

THE COUNCIL OF THE CITY OF NEW YORK

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Report to the Committee on Finance and the Committee on General Welfare on the
Fiscal 2022 Executive Budget for the

Department of Homeless Services

May 10, 2021

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Department of Homeless Services Overview

This report presents a review of the Department of Homeless Services (DHS) \$2.1 billion Fiscal 2022 Executive Budget. The section below presents an overview of the Department's budget followed by a review of the significant budget actions introduced in the Fiscal 2022 Executive Budget. Major issues related to the Department's budget are then discussed. For additional information on the Department's budget and its various programs, please refer to the Fiscal 2022 Preliminary Budget Report for DHS at: <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2021/03/071-DHS.pdf>

DHS' Fiscal 2022 Budget of \$2.2 billion represents approximately 2 percent of the City's total Fiscal 2022 Budget of \$100.5 billion. DHS' Fiscal 2022 Executive Budget is \$96 million more than the agency's Fiscal 2021 Adopted Budget and \$681 million less than the current Fiscal 2021 Budget. The Fiscal 2022 Executive Budget allocates federal revenue to expand programming in DHS in Fiscal 2022 and the outyears. However, DHS' Fiscal 2022 Budget does not accurately project spending for Fiscal 2022, especially spending related to the COVID-19 pandemic.

DHS' Fiscal 2022 Executive Budget totals \$2.2 billion, of which \$164.6 million supports Personal Services (PS) and \$2 billion or 90 percent supports Other Than Personal Services (OTPS). The Financial Summary below shows the Department's budget since Fiscal 2019, including headcount, and compares its Fiscal 2022 Executive Budget to its Fiscal 2021 Adopted Budget.

DHS Financial Summary						
	FY19	FY20	FY21	Executive Plan		*Difference
<i>Dollars in Thousands</i>	Actual	Actual	Adopted	FY21	FY22	FY21-FY22
Spending						
Personal Services	\$161,541	\$163,608	\$157,774	\$157,115	\$164,589	\$6,815
Other Than Personal Services	2,022,600	2,205,578	1,902,033	2,680,002	1,991,390	89,357
TOTAL	\$2,184,142	\$2,369,187	\$2,059,806	\$2,837,118	\$2,155,979	\$96,173
Budget by Program Area						
Adult Shelter Administration & Support	\$11,567	\$9,935	\$10,235	\$12,656	\$10,236	\$2
Adult Shelter Intake and Placement	10,121	10,308	11,909	12,018	11,930	21
Adult Shelter Operations	767,142	825,588	656,277	809,679	662,434	6,157
Family Shelter Administration & Support	11,235	7,805	18,095	12,532	16,726	(1,369)
Family Shelter Intake and Placement	27,864	32,729	32,095	32,038	32,117	23
Family Shelter Operations	1,146,638	1,122,802	1,123,817	1,030,336	1,122,677	(1,140)
General Administration	84,978	223,696	72,833	773,990	80,618	7,785
Outreach, Drop-in and Reception Services	101,973	117,135	119,207	138,450	211,316	92,109
Prevention and Aftercare	57	1,569	9	90	12	3
Rental Assistance and Housing Placement	22,566	17,619	15,330	15,330	7,912	(7,418)
TOTAL	\$2,184,142	\$2,369,187	\$2,059,806	\$2,837,118	\$2,155,979	\$96,173
Funding						
City Funds	\$1,353,045	\$1,569,837	\$1,127,517	\$1,214,736	\$1,336,287	\$208,770
Other Categorical	3,286	3,263	0	0	0	0
State	176,712	176,759	179,312	179,309	175,969	(3,344)
Federal - Community Development	3,400	4,688	4,337	9,838	4,337	0
Federal - Other	646,712	617,741	747,789	1,432,384	638,535	(109,254)
Intra City	986	899	851	851	851	0
TOTAL	\$2,184,142	\$2,369,187	\$2,059,806	\$2,837,118	\$2,155,979	\$96,173
Budgeted Headcount						
Full-Time Positions - Civilian	2,318	2,119	2,236	2,101	2,158	(78)
TOTAL	2,318	2,119	2,236	2,101	2,158	(78)

*The difference of Fiscal 2021 Adopted Budget compared to Fiscal 2022 Executive Budget.

As indicated by the Financial Plan Summary on the previous page, the Department of Homeless Services Fiscal 2022 Executive Budget totals \$2.2 billion, an increase of \$96.2 million when compared to the agency's Fiscal 2021 Adopted Budget. As seen in the appendix, the majority of this change can be attributed program expansions introduced in the Fiscal 2022 Executive budget, including additional headcount in multiple areas. When comparing the Fiscal 2022 Executive Budget to the Fiscal 2021 Adopted Budget, full-time headcount decreases by 78 positions, a decrease of 131 positions in General Administration and an increase of 53 positions in Outreach, Drop-in and Reception Services.

