-the-price>

Basic asks for FY22 – for any other details, contact
andy@bowenpublicaffairs.com or call 410-991-3556/917-765-3014

Org making request	Basic ask	Why still relevant in light of COVID-19?
<p>NYC Network of Worker Cooperatives</p>	<p>Restoration of Worker Cooperative Business Development Initiative to \$3.06m</p> <p>Please include in Council Budget Response as small business recovery strategy!</p>	<p>WCBDI services during COVID crisis have included:</p> <ul style="list-style-type: none"> • Independently raising emergency funds to support cooperatives without access to government programs. • Deploying major organizational capacity to educate, inform, and facilitate worker cooperative access to <u>millions of dollars in existing small business relief programs</u> (PPP, EIDL, NYC Employee Retention Grants, Etc). • Providing emergency technical assistance to help businesses meet documentation requirements for relief grants and loans. • Rapid response development of bilingual info sessions on government support and translating English resources from SBS and other agencies into Spanish. • Stepping up conversion work to support businesses needing a succession plan and looking to sell the business to their workers to preserve jobs. Worked with Mayor’s Office to create <u>owner2owners.nyc</u>, helping with conversions
<p>Sex Workers Project at the Urban Justice Center</p>	<p>Support for funding in Speaker’s Initiative (\$100k) and Support for Persons Involved in the Sex Trade (\$50k) for attorney working on support for people in legal sex trades</p>	<p>Wage theft, sexual harassment, racial discrimination, stalking and other abuses of low wage workers are rampant in these sectors and local, state and federal labor laws are rarely enforced in these trades. The funding will go toward the compensation of the attorney, who will assist in intakes, and take on a variety of direct legal services, including full legal representation, referrals to legal experts on other types of cases, referrals to social services, policy advocacy with relevant city agencies, outreach to impacted low wage workers, and more.</p>
<p>Sex Workers Project at the Urban Justice Center</p>	<p>Dismantle NYPD Vice and utilize funds for human services that will support sex workers and communities</p>	<p>Vice is \$18.2m, exclusive of overtime</p> <p>Reallocate funding for human services that can actually support and improve the lives of sex workers and low-income communities</p>



**New York City Council
Committee on Immigration
Preliminary Budget Hearing FY 2022
Tuesday, March 2nd, 2021**

Good afternoon, my name is Lakshmi Sanmuganathan, and I am a Policy Fellow at the Coalition for Asian American Children and Families (CACF). Thank you, Chairman Dromm and members of the Committee on Finance for holding this important hearing and giving us the opportunity to submit testimony.

Since 1986, CACF is the nation's only pan-Asian children and families' advocacy organization and leads the fight for improved and equitable policies, systems, funding, and services to support those in need. **CACF also leads the 15% and Growing Campaign, a group of over 45 Asian led and serving organizations that work together to ensure that New York City's budget protects the most vulnerable Asian Pacific American New Yorkers.** Our campaign members employ thousands of New Yorkers and serve hundreds of thousands of New Yorkers. Currently, the Asian Pacific American community is by the percentage the fastest-growing group in New York City, nearly doubling every decade since 1970 and making up more than 15% of the population. Unfortunately, current levels of public funding for the Asian Pacific American community remain disproportionate to our community's expansive needs. **In FY 2021, Asian-led and serving organizations only received 4.65% of all City Council discretionary dollars and less than 1.5% of social service contract dollars despite our communities' growth and vast needs.**

COVID-19 has also devastatingly impacted APA New Yorkers by exacerbating the systemic inequities that were already facing our communities prior to the pandemic.

- Asian Americans have experienced the largest increase in joblessness of all major racial groups in NYC, with an unemployment of 25.6% as of May 2020.
- Nearly 50% of all APAs in NYC live in the hardest hit areas during the pandemic
- Asian Americans are 2x more likely to test positive for COVID-19 than their white counterparts, yet less likely to be tested at all.
- Over the past year, Anti-Asian related hate crimes increased by 1,900% in NYC

These rising challenges vary across communities and rely heavily on our APA-led and serving organizations to fill in the gaps of services through culturally inclusive and language accessible services that have the most impact on addressing the needs of our community. Now more than ever, providing equitable funding to APA New Yorkers is necessary in the recourse and revitalization of our communities.

Budget Recommendations

We understand that the City is facing budget cuts at the state level and financial uncertainty at the federal level. However, we also know that APA communities are facing increasing challenges to all aspects of our lives, including barriers to education, health care, employment, civic participation, and other factors critical to being contributing members of this City and State. **The current COVID-19 pandemic has been a time of fear and uncertainty for our APA immigrant communities who are especially vulnerable during this time.**

Increased xenophobia against Asian Americans has led to hate crimes and a loss of income among small Asian-owned businesses. Our community-based organizations have also had to step in to provide critical resources, in-language information, and emotional support to our marginalized pockets who are often excluded from mainstream sources of public health communications. Even in the face of increasingly limited resources, these organizations continue to work to support the vulnerable communities they are serving; however, investment from the City Council is critical to sustain these culturally and linguistically competent services. We make the following asks to better protect the survival and well-being of our communities, including the heavily immigrant APA community amid the ongoing pandemic:

1. **We ask that NYC Council support discretionary asks of APA community-based organizations in order to sustain the critical services they provide in addressing the growing needs of New Yorkers amid the pandemic.**
2. **We ask that NYC Council expand funding to three Citywide Initiatives that previously have not adequately reached our communities.** Expansion to these initiatives is needed to ensure that more APA-led and serving groups are adequately funded to support those with the highest need:
 - **Emergency Food/Food Pantries**
 - **Mental Health Services for Vulnerable Populations**
 - **Digital Inclusion and Literacy Initiative**
3. During the pandemic, our most marginalized New Yorkers, including immigrants, working-class and low-income individuals, and people of color, have been hit hardest. 25% of NYC residents face food insecurity, 60% have lost income, 1.2 million are uninsured, and over 1.4 million are facing eviction. Meanwhile, the wealthiest in our state have grown richer — billionaires gained an additional \$77 billion and the top 1% continues to have the lowest tax burden of any income bracket.
–We ask that NYC Council support the call on NYS for progressive revenue structures and request your support of the Invest in Our New York Coalition that is calling to end tax breaks for the wealthiest New Yorkers to help raise \$50 billion in revenue to invest in our housing and healthcare, our schools and teachers, our towns and cities, our workers, and our youth.

Thank you for this opportunity to testify, and we look forward to working with the City Council to ensure that APA New Yorkers have access to the services and supports necessary to survive and thrive in these troubling times.

The 15% & Growing Campaign is supported by over 45 Asian-led and -serving organizations in New York City that aim for the State and City governments to adopt fair and equitable budgets that protect the most vulnerable Asian Pacific American New Yorkers. Campaign members employ thousands of New Yorkers and serve hundreds of thousands of New Yorkers.

Academy of Medical & Public Health Services • Adhikaar • Alliance of South Asian American Labor • Andolan - Organizing South Asian Workers • Apex for Youth* • APICHA Community Health Center* • Arab American Family Support Center • Asian American Arts Alliance • Asian American / Asian Research Institute - CUNY • Asian American Federation • Asian Outreach Clinic, The Child Center of New York • Asian American Legal Defense and Education Fund • Asian Americans for Equality • Center for the Integration and Advancement of New Americans • Chhaya CDC* • CMP* • Chinese-American Planning Council* • Chinese Progressive Association • Coalition for Asian American Children & Families (lead) • Council of Peoples Organization • Damayan Migrant Workers Association • DRUM – South Asian Organizing Center • Filipino American Human Services, Inc. • Greater Chinatown Community Association • Hamilton Madison House • Homecrest Community Services • Indo-Caribbean Alliance • Indochina Sino-American Community Center • Immigrant Health and Cancer Disparities, MSKCC • Immigrant Social Services* • Japanese American Association of New York* • Japanese American Social Services Inc. • Korean American Family Service Center* • Korean American League for Civic Action • Korean Community Services of Metropolitan New York, Inc.* • Korean Family Counseling and Research Center • Leviathan Lab • Lower East Side Family Union • MAAWS for Global Welfare, Inc. • Mekong NYC* • MinKwon Center for Community Action* • New York Coalition for Asian American Mental Health • NYU Center for the Study of Asian American Health • SAKHI for South Asian Women • Sapna NYC* • Sikh Coalition • South Asian Council for Social Services* • South Asian Youth Action* • Turning Point for Women and Families • United Chinese Association of Brooklyn • United Sikhs • Womankind* • Women for Afghan Women* • YWCA of Queens* (*Steering Committee)

CATHOLIC COMMUNITY RELATIONS COUNCIL

80 Maiden Lane, 13th Floor, New York, New York 10038

**Testimony of Joseph Rosenberg, Director of the Catholic Community Relations Council
Preliminary Budget Hearing before the
New York City Council Committee on Finance and the Committee on Contracts
March 2, 2021**

Good morning Chair Dromm, Chair Kallos, and members of the City Council Committee on Finance and Committee on Health. I am Joseph Rosenberg, Director of the Catholic Community Relations Council, representing the Archdiocese of New York and the Diocese of Brooklyn on local legislative, policy, and political issues.

I am submitting testimony today on behalf of Catholic Charities of the Archdiocese of New York and Catholic Charities of the Diocese of Brooklyn. We urge that Catholic Charities of both Dioceses, as well as all nonprofit human service providers, be paid by the City for essential expenses incurred in connection with delivered social services contracted by City agencies. When these nonprofit organizations are awarded such contracts to provide mandated social services, many costs are not included in the contract awards. These items, known as indirect costs, are for indispensable and critical expenses such as rent, utility bills, staff wages, and technical and financial services. The social service contracts and the benefits they seek to deliver to countless New Yorkers cannot be performed without them. As a result, nonprofit providers find themselves applying for costly bridge loans or dipping into their scarce reserves to cover these costs.

The City has consistently underfunded Catholic Charities and other nonprofit providers on their social service contracts with City agencies. Three years ago, recognizing this harsh and long-standing inequity, the Mayor and the City Council allocated \$54 million annually for nonprofit human service providers to help cover their Indirect Reimbursement Costs (“ICR”). Last June during the height of the pandemic when the lifesaving work of nonprofit human service providers was more critical than ever and required by a population burdened by the physical, psychological and economic ravages of Covid-19, the City reduced this amount by \$20 million (40%).

The commitment to reimburse nonprofit human service providers for their contract work done on behalf of the City must be honored and the ICR funding must be fully restored. For over 100 years Catholic Charities of both the Archdiocese of New York and Catholic Charities of the Diocese of Brooklyn have been at the forefront of helping the hungry, the homeless, the elderly the disabled, and the needy. Their work, and the work done by all human service providers, is indispensable to the lives of hundreds of thousands of our fellow citizens throughout every community in our City. The financial shortfalls continually faced by these organizations due to the City’s underfunding of their human service contracts, however, are completely unacceptable and unsustainable. It should be remedied by the Mayoral Administration and the City Council. Accordingly, we urge that this inequity and burden upon the nonprofit sector be corrected and that the Indirect Reimbursement Cost Initiative (“ICR”) be fully funded.

Thank you.



520 Eighth Avenue, New York, NY 10018

p. 646 386 3100

f. 212 397 0985

courtinnovation.org

Research. Development. Justice. Reform.

Courtney Bryan, Director

Table of Contents – Center for Court Innovation Submission

March 2, 2021 New York City Council Joint Hearing

Committee on Finance, Committee on Contracts, and Subcommittee on Capital Budget

- Written Testimony
- Summary of FY22 Major Proposals
- Letter to Council from Courtney Bryan, Executive Director, Center for Court Innovation



520 Eighth Avenue, New York, NY 10018

p. 646 386 3100

f. 212 397 0985

courtinnovation.org

Research. Development. Justice. Reform.

Courtney Bryan. Director

Center for Court Innovation
New York City Council
Joint Hearing: Committee on Finance, Committee on Contracts, and Subcommittee on
Capital Budget
March 2, 2021

Good afternoon Chair Dromm and esteemed Councilmembers. Since its inception, the Center for Court Innovation has supported the vision embraced by New York City Council to reduce unnecessary and harmful involvement in the justice system wherever possible and to build public safety through sustainable solutions. The Center's longstanding partnership with Council has helped bring this vision to life through evidence-based and racially just programming that spans the entire justice continuum: from diversion programs that route low level arrests away from costly court appearances; to proven alternatives to jail and prison that reduce recidivism for people charged with felonies; to community-based programs that reduce crime and shrink the footprint of police; to recognizing housing instability as a contributing factor to intersection with the justice system.

Our firsthand experience in each of these priority areas uniquely positions us to serve as a model that City Council can look to as it considers the development and support of initiatives that responsibly respond to the needs of New Yorkers. In each instance, our aim is to provide a meaningful and proportionate response, to treat all people under our care with dignity and respect, to prioritize public safety, and to produce much-needed cost savings for the City. And, as an anti-racist organization, to ensure the needs of the most marginalized New Yorkers are addressed.

With the populations we serve facing ongoing police violence and a public health crisis that disproportionately impacts Black and brown communities, realizing this vision is now more important than ever. We ask that Council renew four key initiatives, given their value while operating throughout the COVID-19 pandemic and beyond:

1. **Brooklyn Felony Alternatives to Incarceration Court (ATI):** An evidence-based pilot program for people otherwise facing jail or prison time.
2. **Project Reset:** New York City's first foray into early diversion prior to the criminal court process, with Council funding the program in the Bronx.
3. **Driver Accountability Program:** A proportionate response achieving accountability in Vehicle and Traffic Law cases.
4. **Innovative Criminal Justice Programs:** Core funding for a range of community-based justice initiatives across New York City.

Reduction of Unnecessary Incarceration: Brooklyn Felony ATI and Project Reset

Responsibly reducing incarceration requires a long-term commitment to innovative responses. In 2017, the Center played a central role in crafting the plan to shutter the notorious jail complex on Rikers Island by coordinating the Lippman Commission. In another huge leap forward, in early 2020, New York State passed landmark reforms to the bail statute with the goals of reducing the pretrial jail population. In the year following reforms, there was a 40 percent decline in New York City's pretrial jail population, with slightly greater reductions throughout the rest of the state.¹ However, beginning July 2, amendments to the initial reforms exposed more people to bail and detention. From July through November 1, the effect of those amendments resulted in a 7 to 11 percent increase in the pretrial jail population relative to the jail reductions brought about by the original law.² Over time, as judges set bail in more cases that would have been ineligible for it under the original reforms, this increase will grow, with our research predicting a possible 16 percent increase in New York City's pretrial jail numbers.³

The Center has experience in implementing data-driven programs that meaningfully reduce incarceration without decreasing public safety. Alternatives to incarceration can prevent unnecessary disruption to individual lives, while providing linkages to additional services to decrease criminogenic factors that would otherwise grow in confinement. Council renewal of the Center's Brooklyn Felony ATI program and Project Reset funding in Fiscal Year 2022 is a cost-efficient plan, and helps avoid unnecessary incarceration and the long-term adverse impacts it has on individuals, families, and communities.

Brooklyn Felony ATI

The Brooklyn Felony Alternatives to Incarceration Court offers community-based interventions and rigorous judicial monitoring for felony cases (that are otherwise ineligible for drug, mental health, and domestic violence courts), which can decrease the use of jail and prison sentences and potentially lead to reduced criminal dispositions. The court is staffed by a team of resource coordinators, social workers, and mental health counselors who conduct independent assessments, prepare recommendations for programming and supervision, provide referrals to community-based providers, offer ongoing case management, supervision and compliance monitoring, and pilot new services, such as restorative justice interventions. The program and court part seek to significantly increase the use of ATIs, support, and supervision offered to individuals charged with felonies and provide a model for jurisdictions across the country interested in enhancing public safety and reducing incarceration.

The Brooklyn Felony ATI team has offered services since launching in January 2020 and is prepared to continue providing case management and counseling services to felony cases in the coming year. Although the trajectory of the program was interrupted by the COVID-19 pandemic—which caused the closure of the court and grand juries, delayed adjournment dates, and backlogs in the courts—it is connected to a robust offering of services through community partners and in-house programs. The program fulfills the need in Brooklyn to provide alternative responses to felony cases that are tailored to the needs the participants present, addressing immediate concerns as well as longer-term treatments. Brooklyn Felony ATI has established the

team, the infrastructure, and the capacity to act on the momentum and serve more participants in the next fiscal year.

Project Reset

The Administration did not renew citywide Project Reset funding in FY21, with City Council continuing to fund the program in the Bronx. We ask Council to reaffirm its commitment to Project Reset, by renewing its longstanding funding in the Bronx, and funding Project Reset citywide in Brooklyn, Queens, and Staten Island (Manhattan is funded by the District Attorney's Office). If Council does not fund the program citywide, we ask Council to urge the Administration to provide citywide funding in FY22.

Project Reset diverts New Yorkers with misdemeanor arrests away from the court system through community-based programming and access to opportunities. As a result of sweeping criminal justice reform legislation that went into effect in January 2020 and due to the significant DAT case backlog resulting from pandemic-related court delays, a large number of misdemeanants are eligible for diversion. Looking ahead, if Project Reset were only to continue in one or two boroughs, the resulting patchwork of programming would lead to an inequitable delivery of crucial services for City residents. To ensure that Project Reset can serve all eligible individuals, citywide funding for the program is imperative.

Further, renewal of Bronx Reset is key. Bronx Reset pivoted quickly at the onset of COVID-19, leveraging technology and video meetings, to continue facilitating restorative justice circles for participants, both providing connection to community during the isolating period of the pandemic's peak, and a diversion from in-person arraignments during the public health crisis. The citywide low arrest levels resulted in fewer cases being referred to the program. The program's contact rate for eligible referrals was also affected, as the pandemic impacted the accuracy and efficacy of contact information due to disconnected phone numbers, changed addresses, or other factors. Nevertheless, in 2020, Bronx Reset had 142 participants successfully complete the program and avoid going to court or receiving a criminal record for their arrest.

In 2021, as the justice system grapples anew with its enduring inequities, Project Reset offers relief from the collateral consequences participants might otherwise experience if adjudicated, such as legal discrimination in housing, immigration, and employment matters, or even a bench warrant for failing to appear.

Shrinking the Footprint of Police Through Alternative Investments: Driver Accountability Program and Innovative Criminal Justice Programs

Spurred by ongoing police violence, there is public support to reallocate certain responses from police into community-based approaches. As municipalities work to submit police reform plans by the April 1st deadline, the Center's expertise through sustainable community-driven solutions that enhance public safety can serve as a path forward. Based on lessons learned, we believe that this is not the work of a moment, but rather a long-term shift that will require engaging with previously policed communities in new ways. The Center's blueprint for transformational change requires funding for community-based programs: from restorative

justice approaches to addressing harm by focusing on healing relationships across families, communities, and neighborhoods; to mentoring and supporting young people at risk of system involvement through credible messenger models that prioritize the lived experiences of youth; to supporting families through trauma and systemic-racism informed programming that creates security in the home.⁴ The Center seeks renewal funding for the following programs:

Driver Accountability Program

The Driver Accountability Program (DAP) provides a constructive and restorative response to dangerous driving and works to change the risky driving behavior of people charged with driving-related offenses in criminal court. Preliminary research suggests that the program changes participant behavior and encourages safer driving. Piloted at the Red Hook Community Justice Center in 2015, the program has since expanded throughout Brooklyn, Bronx, Manhattan and Staten Island with funding from City Council. The Center seeks funding to sustain those operations and expand into the borough of Queens. Funding will also be used to support a second tier of the program that offers a more intensive restorative response for the most serious cases involving serious injury or death.

The need for more meaningful, effective, and equitable interventions on traffic-related cases has never been more urgent. Last year, at least 243 people were killed in crashes on New York City streets, more than any other year since our Mayor pledged to eliminate traffic deaths through the Vision Zero initiative.⁵ For FY22, the Center proposes to build upon its current operations and further expand the program in two significant ways: (1) a geographical expansion to the borough of Queens so that defendants in every borough have access to DAP; and (2) to implement a new, more intensive version of the program that will be available citywide in cases of serious injury or death. As a result of the pandemic, the volume of cases coming through New York City's criminal courts—particularly for low-level nonviolent offenses—has dramatically decreased over the past year. In addition, there has been a backlog of thousands of cases across the City that were administratively adjourned, or unable to be handled, due to court closures. Despite these challenges, DAP served 138 program participants between July and December of 2020. Over the course of the coming 12 months, the program anticipates serving a total of 2,000 participants in all five boroughs, including the existing program for lower-level offenses and its expansion to the “2.0” model that will handle more serious cases.

Innovative Criminal Justice Programs

The Center's core Council-funded innovative criminal justice programs are built upon community partnerships and serve thousands of youth and adults across the City. Renewed funding by the Council provides flexibility in the Center's approach to this work, allowing the continuation of the Center's alternative-to-incarceration, youth-diversion, and access to justice programs across all five boroughs. Specifically, Council's support provides mental health services, family development, youth empowerment, workforce development, housing, legal, immigration, and employment resource services. The Center's funding under this initiative was cut in FY21. We ask the Council to return the Center's funding to its pre-pandemic level so that it can provide programming to the most vulnerable New Yorkers.

These programs primarily serve low-income individuals, people of color, youth, immigrants, and/or LGBTQ persons. The programs, which include but are not limited to the Red Hook Community Justice Center, Neighbors in Action, Harlem Community Justice Center, Midtown Community Court, Bronx Community Solutions, Queens Community Justice Center, Staten Island Justice Center, Bronx Child Trauma Support, Save Our Streets Bronx, RISE Project, and Youth Justice Board, have been documented by independent evaluators to improve safety and enhance public trust in government. The Center's diversion programs in Manhattan, Bronx, Brooklyn, Queens, and Staten Island currently serve thousands of young people each year through counseling, academic support, and workforce development. The Center's goal continues to be to help participants to avoid detention and system involvement wherever possible by offering meaningful off-ramps and alternatives. Our Citywide Youth Impact program, for example, provides peer-led diversion that invests in youth leadership and restorative alternatives to detention.

Through these programs, the Center is making a deep investment in engaging individuals as far upstream as possible, to limit, and ideally prevent justice system involvement. For example, thanks to general Council funding, our Harlem Community Justice Center works to increase housing stability and reduce evictions by empowering tenants with the resources they need to navigate housing court. Similarly, our Legal Hand program trains local residents to empower their neighbors with legal information. We also developed a particular expertise in providing trauma-informed social services, which continue to be crucial given the increasing number of justice system-involved individuals facing mental health and/or substance use challenges. Through our Staten Island Justice Center, we provide clinical support and restorative programming for court-involved youth who have mental health needs. Our Midtown Community Court's Client Navigator works with some of Manhattan's most vulnerable individuals—those who are homeless, battling mental illness and/or substance use disorders—following an arrest and throughout their court involvement. In both Brooklyn and the Bronx, the Center works to prevent gun violence by actively engaging those at risk of being involved in violence, building community movements against violence, and providing supports and opportunities to community members in need. The Center has also launched the RISE Project to address the intersection of intimate partner violence and gun violence citywide. This funding is critical to ensure we realize a safer, better, and fairer New York City.

