



**Testimony to NYC Council**  
Committee on Finance  
Oversight Hearing on the November Plan  
Submitted by Supportive Housing Network of NY  
Monday, December 11, 2023

Good evening, Chair and members of the Committee. My name is Tierra Labrada, and I am the Associate Director of Advocacy at the Supportive Housing Network of NY, a membership organization representing nonprofit that provide supportive housing to formerly homeless individuals and families. Thank you for the opportunity to testify in strong opposition to Mayor Adam's proposed PEGS, a decision that, if continued, will have catastrophic effects on our City's supportive housing system and the vital agencies overseeing mental health and housing programs.

New York City relies heavily on nonprofits to provide essential housing and support services; and nonprofits rely on a functioning government that can move housing development along without delays, process contract payments and increases, and importantly, fill housing vacancies with people living on the street or in shelter.

However, due to successive budget cuts, hiring freezes, and an already strained workforce, city agencies are not functioning effectively, causing massive delays across the board. One of our members alerted us to \$4m worth of contract payments that had not be reimbursed with another reporting a 5-month delay in approved rent assistance increases. These delays significantly hinder their ability to provide services and repairs, and keep up with the rising cost of building maintenance and operations.

These delays are a direct result of agency understaffing at housing and homelessness-related agencies: DOHMH HPD, DHS, HRA, DOB and DCP – these agencies must be insulated from the mayor's austerity measures.

And make no mistake: two more rounds of PEGS will inevitably lead to city agencies exhausting their budgets and passing cuts on to nonprofits—the nonprofits that the City relies on to house, feed, and care for New Yorkers in need. Our members, already struggling with staffing shortages and operating on razor-thin margins, cannot absorb these cuts, especially considering the current delays and inefficiencies; nonprofits must be held harmless.

The Network joins over 225 organizations in the #WHY15 campaign to demand transparency and inclusion in the City's budget process. We urge the City to collaborate with the nonprofit sector to find innovative solutions rather than imposing further hindrances. A 15% cut to the City's budget and additional cuts to the nonprofit sector will only undermine public safety, health, and the overall well-being of New York City.

Thank you.