DHS's current Fiscal 2022 Budget is approximately \$777.3 million more than the Fiscal 2021 Budget at adoption. The majority of these changes are from federal funding increases related to COVID-19 response, including shelter sites, stabilization bed sites, and Safe Haven sites. Comparatively, DHS' Fiscal 2022 Executive Budget is \$681 million less than its current Fiscal 2021 budget, primarily due to a lack of budgeting for federal COVID-19 relief funding in Fiscal 2022. COVID-19 relief funding has typically been budgeted quarterly in each financial plan.

Below is a summary of key funding changes by program area and source when comparing DHS' Fiscal 2022 Executive Budget to its Fiscal 2021 Adopted Budget.

Changes by Funding Source

- **City Funding.** When compared to its Fiscal 2021 Adopted Budget, DHS' City funding increases by \$208.8 million in Fiscal 2022. This increase is attributable to City funds supplanting an \$85 million shortfall in federal emergency assistance for needy families (EAF) funding, reflected in the Fiscal 2022 Executive Budget, and a \$127 million federal emergency shelter grant funding shortfall, reflected in the Fiscal 2022 Preliminary Budget. The Fiscal 2022 Executive Budget added \$7.4 million in new needs, of which \$7.3 million are baselined. The Fiscal 2022 Executive Budget includes a \$5.9 million new need for a janitorial wage adjustment, associated with increases to the prevailing wage, for contracted janitors at shelters operated by DHS, and \$1.3 million for IT maintenance including software and hardware costs. Additionally, \$125,000 is included for a vaccine incentive initiative and \$100,824 is included for the Healing NYC initiative.
- **Federal Funding.** When compared to the Fiscal 2021 Adopted Budget, DHS' federal funding decreases by \$109.3 million in Fiscal 2022. The largest changes are an \$85 million federal EAF funding shortfall and a \$127 million federal emergency shelter grant funding shortfall previously mentioned. The Fiscal 2022 Executive Budget added \$103.3 million in federal funds to support several initiatives, funded through emergency solutions grant funding (ESG) and American Recovery Plan (ARP) funding. The Fiscal 2022 Executive Budget added \$76.9 million in federal funds for Journey Home Safe Havens, \$15.2 million for street outreach programming, \$9.6 million for the indirect cost rate (ICR) initiative, and \$3 million for DHS' portion of the citywide Clean Up Corps.
- **State Funding.** When compared to the Fiscal 2021 Adopted Budget, DHS' state funding decreases by \$3.3 million, this reduction is reflected in the rental assistance and housing placement program area.

Significant Programmatic Changes

The largest programmatic areas for spending in DHS' Fiscal 2022 Budget are Family Shelter Operations and Adult Shelter Operations, which combined, consist of 83 percent of the agency's

Fiscal 2022 Executive budget. Spending changes when comparing the Fiscal 2021 Adopted Budget to the Fiscal 2022 Executive Budget in Family Shelter Operations and Adult Shelter Operations are a result of realigning funding from federal revenue to city-tax levy. Additionally, DHS' budget General Administration increased by \$7.8 million and DHS' budget for Outreach, Drop-in and Reception Services increased by \$92.1 million. The programmatic changes reflected in the Fiscal 2022 Executive Budget are detailed below.

- **Family Shelter Operations.** The Fiscal 2022 Executive Budget for Family Shelter Operations increases by \$1.1 million when compared to the Fiscal 2021 Adopted Budget. This primarily due to temporary aid for needy families (TANF) funding shortfall of \$85 million which is funded in the Executive Plan with city-tax levy.
- **Adult Shelter Operations.** The Fiscal 2022 Executive Budget for Adult Shelter Operations decreases by \$6.2 million when compared to the Fiscal 2021 Adopted Budget. This is primarily due to a \$127 million federal emergency shelter grant funding shortfall which is funded in the Fiscal 2022 Preliminary Plan with city-tax levy.
- **General Administration.** The Fiscal 2022 Executive Budget for General Administration increases by \$7.8 million when compared to the Fiscal 2021 Adopted Budget. This is the net result of a \$12.6 million increase in federally funded Coronavirus Relief Funds and a decrease in city-tax levy.
- **Outreach, Drop-in and Reception Services.** The Fiscal 2022 Executive Budget for Outreach, Drop-in and Reception Services increases by \$92.1 million when compared to the Fiscal 2021 Adopted Budget. This is the result of a \$92.1 million increase in federally funded Coronavirus Relief Funds.

