



THE COUNCIL
OF
THE CITY OF NEW YORK
CITY HALL
NEW YORK, NY 10007

June 2023 Federal Priorities

The resources of the federal government play a critical role for New York City's government and New Yorkers. Federal aid has supported many of the important services relied upon by New Yorkers for years and supports thousands of jobs. As the largest city in the nation and the greatest economic force in a state that generates one of the highest levels of tax payments to the federal government, New York City holds a unique position of mutual benefit with the federal government. Pandemic-era federal funding infused significant levels of additional resources into the city, creating a positive balance of payments with the federal government for our state that has historically experienced a negative balance. As those federal relief funds expire and New York City remains in the throes of recovering from the impacts of the pandemic while confronting new challenges, there are several priority areas that require additional federal support.

In addition to the routine federal funding support received by our city, the New York City Council has outlined essential services in need of additional support and partnership from the federal government. New York City can successfully recover, and New Yorkers can thrive, if targeted investments in economic opportunity, health, and safety are secured. This can be achieved through supplemental funding and support from the federal government. Robust partnership with various federal agencies and officials will ensure that our city's communities and all New Yorkers emerge stronger from the pandemic. The New York City Council respectfully requests federal funding, partnership, and support to help us address the following priorities for our city.

Asylum Seekers and Homelessness

New York City was experiencing a homelessness crisis when it started to receive thousands of people seeking asylum in the United States. Now, the city's homeless shelters and emergency shelters are currently housing nearly 100,000 people, and over 40,000 are estimated by the mayoral administration to be those seeking asylum in the country. New York City needs additional support to help support these growing homeless populations. In April, the [U.S. Department of Housing and Urban Development \(HUD\) allocated \\$60 million in much-needed funding for homeless services](#) in the city. Additional federal aid is needed, given the scale of homelessness in the city, the increased number of people seeking asylum who require aid, and how these issues impact other city services.

Homeless Services: The City Council is seeking additional resources from HUD, as well as other federal agencies and officials, to help prevent homelessness and address the needs of longtime New Yorkers experiencing it, while providing aid to asylum seekers.

FEMA Asylum Seeker Funding: The Council's understanding is that the next round of FEMA funding is expected to produce a far greater level of funds for New York City than previous allocations. New York City needs the maximal amount of the remaining approximately \$620 million requested in its \$650 million funding reimbursement request to FEMA for our provision of shelter and services for asylum seekers.

Work Authorization/TPS/Humanitarian Parole: Work authorization for those seeking asylum could make a major difference in individuals' abilities to become self-sufficient and contribute to our city and its economy. Many of our newest arrivals want to secure jobs that allow them to be independent and support their families. We reiterate our support and request for federal action to expedite work authorization for asylum seekers by granting expanded Humanitarian Parole and/or Temporary Protected Status. It is also essential that the number of U.S. Citizenship and Immigration Services (USCIS) staff is increased and adequate to expedite application processing and to clear the backlog, which we strongly support.

Refugee Settlement Resources: In addition to funding from FEMA and other agencies, we request support to ensure that resources from the Department of Health and Human Services' Office of Refugee Resettlement are prioritized for New York City. This support for comprehensive services, like case management, English language courses, job readiness and employment resources, emergency cash, and medical services is critical.

Schools/Students: New York City schools now serve approximately 100,000 students who have experienced homelessness, in addition to roughly 10,000 children from families seeking asylum in the U.S. Both populations require significant additional support services to educationally succeed. We request federal support for our city's schools to help meet the needs of all students, considering the additional requirements placed on them.

Immigrant Legal Services: Legal services that ensure asylum seekers can successfully navigate the country's immigration process are vital. In identifying this essential need, we request federal resources to support these legal services and the organizations providing them.

Housing

New York City's severe housing shortage has increased the pressures of unaffordability, contributing to the homelessness crisis and exacerbating the impact of receiving an increased number of people seeking asylum in the U.S. who lack housing. Housing production in New York City has failed to keep pace with New Yorkers' need for homes, contributing to a growing affordability crisis. From 2010 – 2020, New York City built only about 200,000 new housing units, while gaining nearly 630,000 new residents and nearly one million jobs. This rate of housing production lags far behind most other large growing cities. The greatest need for housing exists for New Yorkers at the deepest levels of affordability, with the lowest-income units having the fewest vacancy rates. At the same time, the city's largest-in-the-nation public housing system (NYCHA) continues to face major deficits that allow living conditions to remain unacceptable. In addition, the diversity of New York City has been undermined by a lack of affordability in homeownership opportunities and continued disparities in foreclosures, resulting in a loss of the city's Black population and perpetuating a continued racial wealth gap.