Housing as a Justice Issue: MAP, NSTAT & NSI

Finally, COVID-19 laid bare the long-standing inequities in access to safe and affordable housing. The threat of eviction looms large for many households, with renters in communities of color at the greatest risk of facing housing insecurity. Access to quality, sustainable, and safe housing is a crucial element to the conversation around social justice, equity, and public safety. Our research shows that 18%-25% of our Felony ATI program participants are experiencing homelessness.⁶ And, much of the gun violence experienced over the past year took place in the City's public housing developments.

To respond to the public safety needs of public housing residents, the Center is working across the City through its NSTAT program to proactively address these issues. NSTAT, of which the Center's Neighborhood Safety Initiatives (NSI) is a part, uses deep and lasting

engagement to build strong resident networks, utilizes the knowledge and the relationships embedded within these networks to ascertain resident perspectives, goals, and safety concerns; and then supports resident-led efforts to design and implement the solutions with the help of local agencies, organizations, and neighbors. NSTAT staff help guide this process—gathering data to inform decisions, identifying partners, and coordinating the intervention. In short, NSTAT and NSI create opportunities for residents to think through new approaches to safety and then works with them to make these ideas happen. Our NSI program was also actively engaged in COVID-19 relief. Through mobilizing of residents and creating mutual aid networks, approximately 10,000 covid relief packages including food, drinking water, PPE, personal hygiene products, cleaning supplies, and other essential goods were delivered to 7,000 households or 45,000 NYCHA residents. The Center asks that Council urge the Administration to fully fund and baseline the NSTAT program within the Mayor’s Action Plan (MAP) to ensure this important program continues.

We thank the Council for its continued partnership and will be available to answer any questions you may have.

Notes

¹Rempel, M. & Rodriguez, K. (2020). New York’s Bail Reform Law: Major Components and Implications. New York, NY: Center for Court Innovation. Available at: <https://www.courtinnovation.org/publications/bail-reform-NYS>.

²Rempel, M. (2020). COVID-19 and the New York City Jail Population. New York, NY: Center for Court Innovation. Available at: <https://www.courtinnovation.org/publications/nycjails-covid>.

³Rempel, M. & Rodriguez, K. (2020). Bail Reform Revisited: The Impact of New York’s Amended Law. New York, NY: Center for Court Innovation. Available at: <https://www.courtinnovation.org/publications/bail-revisited-NYS>.

⁴Center for Court Innovation. (2020). Shrinking the Footprint of Police: Six Ideas for Enhancing Safety. New York, NY. Available at: <https://www.courtinnovation.org/publications/alternatives-to-police>.

⁵Goldbaum, C. (2021) Why Emptier Streets Meant an Especially Deadly Year for Traffic Deaths. New York, NY: New York Times. Available at <https://www.nytimes.com/2021/01/01/nyregion/nyc-traffic-deaths.html>.

⁶Center for Court Innovation. (2020). Felony ATI Homelessness. [Data file]. Retrieved from the Justice Center Application case management system.



520 Eighth Avenue, New York, NY 10018

p. 646 386 3100

f. 212 397 0985

courtinnovation.org

Research. Development. Justice. Reform.

Courtney Bryan. Director

Center for Court Innovation Major Proposal Summaries

- **Felony ATI Brooklyn: #108895 (Renewal)** The Brooklyn Felony Alternatives to Incarceration Court offers community-based interventions and rigorous judicial monitoring for felony cases (that are otherwise ineligible for drug, mental health, and domestic violence courts), which can decrease the use of jail and prison sentences and potentially lead to reduced criminal dispositions. The court is staffed by a team of resource coordinators, social workers, and mental health counselors who conduct independent assessments, prepare recommendations for programming and supervision, provide referrals to community-based providers, offer ongoing case management, supervision and compliance monitoring, and pilot new services, such as restorative justice interventions. The program and court part seek to significantly increase the use of ATIs, support and supervision offered to individuals charged with felonies and provide a model for jurisdictions across the country interested in enhancing public safety and reducing incarceration.
- **Project Reset: #108753 (Renewal)** This application will support Project Reset's mission to divert New Yorkers with misdemeanor arrests away from the court system through community-based programming and access to opportunities. This application is for continuation funding for Bronx Reset and for additional funding to operate in the outer boroughs. In collaboration with the District Attorneys' Offices of the Bronx, Brooklyn, Staten Island and Queens, and NYPD, Project Reset would serve more New Yorkers than ever. As a result of the sweeping criminal justice reform legislation that went into effect in January 2020 and due to the significant DAT case backlog resulting from pandemic-related court delays, a large number of misdemeanants are eligible for diversion. To ensure that Project Reset can serve all eligible individuals, this application includes an appeal for funding that would allow Project Reset to operate city-wide, meaning a relaunch of the program that was started in 2020 in Brooklyn, Staten Island, and Queens and continued support for the Bronx.
- **Driver Accountability Program: #108766 (Renewal)** The Driver Accountability Program provides a constructive and restorative response to dangerous driving and works to change the risky driving behavior of people charged with driving-related offenses in criminal court. Preliminary research suggests that the program changes participant behavior and encourages safer driving. Piloted at the Red Hook Community Justice Center in 2015, the program has since expanded throughout Brooklyn, Bronx, Manhattan and Staten Island with funding from City Council. This



520 Eighth Avenue, New York, NY 10018

p. 646 386 3100

f. 212 397 0985

courtinnovation.org

Research. Development. Justice. Reform.

Courtney Bryan. Director

application seeks funding to sustain those operations and expand into the borough of Queens. Funding will also be used to support a second tier of the program that offers a more intensive restorative response for the most serious cases involving serious injury or death.

- **Innovative Criminal Justice Programs: #109250 (Renewal)** This is an application for core funding to support the continuation of our alternative-to-incarceration, youth-diversion, and access to justice programs across all five boroughs in New York City. The Council's support allows us to serve tens of thousands of New Yorkers with flexibility, through mental health services, family development, youth empowerment, workforce development, and housing, legal, immigration and employment resource programs. 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. The Center hopes Council will restore its funding under this initiative to its pre-pandemic level so that it can best meet the needs of the City's most vulnerable communities.



520 Eighth Avenue, New York, NY 10018

p. 646 386 3100

f. 212 397 0985

courtinnovation.org

Research. Development. Justice. Reform.

Courtney Bryan, Director

February 26, 2021

Dear Esteemed Councilmembers,

From a global pandemic to the continued violence against Black and Brown people, 2020 was a hard year for many. And, as the City still grapples with COVID, this time continues to be one of unthinkable loss and uncertainty. Despite these challenges, the Center continues to serve tens of thousands of New Yorkers in all five boroughs, providing critical programs and services to those most in need. Much of this work has been and continues to be funded by Council. To that end, I want to take this moment to thank Council for its steadfast support of our work, and request renewed support as we look ahead to FY22.

With Council's support through the innovative criminal justice programs initiative, the Center for Court Innovation has continued to operate community-based programs to serve the most vulnerable New Yorkers, while also reducing reliance on police. The vast majority of those served are youth, immigrants, low-income, LGBTQ, and people of color. Last year, funding through this initiative was reduced. We hope Council will restore this core funding to its pre-pandemic level. By doing so, we can make a greater impact in meeting the many needs your constituents.

Through Council-funded programs like the Brooklyn Felony Alternatives to Incarceration Court, Driver Accountability Program, and Bronx Project Reset, we continue to keep hundreds of people out of jail and provide them with off-ramps through meaningful supports and services. We also ask that Council renews funding for these programs in FY22 so that this important work continues unabated.

I cannot close without thanking you again for Council's enduring partnership. We have done an enormous amount with you over the years, including creating a credible plan for closing Rikers Island, implementing the Cure Violence model in multiple neighborhoods, and creating new mechanisms to divert low-level cases out of the criminal justice system. In this time of great uncertainty, renewing funding for our programs will ensure our efforts to make New York City stronger, fairer, and safer for all, are realized.

If you have questions, you can reach me at 718.496.9363 or bryanc@courtinnovation.org. I look forward to speaking with you in the near future.

Sincerely,

Courtney Bryan
Executive Director



**New York City Council Committee on Finance
Fiscal Year 2022 Preliminary Budget Hearing
Tuesday, March 2nd, 2021**

Testimony submitted by: The Committee for Hispanic Children & Families (CHCF)

Thank you to Chairs Dromm, Kallos, and Rosenthal as well as to members on the Committees on Finance and Contracts, and the Subcommittee on Capital Budget and Finance for the opportunity to present testimony today. My name is Ramon Peguero and I am the President & CEO for the Committee for Hispanic Children & Families, better known by its acronym, CHCF. CHCF is a non-profit organization with a 39-year history of combining education, capacity-building, and advocacy to strengthen the support system and continuum of learning for children and youth from birth through school-age.

As we all know, the pandemic has created devastating circumstances for New York City residents, disproportionately in low-income communities, immigrant communities, and in communities of color. Even before the pandemic these communities were often underinvested in creating vulnerabilities to the impacts of the pandemic on physical, mental, and financial health for community members.

As the city knows, community-based organizations like CHCF often times contract with the city to deliver the much-needed supports and services that our communities need. This serves both to supplement what the city is able to directly offer and allows for these important services to be delivered by organizations with long standing relationships in communities and that deliver trusted, culturally and linguistically responsive supports to community members. The contracts that community-based organizations receive are typically underfunded by about 20% of the true cost of delivering the services. Even before the pandemic this left nonprofit organizations in extremely difficult financial circumstances as they had to ceaselessly try to source funding to offset the inherent deficit placed on them by the government contracts. Regardless of what the city is willing to pay for high-quality services, those high-quality services continue to require a reflective level of funding to maintain consistent services. We also know that we cannot run these services without a committed and respectfully compensated workforce. Yet, contracts are funded at levels that hold program workers, who are overwhelmingly people of color and also from these neighborhoods, at poverty wages. As community-based organizations we know the importance of bringing city resources and opportunities into our neighborhoods, yet we face the same type of underinvestment that leaves us vulnerable to unforeseen crises, like the pandemic.

Throughout the pandemic, CHCF continued to step up, rapidly transitioning our programs to meet the moment and the needs of our communities; and navigating this with limited or no guidance on how to execute our contracts in a way that would ensure we were reimbursed for the services we were providing. Of further concern was the looming threat that contracts could be retroactively cut by up to 40% on services that had already been rendered. Even inside of a difficult budget, this move is inexcusable. We are your partners. We step up to assist in delivery of the city's initiatives time and time again, and we have done so even under the problematic practices of underfunding the contracts to save the city money on the cost of services. To push the sector further towards failure, risking the livelihood of our staff and jeopardizing the continuity of essential human services in our communities as they are reeling from the COVID-19 crisis was alarming.





Even now, with so many uncertainties around funding, we have continued to show up for our city partners and for our communities. We supported our community members in completing the Census, ensuring that every New Yorker is reflected as the federal government assesses state needs in funding and supports. We transitioned our after school programming to reflect the remote and hybrid models for our students and families, ensuring families were getting the devices and technical support they required to keep their children connected with their education. Our program staff were in constant communication with our school building principals to ensure our services matched their re-opening plans, and often extending our remote supports and activities to students outside of those in after school. Our program staff and Community Empowerment teams have worked tirelessly to respond to the ongoing and growing needs of the families we serve in after school, connecting families to food distribution, to health and mental health care, and to other financial and housing supports during the pandemic. Our early care team also continued to get City's First Readers kits and remote activities out to child care providers and families who were home with their children. Our work never slowed or decreased in necessity.

At a time when there is such an increase in need for supports, community-based organizations have continued to be essential. The city must recognize the tireless work of its community-based partners and make intentional steps to ensure these critical community supports don't collapse during the pandemic. We join our partners in the Humans Services Council (HSC) in calling on the city to take immediate action in the FY22 budget to correct the financial vulnerabilities and state of crisis it has imposed on its CBO partners and on the communities who they serve.

The FY22 budget must include the following: The restoration of the COLA on the personnel services line of all human services contracts at a rate of at least 3%, comprehensive emergency pay for human services workers retroactive to March 23, 2020, when non-essential workers in New York were ordered to stay home, and sufficient funding to fully honor the ICR Funding Initiative for FY20, FY21, and going forward. These urgent investments are needed while workers, advocates, providers, and elected officials continue to work together on more comprehensive solutions to ensure that human services workers finally earn fair pay for their essential labor.

Lack of support for the human services workforce is unacceptable. New York City has seen a net-loss of over 44,000 human services jobs since last year due to underfunded contracts and compounding cuts at the City and State level, including this cut to indirect funding. On top of this massive net loss of jobs, City-contracted human services workers, on average, make less than half compared to those outside of the sector with similar credentials and experience. Our workers are invaluable to the health and wellbeing of the City and they deserve to be compensated fairly.

Cuts to ICR Funding in the FY20 and FY21 budgets pushed human services providers on the frontlines of New York's COVID-19 response and recovery to the brink of failure. Underfunding human services contracts come at a direct cost for communities most impacted by COVID-19 due to income inequality, structural racism, and ableism. The stark reality is that long before this crisis hit, the City government has asked us to do more with less by the direct cost of implementing contracted programs by an average of 20%. Because of this, 68% of New York City providers anticipated not being able to meet their pre-COVID-19 demands for services.





It is impossible to ignore that our services and workers are invaluable to the health and wellbeing of the City. The FY22 budget must reflect this. We greatly value our partnership with the City Council and know you stand with us in our call to address this crisis.

For any questions about our testimony, please contact Danielle Demeuse, Policy Analyst for CHCF, at ddemeuse@chcfinc.org or 212-206-1090 ext. 359.

Thank you for the opportunity to submit testimony on the FY 22 budget.





**Submitted Testimony of Yolanda McBride, Director of Public Policy, Children's Aid
Prepared for the Fiscal Year 2022 Preliminary Budget Hearing
Committee on Finance and the Committee on Contracts
March 2, 2021**

Thank you to Chair Daniel Dromm, Chair Ben Kallos, the Committee on Finance, and the Committee on Contracts for the opportunity to submit testimony reviewing the City's Fiscal Year 2022 Budget.

For more than 167 years, Children's Aid has been committed to ensuring that there are no boundaries to the aspirations of young people, and no limits to their potential. We are leading a comprehensive counterattack on the obstacles that threaten kids' achievements in school and in life. We have also constructed a continuum of services, positioned every step of the way throughout childhood that builds well-being and prepares young people to succeed at every level of education and every milestone of life. Today our nearly 2,000 full and part-time staff members empower nearly 50,000 children, youth and their families through our network of 40 locations including early childhood education centers, public schools, community centers and community health clinics in four New York City neighborhoods – Harlem, Washington Heights, the South Bronx, and the north shore of Staten Island.

However, we cannot operate without our committed workforce and City contracts that cover the true costs of delivering essential services. In the past year, the human services sector stepped up to meet the needs of New Yorkers in crisis despite the fact we faced a funding crisis long before our city saw its first case of COVID-19. Unfortunately, the New York City government did not step up to support us in the same way.

By balancing its budget by underfunding and retroactively cutting human services contracts, the City is not getting a deal; it is further harming the low-wage workers who keep these programs running and pushing community-rooted nonprofits further into failure when the city needs them most. Throughout the last calendar year, the City has allowed the COLA for human services workers to expire in the middle of the pandemic, failed to provide comprehensive emergency pay for low-wage City-contracted frontline workers, and created fiscal chaos by retroactively cutting the Indirect Cost Rate (ICR) Funding Initiative.

To adequately address this crisis, the FY22 budget should restore the COLA on the personnel services line of all human services contracts at a rate of at least 3%, provide comprehensive emergency pay for human services workers retroactive to March 23, 2020 (when non-essential workers in New York were ordered to stay home), and include sufficient funding to fully honor the ICR Funding Initiative for FY20, FY21, and going forward. These urgent investments are needed while workers, advocates, providers, and

elected officials continue to work together on more comprehensive solutions to ensure the human service sector's continued sustainability.

Cuts to City contracts significantly affect our overall financial viability. In FY21, government grants and contracts represent nearly 70% of our annual budget, and City contracts specifically are almost one-half of our total budget.

In particular, Children's Aid stands with nonprofits, human service providers, and advocates deeply concerned about the devastating impact of the retroactive FY20 cuts to the Indirect Cost Rate (ICR) initiative and the uncertainty around FY21 funding. We are a member of the Human Services Council and the statewide, Stronger Nonprofits Together coalition. Phoebe Boyer, our President and CEO, is a member of the Mayor's Non-Profit Resiliency Committee (NRC) and co-chaired the Service and Program Design group, one of the three committee focus areas. She also served on the Indirect Cost Rate Provider Working Group (ICR Working Group), which was an outgrowth of the advocacy work done by the Human Services Council and priorities of the NRC.

For two years, nonprofit organizations dedicated considerable time and resources working in partnership through the NRC and the ICR Working Group process. Nonprofits like Children's Aid collaborated with the City to develop the Cost Manual and advocated during the FY20 budget process to secure a commitment that it would be funded. When the City announced that it would reimburse nonprofits their full, negotiated indirect cost rate from FY20 to FY22 in 2019, we celebrated. This collaborative work and agreement were also recognized at the City and national level as a model illustrating how to fairly address the real costs of services provided by the human services sector. The sector also worked in partnership with the Mayor's Office of Contracting Services (MOCS) to inform the implementation process and invested considerable resources to submit all required paperwork and budget modifications in accordance with the City's guidance. In response to the City's promise of additional revenue to fully reimburse our negotiated indirect cost rate, we adjusted our FY20 agency budget and actual spending plans to reflect the newly negotiated indirect rate.

In August, after our organization's fiscal year ended on June 30 and the money had been spent, the City announced a retroactive cut to the indirect cost rate initiative. By reneging on its promise to fully fund approved indirect cost rates, the City dealt a devastating blow to the human services sector at a time when we incurred considerable costs resulting from the pandemic and were already increasingly vulnerable.

Children's Aid has been approved for a new rate, but we have not received that funding to date. Also, only four of the 72 ICR amendments have been registered. Thus, we have only been paid for indirect at our old rate, suffering a cut of \$883,000 across our nearly 100 City contracts for FY20, and given the uncertainty we face in FY21 we could stand to lose an additional \$1,765,000. This loss of funding compounded by critical cuts to several City youth and foster care programs we have contracts for has resulted in staff furloughs and

layoffs across central operations, the scaling back of programs, and has impacted our entire organizational budget.

The City's Indirect Cost Rate initiative is not a new funding source; it was the City's acknowledgment and commitment to fully funding programs' true costs. Indirect expenses are often the things that we do not see when we walk through the front door of an organization to go to a program or receive a service but help keep that front door open. Indirect rate funding is what allows human service providers to have the necessary technology infrastructure, maintain facilities, and support other operational capacities vital to the provision of programs, especially in this ever-changing environment resulting from COVID-19 and meet the increased demand for services.

For example, if we lease a facility for a program, we can charge the contract for rent, but if we use space we own, most City contracts won't cover or allow us to add "facilities depreciation" costs to the budget. The six facilities we own are what enabled us to continue delivering much-needed services and resources during the pandemic, when public schools were closed, but in FY20, we were only able to cover 12% or \$306,921 of our \$3.8 million facilities depreciation costs. Additionally, our depreciation costs will increase to \$5.34 million in FY21, further amplifying this issue. With every contract we take from the City, we lose money because we have to fill the gap through unrestricted net assets of the agency, including contributions (donations), bequests, and other sources.

The pandemic has increased our reliance on remote devices and has expanded the need for our Information and Technology (IT) division to provide support and troubleshoot. This division is committed, but since City contracts do not cover the full costs of operations or infrastructure support, it is modest in size compared to our overall staff count. Our IT team is responsible for managing the dissemination and upkeep of 4,000 devices (laptops, phones, desktops, chrome books, etc.). We have a total of 15 IT staff members, but only three who provide tech support. That is a ratio of one IT staff person for every 666 Children's Aid staff members. A fair indirect rate is critical for us to be able to adequately ramp up the necessary behind-the-scenes support that keeps our programs running.

COVID-19 has only increased the need for these vital behind-the-scenes supports, and ultimately, the cost of conducting our programming. As significant aspects of our work moved out of offices and online during the pandemic, we purchased 864 new computer systems to support the transition from desktops to mobile. This cost the agency over \$1,035,000. We've also experienced new higher costs, roughly \$940,000 from March through December, for the PPE and cleaning supplies necessary to keep our sites safe and clean. In just these two areas, we have faced nearly \$2,000,000 in additional costs in order to continue to offer the programs and services that our community relies on.

Unfortunately, the ICR is not our only concern. As we recover from the COVID-19 pandemic and continue to offer our essential services in light of unprecedented circumstances, new policies at the City and State level have added further difficulties.

At the pandemic's height, the City's cuts to the human services sector led to 57 permanent layoffs and 496 staff being furloughed at Children's Aid between April 1 to August 28. Like many nonprofits, Children's Aid is self-insured for state-mandated unemployment costs, and as a result, we have had to absorb and pay out extended unemployment benefit obligations that were unbudgeted, totaling \$1.5 million from March through September. At the end of 2020 we were experiencing extended unemployment benefit costs of \$400,000 a month, and we are still now averaging costs, the duration of which continues to be extended by Congress, of approximately \$150,000 a month. The federal government committed to covering half of the extended unemployment benefits through CARES Act funding to the New York State Department of Labor. We are grateful that DOL has now committed to covering the other 50% but we are yet to see any of these funds back. However, our concern is it has been preliminarily communicated that DOL is considering a "credit on account" reimbursement of the costs. If DOL proceeds with only a credit, it could take several years for us to recoup the expenses we have already paid out given our usually low unemployment benefits costs. We remain deeply concerned about the timing of this repayment.

Additionally, we have learned that the Department of Education is planning on instituting a 25% cap on full-time fringe rates. For an agency such as Children's Aid with a fringe rate closer to 34%, this would leave us with an annual cost of over \$400,000 to cover ourselves.

We have also been faced with long delays on payments combined with unfairly short deadlines to submit documentation. For example, the DOE Office of Community Schools has recently requested seven months' worth of invoices providing only five days' notice to produce the requested documentation. DOHMH is now requesting, as a new policy, that invoices be submitted 15 days after the service period, rather than the 30 days we had been told previously. These short timeframes paired with detailed, rigid reporting requirements make it only more difficult for us to conduct our work. Correct and accurate financial reporting and claiming cannot be prepared within a 15-day deadline. It leaves our Agency in jeopardy for missing out on claiming eligible costs while reporting precise information fully supported by in-depth documentation.

Together, all of these concerns directly undermine our work, especially at this time when nonprofits with owned sites become critical resources to support the city's educational system, especially when school buildings are closed. Our Goodhue Community Center in Staten Island and Dunlevy Milbank Center in central Harlem remained operational throughout the pandemic and were hubs for our food box distribution efforts, census registration, providing PPE, and other community resources to our youth, families, and neighborhood residents.

Our school staff conducted 1:1 calls, emails, and zooms to check in with families on how remote learning/access was going, whether food was available, and general inquiry about needs and the provision of community resources. Children's Aid has distributed 80,000 meals and food boxes to the communities we serve since late-March. Within our Early

Childhood families, we also found that there was a great need for diapers. From March through the end of September, we purchased 450+ cases of diapers for families. Because of the connection we have as a Founding Member of the Boys and Girls Club of America, we have been able to leverage additional food to serve thousands of meals and provide PPE for staff, youth, and families.