New in the Executive Budget

The Executive Plan introduces changes that increase DHS's Fiscal 2022 Executive Budget by \$96.2 million, compared to the Fiscal 2021 Adopted Budget. The Executive Plan introduces \$7.4 million in new needs and \$96 million in Other Adjustments for Fiscal 2022. New Needs, Savings, and Other Adjustments in the Fiscal 2022 Executive Budget for the Department are detailed in the following sections.

New Needs

DHS' Fiscal 2021 Executive Budget introduces \$7.4 million in new needs in Fiscal 2022 and \$7.3 million in new needs in the outyears.

- **Janitorial Wage Adjustment.** The Executive Plan includes \$5.9 million for janitorial wage adjustments in Fiscal 2022 and the outyears. This increase affects janitorial contracts at shelters run by DHS and is related to the increased prevailing wage rates.
- **DHS IT Maintenance.** The Executive Plan includes \$1.3 million in funding for IT maintenance in Fiscal 2022 and the outyears. This increase funds software and hardware costs at the agency.
- **Vaccines for DHS Shelters.** The Executive Plan includes \$125,000 for the vaccine rollout at shelters. This new need will fund an incentive program aimed to increase vaccine uptake among DHS clients by offering gift cards when vaccines are administered. This program is currently in place and funded at \$50,000 in Fiscal 2021.

- **Healing NYC Expansion.** The Executive Plan includes \$100,824 in Fiscal 2022 and \$95,624 baselined in the outyears for the Healing NYC program. This new need will fund one navigator position at \$92,000, baselined, whose position responsibilities will include providing medication assistance for clients experiencing homelessness with a history of substance addiction. The Healing NYC program is primarily funded and run through the Department of Health and Mental Hygiene (DOHMH).
- **EAF TANF Revenue Shortfall.** The Executive Plan includes \$85 million in Fiscal 2022 to fund a federal revenue shortfall in EAF TANF funding of \$85 million. This change in funding is due to changes in eligibility criteria for the program at the federal level.

Other Adjustments

In addition to new needs, other adjustments increase DHS' Fiscal 2022 Executive Budget by \$96 million in Fiscal 2022 and by \$9.5 million in the outyears. Other adjustments include changes to major programs, detailed below, as well as technical changes and funding adjustments.

In Fiscal 2021, DHS brought online 138 new Safe Haven beds at two sites, for a total of 230 new beds opened to date as a part of the Mayor's Journey Home Street Homelessness Plan. A total of 519 new Journey Home Safe Haven beds at 12 sites are projected to be open by the beginning of Fiscal 2022. There are currently 20 safe haven sites city-wide and the Fiscal 2022 Preliminary Budget budgets \$57.8 million for the program.

- **Journey Home Safe Havens.** The Executive Plan includes \$76.9 million in Fiscal 2022 for the Mayor's Journey Home Safe Haven Plan. Safe Havens are transitional housing options which provide overnight beds and supportive services to clients. A total of 519 new Journey Home Safe Haven beds at 12 sites are projected to be open by the beginning of Fiscal 2022, and there are currently 20 Safe Haven sites city-wide. This other adjustment includes \$2.4 million for a headcount increase of 35 for outreach and intake and is funded through federal ARP local aid. Funding is not baselined in the outyears.
- **Street Outreach Programming.** The Executive Plan includes \$15.2 million in Fiscal 2022 and \$9.4 million in the outyears for street outreach programming. This other adjustment includes \$7 million for a headcount increase of 18, primarily for street outreach, and an increase of \$8.2 million for enhanced services. This expansion will allow DHS' street outreach team to engage more individuals experiencing street homelessness, particularly at Penn Station and is funded through federal ARP local aid.
- **Indirect Cost Rate Initiative.** The Executive Plan increases funding for the indirect cost rate initiative by \$9.6 million in Fiscal 2021 and in the outyears funded through ARP local aid. Total funding for the indirect rate cost initiative in DHS, including this increase, is \$18.7 million in Fiscal 2021 and in the outyears.
- **DHS Clean Up Corps.** The Executive Plan includes \$3 million in Fiscal 2022 for DHS' part of the city-wide Clean Up Corps Initiative. The initiative aims to hire 10,000 workers across agencies. This other adjustment is funded through federal ARP local aid.
- **Enhanced Space Management.** The Executive Plan includes \$2.8 million in spending reductions related to enhanced space management at the 33 Beaver Street office. This other adjustment reduces city-tax levy by \$1 million and federal funding by \$1.8 million.

COVID-19 Spending

In the Fiscal 2022 Executive Budget, DHS implemented a number of programmatic changes, which are outlined below.

