



New York City Council
Hon. Julie Menin, Speaker of the Council
Hon. Linda Lee, Chair Finance Committee
Hon. Crystal Hudson, Chair, General Welfare

**Report on the Fiscal 2027 Executive Plan and
the Fiscal 2027 Executive Capital Commitment Plan for the
Committee on Finance and the Committee on General Welfare**

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Fiscal 2027 Executive Plan

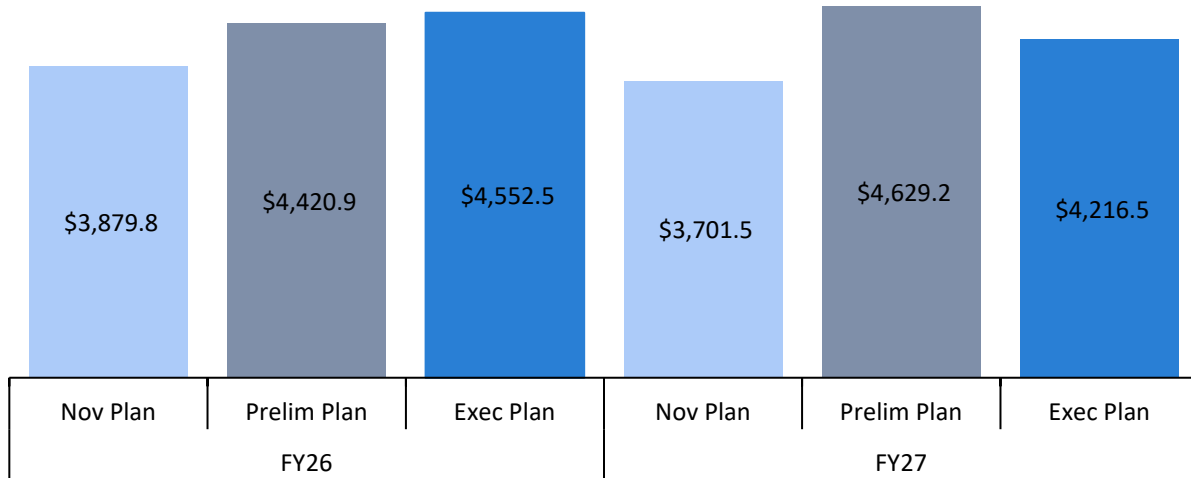
Department of Homeless Services Budget Overview

The Department of Homeless Services (DHS or the Department) principal function is to provide transitional shelter to homeless single adults, adult families, and families with children, in accordance with the City’s “right to shelter” mandate. DHS also helps families and individuals exit shelters and move into permanent and supportive housing. Additionally, DHS provides outreach services to unsheltered homelessness individuals, including operating drop-in centers, safe havens, and stabilization beds. In partnership with the Human Resources Administration (HRA), DHS provides access to rental assistance to help eligible families and individuals exit shelters.

The Executive Financial Plan for Fiscal 2026-2030 (Executive Plan) includes a proposed Fiscal 2027 budget of \$4.22 billion for DHS, \$412.7 million (8.9 percent) less than its \$4.63 billion Fiscal 2027 budget in the Preliminary Plan. The Department’s projected Fiscal 2027 budget represents 3.4 percent of the City’s proposed Fiscal 2027 budget in the Executive Plan. DHS’s Fiscal 2026 budget in the Executive Plan is \$4.55 billion (3.0 percent) more than its \$4.42 billion Fiscal 2026 budget in the Preliminary Plan. The current Fiscal 2027 budget is \$662.0 million more than the \$3.55 billion Fiscal 2026 budget at adoption. For additional information on DHS’s Preliminary Budget, please refer to the Fiscal 2027 Preliminary Budget report.¹

¹ New York City Council, “[Report on the Fiscal 2026 Preliminary Plan and the Fiscal 2025 Preliminary Mayor’s Management Report for the Department of Homeless Services](#)”, as of March 2026.