Affordable Housing Production & Calculation: The Council is seeking to partner with the federal government, through HUD and other relevant agencies, to increase funding for affordable housing production that addresses the city's housing supply gap. In addition, we are also seeking to work with HUD in considering changes to its calculation of the High Housing Cost Adjustment that determines Area Median Income (AMI). AMI calculations currently do not adequately account for inflation and rising costs, leading to affordable housing income targets and rents quickly becoming outdated.

NYCHA/Public Housing: The city's public housing system requires additional federal funding as it has nearly \$50 billion in capital needs, but only an approximately \$8 billion capital budget. NYCHA is a major source of affordable housing for New Yorkers, but it has suffered from decades of disinvestment. Apartments require rehabilitation to be made safe, and thousands of units remain vacant at a time when housing is scarce and desperately needed.

Speaker Adams has also proposed an innovative model that could be pursued for at least one NYCHA development initially, if supported by residents, to preserve Section 9 units. It would rebuild Section 9 public housing units for existing tenants as part of new mixed-income developments that leverage multiple public funding and private financing streams. The model differs from existing and previous models because of how it preserves Section 9 units by reconstructing them for current residents, as it simultaneously produces additional affordable and mixed-income units. Other current and previous models have not preserved Section 9 public housing units. If a NYCHA development decides to support such a model, it will require HUD to make rule changes and provide consistent Section 9 funding and private affordable housing support.

Affordable Homeownership: The Council urges increased resources from HUD initiatives to expand access to homeownership opportunities for families with low-to-moderate incomes and non-traditional sources of income, as well as to better preserve the general wealth that has been created through homeownership by preventing foreclosures. In addition, HUD initiatives should evaluate the effectiveness of FHA First Time Homebuyer loans in New York City.

Mental, Reproductive, and Maternal Health

Health care is one of the biggest issues in the country, further highlighted by the COVID-19 pandemic. The Council has specifically focused on the areas of mental health, reproductive health, and maternal health. New York City is experiencing a mental health crisis, worsened by the pandemic. Abortion and reproductive health care have been under attack nationally, and New York City remains a haven for access. At the same time, maternal health disparities that leave Black women and birthing people, along with people in other communities of color, at risk of fatal health outcomes are a persistent problem. The Council has advanced efforts on these issues through the city budget and legislation. It released a Mental Health Roadmap, outlining budget and legislative efforts to advance improved mental health that include several federal solutions. The Council also passed comprehensive legislative packages on abortion care and maternal health, respectively. Several federal actions can support and advance improved health outcomes in these areas.

Medicaid and Mental Health: Medicaid reimbursement and rules impede access to mental health care. The Council has called for repeal of the Institutions for Mental Diseases Exclusion from the Social Security Act, so that states can use federal Medicaid funding for mental health and substance use disorder treatment services ([Res. 88-2022](#)). It has also formally urged increased reimbursements for mental health services to incentivize more professionals to accept Medicaid and, therefore, expand coverage and access for more individuals and families ([Res. 592-2023](#)).

988 Geolocation: The 988 Suicide and Crisis Lifeline program created by the federal government has been a huge step forward to offering an alternative to 911 for mental health calls. However, it routes callers to services based on their area code, rather than their location. Given that many people’s cell phone area codes do not reflect their location, this is a major impediment to its success. The Council has urged the federal government to enact an FCC rule change to ensure that calls to the 988 Suicide and Crisis Lifeline program are routed based on geolocation, rather than area code ([Res. 589-2023](#)).

Crime Victim Services: The Council has focused many of its public safety efforts on improving and increasing victim services for survivors of violence because of its proven impact on stopping cycles of crime and trauma to improve public safety. The Council helped New York City establish New York State’s first trauma recovery centers, which help underserved victims of crime in communities of color that experience the most violence access recovery services. It established four centers – two in the Bronx and two in Brooklyn – that are initiating operations, and consistent federal funding for these public safety investments can help improve public safety. The federal government should also consider how to remove barriers for people to access PTSD treatment through Medicaid, because the current inconsistent coverage undermines mental health outcomes for survivors of violence.