- **DHS' COVID-19 Budget and Expenditures.** The Executive Plan did not make changes to DHS' Fiscal 2022 budget to show COVID-19 related expenses or revenue despite significant funding in Fiscal 2021. In total, DHS' Fiscal 2021 budget reflects \$929.2 million in COVID-19 related federal revenue. Of the total federal revenue related to COVID-19, federal FEMA funding accounts for \$615.5 million, ESG funding accounts for \$224.9 million, CARES Coronavirus Relief Funding (CRF) accounts for \$74.7 million, and local aid through the American Rescue Plan accounts for \$14.2 million.
- **Federal FEMA Funding.** The FEMA reimbursement rate was increased to 100 percent and is currently set to expire in September 2021. DHS recognized \$109.8 million in Fiscal 2021 to retroactively reimburse the additional 25 percent for expenses previously eligible for 75 percent reimbursement. Additionally, the Fiscal 2022 Executive Plan recognizes \$176.2 million in Fiscal 2021 for contracted rent for COVID-19 hotels, including de-densify, isolation sites, and stabilization bed sites.
- **Emergency Solutions Grant.** As part of the CARES stimulus package, DHS received \$382.4 million in ESG funding to be utilized by September 2023. To date, DHS has allocated \$224.9 million in ESG funding for non-FEMA eligible expenses including street outreach, social services in COVID-19 hotel sites, and social services in Safe Havens. The Fiscal 2022 Executive Budget allocated \$56.9 million in ESG funding for Fiscal 2021. DHS has \$157.4 million in ESG funding remaining.
- **CARES Coronavirus Relief Funds.** As part of the CARES stimulus package, DHS received funding through the coronavirus relief fund (CRF) program. To date, DHS has allocated \$74.7 million in CRF funding for non-FEMA eligible expenses including social services in COVID-19 hotel sites. The Fiscal 2022 Executive Budget allocated \$56.9 million in CRF funding for Fiscal 2021.
- **American Rescue Plan Local Aid.** DHS received local aid funding through the ARP to be utilized by the end of calendar year 2024. The Executive 2022 Budget allocates \$14.2 million for the increase to the indirect cost rate initiative and to fund street outreach programming. The Executive Plan allocates \$101.7 million in ARP funding for Fiscal 2022, which includes the indirect cost rate initiative, street outreach programming, and Journey Home Safe Haven sites. While the indirect cost rate initiative and street outreach programming are baselined, the Journey Home Safe Haven sites are only funded in Fiscal 2022.

Response to COVID-19

In March 2020, the number of confirmed COVID-19 cases accelerated rapidly, leading to a citywide shutdown of nonessential businesses and services. The resulting economic fallout left budget shortfalls for New York City and the Department of Homeless Services. The impact of COVID-19 among sheltered and unsheltered New Yorkers has been severe. As of March 2020, DHS' policy is to isolate individuals who have tested positive or are exhibiting symptoms in hotel-based shelter. DHS has brought online isolation beds with additional medical services, de-densify

hotels to reduce the number of individuals in congregate shelter, stabilization bed sites, and Journey Home Safe Haven sites.

- **De-Densify Hotels.** On April 3rd, 2020, DHS began their de-densify strategy to reduce the number of clients above 70 years old in traditional shelter and to reduce the shelter population in high-risk dormitory shelter settings. DHS' priority was to isolate shelter clients over the age of 70 years old, followed by single adults in congregate shelter. DHS has continued this policy over the course of the COVID-19 pandemic and expanded their de-densify and isolation hotel portfolio to meet the needs of clients. As of February 8, 2021, DHS reported four senior hotel sites and 59 density reduction hotel sites.
- **Isolation Hotels.** As of March 2020, DHS' policy is to isolate individuals who test positive or are exhibiting symptoms in hotel-based shelter with additional medical services. Transportation to isolation sites is provided for clients and clients return to their shelter site after symptoms improve. As of February 8, 2021, DHS is operating four isolation hotel sites.
- **Stabilization Beds.** Stabilization beds are low-barrier to entry single-occupancy rooms in buildings or hotels across the City, which provides fewer supportive services to clients. In Fiscal 2021, DHS brought 541 emergency stabilization beds online at seven sites. In total, as of February 2, 2021, DHS has opened a total of 1,051 new emergency stabilization beds at 17 sites. A total of 1,498 stabilization beds at 21 sites are projected to be open by the end of February 2021. There are currently 27 stabilization bed sites city-wide.
- **Safe Havens.** Safe Havens are transitional housing options which provide overnight beds and supportive services to clients. In Fiscal 2021, DHS brought online 138 new Safe Haven beds at two sites, for a total of 230 new beds opened to date as a part of the Mayor's Journey Home Street Homelessness Plan. A total of 1,000 new Journey Home Safe Haven beds at 12 sites are projected to be open by the beginning of Fiscal 2022. There are currently 20 Safe Haven sites city-wide.