We have also tried to support the New York City Department of Education and distributed tablets and laptops to children who had no devices for school. Our staff has also been providing remote mental health, counseling, teletherapy, and social-emotional support sessions for both students and parents. Our mental health support has been crucial; many of our students and families are facing real loss, fear, anxiety about the future, and depression. And even though we never stopped serving our children, youth and families, nonprofits remain in the dark about FY21 cuts to the indirect cost rate.

To recover collectively from this challenging time, nonprofits need to be seen as partners with the City, as entities to be worked alongside in full transparency and with full respect. The nonprofit sector is an invaluable part of the city's social safety net. Communication, guidance, regulations, and budget flexibility must be clear, timely, and realistic in order for the sector to effectively keep doing what they do best, meeting the needs of the thousands of New Yorkers who rely upon their services. The nonprofit sector is critical to the health and wellbeing of the city. The FY22 budget must reflect this.

We urge the Mayor and City Council to honor their commitment to the human services sector and fully fund the ICR Initiative and restore agreed upon indirect rates for every qualified organization in FY20 and maintain this commitment in FY21 contracts. Failure to honor the City's commitment will threaten the nonprofit sector's health and viability, forcing social service providers, especially the smallest and the weakest, into an insolvent situation. When those entities fail, the remaining providers may not be able to pick up the slack because of the atrophied condition they are in without ICR support. These cuts do not impact all New Yorkers equally, rather they disproportionately affect the same communities that have already been hardest hit by COVID-19 due to structural racism, ableism, and income inequality.

Children's Aid sincerely thanks the New York City Council for their vigorous support of children, youth, and their families in New York City. We look forward to continuing working with the City Council and the Administration to support the recovery and revitalization of the city and the communities we love.

Thank you for the opportunity to submit this testimony for the record. If you have any questions about this testimony, please feel free to contact me at ymcbride@childrensaidnyc.org or (347) 882 – 5996.

Kenneth Ackerman

kenmackerman@gmail.com

Hello, my name is Kenneth Ackerman. I am a native & resident of New York City & a member of the NYC-DSA, which has more than 7,000 members in NYC fighting to defund the NYPD, tax the rich & build an economy organized for public good rather than private profit.

I submit this statement today to testify that the preliminary budget falls far short of the needs of myself as well as my community & the city at large. The budget is a statement of the city's priorities. Unfortunately, it looks as though the city has chosen to prioritize the NYPD over every other aspect of public life & safety. There has yet to be a satisfactory explanation for why defunding the police is such a radical idea, but defunding healthcare, education, arts & culture has been the status quo for the last 40 years.

Despite their \$6bn budget, the police have never helped me. My mother was assaulted on the subway when I was a young child; when I was a teenager, I was the victim of an attempted robbery at gunpoint; as an adult, I had a bike stolen. Every time, the police did nothing & produced no results. Every interaction I've ever had with the NYPD was begrudging, at best. In the course of doing their jobs to "protect & serve", they embodied nothing of the NYPD's trademark CPR (Courtesy, Professionalism, Respect) that's emblazoned on every NYPD vehicle, but instead exuded annoyance, frustration & disdain for the inconvenience of having to be bothered with us & our problems. I'm old enough to remember Abner Louima & Amadou Dialo, & have been told of the countless black & brown people of generations past murdered at the hands of police.

When George Floyd was murdered, I absolutely had to join my comrades in protest of yet another state sanctioned lynching. And when we did so, tens of thousands of us in the streets demanding justice, the NYPD responded with excessive violence, kettling techniques, pepper-spray, SRG-goon squads & hundreds of unlawful arrests. From May -November of 2020, I personally attended well over 100 actions, and I can attest that the NYPD introduced & escalated violence unnecessarily. [An article](#) published by Gothamist describes how NYPD helicopters terrorized protest participants by flying dangerously low over a June-tenth peaceful protest & celebration. City councilman

Brad Lander had this to say about the incident “It was really intimidating. To me, it feels pretty clear that that was really the point,” Lander said. “Even if your purpose was surveillance, which would be really unconscionable, there was just no reason to believe anyone in this march was doing anything other than peaceful protest.”. With an hourly operating cost of [\\$1,075.85](#) & multiple helicopters logging hundreds of flight hours, all for no crime suppression benefit whatsoever, but only to serve the purpose of expanding state surveillance, repressing leftist actions & intimidating political “opponents”, this is clearly a gross misappropriation of taxpayer funds. A conservative estimate of 1,000 hours of flight time costs New York City taxpayers \$1.5 mil. This not only did absolutely nothing to make New York City safer; egregious waste of resources actually makes the city more dangerous because instead of using that \$1.5 mil to provide people with the support & resources that they need that would actually address the root causes of crimes (i.e. houselessness, lack of mental health care, food insecurity), we left those problems to fester while we threw boatloads of money at the NYPD to do next to nothing & make a huge spectacle of it.

I, for one, am tired of paying for nothing. The NYPD does not protect communities. The NYPD does not care about crime control. As an organization, the NYPD is only invested in increasing their budget & expanding surveillance; as individual officers, their focus is racking up overtime & following orders. There are a multitude of agencies & mutual aid groups in NYC that can make significantly more productive use of the astronomical amount of resources that are given to the NYPD; each year, increasing budgets & personnel rolls & decreasing standards & results.

Stop giving the NYPD our money to buy toys, play on their phones & brutalize citizens. Instead my comrades & I ask that the city council prioritize healthcare, food security, transportation access, mental health by funding community efforts that address these problems directly; remove the NYPD from mental health crisis response & homeless outreach, remove the NYPD from NYC public schools, disband the violent & incompetent SRG unit.

Testimony of Arab-American Family Support Center Before the New York City Council Committee on Capital Budget

Tuesday, March 2nd, 2021

I want to begin by thanking the Subcommittee on Capital Budget, the Committee Chair, Helen Rosenthal, and the entire New York City Council for holding this important oversight hearing on the Preliminary Budget for Fiscal Year 2022 and for giving the opportunity for community-based organizations to comment. My name is Aniq Chowdhury, Priority Areas Specialist, External Engagement at the Arab-American Family Support Center (AAFSC). I am honored to testify today alongside CACF on behalf of marginalized immigrant and refugee families throughout New York City.

At the Arab-American Family Support Center, we have dedicated ourselves to creating an inclusive haven for immigrants and refugees for over 25 years. We promote well-being, prevent violence, and get families ready to learn, work, and succeed. Our organization serves all who are in need, but with over 25 years of experience, we have gained cultural and linguistic competency serving New York's growing AMEMSA (Arab, Middle Eastern, Muslim, and South Asian) communities. As a culturally and linguistically competent, trauma-informed organization, AAFSC has expanded to offer services throughout the five boroughs and hired additional staff in response to growing community needs. Our team now speak over 27 languages and over 30 different dialects including Arabic, Bangla, Hindi, Urdu, Nepali, Pashto, and Punjabi.

As a community-based organization providing vital services to the most marginalized among us, AAFSC has remained opened during COVID-19, offering uninterrupted service delivery throughout this crisis. Understanding that our services are more essential than ever, we expanded our outreach across programs and launched new initiatives to meet the heightened need for mental health services, support for survivors of domestic violence, academic enrichment for youth, cash assistance, access to health insurance and food safety, and linguistically competent health information. For home-based programs like our Preventive Services Program, we have provided our robust team of Case Planners with personal protective equipment (PPE), and pivoted other programs to deliver services using a HIPAA-compliant, confidential teleconferencing platform.

The need for our services has increased in the past year across all our program areas. While COVID-19 is threatening the well-being of all, vulnerable communities, like the immigrants and refugees we serve, are facing acute difficulties because of pre-existing housing, food, and economic instability. For survivors of gender-based violence and families impacted by child abuse and neglect, social distancing and directives to remain home can be frightening and dangerous - our Anti-Violence Program has seen a 40% increase in services provided since last year. We have supported over 1,400 survivors of domestic violence, who found security and support through AAFSC case management, crisis intervention, court accompaniments, and safety plan assistance, and provided over 6,600 home visits to families to provide counselling and ensure the safety of children who may be in at-risk environments. Additionally – we launched a Domestic Violence Helpline that provides access to culturally and linguistically competent crisis intervention services at extended evening hours and weekends.

For those managing depression and anxiety and for those being targeted by hateful discrimination as a result of COVID-19, these times present new challenges. We have seen over a 325% increase in the number of crisis intervention and individual counseling services since last March. Our COVID-19 Impact

Survey showed that over 74% of the families surveyed are facing hardship and 45% are dealing with increased depression – in response, we have provided over 900 counselling sessions to our community members.

AAFSC remains committed to ensuring that families have health insurance and SNAP benefits, increasing our outreach and education efforts, and distributing health resource information in multiple languages which increased our SNAP enrollment numbers by 357%. The need for our Emergency Fund increased by 60% - most of the requests for the Emergency Fund were to buy groceries. With the support of the City Council, we have provided over \$300,000 to 1,900 beneficiaries.

As you can imagine, this public health emergency has increased acute financial difficulties in immigrant communities across New York who are turning to trusted community-based organizations like AAFSC for support. As members of the 15% & Growing Campaign, we intimately understand the needs of immigrant community members. The Arab-American Family Support Center continues to rise to the challenge; expanding our services to provide resources and support to vulnerable community members and serving as an essential safety net, even as we have faced budget cuts. We respectfully request that additional resources are provided as the current allocations will fall short of ensuring we reach the most marginalized. In FY 2021, Asian-led and serving organizations received only 4.65% of City Council discretionary dollars and less than 1.5% of social service contract dollars. It is critical that the City Council honors existing budget contracts and invests in supporting community-based organizations in New York City doing the work to support the most vulnerable. The need is great now and will only increase as the impacts of COVID-19 disproportionately affect the already food and economic insecure. We are deeply committed to remaining a resource for those individuals, but we cannot do it without the city's ongoing support.

AAFSC joins the 15% & Growing Campaign in respectfully requesting the City expand funding for the following Citywide Initiatives to ensure that more APA-led and serving groups like the Arab-American Family Support Center are adequately funded to support those with the highest need:

- Mental Health Services for Vulnerable Populations
- DOVE Initiative
- Adult Literacy Initiative
- College and Career Readiness
- Digital Inclusion and Literacy Initiative
- Emergency Food/Food Pantries
- Legal Services for Low-income New Yorkers
-

Specifically, we request that the following initiatives are prioritized in the budget for the upcoming year:

- Enhance \$4 Million to Adult Literacy Initiative that creates basic literacy and English for Speakers of Other Languages and Graduate Equivalency Degree classes for adults who cannot read, write or speak English.
- Enhance the Access Health NYC Initiative to \$3 Million.
- Restore \$9.805 Million to Domestic Violence and Empowerment Initiative (DoVE).

- Restore \$2.6 Million to Immigrant Opportunities Initiative that provides legal services to recent immigrants for assistance with application for citizenship or permanent residency.
- Restore \$6.375 Million to Cultural Immigrant Initiative that supports APA-led organizations or APA-serving organizations to provide programming focused on the cultural history of the diverse APA organizations within the many immigrant communities in NYC.
- Invest \$5 million in a new Family Literacy Initiative that would promote whole-family educational success.
- Continue to call on the Administration to fully invest \$70 Million in annual Bridge Program Funding. In order to be inclusive and increasingly impactful, the City MUST not ignore the barriers to immigrant participation in the workforce. Immigrants comprise 47% of the workforce in NYC.

Thank you for your attention. As always, the Arab-American Family Support Center stands ready to work with you in ensuring the most vulnerable among us thrive.



45 Broadway, 22nd Floor, New York, NY 10006
212-967-0322 | www.unhny.org

**Testimony of United Neighborhood Houses
Before the New York City Council Committees on Finance and Contracts
Council Member Danny Dromm, Chair, Finance
Council Member Ben Kallos, Chair, Contracts**

**Oversight – The Preliminary Budget for Fiscal Year 2022, The Preliminary Capital Commitment Plan
for Fiscal Years 2021-2025 and The Fiscal 2021 Preliminary Mayor’s Management Report**

**Submitted by Nora Moran, Director of Policy & Advocacy
March 2, 2021**

Thank you Chairs Dromm and Kallos and members of the New York City Council for the opportunity to testify. My name is Nora Moran, and I am the Director of Policy and Advocacy at United Neighborhood Houses (UNH). UNH is a policy and social change organization representing 44 neighborhood settlement houses, 40 in New York City, that reach 765,000 New Yorkers from all walks of life.

A progressive leader for more than 100 years, UNH is stewarding a new era for New York’s settlement house movement. We mobilize our members and their communities to advocate for good public policies and promote strong organizations and practices that keep neighborhoods resilient and thriving for all New Yorkers. UNH leads advocacy and partners with our members on a broad range of issues including civic and community engagement, neighborhood affordability, healthy aging, early childhood education, adult literacy, and youth development. We also provide customized professional development and peer learning to build the skills and leadership capabilities of settlement house staff at all levels.

The COVID-19 pandemic has ravaged New York City’s economy and safety net and has underscored the significant racial and economic disparities that have impacted New York City’s neighborhoods for decades. Just as they did through other crises our City has faced, settlement houses have been on the frontlines of the COVID-19 emergency response by continuing to deliver essential services to New Yorkers, providing emergency food, counseling, shelter, youth and family supports, and more. Though the City is facing financial challenges, this is not the time to divest from the safety net programs that support neighborhoods, nor is it time to cut funds that will lead to layoffs in the human services sector.

This testimony focuses on several areas of concern for UNH and its settlement house members, and includes recommendations for moving forward to ensure that there is a comprehensive recovery effort for our city.

Indirect Cost Rate Initiative and Support for the Human Services Sector

In December 2019, Mayor Bill de Blasio and Speaker Corey Johnson announced the Indirect Cost Rate Funding Initiative (ICR), a “groundbreaking” initiative created to stabilize the City’s human service sector. For many years, New York City has not funded the full costs of providing childcare programs, homeless shelters, after school programs, senior centers, and more. The ICR Initiative was a recognition of this failure, and the Mayor and Speaker added \$53.4 million to fund indirect rates in the FY 20 budget.

When, in April 2020, the Mayor announced plans to cut \$20 million in FY20 funding from the ICR Initiative in his Executive Budget, providers were assured by the Administration that this cut was a “rightsizing” for the current fiscal year, and they were encouraged to continue their fiscal analysis to calculate their organization’s indirect rate. The Adopted FY21 budget included cuts to the ICR Initiative for FY21 and future fiscal years. It was not until August 11 that providers were told that the cut to the FY20 ICR funds was in fact not a rightsizing and would actually result in a 40% retroactive budget cut. These retroactive budget cuts were made after settlement houses and most other human service providers had already closed their FY20 budgets on June 30th. The cut amounted to over \$5 million for FY20 for New York’s settlement house network alone.

Furthermore, providers were told that policies for higher rates for FY21 and beyond would be determined in the future, leaving providers in the dark for FY21. For FY21 and beyond, our network anticipates potential cuts of at least \$16 million. As of this hearing, human service organizations still do not have a sense of what funding they should anticipate for their indirect rates for the current fiscal year, nor future fiscal years.

The budget cut to the ICR Initiative was destabilizing, especially in a time of unpredictable costs and escalating needs. After working with the Administration in good faith throughout this tumultuous year, providers have been forced to lay off key administrative staff including human resources and information technology (IT) team members. This comes during a time when staff morale is severely impacted by the COVID-19 pandemic and remote technologies are more important than ever. Very few organizations have cash reserves to utilize when the City makes last-minute budget cuts like these, adding to greater financial instability at these organizations during an already financially turbulent time.

UNH urges the City Council and the Administration to follow through on their promises and support the human services sector. Specifically:

- MOCS and OMB must share their calculations on the total cost of the ICR for FY20, FY21, and beyond. While we may not be able to rectify the consequences of the retroactive FY20 budget cut, it will be important to understand how such a disastrous oversight was made in a year when every dollar in the budget was so carefully considered.
- Fully fund the approved rates submitted to MOCS for FY21 and beyond. With just four months left in the fiscal year, it is essential that the City ensure that the funding levels are sufficient to cover the approved rates of human service organizations and communicate immediately.

- Ensure that any Requests for Proposal (RFP) issued or new contracts negotiated by City Agencies accept a provider's approved ICR indirect rate rather than defaulting to a standard 10% rate.

Furthermore, we urge the City to restore the Cost of Living Adjustment (COLA) on the personnel services line of all human services contracts at a rate of at least 3%. The City allowed the COLA for human services workers to expire in the middle of the pandemic by not renewing it in the FY21 budget, even though human services workers were going above and beyond to keep programs running. These urgent investments are needed while workers, advocates, providers, and elected officials continue to work together on more comprehensive solutions to ensure that human services workers finally earn fair pay for their essential labor.

Summer SONYC Programming for Middle School Students

UNH and its settlement house members have a deep commitment to fostering the development of New York City's youth. As part of this work, settlement houses are major providers of after-school programs, including SONYC middle school after-school and summer programs for more than 8,700 students at both public school sites and in community spaces. Throughout the pandemic, settlement houses and CBOs dramatically increased their services to meet the new child care needs of families including New York City's essential workers. Community based organizations acted swiftly and innovatively, often without receiving complete guidance from government to launch services including remote programming, Learning Labs, and other emotional support for young people and their families. Furthermore, many providers scrambled at the last minute after last year's disastrous budget cuts to summer youth programming to stand up programs in early July after a late budget restoration.

Though summer funding for COMPASS elementary school programs, Beacons, and Cornerstones are all included in the Preliminary Budget, once again Mayor de Blasio has not included \$20 million in funding for Summer SONYC programming for 34,000 middle school students in the FY22 Preliminary Budget. In addition to not funding these middle school programs, the FY22 Preliminary Budget also cuts \$5.73 million in baselined funding for Summer SONYC programming, which eliminates programming for 9,500 students across 140 programs. Summer SONYC programs have been subject to a budget dance over the last several years, and thanks to the City Council's leadership, services have been consistently restored in the Adopted Budget in late June. However, this budget dance has real and meaningful impacts on both the quality and availability of services for youth, and we cannot subject youth or providers to that process again, especially during COVID-19 when high-quality youth programming will be essential and must start in early July. There is no good reason for programs to face the chaos of trying to launch with only days' notice.

UNH urges Mayor de Blasio to restore and baseline funding for SONYC Summer programs for 34,000 middle school students in the FY2022 Executive Budget.

Early Childhood Education

The Department of Education's Birth-To-Five and Head Start/Early Head Start RFPs were the first comprehensive procurements of contracted early childhood programs in New York City since

2012. It is significantly shaped by years of advocacy by United Neighborhood Houses and the Campaign for Children for salary parity for community-based early childhood educators and reimbursement levels that reflect the true cost of high-quality early childhood education.

On August 12, 2020, DOE released Provisional Awards for the Birth-To-Five and Head Start/Early Head Start RFPs. While little public information is available about the full scope of the provisional awards, providers have raised significant concerns about several aspects including:

- The dearth of infant/toddler slots in center-based settings. Only 2,300 slots were awarded Citywide, nowhere near the need for child care for the city's youngest children and subverting DOE's stated goal of a unified system which supported children consistently from birth-through kindergarten;
- A significant loss of early childhood capacity in public housing developments, most acutely in public housing developments that serve low-income residents in mixed-income neighborhoods; and
- Individual centers losing significant capacity. While DOE reports that over 90% of current providers have received a provisional award, many longstanding providers have received awards that significantly reduce capacity, making the proposed centers fiscally unsustainable.

In recent weeks, two notable developments have occurred. The first is that prior to contract and budget negotiations, the DOE has notified some providers with updates to their provisional awards by awarding more slots and converting some school day/year slots to extended day/year slots. The second is that the DOE recently released a new RFP

UNH urges the City to:

- Make available information on provisional awards, including where programs are funded and what slots were awarded at these locations. Providers and parents need to know that their communities have sufficient service. It is also important that the DOE release analysis about the need for child care in the zip codes prioritized in
- Preserve the infrastructure that currently provides child care in many high-need neighborhoods and expand capacity to ensure that all communities have access to high-quality programs. We recognize that areas of New York City have been child care deserts for far too long, and that all families deserve access to high-quality early childhood education. However, expansion into new neighborhoods cannot come at the expense of existing programs; we must expand access for everyone.
- Further invest in expanding the capacity of community-based organizations to meet the child care needs of New York's families, particularly for infants and toddlers and during the summer months. New York's recovery from COVID-19 hinges on essential workers and other New York parents being able to access child care. This is the time to increase system capacity overall.

Summer Youth Employment Program

In New York City, SYEP has historically served young people ages 14-24; in summer 2019, 75,000 youth participated in the program. Participants in SYEP are primarily low-income students from communities of color that have faced economic disparities. Despite this, in Spring 2020, as

the COVID-19 pandemic wrought devastation across the City—with particular damage to low-income communities of color—Mayor de Blasio announced plans to suspend SYEP for Summer 2020, pointing to health and safety concerns regarding in-person programming.

The full elimination of SYEP in summer 2020 would have had disastrous consequences for the City's young people. Many families rely on SYEP income during strong economic times and eliminating SYEP in 2020 would have had a disproportionate economic impact on those communities already suffering the most profound consequences from the pandemic. SYEP providers often hear from participants that they use their wages to buy food while out of school for the summer, pay for school supplies for themselves and their siblings in the fall, and generally help out with household expenses. Eliminating this essential economic support in the face of a recession would have compounded the inequitable impact the pandemic had on low-income communities of color. Furthermore, providers were concerned about the impact that the loss of this opportunity would have on mental health for young people generally. Many were struggling with mental health issues and providers feared that the loss of SYEP would contribute to the larger sense of loss and hopelessness young people were experiencing due to COVID-19.

For 2021, the Mayor has included sufficient funds in his preliminary budget to cover 70,000 SYEP slots. Given the consequences of last years' tumultuous rollout, the provider community believe this is a realistic and achievable number of slots for summer 2021. However, out of a recognition of the importance of this program, we have also been meeting with advocates, providers, and youth leaders as well as DYCD to discuss changes that could be made to the program such that we could, in the next few years, reach universal access. While expansion beyond 70,000 slots would be challenging this year given the unique set of circumstances, we believe that the City has a moral responsibility to provide access to this critical program to every young person who applies.

Adult Literacy

Immigrant & low-income New Yorkers are serving on the front lines of the city's response to COVID-19, and have experienced some of the harshest outcomes with higher rates of COVID-19 infections and higher rates of unemployment. Adult literacy programs are one of the few services available in New York City to support their educational and economic growth.

In the absence of economic relief from the federal administration, which has excluded immigrants from any COVID-19 federal stimulus package, the City must keep these programs whole by doing the following:

- Restore and baseline the \$12 million in annual funds that the Council secured in the budget every year from FY17 to FY20, and which were reduced to \$9.8 million in FY21;
- Ensure that every adult literacy student who needs it is provided with the necessary hardware and with free internet to be able to access and engage in online education platforms;
- Invest \$10.5 million in the adult literacy pilot project that NYCCAL had proposed prior to the pandemic; and
- Work to increase the cumulative funding for adult literacy education in New York City by sixfold over the next five years (from \$85M in city and state funding to \$500M).