Comparison of the Last Three Financial Plans

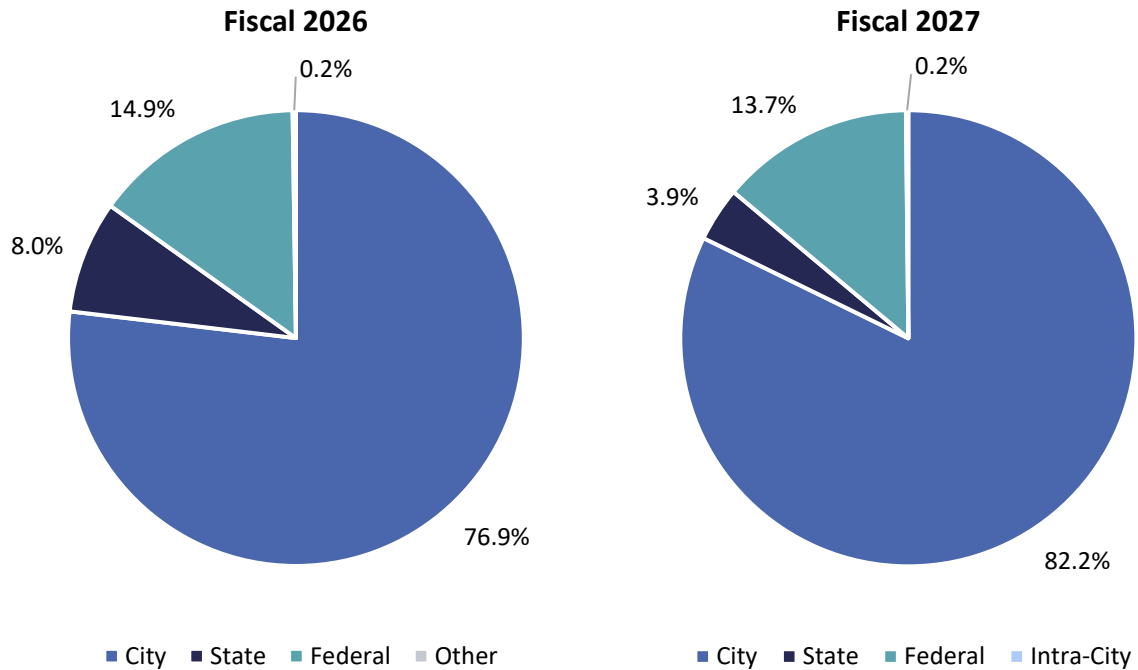


Dollars in Millions

Source: New York City Office of Management and Budget

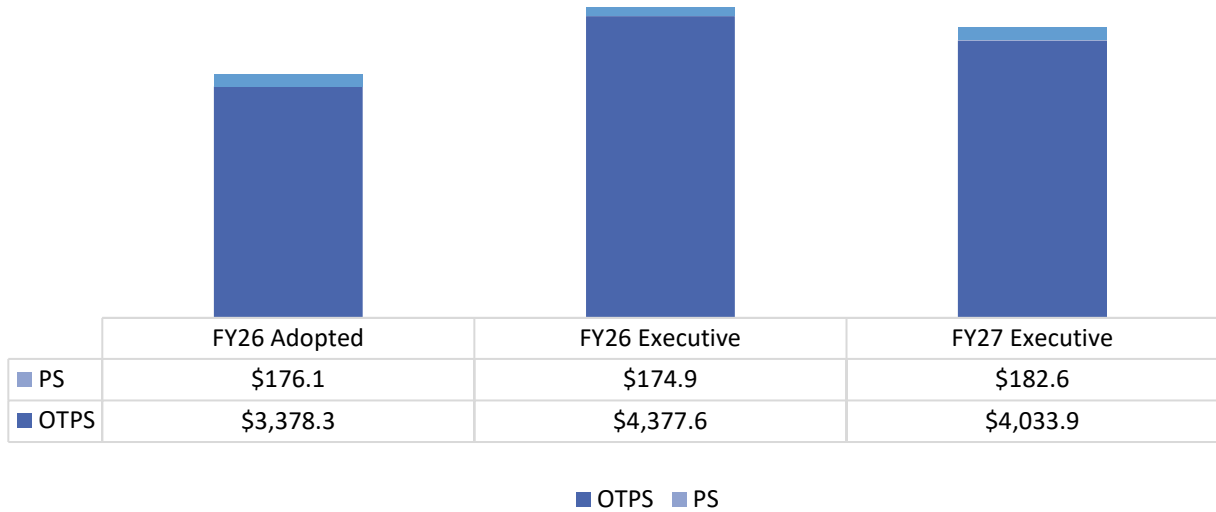
Budget by Funding Source

Fiscal 2027 City Funds: 82.2 percent



Source: New York City Office of Management and Budget

Personal Services (PS) and Other Than Personal Services (OTPS)