In addition to increasing hotels rooms, stabilization beds, and safe havens as a response to COVID-19, the following are additional initiatives by DHS and the State to address the pandemic.

- **COVID-19 Vaccinations.** DHS relies on the City's COVID-19 vaccine distribution program to vaccinate clients and staff. Additionally, DHS has set up one vaccine hub in a shelter to supplement the citywide effort. DHS has established a mobile effort, similar to COVID-19 testing, to vaccinate clients with the Johnson and Johnson vaccine. Additionally, the Fiscal 2022 Executive Budget funds a program to incentivize clients to take the COVID-19 vaccine.
- **Subway Closures.** On May 5th, 2020, the Metropolitan Transportation Authority (MTA) began nightly closures of the subway system between 1 a.m. and 5 a.m. to disinfect trains, stations, and equipment. On May 3rd, 2021, Governor Cuomo announced the MTA will resume 24-hour service beginning on May 17th. This will likely impact DHS' street outreach and end-of-line services, as the agency will have to shift outreach to respond to the changes in MTA service.
- **Eviction Moratorium and Rental Arrears.** In April 2021, New York State legislators extended the eviction moratorium from May 1st to August 31st. As part of ARP, New York State and New York City received funds for eviction prevention and rental arrears. The

funding will be distributed to tenants through one centralized application run by the State Office of Temporary and Disability Assistance (OTDA).

Fiscal 2022 Preliminary Budget Response

The Council called upon the administration to fund key areas of DHS' budget in its Fiscal 2022 Preliminary Budget Response. Two proposals were a general call across the human services sector to fully fund the indirect cost rate and provide a wage adjustment, while the remaining called for DHS to continue to fund shelter programs that were ramped up as part of the agency's response to the pandemic. Below the Council's proposals are discussed and an analysis of how they were or were not addressed in the Executive Plan is also provided.

- **Fully Fund the Indirect Cost Rate.** The Fiscal 2022 Executive budget fully funds the indirect cost rate initiative, beginning in Fiscal 2021 and baselined in the outyears. DHS allocated \$9.6 million in Fiscal 2021, baselined, for the indirect cost rate initiative.
- **Fund Cost of Living Adjustments.** In Fiscal 2018, the City introduced a three-year cost of living adjustment (COLA) for human services workers. The COLA expired at the end of Fiscal 2020 and was not renewed in the Fiscal 2021 Adopted Budget, leaving frontline workers without a COLA increase in the middle of a pandemic. The Fiscal 2022 Preliminary Budget Response called for a baselined COLA increase for human services workers.
- **Continue the Shelter De-Densify Program in Fiscal 2022.** At the onset of the pandemic, the Administration began to house homeless single adults in isolation and de-densifying hotel rooms to curb the spread of COVID-19 in congregate homeless settings. The Fiscal 2022 Preliminary Budget Response called for the Executive Plan to budget for the de-densify program in Fiscal 2022. DHS' Fiscal 2022 budget does not fund these sites.
- **Maintain Stabilization Bed Sites in Fiscal 2022.** DHS has brought over 1,000 stabilization beds online since the beginning of the pandemic, most utilizing hotel rooms. As part of its street homelessness strategy, the Fiscal 2022 Preliminary Budget Response called on DHS to maintain these stabilization beds and make them permanent in its portfolio. DHS' Fiscal 2022 Budget does not fund these sites.

Capital Plan Overview

On April 26, 2021, Mayor Bill de Blasio released the Executive Capital Commitment Plan for Fiscal 2021-2025 (the Commitment Plan), the Fiscal 2022-2025 Executive Capital Budget (the Capital Budget) and the Fiscal 2022-2031 Ten-Year Capital Strategy (the Strategy).