Senior Services

Older adults are the age group most vulnerable to COVID-19, and settlement houses have been on the frontlines in meeting their emergency needs, providing them with food, financial benefits, mental health supports, social activities to reduce social isolation, and support in getting COVID-19 tests and vaccinations. We are grateful that DFTA's budget saw minimal cuts in the FY 2022 Preliminary Budget. It is important that these programs be spared from cuts in the Adopted Budget, and that funding is increased to address unmet needs, to ensure older adults can continue to receive these life-saving supports.

Restore Senior Center budget cuts, including \$10 million in “model budget” funding and \$5 million for kitchens: Senior centers have served as crucial supports for older adults throughout the pandemic. While buildings have remained physically closed during the COVID-19 pandemic, no senior center has ceased operation, and many have been working overtime to serve older adults remotely. Senior centers were hit hard by FY 2021 budget cuts with a failure to include \$15 million in expected funding and additional COVID-related cuts. Unfortunately, we fear these budget cuts may be indicative of a disconnect between City Hall's perception that senior centers have been closed during COVID-19 and the reality that they have all pivoted to remote work. We hope to dispel this myth and ensure full funding for FY 2022.

The FY 2018 “model budget” process for senior centers allocated \$20 million in baselined funding to programs across the City to begin to address the chronic underfunding of senior center contracts. \$10 million was allocated that year, while the remaining \$10 million was promised by FY 2021. Unfortunately, these funds were not included in the FY 2021 Budget, nor were they budgeted for future years, and nor were they included in the FY 2022 Preliminary Budget, breaking a major promise made between the Mayor and City Council.

Additionally, the FY 2020 budget included a \$15 million baselined increase to senior centers specifically to support congregate meals, as kitchens and food were excluded from the original model budget process. This was meant to be phased in as \$10 million in FY 2020 and an additional \$5 million – or \$15 million total – in FY 2021 and future years. While the \$10 million was added, the remaining \$5 million investment was delayed for one year. While the remaining \$5 million was included in the FY 2022 Preliminary Budget, we remain vigilant in ensuring these funds materialize this year.

Finally, the two “model budget” investments were intended to allocate funding before the next senior center procurement so the future system could be built in a way that was fair and fully funded. With DFTA looking to re-procure its senior center system this year, this funding is even more urgent.

Delay the Older Adult Centers RFP: UNH continues to urge DFTA to delay its pending procurement for Older Adult Centers. In addition to the budgetary concerns outlined above, there is a large degree of uncertainty around the future of in-person senior center programming as centers remain physically closed and it is unknown what services will look like in the future. Given the fact that this procurement envisions the system for the next three years with an option to extend for three additional years this seems short-sighted. Further, there is a very real need for the aging services network to give full attention to vaccinating older adults right now, stymieing the potential for creative approaches to apply for an RFP. Finally, with contracts still scheduled to

begin on July 1, 2021, this leaves less than four months for the full process of releasing the RFP, application, selection, and preparation for new contracts. We strongly believe that this is not the time to proceed with this procurement.

Invest \$16.6 million in Home Delivered Meals: Home delivered meals (HDM) programs have become even more crucial during the pandemic, and providers have continued to operate as usual. Many providers indicated a 20-30% uptick in demand early in the pandemic as urgent community needs quickly grew. DFTA has instructed HDM providers to stop signing up new people and instead to refer them to the GetFood NYC emergency feeding program, even though that program does not provide the social supports that many clients need. We understand that this shift to GetFood is in part due to inflexibility in federal FEMA funding to support home delivered meals. We urge the City to advocate to allow all federal stimulus funds to be used for both the home delivered meals and GetFood program.

The home delivered meals program has been significantly underfunded for years, with DFTA contracts failing to cover the full cost of providing meals. Nonprofit providers persistently struggle with rising costs, causing significant financial damage to providers who lose money on their contracts each year and ultimately impacts the quality and availability of services to older adults. Long-standing underfunding has only been made more acute during COVID-19, as demand has risen and funding has remained flat.

The average cost for a home delivered meal for urban areas in the United States in 2015 was \$11.78, according to a report by Mathematica Policy Research, a figure that was confirmed as the true cost in NYC in an independent analysis by UNH and LiveOn NY, assisted by SeaChange Capital Partners. Under new contracts that began on January 1, 2021, DFTA implemented a new across-the-board rate of \$9.58 per meal. This rate is therefore approximately 20% below the national average cost of a meal. Notably, the new HDM contracts require several programmatic changes to increase meal choice — thus adding new costs — but the City failed to invest any new funding in the program.

To meet the nutritional needs of vulnerable, homebound older New Yorkers, bring contracts up to their true cost of \$11.78 per meal, and ensure program stability, the City must infuse \$16.6 million in new funding into the home delivered meals system, including \$13.6 million for weekday meals and \$3 million for weekend and holiday meals (the latter which have experienced stagnant investment for a decade).

Enhance NORC staff salaries by \$1.7 million and restore nursing funds: Thank you to the Council for supporting a major investment in the City's Naturally Occurring Retirement Communities (NORCs) for the last two years, particularly to support nursing services. We urge the Council to maintain its investment in NORCs, including \$1.3 million for nursing supports.

Despite closing physical spaces to older adults and suspending in-person programming during COVID-19, NORCs have continued to work remotely throughout the pandemic. For example, staff provide frequent wellness calls to monitor health and safety and to reduce social isolation; case managers continue to assist older adults in accessing food, medical supplies, in-home healthcare, and more; and NORC nurses are providing remote workshops and support over the phone, particularly focusing around COVID-19 concerns. NORCs are currently serving as partners in the COVID-19 vaccination effort to help reach homebound older adults.

Unfortunately, the City's NORCs have been struggling with chronically low staff salaries, as contracts have not allowed for meaningful raises in many years. Recently the NORC network has seen high turnover rates for all positions, including directors and case managers. This is particularly challenging given recent increases to senior center staff. In many cases, especially in settlement houses, senior center and NORC staff work side by side doing similar work. However, the case worker in the senior center will often make far more money than the case worker in the NORC. This has negative ramifications for staff morale and retention.

An analysis of existing staff salaries by UNH, UJA-Federation, and LiveOn NY has found that NORC salaries are roughly \$15,000 lower, on average, than senior center salaries. Systemwide, an investment of at least \$1.7 million is needed to ensure NORC salary parity for DFTA-funded NORCs.

Restore and increase the Geriatric Mental Health Initiative to \$2.86 million: UNH is a long-time supporter of the Geriatric Mental Health Initiative (GMHI), a Council Initiative funded under DOHMH. GMHI funds mental health services in community spaces where older adults gather, such as senior centers, NORCs, and food pantries.

During COVID-19, GMHI providers have indicated tremendous increase in demand for telephone-based counseling due to increased depression, anxiety, and isolation, with one provider reporting 381% more individuals reached than predicted. Group counseling and screenings also continue to operate remotely. Before the pandemic hit, the aging network expressed an overwhelming demand to expand mental health services for older adults, especially at senior centers and NORCs and in multiple languages. Given patterns of increased demand over the last year, it would be prudent to consider expansion of this program in order to reach older adults in need of mental health supports.

Unfortunately, in FY 2021 GMHI was cut by about 15% per program, leaving providers struggling to do more work with less. At a bare minimum, the Council must restore this initiative back to FY 2020 levels of \$1.9 million. It should also expand the initiative by 50% above that level – investing an additional \$950,000 for a \$2.86 million total program cost. This would allow GMHI to expand to at least 10 new sites, plus allow modest increases for existing programs to allow them to meet increased demand and provide much-needed cost of living increases for staff.

Baseline one-time Administration funds and restore Council Aging Initiatives: For several years, the Administration has been adding one-year funds to support key programs but has failed to baseline these funds. This leaves advocates and the City in a position of having to do a “budget dance” to restore these funds, while there are more urgent systemic needs that require our attention. This year's needs include home delivered meals, senior centers, NYCHA senior centers, NORCs, and case management.

The Council must restore funding for all of its Citywide Initiatives for aging to FY 2020 levels, which provide enormous supports for older adults and the programs that support them. Providers cite these initiatives as allowing them to offer holistic supports to older adults. These include NORCs, Support Our Seniors, Senior Centers for Immigrant Populations, and Senior Centers, Programs & Enhancements. We urge the Council to restore the Healthy Aging Initiative, which was eliminated in FY 2021 and allowed programs the flexibility to hire consultants and fill

programmatic gaps. Finally, we urge the City to invest in additional technology infrastructure for nonprofit providers and older adults to support remote programming and help bridge the digital divide.



**Testimony to the New York City Council's Committee on Finance
Preliminary Budget Hearing**

Delivered by: Ashley C. Sawyer, Esq.
Senior Director of Campaigns
Girls for Gender Equity

March 2, 2021

Good afternoon Chairperson Dromm and committee members, my name is Ashley C. Sawyer and I am the Senior Director of Campaigns at Girls for Gender Equity. Girls for Gender Equity (GGE) is a Brooklyn-based, national policy and youth development organization that advocates to remove the systemic barriers which prevent cisgender and transgender girls and gender non-conforming youth of color from leading self-determined lives.

The past year has been one of the most tumultuous and challenging years for people all over the world, including youth of color. Now, more than ever, communities of color, especially Black communities, are looking to people with power to make budget choices that reflect a commitment to justice, equity, and healing. With that in mind, it is painful to imagine what will become of New York City, if this year's budget does not *dramatically* invest in city agencies and programs which allow young people to rebuild after a year of upheaval. [Last year, we provided research indicating the devastating impact](#) of an austerity budget that intended to cut youth employment and gave the School Safety Division of the NYPD their largest budget in history. Once again, we are imploring this committee to ensure that the City's budget invests in schools, youth employment, and community development in a manner that meets the current need.



As a gender equity and racial justice organization we also know that if New York City continues to pour resources into policing and surveillance, it will only exacerbate racial disparities and the violence that Black and Latinx communities experience. Our data show that Black girls make up a disproportionate percentage of the students who are arrested in schools, and are overrepresented in every area where police data is collected. [Across the country](#), students have been forced to witness brutality at the hands of school police, in the past month alone, there have been two “viral” moments where Black girls were assaulted by school police, including one where a student was tossed to the ground and made unconscious. In New York specifically, [Black girls were 57% of all school police interventions involving girls](#) despite the fact that Black girls are only 25% of the student population.

The presence of school police exacerbates what is known as the “school-to-prison-pipeline” or school pushout, and further entrenches these racial disparities. Policing is harmful both in and around schools, our analysis of the more recent CCRB data shows that [girls of color are disproportionately impacted by NYPD misconduct](#). For these reasons we are imploring this body to ensure that this year’s budget does not further these inequities. To be clear, **we are in complete opposition to the hiring of 475 new school police and call on Council to block the rollout of this plan – set to begin in March – as well as question the Mayor’s Office and Management and Budget – said to be in talks with the NYPD – on their misaligned priorities. For this coming fiscal year, we are again calling for the complete divestment from the School Safety Division of the NYPD, and the reallocation of those resources into education ([community schools](#) and deeply-rooted restorative programs), and community-based supports for young people.** We are opposed to any budget that allows the School Safety Division to continue to grow while schools are forced to do even more with less.



Thank you councilmembers for your dedication and responsiveness to these critical issues. We look forward to continuing this conversation and offering our expertise as you enter into the budget negotiation process.



We see what can be.

Testimony of Good Shepherd Services Before the New York City Council The Committee on Finance Jointly with the Committee on Contracts Preliminary Budget Hearing

**Submitted by Dana Altneu, Assistant Director, Government Contracts
March 2, 2021**

My name is Dana Altneu and I am the Assistant Director of Government Contracts at Good Shepherd Services. Thank you Chair Dromm and Chair Kallos and the members of the Committee on Finance and Contracts for the opportunity to testify on nonprofit contracting during today's preliminary budget hearing. This testimony will share key details of the impact of contracting with the city, especially over the past year during COVID-19.

Throughout this past year, Good Shepherd Services continued to provide the most vital of NYC services in the face of a global pandemic because of our committed workforce, while being underfunded by City contracts. Staff showed up day and night to 24-hour residential child welfare programs, set up needed Grab and Go food hubs, started the Regional Enrichment Centers and Learning Labs to provide safe spaces for youth whose parents and guardians worked. During this same time, the City eliminated the Cost of Living Increase (COLAs) and retroactively cut the Indirect Cost Rate Initiative.

The human services sector has met the needs of New Yorkers in crisis despite the fact we faced a funding crisis long before our City saw its first case of COVID-19. The City's response has been to chronically underfund and retroactively cut human services contracts to balance the budget. This approach is further harming the low wage workers the City relies on to keep these programs running while pushing community-rooted nonprofits into failure during a time of increased need. Throughout the last calendar year, the City has allowed the COLA for human services workers to expire in the middle of the pandemic and by not renewing it in the FY21 budget, failed to provide comprehensive emergency pay for low-wage City contracted frontline workers, and created fiscal chaos for the sector by rhetorically cutting the Indirect Cost Rate (ICR) Funding Initiative.

In order to address this crisis, the FY22 budget must include the following: The restoration of the COLA on the personnel services line of all human services contracts at a rate of at least 3%, comprehensive emergency pay for human services workers retroactive to March 23, 2020, when non-essential workers in New York were ordered to stay home, and sufficient funding to fully honor the ICR Funding Initiative for FY20, FY21, and going forward. These urgent investments are needed while workers, advocates, providers, and elected officials continue to work together on more comprehensive solutions to ensure that human services workers finally earn fair pay for their essential labor.

Lack of support for the human services workforce is unacceptable. New York City has seen a net-loss of over 44,000 human services jobs since last year due to underfunded contracts and compounding cuts at the City and State level, including this cut to indirect funding. Since the start of the pandemic Good Shepherd Services has laid off over 300 individuals. On top of this massive net loss of jobs, City-contracted human services workers, on average, make less than half compared to those outside of the sector with similar credentials and experience. Many staff work two or three jobs just to afford meet the basic needs to live in New York City.

Cuts to ICR Funding in the FY20 and FY21 budgets pushed human services providers on the frontlines of New York's COVID-19 response and recovery to the brink of failure.

As shared by our Executive Director, Michelle Yanche during the Committee's November 25, 2020 hearing on the indirect cost rate, for Good Shepherd Services specifically, this meant that the \$1.2 million dollars we had not only anticipated receiving but had been told would be reimbursed, would instead be reduced to \$700,000. We immediately would have to absorb a retroactive \$500,000 loss and figure out how to make up for a mirror-image impact in the new fiscal year as well. Make no mistake: the individuals this hurts the most are our participants, our fellow New Yorkers, the people our Good Shepherd team had been literally putting their lives at risk to help get through a pandemic. And now, as we respond to new RFPs, the City is asking that we calculate a 10% Indirect Cost Rate in the event that funding for the indirect initiative is not available. We are moving in the wrong direction and at the worst possible time. This means that for FY 21, the year we are currently in, we have to absorb that \$500,000 loss from FY 20 and also again for FY21. Make no mistake: this comes, as it always does, at the expense of the direct services we could instead use those funds to provide to participants. And in a pandemic year, it hurts that much more because the need for what we could instead do with those funds is so painfully great.

It is impossible to ignore that our services and workers are invaluable to the health and wellbeing of the City. The FY22 budget must reflect this. Thank you for providing me with this opportunity to testify. We greatly value our partnership with the City Council and know you stand with us in our call to address this crisis.

Thank you for providing me with this opportunity to testify. I am happy to answer any questions.

About Good Shepherd

Guided by social and racial justice, Good Shepherd Services partners and grows with communities so that all NYC children, youth, and families succeed and thrive. We provide quality, effective services that deepen connections between family members, within schools, and among neighbors. We work closely with community leaders to advocate, both locally and nationally, on behalf of our participants to make New York City a better place to live and work.



**Testimony for the New York City Council
Committee on Finance
March 02, 2021**

To Chairperson Dromm, Members of the Committee on Finance, Contracts, and the Capital Budget,

My name is Paul Lee and I am a project coordinator and grant specialist at Korean Community Services of Metropolitan New York (KCS). The **NYC Council Viral Hepatitis Initiative** currently funds 34 organizations to provide hepatitis B and C prevention and access to care services, as well as training and technical assistance for providers (see list of organizations below). The Initiative currently fully supports employment for more than 50 people: syringe exchange program peers, patient navigators, and training and technical assistance providers.

The Viral Hepatitis Initiative serves people at highest risk for hepatitis B and C, HIV, overdose and COVID-19, including the uninsured, immigrants and people who have used drugs. The Initiative has served over 15,000 people at risk for hepatitis B or C in navigation programs and linked over 6,500 to care. The initiative has trained and employed over 58 patient navigators and over 111 Peers from syringe exchange programs, and has trained over 2,000 clinical providers in hepatitis B and C testing and treatment. Currently, the programs are building telehealth capacity to continue critical prevention and access to care services to address the COVID-19 pandemic.

As a program provider of the Viral Hepatitis Initiative since 2014, KCS has dedicated itself to the prevention of hepatitis B through widespread free testing, education, and providing culturally competent patient navigation services for Koreans and Asian Americans with chronic infections. The vast majority of those we serve are community members of immigrant backgrounds, low-income status, limited English proficiency, and lack of healthcare coverage. Moreover, since the outbreak of COVID-19 and the enactment of the statewide PAUSE order, KCS has been on the frontlines assisting the many suffering individuals across the city and sustaining our support for existing patients.

Although the impact of COVID-19 has had far-reaching consequences on the city’s financial wellbeing, I would like to emphasize the widespread impact that the on-going pandemic has had on our community, especially for those living in Queens, and the individuals we serve through the Viral Hepatitis Initiative. As highlighted before, the majority of our patients are immigrants who face significant disparities in accessing health services and outcomes. Likewise, COVID-19 has had a disproportionate effect on these same demographics many of whom live in Queens, which currently has the highest number of infected individuals.

While navigating the present crisis is of the foremost importance for the sake of all New Yorkers, our collective health, and economic stability; I ask you all to keep in mind that hepatitis B/C and other health issues have not disappeared, and will only exacerbate the current hardships for many vulnerable

KCS Main Office Adult Daycare Afterschool Immigration ESOL	Corona Senior Center Korean Mutual Aid Society	Flushing Senior Center	Public Health and Research Center Workforce Development	Brooklyn Project	Mental Health Clinic
203-05 32 nd Avenue Bayside, NY 11361 Tel: (718) 939-6137 Fax: (718) 886-6126	37-06 111 th Street Corona, NY 11368 Tel: (718) 651-9220 Fax: (718) 478-6055	42-15 166 th Street Flushing, NY 11358 Tel: (718) 886-8203 Fax: (718) 886-8205	325 W 38 th Street, Ste. 1210 New York, NY 10018 Tel: (212) 463-9685 Fax: (212) 463-8347	8710 5 th Ave. 1FL Bay Ridge, NY 11209 Tel: (718) 630-0001 Fax: (718) 630- 0002	42-16 162 nd Street, 2FL Flushing, NY 11358 Tel: (718) 366-9540 Fax: (718) 534-4149



residents. In spite of the difficult economic situation and budgetary concerns the city and state faces, I ask that you continue to support the Viral Hepatitis Initiative and other discretionary funded programs in the upcoming fiscal year. Not only is sustaining this initiative a comparatively small expense in the larger context of the budget, the resulting effects and work made possible by this support will help drive down the overall financial impact that hepatitis B and C have on our health system every year, and also sustain the nearly 170 health workers who provide critical patient/peer navigation for suffering individuals.

Without your continued support, thousands of New Yorkers will face severe health complications from hepatitis, and innumerable others will be at risk of contracting the disease. These individuals already face disproportionate socioeconomic inequalities, and the culturally competent programs funded by the Viral Hepatitis Initiative make a tangible and efficacious impact on the on-going hepatitis epidemic. Approximately 241,000 NYC residents are estimated to be infected with chronic hepatitis B, and 4,427 people are believed to be infected with chronic hepatitis C. Given these high rates of infection, it is crucial to sustain the Viral Hepatitis Initiative not only to address this largely overlooked health crisis, but as New York City currently serves as both a model and beacon of hope for similar initiatives across the nation and the world.

I sincerely thank the members of the City Council and the respective committees here today for supporting the efforts of CBOs like KCS in the past and pray that your support will continue into the future. Truly, without your backing, our work for the community and assistance for at-risk individuals would not be possible. I would also like to praise you for the dedication and work you have all done on behalf of NYC residents like myself. We are all in this together and with your leadership, I am confident that we will emerge stronger, more empathetic, and more unified than ever before.

Thank you for your time and consideration.

Sincerely,

Paul Lee
Project Coordinator/Grant Specialist
Korean Community Services of Metropolitan New York, Inc. (KCS)

KCS Main Office Adult Daycare Afterschool Immigration ESOL	Corona Senior Center Korean Mutual Aid Society	Flushing Senior Center	Public Health and Research Center Workforce Development	Brooklyn Project	Mental Health Clinic
203-05 32 nd Avenue Bayside, NY 11361 Tel: (718) 939-6137 Fax: (718) 886-6126	37-06 111 th Street Corona, NY 11368 Tel: (718) 651-9220 Fax: (718) 478-6055	42-15 166th Street Flushing, NY 11358 Tel: (718) 886-8203 Fax: (718) 886-8205	325 W 38th Street, Ste. 1210 New York, NY 10018 Tel: (212) 463-9685 Fax: (212) 463-8347	8710 5th Ave. 1FL Bay Ridge, NY 11209 Tel: (718) 630-0001 Fax: (718) 630- 0002	42-16 162nd Street, 2FL Flushing, NY 11358 Tel: (718) 366-9540 Fax: (718) 534-4149

Testimony of NewYork-Presbyterian on the topic of
“Access to Language Services and Equitable Care in NYC Hospitals During COVID-19”
to the New York City Council Committee on Hospitals

March 2nd, 2021

Thank you for the opportunity to submit testimony on the important issue of access to language services and equitable care in New York City hospitals during the COVID-19 pandemic. The past year highlighted health disparities and the need to focus on providing equitable care to all New Yorkers like never before. At NewYork-Presbyterian (NYP), providing access to equitable care and language services to an incredibly diverse patient population has always been fundamental to our mission. We are one of the nation’s most comprehensive, integrated academic healthcare systems, encompassing 10 hospital campuses across the Greater New York area, seven of which are located in the City. NYP also provides New Yorkers with an extensive array of outpatient care services, with more than 200 primary and specialty care clinics and medical groups, and an array of telemedicine services.

When our City became the epicenter of the COVID-19 pandemic, the doctors, nurses, and other staff at NYP came together as a united front. Our front-line staff and other teams - in collaboration with our medical school partners at Weill Cornell Medicine and Columbia University Vagelos College of Physicians and Surgeons - worked around the clock to serve our fellow New Yorkers and save lives, caring for and protecting our patients, employees and volunteers. We are exceptionally proud of our teams who responded in exceptional ways to support New Yorkers in this time of crisis.

Given the impact of COVID-19 on New Yorkers, we have increased the support and information we provide to our patients and communities over the past year. Some examples of these efforts include:

- Establishing a COVID-19 hotline and distributing materials on COVID-19 in multiple languages to our communities;
- Distributing monthly community newsletters containing vital health information to thousands of New Yorkers;
- Collaborating with local organizations and businesses to increase access to healthy food for communities facing increased food insecurity;
- Providing access to vaccinations at our Fort Washington Armory vaccination site;
- Offering multi-lingual vaccine education to our staff and communities to help combat hesitancy; and
- Providing grant funding, personal protective equipment, and educational information to local businesses.