Dollars in Millions

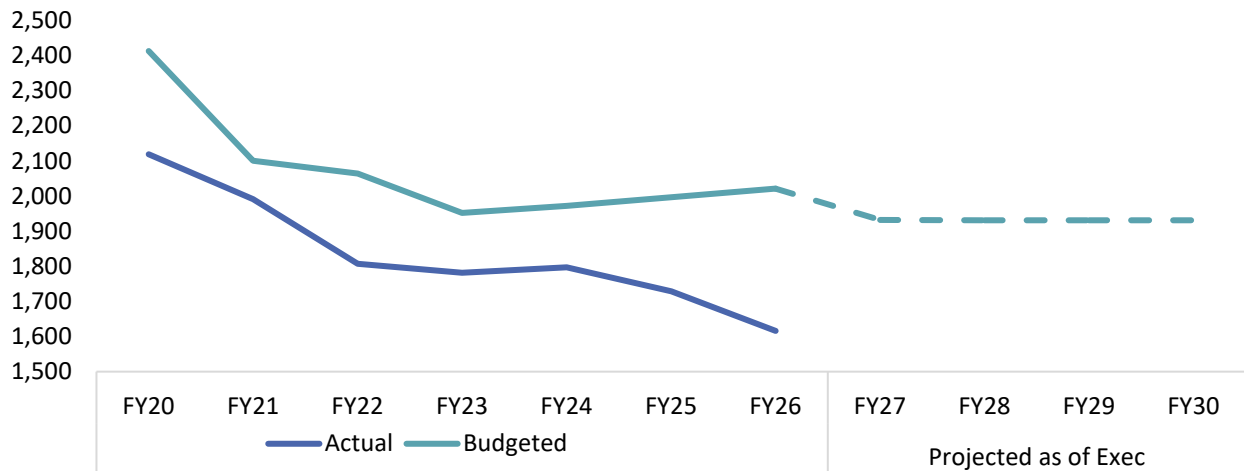
Source: New York City Office of Management and Budget

Headcount

Fiscal 2026 Budgeted Full-Time Positions: 2,021
Actual Headcount as of April 2026: 1,616

Fiscal 2027 Budgeted Full-Time Positions: 1,932
Vacancy Rate as of April 2026: 20.0 percent