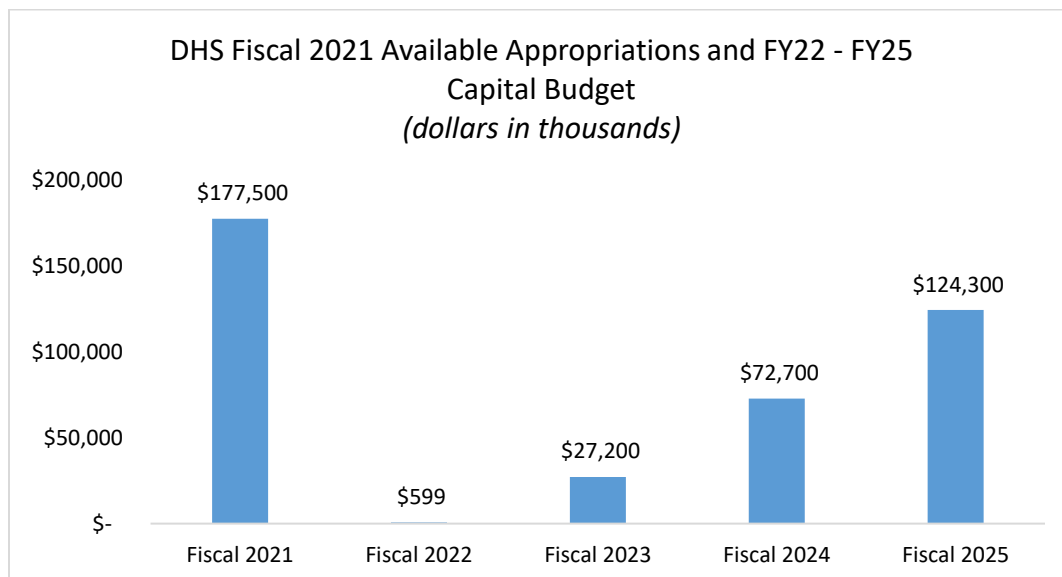
This section will provide an overview of the Capital Budget, the Commitment Plan, and the Strategy for the Department of Transportation. Each one of these documents should support and be well integrated with one another to properly execute the City's capital projects, as well as meet its infrastructure goals.

Fiscal 2022 Executive Capital Budget for Fiscal 2022-2025

The Capital Budget provides the estimated need for new appropriations for Fiscal 2022 along with projections for the subsequent three-year capital program. Appropriations represent the legal authority to spend capital dollars and are what the Council votes on at budget adoption. The Commitment Plan, which is a five-year spending plan, is the plan to spend those

appropriations. The Capital Budget is significantly less than the Capital Commitment Plan because it does not include the current appropriations for Fiscal 2021 or the amount of funding that may be re-appropriated or rolled into Fiscal 2022 in the Adopted Budget.

DHS' Fiscal 2022 Executive Capital Budget includes \$224.8 million in Fiscal 2022-2025, a decrease of \$12.2 million, or five percent, when compared to the Preliminary Capital Budget. The change is driven by a decrease in funding for congregate facilities for homeless families of \$14.3 million and a decrease in funding for congregate facilities for homeless single adults of \$2.7 million. This represents less than one percent of the City's total \$65.5 billion Capital Budget for 2022-2025. Available appropriations for Fiscal 2021 total \$177.5 million as of February 28, 2021. This includes \$162.6 million in reauthorized prior appropriations, and \$15.5 million in authorized appropriations, less actual commitments of \$600,000 in the current fiscal year. The Executive Capital Budget does not include any additional changes that will be made prior to Adoption, which will likely increase the City's overall capital budget.



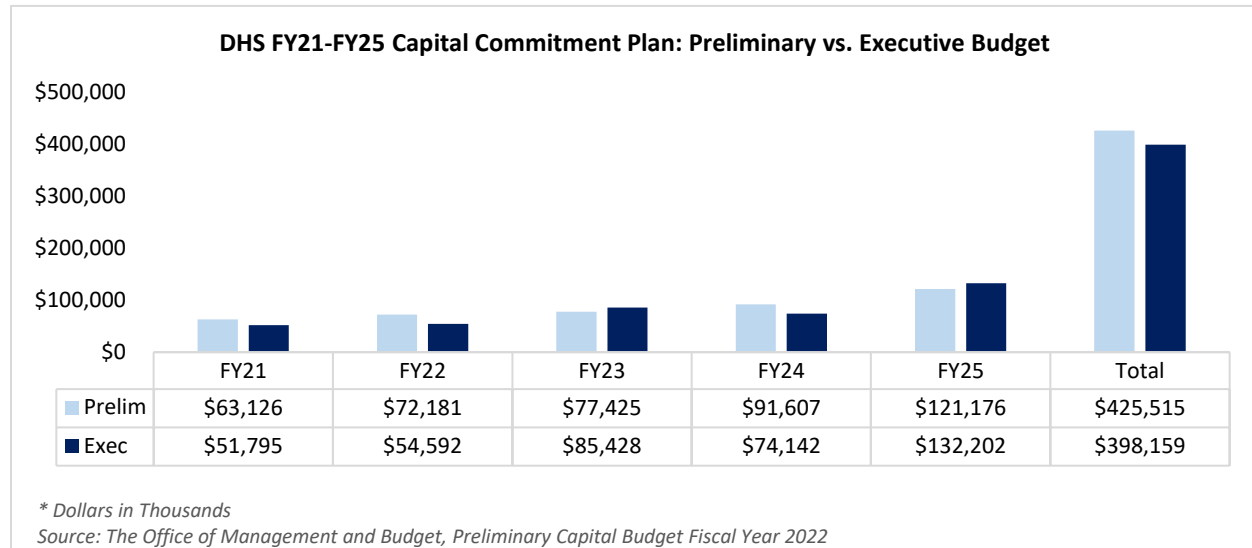
Fiscal 2022 Executive Capital Commitment Plan for Fiscal 2021-2025