Access to Language Services

Our goal is for every patient to be comfortable and confident in understanding the information provided by their health care team. NYP provides access to appropriate communication for patients and their companions with Limited English Proficiency, Speech Impairment, Visual Impairment, and Deaf/Hard of Hearing Patients. Translation (written) and interpretation (verbal) services are available. In 2020, interpretation services were provided in more than 100 languages. NYP offers communication assistance free of charge.

We also use innovative technology to offer interpretation services to improve the patient experience. In 2020, we significantly increased usage of video remote interpreter devices - necessitated in part by

COVID-19. In addition, a mobile phone app was designed and made available so that staff have one-click access to telephonic interpretation services, in order to communicate more easily with patients in their preferred language. Interpretation services are available for our telehealth program, which allows patients to receive the same quality health care in a virtual setting. There are also bilingual providers who can communicate directly with patients during their telehealth visit.

These services have been especially important over the past year as patients and their families faced unique challenges, including limited visitation. The programs we had in place prior to the pandemic allowed us to provide critical support for our non-English speaking patients during an unprecedented time.

Center for Community Health Navigation

One of the unique ways NYP maintains strong connections to patients is through our Center for Community Health Navigation (CCHN). CCHN is dedicated to supporting the health and well-being of patients through the delivery of culturally competent, peer-based support in the emergency department, inpatient, outpatient, and community settings. CCHN offers patient navigators that speak multiple languages, including Spanish, Chinese, Haitian/Creole, and Russian.

CCHN also offers Community Health Workers (CHWs) who conduct home visits and provide culturally sensitive support and education. Shortly after the pandemic began, these CHWs began reaching out to patients to address their needs and provide COVID-related information. Video visits are now used by CHWs to complement phone calls, giving NYP another way to connect with our patients in a safe way.

Advocating for Health Justice and Equity

The COVID-19 pandemic exposed enduring health inequities in a new and alarming way, at the same time that our country was coming to terms with broader issues of inequality. NYP took steps to address these critical issues by launching the Dalio Center for Health Justice in October 2020. The Center is dedicated to understanding and improving health equity, addressing health justice, and driving action that results in measurable improvements in health outcomes for all. Among the priorities are those focused on reducing health disparities that disproportionately affect communities of color, improving community relationships and programming, and looking at all clinical programming and understanding where there are areas of unequal care.

Currently, the Dalio Center is working to address vaccine hesitancy among our staff and communities. These efforts include an internal vaccine hesitancy campaign to address the questions and concerns of employees who are more hesitant in a culturally competent way. The Center is now working on a broader education campaign to address hesitancy among our local communities.

COVID-19 Vaccination Efforts

Since opening in mid-January, NYP has undertaken a series of community engagement activities for our Fort Washington Armory mass vaccination center in Washington Heights. Our goal is to vaccinate as many members of our local community as quickly as possible. To meet that goal, we are working in collaboration with more than 70 community-based and faith-based organizations, our local elected officials. The focus is on providing access, overcoming hesitancy, and addressing persistent inequities that too frequently result in people not getting the care they need.

Since the end of January, a minimum of 60% of all appointments at the Armory are reserved for eligible residents of the Washington Heights, Inwood, Harlem, and South Bronx communities. Currently, approximately 70% of patients being vaccinated at the Armory are coming from these communities. We have a large team of outreach workers and schedulers who call community members to address questions about the vaccine and schedule appointments.

We continue to explore new outreach efforts and initiatives. Last week we launched a bilingual vaccine scheduling hotline (646-838-0319) with the Northern Manhattan Improvement Corporation (NMIC) to help those for whom language has been a barrier or those who are having difficulty navigating an online scheduling system. We have also launched a bilingual text campaign to reach eligible community members and tell them how to schedule an appointment.

NYP clinical staff are leading community forums on COVID-19, vaccinations, and other timely health topics in a variety of languages. They are available to speak at virtual town halls and community forums about the health benefits of the COVID-19 vaccine and how it will help end the pandemic sooner. Presentations can be requested by any group, simply by emailing community@nyp.org.

At NYP, we continuously strive to provide high quality care to all of our patients in languages they are comfortable communicating in and in ways that increase health care equity and reduce disparities. We look forward to working with the New York City Council on ways we can provide New Yorkers even better care.

Thank you for the opportunity to submit testimony. For more information, please contact John Jurenko, Director of Government Affairs & Grants at joj9085@nyp.org.



Leadership, voice and vision for child welfare in New York State

**Council of Family and Child Caring Agencies
Testimony Submitted by Mary Jane Dessables
Joint City Council Hearing**

**Committee on Contracts, Committee on Finance, and the Subcommittee on Capital Budget
Oversight Hearing on the Preliminary Budget for Fiscal Year 2022,
Capital Commitment Plan for Fiscal Years 2021-2025 and
The Fiscal 2021 Preliminary Mayor's Management Report
March 2, 2021**

Good afternoon, Chairperson Kallos, Chairperson Dromm, and Chairperson Rosenthal. I am Mary Jane Dessables and I am the Director of Information, Research, and Accountability of the Council of Family and Child Caring Agencies (COFCCA). Our member agencies include over fifty not-for-profit organizations providing foster care, adoption, family preservation, and juvenile justice services in New York City and over 100 agencies providing the same services Statewide. On behalf of our member agencies, their thousands of employees, and mostly on behalf of the tens of thousands of children and families that our agencies serve, we thank you for the opportunity to testify before you today.

Throughout the COVID-19 pandemic, the child welfare workforce, along with the general human services workforce, has continuously provided vital assistance to New York City residents. Our child welfare heroes in Prevention and Foster Care programs supplied families with food and necessities, connected students with remote classes, cared for youth who became ill with the virus, and so much more. They went into communities and to clients' homes and placed themselves at unknown risk, and for salaries well below what the 2019 New York City Self-Sufficiency Standard cites as minimum for the City's most affordable borough.

Now, as we look forward to entering a recovery phase, New York City will need its human services organizations more than ever. But for the agencies to be able to help the City, the City must ensure the agencies have the resources to do the work. Along with the Human Services Council and the general human service sector, we ask for three things:

1. Bring back the COLA for City-contracted service workers at a rate of at least 3%.
The City Budget created a three-year COLA in FY18 that expired in FY20 and was not renewed in the FY21 budget, effectively expecting essential workers to continue doing their work in the midst of a pandemic despite the increased need for their services and the increased risk they undertook to meet these needs. A minimum 3% is needed for the underpaid and overworked human services workforce.
2. Provide comprehensive emergency pay for human services workers.
The City's child welfare agencies continued to do the hard work to keep children safe and well-cared-for for the past year. The work changed, sometimes radically, as the pandemic continued, and they were at times forced to do this work with limited PPE, limited transportation options, and limited supplies. Some of the agencies received funding to provide emergency pay for their

hard-working staff, but not all programs were able to access this benefit. The City must provide *all* frontline human services workers emergency pay retroactive to March 23, 2020, when the stay-at-home order for non-essential employees was enacted.

- 3. Fully restore Indirect Cost Rate (ICR) funding for FY20, FY21, and going forward. You have heard from COFCCA regularly over the years about the true cost of providing the City with the services for which it contracts. Our agencies have long struggled with meeting contract requirements while at the same time struggling to cover organizational costs to run the programs. Years of “savings” on operational costs, such as keeping an old technology infrastructure or putting off workplace improvements, caught up with organizations in 2020; suddenly agencies needed a technology infrastructure that could handle remote workers, suddenly worksites needed to have barriers between workers and upgraded ventilation systems. The City has done the work to identify the true costs of doing business; it is not fair for the City to not provide the funding that allows the agencies to claim the true costs, and it endangers agencies’ viability.

When it comes down to it, the City puts itself at risk by withholding funding for these three areas. Without a stable, supported workforce and a strong, supported network of human services agencies, the City will be unable to fully recover from COVID-19 – and will not be prepared for the next crisis.