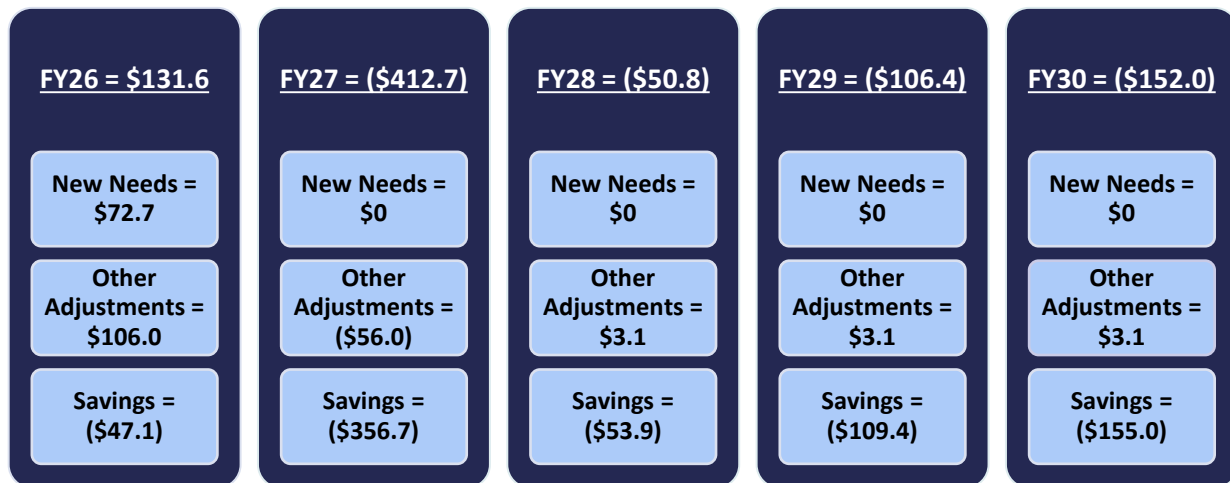
Budgeted and Actual Headcount FY20-FY30



Source: New York City Office of Management and Budget

Note: Budgeted and actual headcounts are as of the end of the fiscal year, except for Fiscal 2026 where budgeted headcount is as of the Executive Plan and actual headcount is as of April 2026.

Executive Plan Changes



Dollars in Millions

Savings in this chart are the sum of all expense savings, from all revenue sources, including but not limited to, City, State, and federal savings. As some agency savings may be revenue actions or savings from non-City sources, this number will not necessarily equal the agency's Savings value.

Significant Executive Plan Changes

New Needs

- **Shelter Operational Costs.** The Executive Plan includes an additional \$70.8 million in City, State, and federal funding in Fiscal 2026 only for operational costs at contracted shelter providers such as security, janitorial services, food, transportation, and insurance.
- **Information Technology (IT).** The Executive Plan includes an additional \$1.9 million in City funding in Fiscal 2026 only for maintenance costs of various DHS IT programs.

Other Adjustments

- **Families with Children Shelters.** The Executive Plan includes an additional \$80 million in federal Temporary Assistance to Needy Families (TANF) funding in Fiscal 2026 only for families with children shelters costs.
- **Asylum Seeker Response.** The Executive Plan includes an additional \$26.0 million in City funding in Fiscal 2026 and \$34.7 million in Fiscal 2027 for asylum seeker response related expenses. Additionally, the Plan includes the transfer of \$93.7 million from DHS's budget to other agencies which will be involved in the provision of services to asylum seekers, including the Office of Technology and Innovation (OTI) and the Department of Housing Preservation and Development (HPD), in Fiscal 2027 only.

- **Utilities and Leases.** The Executive Plan includes additional City funding of \$2,857 in Fiscal 2026 and \$3.0 million in baselined City and federal funding beginning in Fiscal 2027, for projected increases on utilities and rent for DHS-operated sites.

