



Testimony to the NYC Council

Committee on Mental Health, Disabilities and Addiction

FY26 Preliminary Budget Hearing

March 24, 2025

Submitted on Behalf of the Supportive Housing Network of NY

Good afternoon, Chair Lee and members of the Committee. My name is Katie Mui with the Supportive Housing Network of NY, a membership organization representing over 100 nonprofits operating more than 40,000 units of supportive housing in New York City. Thank you for the opportunity to testify on the FY26 budget.

We'd like to thank the Council for its support of our **NYC 15/15 reallocation proposal**, and we ask that you work with us to **codify and fund the proposal in FY26 and beyond**. The city has exceeded its 7,500-unit target for congregate housing, but scattered site has fewer than 1,500 units awarded—leaving over 6,000 units left. Our proposal calls for reallocating the majority of these units to develop and preserve congregate supportive housing.

Thank you for the \$115 million for NYC 15/15 in City of Yes—this is a critical step. We are asking for an additional **\$307 million in capital** in FY26 to develop and preserve about 950 units, **\$45 million** to cover the cost of service and operating, which are essential for supportive housing, for new development, and **\$27 million** to align the operating subsidy for all existing NYC 15/15 units with current HPD standards.

We are also here to show support for **Intro 514**, sponsored by Council Member Brannan, which would require interest to be paid on late payments under city contracts with non-profit organizations. Currently, five of the largest human services nonprofits in New York City are collectively owed over \$318 million by the city, with \$165 million stemming from prior fiscal years. Their combined cash deficit is over \$122 million and growing each month. Providers across the human services sector are experiencing similar situations, putting supportive housing units at risk of closure and re-entry into the private market.

Finally, we ask the Council to continue supporting:

- The **Justice-Involved Supportive Housing** program, with an additional \$4.8 million in funding.
- **B-HEARD crisis response teams**, by baselining \$4.5 million to ensure well-paid peer responders are part of the program.
- **Intensive Mobile Treatment teams**, with \$22 million to provide care for the waitlist of people seeking vital mental health support.
- **Four new crisis respite centers** requiring \$6 million, two of which must be opened by the end of 2025 per legislation passed in 2023.

We urge the Council to ensure that reallocation is not just supported but fully implemented this year. Without it, NYC risks failing to meet its commitments under NYC 15/15. Thank you for your time and leadership.