I would be happy to answer any questions the Council members may have, and I thank you for allowing me to submit our testimony. We thank you for your ongoing partnership to support the children and families of New York, and our provider organizations.

~~~~~

Contact Information:  
 Mary Jane Dessables, Director of Information, Research, and Accountability  
 Council of Family and Child Caring Agencies  
 254 West 31st Street, Fifth Floor, New York, NY 10001  
 Phone: (212) 929-2626  
[mjdessables@cofcca.org](mailto:mjdessables@cofcca.org)

Nancy Romer, Peoples Climate Movement-NY, Administrative Team

The intersecting crises of COVID, economic devastation and climate threat are an escalating and harmful brew in our communities right now and poised only to grow in the near future. Disease and death, joblessness, homelessness, lack of adequate resources to bring children into schools, on-going environmental injustices together have brought us to a point in which we need a broad set of solutions that can affect the multiple changes we need in each sector simultaneously.

This is why Peoples Climate Movement-NY supports the recovery platform of Climate Works 4 All, a set of solutions that would have the City invest in green infrastructure projects that make deep investments in Black and brown frontline communities. These are solutions that will create thousands of good union jobs, jobs that can bring families and communities out of poverty and despair and into on-going improvement to work, family and community life. Jobs that recruit directly from affected Black and brown communities can spread City dollars in the communities that need it the most; jobs that will have a deep effect in the communities that need them the most. It can boost trust in our government's ability to improve the lives of our people. These jobs will have a particularly important effect on children in these communities, children who have been in and out of school over the last year, suffering from a lack of education, structure, food, protection and fun! Returning to full-time school in the fall and having many of their parents announce their new, union jobs, will be a boost to the mental health and future success of children's lives across the City's most impacted communities.

Climate Works 4 All's Equitable Recovery report offers a broad vision for investing in communities and putting New Yorkers most in need of jobs back to work while addressing the dire needs of a global climate crisis. Our vision for creating an equitable recovery will, necessarily, span several years to accomplish. But our budget priorities for 2021, that we ask you to consider, include:

- \$80 million to retrofit public buildings
- \$50 million for solar on schools
- \$17 million for public waste management, including 4 million for CWZ implementation and \$13 million to expand organics collection
- \$3 million towards clean transportation expansion for electric school buses
- This is a total investment of \$150 million in this year's budget for climate priorities

These priorities are a down-payment on what we will need to invest in a full and just recovery for NYC. These budget priorities will create a synergy for solutions to our economic, health, equity and climate crises simultaneously. To do less would be to deny one or all sectors of the solutions that are right before us.

Peoples Climate Movement-NY was founded on its ability to both define the climate crisis and build support for solutions that focus on the needs of the most vulnerable communities, in

particular Black and brown, indigenous, poor and working-class people. We engage hundreds of organizations in policy development, organizing and mobilization to protect our planet. We hope you will join the broadest constituencies in supporting our budget demands and addressing the multiple crises we face with equitable and forward thinking. Ultimately the largest crisis we face is that of climate change; this broad framework gives us the perfect path in which to heal.

2 March 2021

Dear New York City Council Members:

Across the U.S., cities like New York tend to adopt a top-down approach to solid waste management and recycling. Historically, modernization efforts have centralized waste management in ways that excluded and stigmatized workers like canners and absolved producers of environmental responsibility. Consumption has gone unchecked with disastrous consequences for the environment. According to the [U.S. EPA](#), Americans generate 4.9 pounds of garbage per day--[three times the global average](#). Less than one-third of our garbage is recycled or composted, and the recycling rate has stagnated in the last twenty years. In short, our current approach is broken and inadequate to rectify our collective garbage crisis.

One possible path forward is to think and act locally. I am Co-Chair of the Board of Directors of [Sure We Can](#), which operates a non-profit redemption center in Brooklyn--the only one of its kind in the U.S. For ten years, Sure We Can has been a leader in serving canners and promoting a more just circular economy. Sure We Can has been a lifeline for over 900 other canners. Last year, Sure We Can diverted more than ten million beverage containers from the waste stream. Amidst the pandemic, Sure We Can distributed more than 100,000 face masks--as well as gloves and educational materials--to canners and community members. However, the organization faces an uncertain future: lack of investment by the city and [gentrification](#) threaten its survival.

Sure We Can faces eviction if we can't purchase our lot. As a small organization, built from the ground up by canners determined to transform their situation, we don't have the resources or connections to purchase the lot outright, so are asking the city for help. We've heard that capital funding cannot be provided without three consecutive years of over \$50,000 in city contracts. And yet, there are no existing city contracts for the crucial work that we have been performing for over a decade. Though other organizations have received exemptions to this requirement, we have been refused without justification.

Sincerely,  
Chris Hartmann  
Co-Chair, Board of Directors,



Selfhelp Community Services, Inc.  
520 Eighth Avenue  
New York, New York 10018  
212.971.7600  
www.selfhelp.net

**Testimony from Selfhelp Community Services  
New York City Council  
FY22 Preliminary Budget Public Testimony**

My name is Katie Foley and I am the Managing Director, External Affairs and Communications at Selfhelp Community Services. Thank you to Finance Committee Chair Daniel Dromm and the members of the committee for the opportunity to testify today on the FY22 Preliminary Budget.

Selfhelp was founded in 1936 to help those fleeing Nazi Germany maintain their independence and dignity as they struggled to forge new lives in America. Today, Selfhelp has grown into one of the largest and most respected not-for-profit human service agencies in the New York metropolitan area, with 46 program locations throughout Manhattan, Brooklyn, Queens, the Bronx, and Nassau County. We provide a broad set of services to more than 20,000 elderly, frail, and vulnerable New Yorkers each year, while remaining the largest provider of comprehensive services to Holocaust survivors in North America. Selfhelp offers a complete network of community-based home care, social service, and senior housing programs with the overarching goal of helping clients to live with dignity and independence and avoid institutional care.

Our services are extensive and include: specialized programs for Holocaust Survivors; eleven affordable senior housing complexes; four Naturally Occurring Retirement Community (NORC) programs; three intensive case management programs; five senior centers including one of New York City's first Innovative Senior Centers; home health care; client centered technology programs including the Virtual Senior Center; court-appointed guardianship; the Selfhelp Alzheimer's Resource Program (SHARP); and New York Connects, which provides seniors and people with disabilities with the information and support they need to remain living independently in their own homes.

We are grateful for the Council's long standing and ongoing support for so many important senior programs and for always emphasizing the needs of older adults in policy decisions and budget allocations. With strong community-based programs, we are confident that older New



Claims Conference ועידת התביעות  
The Conference on Jewish Material Claims Against Germany

Yorkers will be able to access the care and support they deserve and need to be able to age in their own homes and communities.

During the COVID-19 pandemic, Selfhelp has continued to serve our 20,000 elderly and vulnerable clients through our range of home and community-based programs. Our home health aides have been provided much needed at-home care, our frontline staff have been caring for individuals in the Community Guardian Program, and all of our social workers from our community-based programs, including senior centers, have been checking on their clients by phone or Zoom to ensure access to food, safe shelter, medical care, and more. We have quickly expanded our Virtual Senior Center to include members of Selfhelp's senior centers, NORCs, Case Management, and Housing in order to reduce social isolation among our clients. Our team is working every day to ensure our clients continue to live with dignity through this challenging time.

Our staff has continued to call, email, or video chat with our clients to ensure that they have access to food, safe shelter, medical care, distanced social programs, current public health guidelines, and more. Our programs have gone virtual and telephonic. We are offering weekly social and health classes online in an effort to reduce the extreme social isolation felt by many seniors during the pandemic. In FY22 we are prepared to continue providing our services remotely or transition to in-person programs once it is considered safe by NYC and DFTA. Our team is working every day to ensure our clients continue to live with dignity through this challenging time.

In today's testimony, I will focus on our budget priorities, additional information is included in the testimony submitted by Selfhelp for the preliminary budget.

### **Holocaust Survivor Initiative**

This year, we are urging the City Council to renew this initiative, with continued support for Selfhelp and our Holocaust Survivor Program. As the largest provider of comprehensive services to survivors in North America, Selfhelp Community Services is uniquely positioned to assist this last generation of survivors. We are urging the City Council to renew this initiative, with continued support for Selfhelp and our Holocaust Survivor Program. This funding supports Selfhelp's direct social services to frail, isolated, and financially needy Holocaust Survivors.

The need is immense. Half of the approximately 5,300 survivors served by Selfhelp live at or below the poverty line. And though the number of survivors is declining, the needs of the remaining population are more intense and costly.



Claims Conference ועידת התביעות  
The Conference on Jewish Material Claims Against Germany

During the COVID-19 pandemic, Selfhelp social workers have been providing the specialized care that survivors deserve due to the trauma they experienced during the Holocaust. There are many unique struggles survivors face today: the isolation, the return of memories of hiding, rationing food, being away from family, as well as sickness and death. They are also among the most vulnerable and susceptible to this disease. This funding supports Selfhelp social workers who are reducing social isolation through frequent phone calls and assisting with needs such as food, bill pay, and more. Because of this funding, survivors are not alone.

This commitment allows us to turn the words “never forget” into action, and the City’s investment helps us serve this population so they can continue to age with independence and dignity.

### **Senior Transportation Program**

With support from Council Member Paul Vallone and the Queens Delegation, Selfhelp has operated a senior transportation program that provides free transportation to and from medical appointments for five years. We are seeking to expand our established transportation program that provides free round-trip transportation to medical appointments for seniors living in Queens. Before the COVID pandemic we were seeing the need for transportation growing each year. The pandemic has significantly increased the need for safe, private transportation options for older adults. This program includes offering transportation to vaccine appointments and we expect to serve many seniors this winter and spring who need assistance getting to and from their vaccination site. Due to the demand for accessible transportation and popularity of this program we believe that there is a need for increased funding for transportation programs.

Based on feedback received by individuals who benefitted from the program, as well as the demand for services, we know that the program improves quality of life for older New Yorkers, as it eliminates concerns about transportation costs, traveling alone, and navigating public transit. Further, in transportation deserts in parts of NYC and Queens in particular, this program removed a significant barrier for older adults in caring for their health.

Transportation programs have become a lifeline for older Queens residents who are responding to COVID-19 social distancing requirements by avoiding public transportation. This program ensures that older adults have affordable, accessible, and reliable transportation services to their medical appointments.

### **Virtual Senior Center**

For seniors who are homebound – particularly during the current global health pandemic – Selfhelp’s Virtual Senior Center (VSC) is a vital source of face-to-face social interaction. The



Claims Conference ועידת התביעות  
The Conference on Jewish Material Claims Against Germany

VSC enables homebound seniors to participate virtually in intriguing live classes, tour world famous museums, interact with peers, engage in wellness activities, and most importantly expand their social network.

Developed ten years ago, the Virtual Senior Center (VSC) has been a trailblazer in meeting the needs of homebound older adults in NYC while combating social isolation. We believe that the Virtual Senior Center can become a lifeline for the thousands of vulnerable older New Yorkers currently isolated at home.

Selfhelp considers it vital to address social isolation – not only because it has a dramatic impact on quality of life in older adults, but also because isolation has been linked to poorer health outcomes including higher blood pressure, greater susceptibility to the flu and other infectious diseases, earlier onset of dementia, and shorter life span.

While the Virtual Senior Center was designed with homebound seniors in mind, suddenly we are all have a new understanding of what it means to be isolated from friends and family and only connected through a screen. Those once able to travel to their local Selfhelp senior center or participate in activities are now unable to do so. Our Virtual Senior Center (VSC) has truly become a lifeline. Over 850 older adults are logging on to the Virtual Senior Center for lessons, discussions, and socializing, all from the safety of their homes. Margo's story explains the importance of the VSC:

*Margo is a member of our Benjamin Rosenthal Prince Street Innovative Senior Center, who is now participating in the VSC. Though she misses her Senior Center friends and the activities she enjoyed there, including ping pong, fitness classes, and tai chi, she is grateful to be able to fill her schedule with programming from our Virtual Senior Center. Margo shared, "I look at the [VSC] calendar every day to see what's going on...I appreciate everything Selfhelp has been doing."*

Participants use a personal computer to log into the VSC where they review the weekly class calendar. In each class, all participants can see, hear and speak to each other in real time. Classes are offered in English, Mandarin Chinese, Russian, Spanish, and Korean. The VSC platform has the ability to engage homebound older adults at home while increasing their social network.

### **Senior Centers**

During COVID-19, Selfhelp's senior center social workers have been connected to their members through phone calls, emails, and video chats. Our social workers are providing essential services helping older adults access food, medicine, and resources to maintain their mental and physical health, such as Selfhelp's Virtual Senior Center. Members of Selfhelp's



Claims Conference ועידת התביעות  
The Conference on Jewish Material Claims Against Germany

five senior centers were invited to join, at no cost, Selfhelp's Virtual Senior Center to join an online community of live, interactive weekly classes.

### **Naturally Occurring Retirement Communities (NORCs)**

Thank you to the Council for supporting a major investment in the City's Naturally Occurring Retirement Communities (NORCs) last year, particularly to support nursing services. Selfhelp provides social services to more than 1,300 residents at four Naturally Occurring Retirement Communities (NORCs), including one Neighborhood NORC throughout Queens. We are very appreciative of the consistent support the NORC program has received in the City Council. Because of your enthusiasm for this program, we have been able to bring resources and attention to the needs of a large and rapidly growing senior population served by Selfhelp's NORCs.

Without the support of the City Council many NORC programs would not be able to continue to provide critical services to so many older adults in New York City. Throughout the COVID-19 health crisis, NORCs have provided critical response services to thousands of older New Yorkers, making continued investment in this program critical. NORC staff provide wellness checks to address mental health and social isolation; assist seniors in accessing food and other supplies, and coordinate services in residential buildings not developed specifically for seniors. These activities were crucial prior to COVID-19 and have become even more important since the start of the pandemic.

A key component of the N/NORC program model is health care management and assistance. Nurses provide services to N/NORC residents that might not otherwise exist in the community, such as medication education, diabetes testing, flu shots, mobility and balance screenings, and helping clients get in touch with doctors. Older adults across New York City rely on N/NORC services to remain healthy and stably housed; without these services, their options for receiving appropriate community-based care would be greatly diminished.

Thank you for your ongoing support for the NORC program and for your consideration.

### **The Need for Affordable Housing**

Selfhelp is a major provider of affordable housing for seniors in New York City and on Long Island. Our housing portfolio includes fourteen affordable apartment developments, located in Queens, the Bronx, Brooklyn, and Long Island, which provide housing to close to 1,500 low- and moderate-income senior residents in attractive, functional apartments with social services available, as needed.



Claims Conference ועידת התביעות  
The Conference on Jewish Material Claims Against Germany

Selfhelp appreciates the strong support of Mayor de Blasio and the City Council for senior affordable housing in New York City. The need for affordable senior housing with services remains as or more significant today as it was in 2016, when LiveOn NY first reported their findings that an estimated 200,000 seniors were on waiting lists for housing through the HUD202 program in New York City. In fact, housing challenges continue to plague older adults, as many seniors live on fixed incomes that cannot keep pace with rising rents; experience mobility challenges that limit housing options within an aging rental-stock; and are found to have high rates of rent burden, with 1/3 of individuals receiving SCRIE paying more than 70% of their income on rent. Given the current need for senior affordable housing, Selfhelp recommends that the City ensure that senior housing is prioritized in its overall development pipeline.

### **Affordable Senior Housing as a Tool for Healthcare: SHASAM**

An investment in the SHASAM (Selfhelp's Active Services for Aging Model) would result in savings to the State's Medicaid program by preventing or lowering costs of emergency room visits and keeping low-income seniors out of costlier levels of care, such as assisted living or nursing homes.

At each Selfhelp building, we offer service coordination through SHASAM, which makes available social work services, education, and recreation, as well as referrals to skilled nursing and home care, if and when requested by the resident. The goal of SHASAM is to provide the appropriate level of assistance to allow older adults to remain in their apartments and not move to more costly settings such as assisted living or nursing homes. Recent research shows that access to SHASAM allows older adults to reduce their chances of being hospitalized and/or visiting an emergency room which reduced their overall Medicaid and/or Medicare costs.

During COVID-19, Selfhelp's SHASAM social workers are maintaining contact with residents through phone and video. In partnership with LiveOn NY and philanthropic support, Selfhelp housing arranged meal distribution to residents who were facing food insecurity because they were not signed up for meal delivery or home care services. These essential services, and more, are keeping older adults healthy and at home during this health pandemic.

A New York-based study, conducted by Dr. Michael Gusmano of Rutgers University, compared Selfhelp residents with access to service coordination to a comparison group of seniors in the same zip codes without this support. The published research shows that residents of Selfhelp's housing are healthier than their neighbors who do not live in high-quality housing.



Claims Conference ועידת התביעות  
The Conference on Jewish Material Claims Against Germany

Research shows that residents in Selfhelp's affordable housing had:

- 68% lower odds of Selfhelp residents being hospitalized
- \$1,778 average Medicaid payment per person, per hospitalization for Selfhelp residents, versus \$5,715 for the comparison group
- 53% lower odds of a Selfhelp resident visiting an emergency room compared to a non-Selfhelp resident

The full report is available through the Journal for Health Affairs (the article is available upon request), and a white paper published by Selfhelp is available at [www.selfhelp.net](http://www.selfhelp.net).

### **COLA**

The human services sector stepped up to meet the need of New Yorkers in crisis despite the fact we faced underfunding long before our City saw its first case of COVID-19. Unfortunately, we still need New York City government to fully fund our contracts and support our workforce. Throughout the last calendar year, the City has allowed the COLA for human services workers to expire in the middle of the pandemic by not renewing it in the FY21 budget, failed to provide comprehensive emergency pay for low-wage City-contracted frontline workers, and created fiscal chaos for the sector by rhetorically cutting the Indirect Cost Rate (ICR) Funding Initiative. In order to address this crisis, the FY22 budget must include the following: The restoration of the COLA on the personnel services line of all human services contracts at a rate of at least 3%, comprehensive emergency pay for human services workers retroactive to March 23, 2020, when non-essential workers in New York were ordered to stay home, and sufficient funding to fully honor the ICR Funding Initiative for FY20, FY21, and going forward. As members of the Human Services Council, we join with them to urge the City to fully fund these urgent investments while workers, advocates, providers, and elected officials continue to work together on more comprehensive solutions to ensure that human services workers finally earn fair pay for their essential labor.

### **Conclusion**

Thank you for the opportunity to testify today. On behalf of the 20,000 clients we serve, I am grateful for the Council's support on so many important programs.



Claims Conference ועידת התביעות  
The Conference on Jewish Material Claims Against Germany

Good morning/afternoon. My name is Chicago Crosby. I'm a canner. That means I collect and redeem bottles and cans to earn income. I'm also the co-Chair of the Board of Directors of Sure We Can, New York City's only nonprofit organization dedicated to serving the canning community. Our mission is to uplift and empower marginalized people by providing services, support, and opportunities that many simply aren't able to access otherwise. We also serve the needs of the broader community and the planet. In 2020 we distributed over 100,000 face masks in Bushwick and Williamsburg and diverted more than 10 million bottles and cans from the waste stream that otherwise would have ended up on our streets, in our landfills, or in our oceans.

Covid-19 has been an unprecedented trial for all New Yorkers and has had a disproportionate impact on already-marginalized people. I'd like to praise the dedicated, determined, and passionate elected officials and government officers and workers who have done so much to keep our special city alive during this terrible crucible. Thank you all! But you can't do it all alone: now, more than ever, New York City needs organizations like Sure We Can. We are here and ready to work with the city government to support communities in crisis. During the pandemic, canner incomes were decimated. Sure We Can has been a refuge for the communities hardest-hit: low-income, minority, and immigrant groups. We distribute PPE, provide multilingual educational material about Covid-19, and serve as a testing site, in addition to distributing food and warm clothing to those in need.

Through it all, Sure We Can has been and continues to be a pioneer in the circular economy, merging environmental awareness with economic empowerment. And yet, we find our work and livelihood under threat by the gentrifying forces with which most New Yorkers are all too familiar. At our center, where we have worked for over a decade to build trust, community, and the capacity to serve, we face eviction if we can't purchase our lot. As a small organization, built from the ground up by canners determined to transform their situation, we don't have the resources or connections to purchase the lot outright, so are asking the city for help. We've heard that capital funding cannot be provided without three consecutive years of over \$50,000 in city contracts. And yet, there are no existing city contracts for the crucial work that we have been performing for over a decade. Though other organizations have received exemptions to this requirement, we have been refused without justification. So, we ask: will the New York City government allow us to collapse simply for the sake of bureaucratic red tape?

*Only if there is time:*

The disproportionate impact of the pandemic on already-marginalized people has been exhaustively demonstrated by statistics and research. As one of the most diverse cities in the world, New York now has both the opportunity and the obligation to observe these disparities and rectify them by actively investing in the marginalized, in environmental justice, sustainability, and the circular economy, including and especially investment in the preservation of industrial spaces like Sure We Can.

New York City Council FY22 Preliminary Budget

Finance jointly with Capital Budget & Contracts

March 2<sup>nd</sup>, 2021

SUBMITTED VIA: <https://council.nyc.gov/testify/>

Good afternoon Chairs Dromm, Kallos and Rosenthal and Members of the Council.

My name is Benjamin Shavolian, owner of Heritage V LLC/Shelter Rock Build LLC (“Heritage”), a family owned and operated business that was established in 2001. We specialize in the development of affordable new construction for-sale and rental housing for low to moderate income New Yorkers. Over two decades, Heritage V has developed 375 units of quality affordable housing in communities such as East New York, Bushwick, Ocean Hill, Brownsville and Coney Island neighborhoods of Brooklyn. Most recently, during the height of the pandemic, we successfully built and completed a homeownership project for new construction in East New York. Residents in Community Board #5 were provided homeownership education and purchase opportunities to become first time home owners of Blake Hendrix Homes, two/three family affordable homes for sale. This added a total of 28 new units to the housing market and advanced the city's affordable housing goals. We invest in this challenging city owned, unsightly scattered lots to revitalize communities with the support of New York City's Housing and Preservation Development's New Foundations and Open-Door programs, further stabilizing neighborhood blocks.

We are an equal opportunity employer serving all five boroughs in the City of New York. We have a long-standing history as a professional developer with a proven track record of housing opportunities for residents in all five boroughs. We successfully develop and market for-sale and rental housing to targeted low- and moderate-income families in disadvantaged communities. We raise awareness and educate residents in the communities we serve on how to become first-time homebuyers, many of whom generate an income level between 70% and 120% of the AMI. Each project we developed furthered the City's effort to stabilize these neighborhoods while also providing affordable housing opportunities to first time homebuyers who would otherwise be unable to achieve the dream of homeownership.

I am submitting my testimony to the Finance Committee to express how critical our projects are to the communities we serve and the importance to prioritize associated subsidies for the affordable homeownership pipeline and the need, more than ever, to advance an urgent timeline to close on these projects before the new fiscal year. Agency oversight of the NIHOP (New Infill

Homeownership Opportunity Program) and Open-Door projects' delays on awards and closings have accounted for increased costs due to outdated term sheets. Asking how and when these hundreds of units will be financed and approved by OMB for closings to start construction matters. One good example of the discrepancy between programs is that ANCP (Affordable Neighborhood Cooperative Program), the city's program to convert rentals to limited equity cooperative after seizure through TPT, provides term-sheet amounts up to \$200k/unit for moderate-substantial rehabilitation of multifamily buildings...and I believe this program also has gone up to \$250k/unit. That program also only requires a \$2,500/unit equity stake by the developer for a 10% developer fee while Open Door requires 5% equity contribution for a 5% developer fee or a 10% equity stake for a 10% developer fee. Why is there lower capital support for new construction than rehabilitation for affordable homeownership opportunities? The City needs to prioritize affordable homeownership, update the term sheets and get these projects financed and closed to begin construction.

-Ben Shavolian, Shelter Rock Builder LLC.



**Testimony: UJA-Federation of New York**

**New York City Council Budget and Oversight Hearings on the Preliminary Budget for  
Fiscal Year 2022**

**New York City Council Committee on Finance  
Honorable Daniel Dromm, Chair**

**New York City Council Committee on Contracts  
Honorable Ben Kallos, Chair**

**March 2, 2021**

Thank you Chairs Dromm and Kallos and members of the Committees on Finance and Contracts for holding this hearing and for the opportunity to submit testimony.

Established more than 100 years ago, UJA-Federation of New York is one of the nation's largest local philanthropies. Central to UJA's mission is to care for those in need. UJA identifies and meets the needs of New Yorkers of all backgrounds and Jews everywhere. UJA connects people to their communities and responds to crises in New York, Israel and around the world, and supports nearly 100 nonprofit organizations serving those that are most vulnerable and in need of programs and services.

Over the last year, the COVID-19 pandemic has dramatically and disproportionately impacted the lives of those living in poverty, further lifting-up the effects of systemic inequality and the real challenges New York City faces. In response to these needs, UJA's network of human services partners has been on the front lines since the pandemic hit, assisting New Yorkers of all backgrounds, throughout the five boroughs. UJA's network provides a wide range of services, including early childhood education and childcare, mental health supports, case management services, services for survivors of domestic violence, senior services, and access to food. For years, these City-contracted services were underfunded, with a significant piece of that shortfall related to the Indirect Cost Rate (ICR).

In FY20, New York City made a commitment to increase funding for indirect costs (overhead and administrative costs) associated with providing contracted human services programs through the Indirect Cost Rate Initiative. As part of the Nonprofit Resiliency Committee, two UJA partners, as well as other critical human services providers in New York City, met regularly with the Mayor's Office to establish a new ["City of New York Health and Human Services Cost Policies and Procedures Manual"](#) to guide the ICR Initiative, which launched in November 2019. The City's commitment and investment was a step in the right direction that would have greatly assisted UJA's provider network.

Human services providers were given a series of options to adjust their organization's ICRs. They could:

1. Accept a 10% de minimis ICR offered by the City to apply across all human services contracts