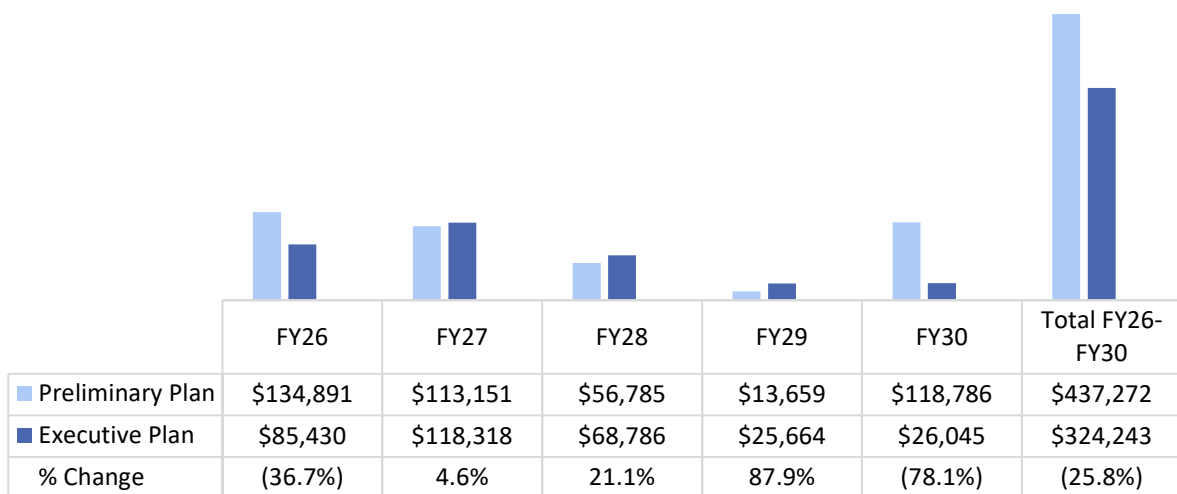
Savings

- **Shelter Cost Containment.** The Executive Plan includes City funds savings of \$284.0 million in Fiscal 2027, \$23.0 million in Fiscal 2028, \$51.0 million in Fiscal 2029, and \$74.0 million in Fiscal 2030 from shelter cost containment measures. Additionally, there is a projected reduction in State and federal funding of \$24.5 million in Fiscal 2027, \$22.6 million in Fiscal 2028, \$50.2 million in Fiscal 2029, and \$72.8 million in Fiscal 2030. The agency plans to achieve these savings by more effectively ensuring long-term shelter residents obtain subsidized exits, improving shelter diversion at intake, reducing DHS's reliance on costly hotel shelters, and maximizing the use of non-City funded housing subsidy programs for shelter exits.
- **Asylum Seeker Response.** The Executive Plan includes saving of \$40.0 million in Fiscal 2027 only from an updated forecast of the asylum seeker response costs which projects a decline in expenditures based on a declining census.
- **Low-Barrier Beds for Unsheltered Homeless.** The Executive Plan includes City funds saving of \$40.0 million in Fiscal 2026 only from a delay in the opening of low-barriers beds for unsheltered homeless individuals.
- **Vacancy Reduction.** The Executive Plan includes baseline City funds savings of \$7.2 million and the elimination of 183 vacant positions, beginning in Fiscal 2026.
- **Shelter Wi-Fi for Families with Children Shelters.** The Executive Plan includes City funds savings from DHS coordinating with OTI to renegotiate the Wi-Fi rates paid in shelters for families with children and by increasing the City's claiming of federal revenue to support this expense. There is a net reduction of \$1.4 million in Fiscal 2026 and a baseline net reduction of \$1.1 million, beginning in Fiscal 2027.

Capital Commitment Plan

- DHS’s commitments, as presented in the Executive Capital Commitment Plan for Fiscal 2026-2030 (the Executive Commitment Plan), total \$324.2 million, 25.8 percent less than the total for the same period presented in the Preliminary Capital Commitment Plan released in February.
- The Department’s planned commitments comprise less than one percent of the City’s total \$117.14 billion Fiscal 2026-2030 Capital Commitment Plan.

Fiscal 2026-2030 Capital Commitment Plan



Dollars in Thousands

Source: New York City Office of Management and Budget

- **Shelter Infrastructure Maintenance.** The Executive Commitment Plan includes \$290.9 million across the plan for shelter infrastructure and maintenance including façade rehabilitation, electrical upgrades, roof replacements, structural reconstruction of buildings, and bathroom upgrades. This is a \$111.9 million decrease from what was included in the Preliminary Plan, largely due to the closure of the City-owned Bellevue Shelter for single men. The Executive Commitment Plan includes the elimination of \$88.3 million that had been planned for projects at Bellevue across Fiscals 2026-2030. Of the funding included in the Executive Commitment Plan for shelter infrastructure, \$35.1 million or 12.1 percent is allocated for repairs at Pamoja House shelter for single men located in Brooklyn, largely unchanged since the Preliminary Commitment Plan.
- **Equipment Purchases.** The Executive Commitment Plan includes \$29.0 million for equipment, including enhancements to the CARES technology system which is used to track data on homeless clients, closed-circuit television, vehicles, and website upgrades.

There is a net increase of approximately \$500,000 committed for equipment since the Preliminary Commitment Plan. This change is the result of a \$4.0 million increase in planned spending on the replacement of a fleet of heavy vehicles, a \$2.7 million decrease for the purchase of trucks, vans, buses, and other specialty vehicles.