The Capital Budget provides the estimated need for new appropriations for Fiscal 2022 along with projections for the subsequent three-year capital program. Appropriations represent the legal authority to spend capital dollars and are what the Council votes on at budget adoption. The Commitment Plan, which is a five-year spending plan, is the plan to spend those appropriations. The Capital Budget is significantly less than the Capital Commitment Plan because it does not include the current appropriations for Fiscal 2021 or the amount of funding that may be re-appropriated or rolled into Fiscal 2022 in the Adopted Budget.

DHS' Fiscal 2022 Executive Capital Plan includes \$398 million in Fiscal 2021 – Fiscal 2025, a decrease of \$27.4 million when compared to the agency's Fiscal 2022 Preliminary Plan. This represents less than one percent of the City's total \$65.5 billion Capital Plan for 2021-2025. The largest categories of capital projects are congregate facilities for homeless single adults, with \$268.5 million, and congregate facilities for homeless families, with \$75.7 million. Together, these two categories are 86 percent of the DHS Capital Plan for 2021-2025. Additional categories

of capital projects include the purchase of equipment, reconstruction and improvements to shelters, and provider capital funding.

Since March 2020, all of DHS' active projects have been on hold except for those for essential projects related to COVID-19 health and safety or legal mandates. Therefore, it is expected that DHS will not meet all of its commitment targets in Fiscal 2021.



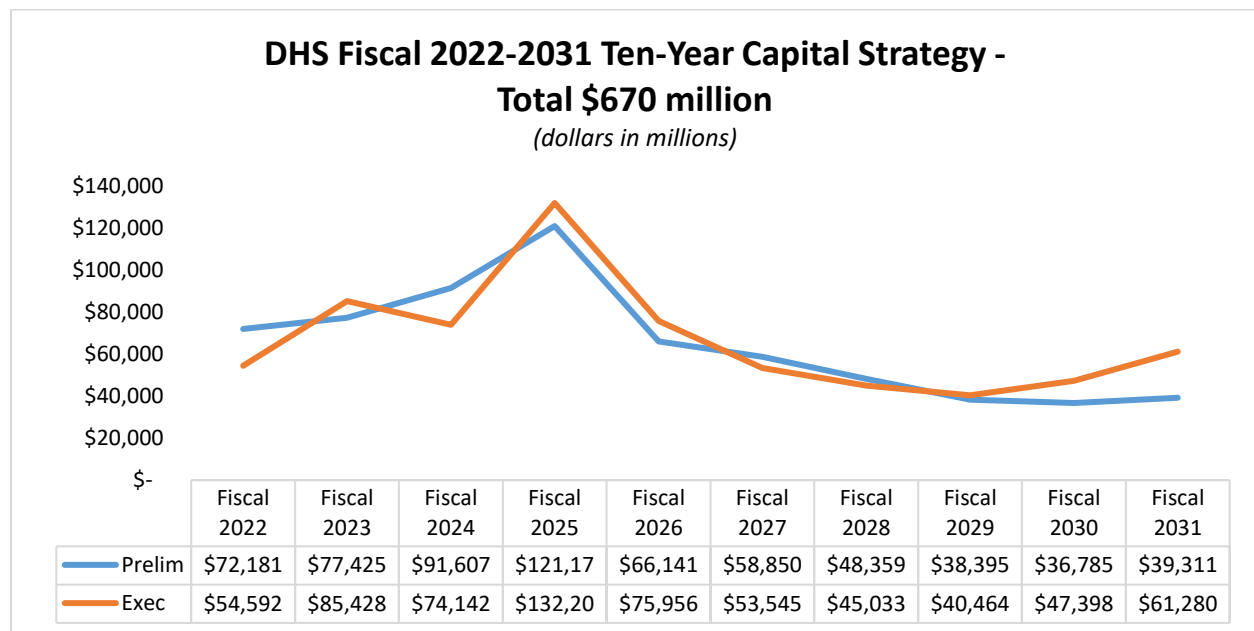
Executive Capital Plan Highlights: Fiscal 2021 – 2025

The Fiscal 2022 Executive Capital Plan decreased the Fiscal 2022 capital budget by \$27.4 million, or six percent, when compared to the Fiscal 2022 Preliminary Capital Plan. Major changes to the Fiscal 2022 budget are detailed below.