2. Apply an approved federal Negotiated Indirect Cost Rate (NICRA) if applicable. Federal NICRA is an option applicable only to agencies that hold contracts directly with the federal government
3. Work with a CPA to apply the principals of the "Cost Policies and Procedures Manual" across each human service contract held by the agency. This process by which agencies determined new ICRs was time consuming, costly (between \$5,000-\$25,000) and had to be completed by June 30, 2020. Organizations that endured this process starting in November 2019 were promised retroactive contract enhancements for FY20 and an approved (and funded) new ICR applicable for the next three fiscal years. Most of UJA's provider network pursued this option.
4. Accept an ICR rate of up to 12% for FY20 while completing the ICR adjustment exercise with a CPA over the course of the fiscal year. This was referred to as "accepting the conditional rate".

Throughout the first half of 2020, as the City's finances were beginning to be impacted by COVID-19, providers continued the ICR exercise with no word from the Mayor's Office or City Council that cuts to the ICR were imminent.

During last days of FY21 budget negotiations, the Mayor's Office indicated there might be "adjustments" to the ICR. Then weeks after the FY21 budget closed, the Mayor's Office retroactively rolled back its commitment to the FY20 ICR by 40% at the start of FY21. Providers, who had gone through the time and expense of determining their new Indirect Cost Rates across their organization's human services contracts now find themselves with a significant cut for services already rendered and costs that were assumed to be covered by the City. **Across the UJA provider network alone, there is a combined FY20 loss of \$2.3 million for the ICR.** This number does not account for additional funds lost due to changes in the definition of "indirect costs". Due to the ICR Initiative and Cost Manual guidance, some expenses that were previously covered as direct costs shifted to indirect. When the City cut the ICR, these expenses that had been previously paid for were no longer funded, leaving providers at a larger retroactive deficit.

Additionally, only human services contracts that started the applicable fiscal year in HHS Accelerator were eligible for adjustment under the ICR Initiative. The Department for the Aging (DFTA) did not begin the fiscal year with its contracts in HHS Accelerator. This means that the new ICR for DFTA contracts can only be applied to the portion of the year that they were in HHS Accelerator, yielding an even greater cut for those providers.

The ICR funds important aspects of human services provision, which are needed now more than ever to help New York City respond and recover from COVID-19. **It is imperative that New York City support its human services network at this time of great need and not create further obstacles to critical response efforts for the most vulnerable New Yorkers.**

UJA aims to be a good partner to New York City; however, the City has been opaque and has not been forthcoming with a variety of data imperative to understanding the true impact of the ICR cuts. Without the following data from the Mayor's Office of Contract Services, UJA and its network cannot effectively partner with the City to address this issue. UJA and its partners are asking for the following information:

1. The true cost of the Indirect Cost Rate Initiative;
2. The total value of the cuts taken to the ICR Initiative for FY20;
3. The number of human services providers that participated in the ICR Initiative and which adjustment option they chose;
4. Plans for FY21 for existing contracts and new procurements

While we await this information, the City could also implement a significant technical reform by allowing providers to draw down the full value of their approved indirect rates from existing contract budgets even if there is underspending of direct program funds. This would help ease the burden of FY20 retroactive cuts and any pending FY21 cuts. Some City agencies are already allowing providers to do this and are issuing budget modifications. The Mayor's Office of Contract Services should issue guidance to all City agencies establishing this reform for all

human services contracts and communicate this change to all contracted providers. This change is in line with the intent of the ICR Funding Initiative since indirect has certain fixed costs, including utilities and technology investments, even if a provider does not spend the full program dollars. Furthermore, it will benefit the City, and might even result in savings overall, since it will eliminate the incentive for providers to wastefully spend direct program costs in order to draw down the desperately needed indirect funds.

**UJA stands with its nonprofit partners and requests that New York City roll back these punitive, retroactive cuts to the human services ICR and commit to fully baselining the ICR for FY20, FY21 and the outyears. The amount of money being discussed is unclear, as the Mayor's Office has not yet released ICR-related data—though all indicators project that even if the total amount is in the millions, this is relative “couch change” compared to the overall City budget. Despite multiple requests from the nonprofit sector to understand cost data, and even the Council's questions to the Mayor's Office during the November 2020 contracts hearing, no data—none on the volume of requests, approvals, denials, or usage has been provided. The ICR was key to Mayor's Office's work to create long term resilience for the nonprofit community, and now the respect and recognition of the human service nonprofit sector is at stake. UJA calls upon the City Council to immediately demand answers to the questions they posed to the Administration almost four months ago and continue to use all necessary actions to have the ICR Initiative's funding restored, baselined and no longer threatened.**

Thank you for the opportunity to provide testimony. Please reach out to Hillary Stuchin at [stuchinh@ujafedny.org](mailto:stuchinh@ujafedny.org) with any questions.



**Written Testimony**  
**New York City Council Committee on Finance**  
**Jointly with Committee on Contracts and Subcommittee on Capital Budget**  
**FY22 Preliminary Budget Hearing on Contracts**  
**March 2<sup>nd</sup>, 2021**

On behalf of Urban Pathways, thank you for the opportunity to provide this written testimony regarding the FY22 Preliminary Budget.

Urban Pathways is a nonprofit homeless services and supportive housing provider. We assist single adults through a unique combination of street outreach, drop-in services, safe havens, extended-stay residences, and permanent supportive housing. We also offer a wide range of additional programming to meet the needs of our clients, including our Total Wellness Program and UPwards Employment Program. Last year Urban Pathways served over 3,900 New Yorkers in need.

Throughout the pandemic, our doors have never closed and our services have never stopped. In fact, we opened an additional program with 60 emergency beds to bring New Yorkers experiencing street homelessness inside to safety. At great risk to their own health and that of their families, our frontline staff continued to come to work to ensure the wellbeing of our clients and residents. And like Urban Pathways, human service providers across the City have continued to provide food, childcare, and other critical in-person services throughout the last year.

While the human services sector stepped up to meet the need of New Yorkers in crisis, unfortunately, New York City government did not step up to support us in the same way. Throughout the last calendar year, the City has allowed the COLA for human services workers to expire in the middle of the pandemic by not renewing it in the FY21 budget, failed to provide comprehensive emergency pay for low-wage City-contracted frontline workers, and created fiscal chaos for the sector by retroactively cutting the Indirect Cost Rate (ICR) Funding Initiative. This has pummeled a sector already facing a funding crisis, with contracts that only pay 85 - 87 cents for every dollar of the actual costs to run our programs as the norm long before the pandemic hit. On top of an already underfunded budget, we have experienced increased costs related to COVID-19 for PPE, increased cleaning, and expanding Wi-Fi access for clients that became reliant on telemedicine and virtual behavior health services.

**In order to address this crisis, the FY22 budget must include the following:**

- **The restoration of the COLA on the personnel services line of all human services contracts at a rate of at least 3%**
- **Comprehensive emergency pay for human services workers retroactive to March 23, 2020, when non-essential workers in New York were ordered to stay home**
- **Sufficient funding to fully honor the Indirect Cost Rate (ICR) Funding Initiative for FY20, FY21, and going forward.**

These urgent investments are needed while workers, advocates, providers, and elected officials continue to work together on more comprehensive solutions to ensure that human services workers finally earn fair pay for their essential labor.

Human services workers are extremely underpaid. In fact, 60% of New York's workforce qualified for some form of public assistance pre-pandemic.<sup>1</sup> On top of losing their COLA, the majority of the workforce has not received any sort of additional compensation as recognition for their essential work. As residential programs, Urban Pathways' contracts did receive emergency pay for our employees working on site through DHS and DOHMH. However, these funds were only available through June 1<sup>st</sup>. As we know the pandemic has continued long past June and continuing hazard pay without government funds is not sustainable.

While the City committed to funding a full ICR on human service contracts in November 2019, following the release of the FY21 Budget we were informed that 40% of our increased ICR would not be funded for FY20. The result for our organization is a **retroactive cut of \$387,553**. Having already planned on how that money would be used, a retroactive cut is particularly harmful; this is a cut for services already rendered that we cannot go back and not spend. This cut was then repeated in the FY21 Budget and a restoration of the ICR funding has not been included in the FY22 Preliminary Budget.

It is impossible to ignore that our services and workers are invaluable to the health and wellbeing of the City. The FY22 budget must reflect this. Thank you for providing me with this opportunity to provide testimony. We greatly value our partnership with the City Council and know you stand with us in our call to address this crisis.

**For questions or further information, please contact:**

Nicole McVinua, Director of Policy  
nmcvinua@urbanpathways.org  
212-736-7385, Ext:233

---

<sup>1</sup> Undervalued and Underpaid: How New York State Shortchanges Nonprofit Human Services Providers and their Workers  
<https://humanservicescouncil.org/wp-content/uploads/Initiatives/RestoreOpportunityNow/RONreport.pdf>



## TESTIMONY

**New York City Council Committee on Finance  
Jointly with the Committee on Contracts and the Subcommittee on Capital Budget  
Fiscal Year 2022 Preliminary Budget Hearing  
Tuesday, March 2nd, 2021**

Submitted by:  
MJ Okma  
Policy and Campaign Strategist  
Human Services Council of New York

### **Introduction:**

Good morning Chairs Dromm, Kallos, and Rosenthal and members of the New York City Council Committee on Finance, Committee on Contracts, and Subcommittee on Capital Budget. My name is MJ Okma, and I am the Policy and Campaign Strategist at the Human Services Council (HSC), a membership organization representing over 170 human services providers in New York City. 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.

This time last year I testified at this hearing in person, a lot has changed since then, and we are all carrying the grief of last year on our shoulders. Mistakes were made while the City government had to make life and death decisions about what to prioritize in the face of COVID-19. The Fiscal Year 2022 budget is a time to take that all into account in order to reassess and rethink what and who our City values.

The reality is New York City's human services sector has seen a net loss of over 44,000 thousand jobs since this time last year.<sup>i</sup> Frontline city-contracted human services workers, who are majority women of color were abandoned by the City<sup>ii</sup>. They were not provided personal protective equipment (PPE). They were not given a cost-of-living adjustment in the FY21 budget while severing on the frontlines. They were not afforded job protection while New York City and New York State disproportionately cut funding for human services in a time of ravidly increased need.

The City cannot call human services workers essential while refusing to pay them fairly for their labor or fight for their government-contracted jobs to be preserved. The City cannot praise the work of human services nonprofits while balancing the budget on their back and retroactively clawing back indirect funding.

This year as the COVID-19 pandemic tore through every corner of New York, City-contracted human services workers were thrown onto the frontlines of a global health crisis—ensuring high-risk populations such as seniors and disabled New Yorkers had access to food and mental health support, providing childcare for the families of first responders, running drop-in centers and shelters for homeless New Yorkers, supporting our City’s youth struggling to keep up with their education without resources to learn remotely, ensuring New Yorkers have access to the skills, training and education needed to economically respond and recover from this pandemic, and more. It is time to step up for them show that their labor is valued not by empty words but by ensuring that they no longer get paid poverty wages under city contracts.

City agencies are not getting a deal by chronically underfunding and retroactively cutting human services contracts to balance the budget; it is further harming the low wage workers the City relies on to keep these programs running while pushing community-rooted nonprofits into failure during a time of increased need.

**In order to address this crisis, the FY22 budget must include the following:**

- **The restoration of the COLA on the personnel services line of all human services contracts at a rate of at least 3%.**
- **Comprehensive emergency pay for human services workers retroactive to March 23, 2020, when non-essential workers in New York were ordered to stay home.**
- **Sufficient funding to fully honor the Indirect Cost Rate (ICR) Funding Initiative for FY20, FY21, and going forward.**

These urgent investments are needed while workers, advocates, providers, and elected officials continue to work together on more comprehensive solutions to ensure that human services workers finally earn fair pay for their essential labor.

None of these essential investments should come as a surprise to Mayor de Blasio and the Mayor's Office of Management & Budget. Last June, leaders from across the human services sector who were asked to participate in Mayor’s Nonprofit and Social Services Recovery Taskforce came up with a list of core recommendations to support essential workers in the sector and protect community services which are included in my testimony below. None of their recommendations were ever implemented.

Further, the New York City Council argued in the FY20 Preliminary Budget Response that the ICR Funding Initiative, that has since been retroactively clawed back, was a necessary step to “ensure pay parity for the human services workforce.”<sup>iii</sup> This program which was created to address the fiscal crisis facing New York City human services sector has since been slashed in its first year of implementation (FY20) and was underfunding in FY21, throwing providers on the frontlines of COVID-19 into fiscal chaos.

**These cuts do not impact all New Yorkers’ equally but rather disproportionately impact communities that have already been hardest hit by COVID-19 due to structural racism, ableism, and income inequality, with Black, Latino/a, and Asian New Yorkers suffering the greatest harm.**

The FY22 budget is a chance to address these devastating mistakes.

## **State of the Human Services Workforce:**

Workers in New York City's nonprofit human services sector make less than half compared to those outside of the sector with similar credentials and experience. While the human services sector can leverage private and philanthropic dollars and funding from the City, State, and federal government to create dynamic programs at a bargain, the pay for these services needs to be sustainable. **When elected officials refuse to listen to providers and drastically undervalue the services they are contracted to provide, it is the human services workforce, which is 82% women and 80% people of color, who are disproportionately impacted<sup>iv</sup>. New York City underfunds the direct service costs in human services contracts by at least 20% pre-COVID-19 and that gap is growing, creating the desperate need for funding for human services to be restored and bolstered.<sup>v</sup>**

The City is not getting a deal by chronically underfunding homeless shelters, foster care agencies, food pantries, and senior centers; it is directly harming the low wage workers who keep these programs running. Eighteen percent of New York City human services providers were insolvent before New York City even saw its first case of COVID-19 and 80% of the largest human services organizations have budgets that are 90% or more dependent on government funding.<sup>vi</sup> When these contracts drastically underfund programs, set rock bottom rates per services unit, and require high mandated targets, the City is dependent on low-wage workers to fill in these gaps.

The average human services worker makes only \$32,700 in New York City, **far below what the 2019 New York City Self-Sufficiency Standard found to be required to meet the basic needs and expenses of living.<sup>vii</sup> The median cost for rent in New York City has gone up over 20% since 2010<sup>viii</sup> yet in that same period the average pay for human services workers has increased less than any other low-pay industry in the City including retail, restaurants, and personal/laundry services.<sup>ix</sup> Pay is so low that over 60% of the human services workforce qualified for some form of public assistance themselves.<sup>x</sup>**

The human services workforce has been toiling under City-contracted poverty wages long before the devastating effects of COVID-19. Then, instead of being met with tangible support, over 44,000 human services jobs were lost due to cuts at the City and State level.

At the beginning of the pandemic, the City committed to provide emergency pay for some residential workers.<sup>xi</sup> The initiative covered wages for certain personnel at residential settings from March 1 - June 3 and was only communicated through personal communications from the City on a contract-by-contract basis under DHS, ACS, HRA, and DOHMH rather than uniform guidance. This program also only covered frontline workers at residential programs and outlined extremely specific qualifications personnel needed to meet to qualify, which left out many essential onsite jobs including maintenance, cooks, drivers, and security. The City also would not allow providers to make the funding retroactive, meaning providers had to provide emergency pay prior to approval. This meant if providers were denied, which was quite common due to the confusion surrounding this program, they would have to pay these salary expenses out of pocket despite already providing services under grossly underfunded city contracts. The lessons learned from this program are that emergency pay must be compressive, fully funded, and covering all city-contracted human services workers who were unable to do their jobs remotely retroactive to the beginning of New York's stay at home order.

**Since the onset of the COVID-19 pandemic, low-wage contracted human services workers have put their lives and their families at risk to provide crucial services to communities in crisis. The city was also unable to provide PPE and cleaning supplies early in the pandemic, placing workers and their families in even greater danger. The FY22 budget is an opportunity to reverse course, starting with bringing back the COLA for city-contracted human services workers at a rate of at least 3% and providing comprehensive emergency pay.**

## **New York City's Failed Indirect Manual Rollout:**

Cuts to the Indirect Cost Rate (ICR) Funding Initiative created fiscal chaos for a sector providing critical safety net support for New Yorkers in both FY20 and FY21. These damaging cuts went to the heart of nonprofit human services and spread throughout their entire operation.<sup>xii</sup>

When the ICR Funding Initiative was implemented for the first time in FY20 after the Mayor and City Council committed to addressing the chronic underfunding of indirect costs in City contracts. This initiative was then retroactively slashed in its first year of implementation after providers were originally told by the City that their contracts would be held harmless during the COVID-19 crisis. Many providers only agreed to contracts in FY20 with the promise that they would be paid for their certified indirect rates.

The impact of the April FY20 cut to the Indirect Cost Rate Initiative was not communicated with providers until a month after the close of the fiscal year, so there was no opportunity to engage with the Administration or the Council leadership on the impact of this cut. When providers and advocates in the sector did ask, we were told it was just a "rightsizing" of the program, only to be told in August 2020 that indirect funding for FY20 would be cut up to 40%, despite the fact the fiscal year was over, and the money had already been spent.

This delay also allowed the City to repeat the same underfunding of the ICR initiative in the Adopted FY21 budget, and it was only then that we were informed this would be a real cut both retroactively in FY20 and for the start of FY21. **As of February 2021, the City still has not told nonprofits if they will receive their funding for the current fiscal year, meaning City-contracted providers remain on the frontlines of COVID-19 with no clear communication of how much they will be paid for their services.**

The current state of the ICR initiative is a mandated retroactive budget cut for FY20, no clarity on how FY21 contracts are going to be impacted two-thirds through the fiscal year, and no promise of significant funding for FY22. These compounding cuts go to the heart of nonprofit human services sector and spread throughout their entire operations. It is vital that the FY22 includes the full restoration ICR Funding for FY20, FY21 and going forward.

### **Timeline of Cuts to the Indirect Cost Rate (ICR) Funding Initiative:**

- **February 2019:** The *Health and Human Services Cost Policies and Procedures Manual* was released through the Nonprofit Resiliency Committee (NRC).<sup>xiii</sup> This manual standardizes indirect rate definitions across human services contracts and creates a standard approach for providers to calculate an individualized rate. At the time the manual was published, the

City did not increase funding to address the gaps this manual displays in human services contracts or allow for any reductions in services to account for these glaring gaps in funding. The NRC members were asked to “trust” that this was a good faith process and that providers would not be disadvantaged with this manual.

- **March 2019:** Human Services providers strongly advocated for the City to back its implementation of the manual with additional dollars so that providers can apply their real indirect rates as part of New York City’s FY20 budget.
- **April 2019:** The New York City Council called for an investment of \$106 million to fund the *Health and Human Services Cost Policies and Procedures Manual* in their FY20 Preliminary Budget Response.<sup>xiv</sup> This cost estimation of \$106 million came from an estimation that the manual would increase the indirect rate to an average of 12 percent, up from ten percent.

Mayor Bill de Blasio did not add this funding into the Executive Budget, so providers continued to fight for the manual to be funded as the Mayor and City Council began their final budget negotiations.

- **June 2019:** The Mayor and City Council committed to funding an adjustment to the Indirect Cost Rate (ICR) Funding in the FY20 Budget. No money was set aside for this initiative as part of the FY20 Adopted Budget with the intent that money would be allocated during an upcoming FY20 budget adjustment and providers would get their true indirect rate retroactive to the beginning of FY20 (June 2019).
- **July 2019:** The Office of Management and Budget and Mayor’s Office of Contract Services from a City Implementation Team (CIT) to design the implementation and roll-out of the ICR Funding Initiative that was established in the FY20 budget.<sup>xv</sup>
- **October 2019:** City-contracted human services providers were briefed on the City’s implementation plan and the timeframes for rolling out ICR Funding Initiative.<sup>xvi</sup> As part of the process, providers were once again told that they would receive their true indirect rate on all City contracts, retroactive to June 2019 and through FY23 if they submitted all their paperwork based on the deadlines in the CIT’s implementation plan.
- **November 2019:** The de Blasio Administration added a total of \$54 million in baselined funding to the budgets of 12 city agencies for the ICR Funding Initiative.<sup>xvii</sup> This was around half of the \$106 million the City Council estimated it would cost in their FY20 Preliminary Budget Response back in April.
- **December 2019:** Mayor Bill de Blasio and Speaker Corey Johnson officially announced that the City has launched the ICR Funding Initiative.<sup>xviii</sup>
- **April 2020:** ICR funding for FY20 was reduced from \$54 million to \$34 million, which was characterized at the time as a “rightsizing” of the funding needed to fulfill FY 2020 contract submissions.<sup>xix</sup> Providers were assured that their FY20 indirect rates would not be impacted because of this cut, despite the City’s ICR funding level now being only 32% of \$106 million

the City Council estimated it would cost in their FY20 Preliminary Budget Response.

- **June 2020:** The FY21 Adopted Budget included the reduced ICR funding level of \$34 million for FY21, once again under the guise of a “rightsizing.”<sup>xx</sup>
- **August 2020:** City-contracted human services providers were told that the cuts in April were a reduction, not a rightsizing, and that their indirect funding for FY20 would be cut up to 40%, despite the fact the fiscal year was over, and the money had already been spent.<sup>xxi</sup>

Providers were given no information about what this means for their FY21 contracts, despite ICR funding being underfunded at the same level (\$34 million) in the FY21 Adopted Budget.

Led by Contract Chair Kallos, over 20 council members wrote to the Mayor calling for ICR funding for FY20 to be fully restored.<sup>xxii</sup> Comptroller Stringer and all five borough presidents also called on the Mayor to reverse this damaging retroactive cut.<sup>xxiii</sup>

- **November 2020:** The City announced that RFPs will continue to use the manual but have a 10% “placeholder” for indirect, so providers can only include 10% indirect in the RFP and are then supposed to negotiate later. Under the ICR Funding Initiative, all new RFPs should cover the provider’s cost manual rates and no justification was given about this new policy. This effectively reverts the contracting system back to February 2019 when the *Health and Human Services Cost Policies and Procedures Manual* was released with no increased funding to address the gaps this manual displays in human services contracts or allow for any reductions in services to account for these glaring gaps in funding.

The FY21 November Plan increased the current year budget by \$3.8 billion or 4.3%, it did not reverse the damaging cuts to human services including cuts to the Indirect Cost Rate (ICR) Funding Initiative.<sup>xxiv</sup>

On the day before Thanksgiving, 30 human services organizations testified about the impact of the cuts to ICR funding during the York City Council Committee on Contracts Oversight hearing Reviewing the City’s Indirect Cost Rate Funding Initiative During the COVID-19 Pandemic.<sup>xxv</sup>

- **January 2021:** Restoration of ICR funding was not included in the FY22 Preliminary Budget.

### **June 2020 Recommendations from the Mayor’s Nonprofit and Social Services Recovery Taskforce:**

These recommendations were sent to Mayor Bill de Blasio on June 5, 2020 by the following organizations, who were represented in the Nonprofit Social Services Taskforce: Ali Forney Center, Asian American Federation, Bedford Stuyvesant Restoration Corporation, Black Veterans for Social Justice, Bowery Residents’ Committee (BRC), BronxWorks, CASES, Casita Maria, Catholic Charities Brooklyn & Queens, Center for Hearing and Communication, Children of Promise, Children’s Village/Harlem Dowling, Chinese-American Planning Council, Citymeals on Wheels, Coalition for

Hispanic Family Services, Girls for Gender Equity, Good Shepherd Services, Henry Street Settlement, Hispanic Federation, Independence Care System, LGBT Community Center, Los Sures/ Southside United, MinKwon Center for Community Action, NAACP, Northside Center for Child Development, Older Adults Technology Services (OATS), Project Hospitality, RiseBoro Community Partnership, SCO Family of Services/Center for Family Life in Sunset Park Safe Horizon, Services for the UnderServed, Sheltering Arms, Urban Pathways, Urban Resource Institute (URI) and WomanKind.

**None of the following core recommendations made it into the Mayor's own Recovery Agenda or have been fully implemented since the taskforce stopped meeting in June 2020.** Note these recommendations were drafted before the announced retroactive cut to the ICR Funding in August 2020. At the time these recommendations were sent to Mayor de Blasio, the Mayor's Office of Contract Services was still telling providers that they indirect rates were not at risk and would be paid in full, which is why that priority is not reflected in these recommendations.

#### 1) Support Essential Workers:

- Commit to paying frontline human services workers emergency pay retroactive to March 23, 2020, when non-essential workers in New York were ordered to stay home. The City's emergency pay plan for residential workers needs to be quickly approved and paid out and essential workers not covered by that program must also receive pay for their work on the frontlines.
- Pay human services workers fairly. City-contracted human services workers are some of the lowest compensated workers in our City's economy. The small COLA that they receive on City contracts is set to expire at the end of FY20 and we must not allow this benefit to be stripped away from these essential workers.
- Work to achieve comprehensive pay parity for human services workers as part of New York COVID-19 recovery to ensure these workers finally earn fair pay for their labor under City contracts.

#### 2) Protect Community Services:

- Ensure the survival of small community-based and person of color led organizations by providing access to the resources they need in order to stay open and serve our communities, and structure human services procurements going forward to be inclusive of small, person of color led institutions.
- Immediately retract the summer program cuts that leave no safe place for our kids: SYEP, Beacon, SONYC, and Compass. Young people of Color fall behind every summer – we anticipate that this will be vastly exacerbated by the inequity of remote learning. The child welfare and juvenile justice systems should not be the outcome for poor Black and Brown children, but we fear that lack of programming and the current civic unrest will make that inevitable. We are leaving our children and youth with no productive activities for the summer, which will lead to devastating consequences.
- Fund programs that address the inequities that have been exposed by COVID-19 pandemic.
- Bring community partners to the table to discuss budget cuts so that essential services are preserved, and necessary cuts are made in ways to minimize the impact on communities and human services providers.
- Pull the Home Delivered Meals RFP, which is already underfunded based on pre-COVID- 19 demands, and work with food-based providers to design a home delivered meals system that utilizes the sector's expertise, infrastructure, and current needs of the community.

- Embrace changes made during COVID-19 that benefit communities, like the expanded use of technology to better serve clients.
- Support providers now with continuing emergency funds to address COVID needs and during reopening with a plan for redesign of program space. Funds are needed to ensure important community spaces can adhere to social distancing requirements, are deep cleaned, and have necessary sanitation supplies.

### 3) Amend the Procurement Process:

- Back FY21 contracts with robust cash advances that are sent out immediately in July.
- Stop the recoupment of advances and change the policy so that advances are recouped at the end of the contract, not at the end of each year.
- Provide no cost extensions on contracts and allow providers to carry over accruals.
- Pay invoices immediately upon receipt and verify documentation at audit.

### **Conclusion:**

The New York City Council saw the crisis facing the human services sector and fought for the ICR Funding Initiative and the human services workforce in FY20. Since then, there has been a net loss of 44,000 human services jobs, the COLA for human services workers was not renewed while they were on the frontlines of COVID-19, and the ICR Funding Initiative as dismantled and retroactive cut before it was ever implemented. The crisis facing the human services sector now is much larger while demands of services continue to rise.