Budget Actions in Executive Plan

<i>Dollars in Thousands</i>	FY26			FY27		
	City	Non-City	Total	City	Non-City	Total
DHS Budget as of the FY27 Preliminary Plan	\$3,460,673	\$960,257	\$4,420,930	\$3,856,858	\$772,323	\$4,629,181
Changes Introduced in the FY27 Executive Plan						
New Needs						
Contracted Shelter Operational Costs	\$59,697	\$11,108	\$70,805	\$0	\$0	\$0
Information Technology	1,943	0	1,943	0	0	0
Subtotal, New Needs	\$61,640	\$11,108	\$72,748	\$0	\$0	\$0
Other Adjustments						
Asylum Seeker Response	\$25,955	\$0	\$25,955	(\$59,039)	\$0	(\$59,039)
Collective Bargaining	0	0	0	33	0	33
Families with Children Shelters	0	80,000	80,000	0	0	0
Utilities and Rent	3	0	3	2,825	198	3,024
Subtotal, Other Adjustments	\$25,958	\$80,000	\$105,958	(\$56,180)	\$199	(\$55,982)
Savings						
Asylum Seeker Forecast Re-estimate	\$0	\$0	\$0	(\$40,000)	\$0	(\$40,000)
Delay in Opening of Low Barrier Beds	(40,000)	0	(40,000)	0	0	0
Shelter Cost Containment	0	0	0	(284,000)	(24,483)	(308,483)
Wi-Fi at Family with Children Shelters	(1,416)	1,442	26	(1,874)	795	(1,079)
Vacancy Reduction	(7,164)	0	(7,164)	(7,164)	0	(7,164)
Subtotal, Savings	(\$48,580)	\$1,442	(\$47,138)	(\$333,038)	(\$23,687)	(\$356,725)
TOTAL, All Changes in the FY27 Executive Plan	\$39,019	\$92,549	\$131,568	(\$389,218)	(\$23,489)	(\$412,707)
DHS Budget as of the Executive Plan	\$3,499,691	\$1,052,806	\$4,552,497	\$3,467,640	\$748,833	\$4,216,473

Source: New York City Office of Management and Budget

DHS Financial Summary

<i>Dollars in Thousands</i>	FY24	FY25	FY26	Executive Plan		*Difference
	Actual	Actual	Adopted	FY26	FY27	FY27 - FY26
Budget by Program Area						
Adult Shelter Administration and Support	\$9,919	\$10,710	\$8,575	\$12,379	\$8,199	(\$377)
Adult Shelter Intake and Placement	12,803	11,248	23,657	20,490	24,832	1,175
Adult Shelter Operations	1,181,617	1,292,894	979,492	1,379,711	1,366,423	386,930
Family Shelter Administration and Support	6,722	6,705	14,744	10,128	14,149	(595)
Family Shelter Intake and Placement	38,706	38,699	31,037	31,037	31,024	(13)
Family Shelter Operations	1,036,509	1,197,495	1,069,184	1,337,269	1,202,303	133,119
General Administration	1,272,046	1,380,904	1,004,845	1,338,960	1,119,538	114,692
Outreach, Drop-in, and Reception Services	333,666	367,515	422,853	416,487	449,966	27,113
Prevention and Aftercare	(153)	0	0	0	0	0
Rental Assistance and Housing Placement	333	193	39	6,039	39	0
TOTAL	\$3,892,169	\$4,306,362	\$3,554,427	\$4,552,499	\$4,216,473	\$662,046
Funding						
City Funds	\$2,370,836	\$2,619,445	\$2,610,250	\$3,499,692	\$3,467,639	\$857,390
Other Categorical	3,036	3,974	0	3,221	0	0
State	1,047,826	1,252,572	277,289	363,567	162,554	(114,735)
Federal - Community Development	405	553	553	553	553	0
Federal – Other	465,218	422,807	659,239	678,049	578,631	(80,608)
Intra-City	4,848	7,011	7,096	7,418	7,096	0
TOTAL	\$3,892,169	\$4,306,362	\$3,554,427	\$4,552,499	\$4,216,473	\$662,046
Budgeted Headcount						
Full-Time Positions - Civilian	1,797	1,729	1,933	2,021	1,932	(1)
Full-Time Equivalent Positions	14	12	2	3	3	1
TOTAL	1,811	1,741	1,935	2,024	1,935	0

*The difference of Fiscal 2027 Executive Budget compared to Fiscal 2026 Adopted Budget.

Source: New York City Office of Management and Budget