Overdose Prevention Centers: The continuing addiction crisis, which was worsened by the pandemic, has been deadly, with disproportionate impacts for communities of color in New York City. The city has been a leader in utilizing harm reduction efforts that are proven to keep people safe and ensure access to treatment. Overdose prevention centers have been a key component of this, but they have been denied access to funding from state government, explained as a result of the federal government’s oppositional position. However, recent steps by the federal government have [demonstrated a move towards acceptance](#), including the [funding of a critical study](#). Given the state of the addiction crisis and the promising results of overdose prevention centers and the services they provide, we urge the federal government to, at minimum, encourage New York State to no longer withhold support for them. This includes the use of opioid settlement funds that should already be permitted for allocation to centers by the state.

Abortion Health Care: Given the restrictions on abortion in other states and New York remaining a haven for those needing the medical care, the city expects to serve more Americans. We urge the federal government to provide additional health care resources for cities and states, like New York, that provide unrestricted reproductive health care and access for more women and birthing people from other states.

Maternal Health/Doulas: Part of the Council and New York City’s efforts to confront maternal health disparities has been to expand access to Doula care. This has a major impact on maternal health outcomes, and we have formally requested increased Centers for Disease Control and Prevention (CDC) funding for the city’s “By My Side” Doula programs so all low-income families have access to this life-saving care ([Res. 244-2022](#)).

Public Education & Schools

[Students across the nation experienced immense learning loss](#) during the pandemic, which will require sustained efforts and investments from all levels of government to address. Like schools across the country, New York City's school system is grappling with these challenges. Yet, it is also now serving an increased number of students who come from families experiencing homelessness and seeking asylum in the United States. As COVID relief funds that supported schools over the past years expire, additional resources are necessary to help students recover and succeed. Just as the Council has urged greater investment at the state level and sought more in the city budget, it urges the federal government to identify additional resources for schools in New York City and across the country that are facing additional strains, while supporting targeted investments for key programs.

Community Schools: In addition to providing additional general funding, the federal government can continue to provide critical funding to support the nationally recognized Community Schools model its support has propelled. Community Schools have been a proven model to help our students, especially those in underserved communities, by providing wrap-around support services. \$150 million in federal funding during the pandemic helped to bolster these schools in our city and expand the model. Strategic investments by the federal government can play an important role in helping to advance Community Schools for more of our students.

Services for Preschoolers with Disabilities: During the 2021-22 school year, 37 percent of preschoolers with disabilities did not receive all their mandated services. More than 9,800 children did not receive a single session of at least one of the special education services they had a legal right to receive. These services include speech therapy, occupational therapy, or part-time special education teacher services. The city is supporting an additional 1,300 students within this population with approximately \$252 million of federal COVID-relief funding that has been exhausted. Increased support through federal aid would allow the city to ensure these students have the services they need.

M/WBEs, Small Businesses, and Industrial Development

Capital Access and Business Support: Economic opportunity is the pathway to stability for New Yorkers. Speaker Adams and the New York City Council have focused on creating more equitable entry points for New Yorkers to access economic opportunities, particularly for those in underserved communities. The city's small businesses, entrepreneurs and MWBEs are integral to these efforts, but require access to capital and business development support. The Council is seeking additional funding and support from the Small Business Administration (SBA) to help small businesses and MWBEs, as well as Community Development Financial Institutions (CDFIs) that expand access to capital and business development support for these underserved entrepreneurs and small businesses. There is also additional support needed for the city's loan funds. The exceptional interest in the city's Small Business Continuity Loan Fund and the Small Business Opportunity Fund led both to ultimately pause operations because of the overwhelming demand. SBA can provide critical funding support to help them continue their operations.

Industrial Development: The New York City Council has also recognized that the industrial sector can be a boon to opportunity for mid-to-high wage jobs, with low barriers to entry for New Yorkers in communities of color. It is pursuing important efforts to foster these opportunities at the local level through the upcoming citywide zoning text amendment and legislation requiring the City to establish a cohesive planning and economic development strategy for the industrial sector, particularly to advance the green energy economy.

This aligns with the [Biden-Harris Administration goal to advance a cleaner industrial sector](#) and presents opportunities for the federal government to help advance New York City's development of an industrial green economy.