The FY22 budget must include the following:

- The restoration of the COLA on the personnel services line of all human services contracts at a rate of at least 3%.
- Comprehensive emergency pay for human services workers retroactive to March 23, 2020 when non-essential workers in New York were ordered to stay home.
- Sufficient funding to fully honor the Indirect Cost Rate (ICR) Funding Initiative for FY20, FY21, and going forward.

The time to act is now. New York City's COVID-19 continued response and recovery is at great risk.

Thank you for providing me with this opportunity to testify. We greatly value our partnership with you and the City Council and know you stand with us in our call to address this compounding crisis.

MJ Okma, Policy and Campaign Strategist  
Human Services Council of New York  
okmam@humanservicescouncil.org

- 
- <sup>i</sup> Center for New York City Affairs at The New School COVID-19 Economic Update (October 2020) available at <http://www.centernyc.org/reports-briefs/2020/10/1/cnycas-covid-19-economic-update>
- <sup>ii</sup> Undervalued and Underpaid: How New York State Shortchanges Nonprofit Human Services Providers and their Workers, Restore Opportunity Now (March 2017) available at <https://humanservicescouncil.org/wp-content/uploads/Initiatives/RestoreOpportunityNow/RONreport.pdf>
- <sup>iii</sup> NYCC FY20 Preliminary Budget Response available at [https://council.nyc.gov/budget/wp-content/uploads/sites/54/2019/04/Fiscal-2020-Preliminary-Budget-Response\\_FINAL.pdf](https://council.nyc.gov/budget/wp-content/uploads/sites/54/2019/04/Fiscal-2020-Preliminary-Budget-Response_FINAL.pdf)
- <sup>iv</sup> Id.
- <sup>v</sup> “Underfunded government payment rates are the primary driver of financial distress. Government contracts dominate provider budgets but pay only about 80 cents or less of each dollar of true program delivery costs, leaving budget holes that private funders cannot, or should not, fill.” New York Nonprofits in the Aftermath of FECS: A Call to Action (February 2016) available at <https://humanservicescouncil.org/wp-content/uploads/Initiatives/HSCCommission/HSCCommissionReport.pdf>
- <sup>vi</sup> “New York City nonprofits are fragile: 10% are insolvent (18% in health and human services); as many as 40% have virtually no cash reserves (i.e., margin for error); and over 40% have lost money over the last three years. We believe that less than 30% are financially strong. Yet many trustees do not understand the financial condition of their organization or how it compares to its peers.” Risk Management for Nonprofits, SeaChange (March 2016) available at <http://seachangecap.org/wp-content/uploads/2016/03/SeaChange-Oliver-Wyman-Risk-Report.pdf>
- <sup>vii</sup> “Average annual wages in the New York City social assistance sector were \$32,733 in 2018, making the sector the second-lowest-paid of all industries in the city after restaurants (\$31, 527).” The Road to and from Salary Parity in New York City: Nonprofits and Collective Bargaining in Early Childhood Education (January 2020) available at [https://static1.squarespace.com/static/53ee4f0be4b015b9c3690d84/t/5e222c2ab457e7527ddc6450/1579297836053/SalaryParity\\_Parrott\\_Jan2020\\_Jan17.pdf](https://static1.squarespace.com/static/53ee4f0be4b015b9c3690d84/t/5e222c2ab457e7527ddc6450/1579297836053/SalaryParity_Parrott_Jan2020_Jan17.pdf)
- <sup>viii</sup> Rents Rise at Fastest Rates Since 2016, Street Easy (2019) <https://streeteasy.com/blog/august-2019-market-reports/>
- <sup>ix</sup> The Road to and from Salary Parity in New York City: Nonprofits and Collective Bargaining in Early Childhood Education (January 2020) available at [https://static1.squarespace.com/static/53ee4f0be4b015b9c3690d84/t/5e222c2ab457e7527ddc6450/1579297836053/SalaryParity\\_Parrott\\_Jan2020\\_Jan17.pdf](https://static1.squarespace.com/static/53ee4f0be4b015b9c3690d84/t/5e222c2ab457e7527ddc6450/1579297836053/SalaryParity_Parrott_Jan2020_Jan17.pdf)
- <sup>x</sup> “The low pay and paucity of fringe benefits translate into high and costly turnover for nonprofit organizations, providing public services under government contracts. Pay is so low that 60 percent of those working in the sector were utilizing or had a family member utilizing some form of public assistance benefit such as Medicaid or food stamps.” Undervalued & Underpaid: How New York State Shortchanges Nonprofit Human Services Providers and their Workers, Restore Opportunity Now (March 2017) available at <https://humanservicescouncil.org/wp-content/uploads/Initiatives/RestoreOpportunityNow/RONreport.pdf>
- <sup>xi</sup> New York City Hall Commits to Reimburse Struggling Nonprofits for Frontline Costs NBC New York (April 2020) <https://www.nbcnewyork.com/news/local/new-york-city-hall-commits-to-reimburse-struggling-nonprofits-for-frontline-costs/2360030/>
- <sup>xii</sup> City-contracted human services providers gave testimony about the impact of ICR cuts during the New York City Council Committee on Contracts Oversight hearing Reviewing the City’s Indirect Cost Rate Funding Initiative During the COVID-19 Pandemic on November 25, 2020. Video of that hearing is available at <https://legistar.council.nyc.gov/MeetingDetail.aspx?ID=813445&GUID=1ABF948F-F20F-442E-9CE1-2CAFBD6CF7AB>
- <sup>xiii</sup> Copy of the Health and Human Services Cost Policies and Procedures Manual is available at <https://www1.nyc.gov/assets/nonprofits/downloads/pdf/NYC%20HHS%20Cost%20Policies%20and%20Procedures%20Manual.pdf>
- <sup>xiv</sup> “In order to sustain the current system of contracting out so many of our social services and to ensure pay parity for the human services workforce, the Council urges the Administration to add \$106 million to increase human services providers’ indirect cost rates.” NYCC FY20 Preliminary Budget Response available at [https://council.nyc.gov/budget/wp-content/uploads/sites/54/2019/04/Fiscal-2020-Preliminary-Budget-Response\\_FINAL.pdf](https://council.nyc.gov/budget/wp-content/uploads/sites/54/2019/04/Fiscal-2020-Preliminary-Budget-Response_FINAL.pdf)
- <sup>xv</sup> The Indirect Implementation webpage is available at <https://www1.nyc.gov/site/nonprofits/funded-providers/indirect-implementation.page>

---

<sup>xvi</sup> Archived e-mail communication about this briefing, along with a recording of the briefing is available at Archived e-mail communication about this briefing, along with a recording of the briefing is available at <https://www1.nyc.gov/assets/nonprofits/downloads/pdf/Indirect%20Rate%20Initiative%20Follow-Up%2010.18.19.PNG>

<sup>xvii</sup> New York City's November Financial Plan Update for Fiscal Year 2020 (FY20) is available at <https://www1.nyc.gov/office-of-the-mayor/news/566-19/mayor-de-blasio-releases-november-financial-plan-for-fiscal-year-2020>

<sup>xviii</sup> Press Release on the Launch of the Indirect Funding Initiative is available at <https://www1.nyc.gov/office-of-the-mayor/news/602-19/mayor-de-blasio-speaker-johnson-city-council-the-launch-the-indirect-funding>

<sup>xix</sup> Facing Unprecedented Crisis, Mayor de Blasio Unveils Budget Plan that Protects New Yorkers by Prioritizing Health, Safety, Shelter and Access to Food (April 2020) available at <https://www1.nyc.gov/office-of-the-mayor/news/259-20/facing-unprecedented-crisis-mayor-de-blasio-budget-plan-protects-new-yorkers-by>

<sup>xx</sup> New York City's November 2020 Financial Plan, Fiscal Years 2021 – 2024 is available at <https://www1.nyc.gov/site/omb/publications/finplan11-20.page>

<sup>xxi</sup> "City is funding 60% of the FY20 value of your amendment(s), but not less than a 10% ICR value and provided that your organization receives an Accepted ICR, pursuant to FY21 timeline and guidance." Indirect Rate Initiative Update from The City Implementation Team (August 2020) available at [https://www1.nyc.gov/assets/nonprofits/downloads/pdf/Aug11\\_Indirect\\_Rate\\_Initiative\\_Update.pdf](https://www1.nyc.gov/assets/nonprofits/downloads/pdf/Aug11_Indirect_Rate_Initiative_Update.pdf)

<sup>xxii</sup> "We urge the Administration to honor our shared commitment to the sector and ensure that human services agencies have the necessary resources to serve New Yorkers." CM Kallos Letter Demanding Restoration of Funding for Indirect Costs to Non-Profits available at <https://benkallos.com/press-release/letter-demanding-restoration-funding-indirect-costs-non-profits>

<sup>xxiii</sup> "Investing in the human sector is more critical than ever as our residents weather the storm created by COVID-19. I urge you to ensure that the terms of the City's indirect cost rate initiative are honored and fully funded." Comptroller Stringer Calls for Full Funding of Indirect Cost Rate Initiative So Non-Profits Can Continue to Deliver Critical Services (August 2020) available at <https://comptroller.nyc.gov/newsroom/comptroller-stringer-calls-for-full-funding-of-indirect-cost-rate-initiative-so-non-profits-can-continue-to-deliver-critical-services/>

<sup>xxiv</sup> Mayor de Blasio Provides Economic Update and Releases November Financial Plan (November 2020) available at <https://www1.nyc.gov/office-of-the-mayor/news/801-20/mayor-de-blasio-provides-economic-and-releases-november-financial-plan>

<sup>xxv</sup> Video of the New York City Council Committee on Contracts Oversight hearing Reviewing the City's Indirect Cost Rate Funding Initiative During the COVID-19 Pandemic on November 25, 2020 is available at <https://legistar.council.nyc.gov/MeetingDetail.aspx?ID=813445&GUID=1ABF948F-F20F-442E-9CE1-2CAFBD6CF7AB>



## **350NYC Capital Budget Testimony March 2<sup>nd</sup>, 2021.**

### **Tuesday March 2<sup>nd</sup> Capital Budget Hearing 2021.**

My name is Margaret Perkins and I am representing 350NYC.org at the NYC Council Capital Budget Hearing [T2021-7188](#)

In response to the economic devastation caused by the covid-19 pandemic we strongly urge the NYC Council to streamline the 2021 budget and stimulate the local economy by funding green infrastructure projects in accordance with Local Law 97. The obvious and equitable path to achieve NYC greenhouse gas emissions goals is to fund the priorities detailed in the exceptional [Equitable Recovery for NYC](#) Platform released by the Climate Works for All Coalition in October 2020 and detailed by other members here today.

1. **Invest \$80 million in retrofitting public schools** to meet LL 97 standards
2. **Invest \$80 million in retrofitting public schools** to meet LL 97 standards

350NYC strongly supports these well reasoned priorities. The investments in building retrofits and solar installations will stimulate the creation of good paying jobs urgently needed in black and brown communities. The communities that will benefit from the public investment have disproportionately experienced severe job loss in the last 12 months as a result of the pandemic and it is essential that employment rates are boosted rapidly. The investments will also contribute to a reduction in greenhouse gases and to ensure that NYC remain on track to meet its 2030 climate goals of 40% emissions reduction.

Margaret Perkins for the 350NYC.org steering committee

180 West End Ave, 27F

New York NY 10023



**Make the Road New York**  
**On Behalf of the Citywide Immigrant Legal Empowerment Collaborative**

**Testimony in Support of the Low-Wage Worker Initiative and the Urgent Need for  
Ongoing Dedicated Employment-related Civil Legal Services for Workers from NYC's  
Low-Income and Immigrant Communities**

**March 2, 2021**  
**New York City Council Committee on Finance**

Make the Road New York (MRNY) is pleased to submit this testimony to the New York City Council Committee on Finance on behalf of the Citywide Immigrant Legal Empowerment Collaborative (CILEC) in support of stabilizing and increasing the Low-Wage Worker Initiative funding for FY22 and beyond to help meet the ongoing urgent need for dedicated employment-related civil legal services for essential workers from NYC's low-income and immigrant communities, which the COVID-19 pandemic has made even more acute. Low-wage, immigrant workers, many of whom are essential workers on the frontlines of the pandemic, have been among the hardest hit New Yorkers. We have never seen a more critical need for civil legal services for wage theft, unlawful discrimination, retaliation, unpaid sick and emergency leave and wrongfully denied unemployment insurance (UI) benefits. We strongly urge the New York City Council to demonstrate its commitment to NYC's low-wage and immigrant essential workers and stabilize this critical funding, and baseline \$7.5 million for the Low Wage Worker Initiative.

MRNY is a non-profit community-based membership organization with over 25,000 low-income members dedicated to building the power of immigrant and working-class communities to achieve dignity and justice through organizing, policy innovation, transformative education, and survival services, including legal services for workplace justice, immigration, and housing issues. MRNY's five community centers, including centers in the New York City neighborhoods of Jackson Heights, Bushwick, and Port Richmond, provide a broad array of support to thousands of New Yorkers every year. Our workplace justice legal team represents hundreds of workers each year in cases to enforce their workplace rights and provides community rights education that reaches thousands more.

MRNY is part of the Citywide Immigrant Legal Empowerment Collaborative (CILEC), a collaborative of several legal services organizations and community-based organizations that deliver high quality civil legal services in employment and immigration matters and provide community outreach and Know Your Rights to low-income and immigrant workers in the City. For the past three years, the Administration and City Council have provided dedicated city funding to CILEC, the Legal Aid Society, Legal Services NYC, and New York Legal Assistance Group, through the Low-Wage Worker Initiative to support the staffing and administrative structures needed to deliver high-quality, culturally sensitive, and trusted legal services and case management support for NYC's low-wage, documented and undocumented workers, and to improve industry standards that employ and rely on these essential workers. In FY19 and FY20, the Council's budget included \$2 million for the Low-Wage Worker Initiative and an additional \$500,000 for the Low Wage Worker Support for outreach and organizing efforts to low-wage workers. In FY21, the Administration and Council restored \$2 million for the Low-Wage Worker initiative, after it was previously excluded from the budget, and unfortunately decreased funding for the Low Wage Worker Support. To meet the needs of low-wage workers and increase services, our organizations hired new attorneys and legal staff and took on cases that will last well past the end of this fiscal year. Without ongoing robust and sustainable funding, our organizations' ability to continue to effectively address the employment-related legal needs of the city's low wage essential workers, and retain and hire new staff for this crucial work, is in jeopardy. This is the only dedicated city funding for low wage essential workers in need of employment-related civil legal services.

Our coalition's work has never been more critical. Our clients have experienced first-hand the extent of the devastation the COVID-19 pandemic has wrought on low-wage and immigrant workers and workers of color, and the rise in workplace exploitation. Infections and deaths ravaged working-class immigrant, Black, and Brown communities like the ones where our members live, often in overcrowded multi-generational households, with multiple family members working in front-line jobs that have put them at high risk of infection. Even as the hope of vaccination brings us some hope, we see the long-lasting effects of the pandemic in record rates of economic calamity, job loss and financial insecurity, and a brewing housing crisis of untold proportions. The exclusion of many immigrants from critical federal programs and other forms of worker protections, including unemployment insurance and safety-net assistance, has further exacerbated already stark social and economic disparities in our city.

MRNY members have had to face the impossible choice between risking their personal and familial health, on the one hand, and finding a way to feed their loved ones on the other. We have heard from countless members and clients that they felt they had no other choice but continue to report to work even if their employer failed to provide masks or gloves, forced them to labor in overcrowded workplaces, or continued to operate a non-essential business during the Governor's

PAUSE Order. We have one client whose employer, a manufacturer of window blinds, shut down for only a few days after Governor Cuomo's order before illegally reopening. Factory managers told workers to enter the building through a side door to evade detection, and threatened to fire workers if they failed to report to work, even if they were sick. Other employers have fired workers for speaking out about dangerous conditions. For example, MRNY represents a former Amazon employee who was fired after joining with coworkers to protest safety issues at the corporation's JFK 8 warehouse facility in Staten Island. The National Labor Relations Board found merit in his claim that the corporation illegally discharged him for concerted activity in violation of federal labor laws,<sup>[3]</sup> but we know that employers throughout the city routinely retaliate against workers for raising health and safety and other concerns, and that most of those workers never seek legal redress. Many more workers stay silent, fearing retaliation and knowing they cannot afford any loss in income.

Many members and clients are completely out of work now or have seen their hours drastically reduced. The overwhelming majority are excluded from unemployment insurance because of their immigration status. A significant share of the workers who are eligible to collect UI or Pandemic Unemployment Assistance have faced huge barriers to accessing their benefits: NYSDOL's phone intake systems were overwhelmed during the height of pandemic-related unemployment, and many workers simply could not get through; other workers could not use the on-line application system because it was not available in languages other than English or because they did not have access to a computer or smartphone.

In light of the urgent need we have described above, on behalf of CILEC we respectfully request that the New York City Council stabilize the funding and commit to baselining \$7.5 million for the Low Wage Worker Initiative.

We thank you for the opportunity to present this testimony and look forward to working with the City Council to protect the most vulnerable workers' rights during the pandemic and beyond, including re-envisioning a holistic model of employment-related civil legal services for workers from NYC's low-income and immigrant communities

Cristobal Gutierrez  
Senior Staff Attorney, Workplace Justice Legal Team  
Make the Road New York  
cristobal.gutierrez@maketheroadny.org

---

<sup>[1]</sup> Unemployed and Excluded (Make the Road New York, August 2020), available at <https://maketheroadny.org/wp-content/uploads/2019/08/MRNY-Survey2.pdf>.

<sup>[2]</sup> “Trump’s Workplace Watchdog Assailed for Lenient Penalties on Covid Safety Violators,” (Politico, Oct. 6, 2020), available at <https://www.politico.com/news/2020/10/06/osha-coronavirus-penalties-426828>

<sup>[3]</sup> “US Investigation Finds Amazon Illegally Fired Warehouse Worker,” (Guardian, Dec. 17, 2020), available at <https://www.theguardian.com/technology/2020/dec/17/amazon-fired-warehouse-worker-nlr-gerald-bryson>



Testimonial Letter to the New York City Council  
March 2, 2021

Thank you to the City Council for the opportunity to submit written testimony. I am testifying today in solidarity with the **15% & Growing Campaign** that is supported by over 45 Asian-led and serving organizations in NYC.

My name is Jessica Chen, and I am the Artistic Director of J CHEN PROJECT, a 501c3 non-profit dance company in Hell's Kitchen, New York. J CHEN PROJECT is a member of the Asian American Arts Alliance, which is a partnering organization for 15% and Growing Campaign. Our company members have taught dance workshops for after-school programs hosted by Apex for Youth, another partnering organization.

The APA community is the fastest growing in the city making up more than 15% of the population. In FY 2021, Asian-led and serving organizations received only 4.65% of City Council discretionary dollars and less than 1.5% of social service contract dollars.

The current funding streams must be distributed more equitably and protect the most vulnerable New Yorkers.

Over the past year, APA New Yorkers have been fighting two pandemics. One of COVID-19 and another of discrimination and bigotry. Actress Olivia Munn spoke on The View this week and articulated that the “pandemic was weaponized” against the APA community and we can not ignore the astronomical rise in hate crimes against the APA community since the pandemic began.

I was a victim of harassment and bigotry this summer. I am an Asian woman, 5’3” tall and weighing approximately 125lbs. October 2, 2020, I was biking home from work around 2 pm EST in Upper West Side, Manhattan. A white middle-aged man, also on a bike, pulled up next to me at a traffic light and started yelling hateful, racist language at me. I did nothing to provoke him, except for being at the wrong place at the wrong time. He continued to harass me for 20 blocks yelling violence, racial slurs, and using aggressive language. He called me disgusting and ugly and told me to take the disease back home.

This is my home. I was born and raised in the United States. New York has been my home for 15 years. I work and pay taxes. I vote. I provide jobs for people. I teach and mentor the next generation.

Hate crimes involving Asian-American victims soared in New York City last year. The xenophobia and violence are compounded by the economic fallout of the pandemic and fears of the virus, which dealt a severe blow to New York's Asian-American communities.

Over the weekend, I went to the rally organized by the Asian American Federation's Rally to Rise Up Against Asian Hate where several elected officials spoke passionately about supporting the APA community of NYC. I was very inspired and uplifted.

COVID-19 has devastatingly impacted Asian Pacific American New Yorkers by exacerbating the systemic inequities that were already facing our communities before the pandemic.

These rising challenges vary across communities and rely heavily on our APA-led and serving organizations to fill in the gaps of services through culturally inclusive and language accessible services that have the most impact on addressing the needs of our community. Now more than ever, providing equitable funding to APA New Yorkers is necessary for the recourse and revitalization of our communities.

We request that budget cuts not fall disproportionately on the APA community. Instead, we ask the City to continue to make progress in reducing the inequitable distribution of the budget to the Asian Pacific American community. Increasing existing funding or redistributing existing funding more equitably for the fastest growing community in New York will promote fairness and opportunity.

This will ensure that Asian Pacific Americans – who make up a large portion of New York's workforce, taxpayers, and voters – receive their fair share of resources.

Thank you for your time.

Sincerely,

Jessica Chen  
Artistic Director of J CHEN PROJECT

[www.jchenproject.com](http://www.jchenproject.com)  
[jchenproject@gmail.com](mailto:jchenproject@gmail.com)





I am MOHAMMED HOQUE Med #8B23. Here's is something about this business with Omega brokerage inc ---

1. April, 4 2014 Mrs. Eleni(Omega) called me and after collect \$50,000 made an agreement for price of \$ 1 million and said I have to buy a car. Long before of my closing date (7-3-2014) they keep calling and collect total of \$ 150,000. Now I thing, they knew about this business falling down. They made closing paper July , 15 2014 and collect \$25,000 as a finance fee. I asked Mrs Eleni about it. But

| Date      | Amount \$ | Received by |
|-----------|-----------|-------------|
| 4-4-2014  | 50,000    | Eleni       |
| 4-23-2014 | 3,000     | Vsiliki     |
| 5-21-2014 | 9,900     | Vsiliki     |
| 5-21-2014 | 54,000    | Vsiliki     |
| 6-9-2014  | 10,000    | Vsiliki     |
| 6-9-2014  | 23,100    | Vsiliki     |
|           | =150,000  |             |

Records attested

2. My total payment for the both loans (principal, interest, late fees, impound fees) -----

| Year | Amount \$   |
|------|-------------|
| 2014 | 19,981.48   |
| 2015 | 54,315.00   |
| 2016 | 47,075.80   |
| 2017 | 34,571.30   |
| 2018 | 24,379.42   |
| 2019 | 3,500       |
|      | =183,823.80 |

Records attested

3. I request many times for reduce my principal like other banks/brokers because I lost my savings and everyday I losing my income. Mr. Tomas said, you have good credit so you can get some money from your credit cards or your wife credit card or you can borrow money from your friends/neighbors. They harassed me seized my car six(6) times without any notice. I asked Mrs. Hasna about it she said as a lender their allowed to do so. All seizure are lead by Mrs. Hasna. She/Tomas/Maria gave me the most hard time and forced for the cash payments.

| Date       | Collected Amount \$        | Received by |
|------------|----------------------------|-------------|
| 10-20-2015 | 12,342.78 - official check | Tomas       |
| 12-9-2015  | 7,000 -official check      | Tomas       |
| 11-30-2017 | 7,000 -cash                | Maria       |
| 12-21-2017 | 6,102.23 -cash             | Maria       |
| 4-20-2018  | 9,088.21 -cash             | Maria       |
| 3-18-2019  | -----                      | -----       |
|            | =41,533.22                 |             |

Records attested

4. Dec. 2017 they start asking for \$ 6102.23 and gave me different-different amounts. I asked big boss Mr. Savas about various payment amounts. He said this is interest so it can be different even morning-evening. Dec. 20 I gave them \$ 2,000 but same night they towed my car and next day after collect the balance of \$ 4,102.23 they release my car. They not done their paper work April, 20, 2018 they again towed my car and demanded \$ 9,088.21. I called NYCB they also said if I need their favor I have to pay \$ 9,088.21. Five days after I can manage their money but they were not gave me their committed amount.

Records attested.

5. They threat me about my credit line. Feb, 25 2019 before my seizure # 06 they mail me 13 envelopes again after tow April, 9 2019 another 15 envelopes asked for around \$ 1 million. April, 19 2019 Mrs. BHAIRAVI DESAI, executive director-NYTWA cell # 917-945-7286. Went Omega asked about my balance Mrs. Hasna said \$ 4900+ and I said I can manage \$ 2,000 but week after she called me and said I have to bring \$ 5,900+ for release the car. But after NY times news they stopped everything.

Records attested

6.

(a) NYCB officer Mr. Kurt Pohmer-Senior voice president-his team ph# 212-822-9413.

And.

(b) Omega brokerage's harrasment now I am in long list of medications, put me in trauma. I have Hi blood pressure, Diabetes with few others. Most of the night I can't sleep properly. My wife has also the same situation. I have a unhuman living condition. My three (3) kids are in risk now because I am the only earning person in this household and 8B23 is my only asset.

Records attested.

MOHAMMED HOQUE  
Monjurul LLC  
Sep. 10

Broker's Name: OMEGA BROKERAGE INC.  
 Broker's Address: 34-20 31st Street  
Astoria, N.Y. 11106

**BUYER'S CLOSING STATEMENT**

Buyer's Name: MONJURUL LLC Seller's Name: THE ESTATE OF LINDELL MINTO  
 Address 1: 166-05 HIGHLAND AVE., JAMAICA, NY 11432 100-02 32 AVE., E.ELMHURST, NY 11369  
 Type of Transfer: Individual: X Partnership: \_\_\_\_\_ Corporate: LLC  
 Complete Stock: X Partial Stock: \_\_\_\_\_  
 Date of TLC Closing: 7/3/2014 Date of Financial Closing: 7/15/2014 Med. Li: 8B23

**EXPENSES**

| DESCRIPTION:                          | PAID TO:                         | AMOUNT:                      |
|---------------------------------------|----------------------------------|------------------------------|
| Medallion License Rights              | <u>SELLER</u>                    | <u>\$1,000,000.00</u>        |
| City Sales Tax (5%)                   | <u>N.Y.C. COLLECTOR</u>          | <u>\$50,000.00</u>           |
| TLC License Fee (R/C)                 | <u>N.Y.C., T.L.C</u>             | <u>\$550.00</u>              |
| TLC Transfer Fee                      | <u>N.Y.C., T.L.C</u>             | <u>\$160.00</u>              |
| NYC Commercial Motor Vehicle Tax      | _____                            | _____                        |
| Incorporation Fee, LLC                | <u>HUBCO</u>                     | <u>\$1,185.65</u>            |
| Inter-county Clearance Fee            | _____                            | _____                        |
| Attorney's Fee                        | _____                            | _____                        |
| Broker's Fee                          | <u>OMEGA BROKERAGE INC</u>       | <u>\$5,000.00</u>            |
| Financing Fee/Loan origination fee    | <u>MEGA FUNDING CORP.</u>        | <u>\$25,000.00</u>           |
| Automobile                            | _____                            | _____                        |
| Liability Insurance Deposit           | <u>AMERICAN TRANSIT INS. CO.</u> | <u>\$2,358.41</u>            |
| Liability Insurance Premium           | _____                            | _____                        |
| Fire/Theft/Collision/ Deposit         | <u>KINGSTON INS. CO.</u>         | <u>\$863.00</u>              |
| Workers Comp. Insurance Dep.          | <u>HEREFORD INS. CORP.</u>       | <u>\$1,017.60</u>            |
| Misc.: <u>SHORT INTEREST</u>          | <u>MEGA FUNDING CORP.</u>        | <u>\$2,383.56</u>            |
| Misc.: <u>SHORT INTEREST</u>          | <u>MEGA FUNDING CORP.</u>        | <u>\$639.59</u>              |
| Misc.: <u>LIEN FILING FEES</u>        | <u>MEGA FUNDING CORP.</u>        | <u>\$500.00</u>              |
| Misc.: <u>RATE CARD 7/3/14-6/1/16</u> | <u>SELLER</u>                    | <u>\$1,594.00</u>            |
| <b>TOTAL EXPENSES</b>                 |                                  | <u><b>\$1,091,251.81</b></u> |

**CREDITS**

|                                                       |                                             |                              |
|-------------------------------------------------------|---------------------------------------------|------------------------------|
| 1st Loan: Lender Name:                                | <u>MEGA FUNDING CORP.</u>                   | <u>\$800,000.00</u>          |
| Lender Address:                                       | <u>34-20 31 STREET, ASTORIA, NY 11106</u>   |                              |
| Term: <u>25YR/3YR BL.</u>                             | <u>3.75%</u> Mo. Payment: <u>\$4,114.26</u> |                              |
| 2nd Loan: Lender Name:                                | <u>MEGA FUNDING CORP.</u>                   | <u>\$140,000.00</u>          |
| Lender Address:                                       | <u>34-20 31 STREET, ASTORIA, NY 11106</u>   |                              |
| Term: <u>25YR/3YR BL.</u> Interest Rate: <u>5.75%</u> | Mo. Payment: <u>\$881.11</u>                |                              |
| 3rd Loan: Lender Name:                                | _____                                       |                              |
| Lender Address:                                       | _____                                       |                              |
| Term: _____ Interest Rate: _____                      | Mo. Payment: _____                          |                              |
| Cash down Payment: Source of funds:                   | <u>OS-1</u>                                 | <u>\$150,000.00</u>          |
| Other: Source: <u>CASH</u>                            |                                             |                              |
| <b>TOTAL CREDITS</b>                                  |                                             | <u><b>\$1,090,000.00</b></u> |
| <b>LESS TOTAL EXPENSES</b>                            |                                             | <u><b>\$1,091,251.81</b></u> |
| <b>REFUND DUE TO BUYER</b>                            |                                             | <u><b>\$1,091,251.81</b></u> |
| <b>NET DUE TO:</b>                                    |                                             | <u><b>\$1,251.81</b></u>     |

SIGNATURE OF BROKER: SAVAS KONSTANTINIDES DATE: \_\_\_\_\_  
 SIGNATURE OF BUYER: Mohammed Monjurul Hoque DATE: 7-15-2014  
 MOHAMMED M. HOQUE, MGR. OF MONJURUL LLC

# MEGAFUNDING

34-20 31st Street • Astoria, NY 11106 • Phone: (718) 361-5555 • Fax: (718) 361-8630

N.Y.C. Taxi & Limousine Commission  
33 Beaver Street 22FL  
New York, NY 10004

June 26, 2014

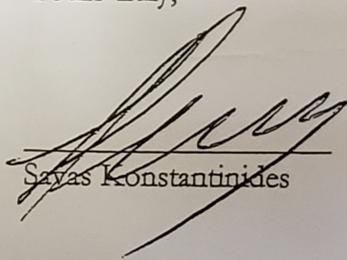
RE: MONJURUL LLC  
(MOHAMMED M. HOQUE)  
MEDALLION # 8B23

Gentlemen:

Please be advised two loans for the total amount of **\$940,000.00** have been approved for **MONJURUL LLC (MOHAMMED M. HOQUE)** Loan #1 - for the amount of \$800,000.00 amortized at 25 (Twenty-Five) years, with a 3 (Three) year balloon, a monthly payment of \$4,114.32. Loan #2 - for the amount of \$140,000.00 amortized at 25 (Twenty-Five) years with a 3 (Three) years balloon, with a monthly payment of \$881.13. The loans approved are for the purchase of N.Y.C. Taxi medallion #8B23.

This approval is contingent upon completion of all documentation requirements prior to or at the closing of the proposed loan.

Yours truly,



Savas Konstantinides

AFTER THIRTY DAYS, WE HAVE THE OPTION OF CANCELLING THIS COMMITMENT.