- Congregate Facilities for Homeless Families.** The Fiscal 2022 Executive Capital Plan decreased funding by \$16.2 million for congregate facilities for homeless families when compared to the Fiscal 2022 Preliminary Capital Plan. Significant changes include a \$10.1 million decrease in funding for major repairs and building upgrades, an \$8.4 million decrease for roof replacement at Jennie Clarke, and a \$3 million decrease for electrical and kitchen upgrades at Seneca Houses.
- Congregate Facilities for Homeless Single Adults.** The Fiscal 2022 Executive Capital Plan decreased funding by \$10.7 million for congregate facilities for single adults when compared to the Fiscal 2022 Preliminary Capital Plan. The primary change is a \$21.5 million decrease in funding for major repairs and building upgrades. Other changes include increases for floor replacements, roof replacements, and boiler replacements.

Executive Ten-Year Capital Strategy Fiscal 2022-2031

The Ten-Year Strategy is the City's long-term capital planning document, which provides a framework for capital spending by agency. The Strategy is released every two years as mandated by the City Charter. The Ten-Year Strategy provides information on the comprehensive infrastructure planning that the City undertakes explains the connection between capital investment and strategic priorities. It is designed to help prioritize investment decisions across all capital agencies and to communicate to the public an integrated approach to capital planning across infrastructure types, in line with the growth of the City.



For DHS, the Ten-Year Capital Strategy provides \$670 million in Fiscal 2022–2031 for capital construction and reconstruction projects. The Strategy is broken down into the following five categories: Shelter for Homeless Individuals, Equipment, Shelter for Homeless Families, Social Services Buildings, and Purchase of Vehicles. Overall, the Ten-Year Capital Strategy is \$20 billion more than the Preliminary Strategy of \$650 million.

Appendix 1: Fiscal 2022 Budget Actions since Fiscal 2021 Preliminary

<i>Dollars in Thousands</i>	FY 2021			FY 2022		
	City	Non-City	Total	City	Non-City	Total
DHS Budget as of the Preliminary 2022 Plan	\$1,124,094	\$1,269,836	\$2,393,930	\$1,247,827	\$804,722	\$2,052,548
New Needs – Exec. 2022						
DHS IT Maintenance	\$0		\$0	\$1,300		\$1,300
EAF Revenue Shortfall	85,000	(85,000)	0	85,000	(85,000)	0
HealingNYC Expansion	0		0	101		101
Janitorial Wage Adjustment	5,900		5,900	5,900		5,900
Vaccines for DHS Shelters	50		50	125		125
Subtotal, New Needs	\$90,950	\$(85,000)	\$5,950	\$92,426	\$(85,000)	\$7,426
Other Adjustments - Exec. 2022						
21ESG		\$54,527	\$54,527			\$0
ACF IC with HPD	0		0	0		0
Additional Compensation Fund	8	0	8	8	0	8
DHS Clean Up Corps			0		3,000	3,000
DSS Realignment			0	(4,115)	(3,303)	(7,418)
Enhanced Space Management			0	(1,027)	(1,749)	(2,775)
FY21 9355/600 CD roll		5,501	5,501			0
FY21 DHS ESG PS MOD		1,929	1,929			0
FY21 ESG 8901 MOD		400	400			0
FY21 HMIS Rev3		164	164			0
FY21 Rev CoC Grant Add		150	150			0
FY21CRF		74,655	74,655			0
FY21FEMA25%		109,811	109,811			0
FY21FEMAREV		176,204	176,204			0
Heat, Light and Power	(115)		(115)	209		209
Heating Fuel Adjustment	(202)		(202)	46		46
Indirect Cost Rate		9,605	9,605		9,605	9,605
Journey Home			0		76,900	76,900
Lease Adjustment			0	142	317	460
OEO Funding Adjustment			0	770		770
Street Outreach Programming		4,600	4,600		15,200	15,200
Subtotal, Other Adjustments	\$(308)	\$437,546	\$437,238	\$(3,966)	\$99,970	\$96,005
TOTAL, All Changes - Exec. 2022	\$90,642	\$352,546	\$443,188	\$88,460	\$14,970	\$103,431
DHS Budget as of the Fiscal 2022 Executive Plan	\$1,214,736	\$1,622,382	\$2,837,118	\$1,336,287	\$819,692	\$2,155,979