



**Public Comment to the
Mayor's Office of Contract Services (MOCS) Procurement Policy Board on the
Proposed Length of Terms Amendment**

June 18, 2009

Good afternoon. My name is Nick Napolitano and I am speaking here today on behalf of the Supportive Housing Network of New York. Thank you for the opportunity to provide comments and questions on the proposed amendment to Procurement Policy Board (PPB) Rule 2-04. We have a few questions and recommendations for the Board but overall the Network stands in strong support of the amendment to lengthen the terms of human service contracts in the City.

The Network is a statewide member organization that represents more than 180 nonprofit agencies that build, operate and provide services in housing for homeless, disabled and at-risk New Yorkers. In New York City, we have 90 members that provide supportive housing, permanent, affordable apartments with on-site social services, for individuals with mental illness, histories of substance use, people living with HIV/AIDS, families, domestic violence survivors, youth aging out of foster care and other vulnerable populations. Altogether they provide housing to over 24,000 households in the City.

Supportive housing providers receive service funding from a variety of federal, state, and city sources. In New York City our members primarily contract with the Department of Health and Mental Hygiene, Department of Homeless Services and Human Resource Administration's HIV/AIDS Services Administration.

Positive impacts of lengthening contract terms

Lengthening the terms of contracts for nonprofit service providers will have several positive impacts. First and foremost, it will reduce the administrative burden on providers, many of whom spend valuable staff time and resources applying for contract renewals. The promise of long-term contracts with the city for eligible service providers will allow our members to focus staff time on program services for our tenants.

Second, longer contracts will make it easier for supportive housing providers to attract the capital financing necessary to develop new housing. Funding agencies and investors are more apt to provide capital resources for construction if they are assured that the operations and service funding necessary to keep a building open is secure.

Additionally, by extending contract terms, the City is sending a message to communities wary of having supportive housing in their neighborhood that the City is committed to ensuring the long-term stability of the tenants, and by extension, their community.

Requested Clarifications

The proposed amendment does not specify where contracts to provide permanent housing with social services would fall within the amended three, six, or nine year contract structure. We would hope that the PPB can clarify this issue, as many of our providers should be eligible for long-term contracts according to the examples mentioned in the proposed amendment. For example, congregate apartment buildings require capital investment and many must go through the extensive ULURP process; providers must sign lease agreements for scattered site apartments with supportive services; and case managers and other staff have a therapeutic relationship with tenants.

It is also unclear from the amendment if:

- These changes would only affect new contracts or if current contracts would be given an opportunity to extend the length of their contract term. Network members would appreciate additional information about how the amendment would be implemented if the PPB were to pass it.
- The amendment would apply to all NYC agencies with human service contracts.
- Agencies would retain the ability to provide Cost of Living Adjustments (COLAs) by contract amendments during the contract period.

We think this amendment will ultimately save precious City resources and reduce the administrative burden on supportive housing providers that contract with the City of New York. At the same time, we encourage MOCS and PPB to consider additional amendments that would further expedite the contract process, save resources, provide greater insurance to capital investors, and ultimately house vulnerable populations faster. This includes allowing:

- Nonprofits to merge multiple contracts with the same city agency into a master contract.
- Rolling RFPs for all agencies with supportive housing contracts.

Thank you in advance for answering our questions on the proposed amendment and for listening to our additional recommendations.

Submitted by:

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