

January 5, 2023

Mayor Eric Adams  
City Hall  
New York, NY 10007

Dear Mayor Adams,

We are writing to express our concern about insufficient capital resources for housing and the impact the staffing cuts requested of all city agencies will have on agencies working on affordable housing. New York City continues to experience a major housing crisis, with nearly 1 million New Yorkers rent burdened and nearly 70,000 New Yorkers experiencing homelessness. Your ability to address this crisis by producing affordable housing and achieving your moonshot goal of adding 500,000 new units of housing in ten years can only succeed if housing-related agencies are sufficiently staffed.

According to press reports, agencies are being required to cut half of the positions vacant as of October 31, 2022. While many agencies could likely find ways to work more efficiently, a staffing cut of this magnitude is taking a hatchet to the budget in a situation that calls for a scalpel.

The agencies that work on housing had significant vacancies at the end of October. The Department of Housing Preservation and Development was short almost 500 positions, 18 percent of their budgeted headcount; the Department of Buildings is short 449 positions (23 percent), the Department of City Planning is short 79 positions (22 percent), the Department of Homeless Services is short 234 positions (11 percent), and the Human Resources Administration is short 2,614 positions (20 percent).

Make no mistake; these staffing shortages are delaying necessary services. At HPD, the staffing shortage meant the agency produced just 16,000 units of affordable housing in FY 2022, 43% fewer than the 28,000 units produced in 2021 and they are projecting producing just 18,000 units in FY 2023, still far below previous housing production. The staffing shortage at City Planning has meant a longer certification process for ULURP projects, delaying much-needed new housing.

At HRA, the staffing shortage means much slower processing of one-shot assistance, City FHEPS packets, and other public assistance benefits. This leaves people at risk of homelessness, rent arrears piling up, and staying in shelters longer than necessary.

Cutting half of these vacant positions permanently will mean making the service reductions permanent.

Instead, the city should work to fully staff the agencies and reverse the staffing shortage. OMB can and should work with the agencies to find efficiencies and process improvements that can save staff resources. Your "Get Stuff Built," report based on the work of your BLAST (Building and Land Use Approval Streamlining Task Force) initiative will streamline processes and is a step in the right direction. However, it will take time to fully implement and therefore will not save

significant staff resources in the near term. The city should not eliminate staffing positions before improvements are fully implemented.

We are also concerned about insufficient capital resources in the near term for HPD. As I am sure you know, construction costs increased 11.5 percent in 2021 and are projected to increase 14.1 percent by the end of 2022 and interest rates are the highest they've been in 20 years, greatly increasing the costs of construction. While HPD underspent their capital budget last year, these rising costs will put added pressure on HPD's capital budget to produce the same amount of housing.

Unfortunately, your administration moved the \$600 million of unspent housing capital from last year's budget far into out-years and the \$5 billion investment over 10 years for housing was mostly (not counting the NYCHA funding) added in the second half of the ten-year plan. Given increasing costs and the extremely dire housing crisis, unspent capital and the new capital allocations should be added to the current and subsequent fiscal year budgets.

We understand the worrying fiscal picture and the need for sound fiscal management. However, cuts must not impact services and areas addressing our greatest crisis should be spared. Now is the time to show that we are putting the resources necessary to address the crisis.

Sincerely,

ANHD  
The Arker Companies  
B'nai Jeshurun  
Benchmark Title Agency, LLC  
Breaking Ground  
The Bridge  
Broadway Community, Inc.  
Buddhist Association of the United States  
CAMBA, Inc.  
Care For the Homeless  
Chhaya CDC  
The Church of Gethsemane (PCUSA)  
Center for NYC Neighborhoods, Inc.  
CHPC  
Citizens' Committee for Children of New York  
Church of the Ascension  
Coalition for the Homeless  
Community League of the Heights, Inc  
The Community Service Society of New York (CSS)  
Concern Housing  
Cooper Square Community Land Trust  
Corporate Campaign, Inc.  
Corporation for Supportive Housing (CSH)  
The Correctional Association of New York  
Covenant House NY  
Curtis + Ginsberg Architects LLP  
Dattner Architects

Douglaston Development  
Emmaus House Harlem  
Enterprise Community Partners, Inc.  
Fair Housing Justice Center  
Fifth Avenue Committee  
Forsyth Street Advisors  
FPWA  
Goddard Riverside  
Goldstein Hall PLC  
Goshow Architects  
Gotham Organization  
Habitat for Humanity NYC and Westchester County  
HELP Development Corp.  
Henry Street Settlement  
Holyrood Church/Iglesia Danta Cruz  
Homeless Services United  
Housing Rights Initiative  
Housing Works, Inc.  
The Hudson Companies Inc  
Hunger Free America  
IMPACCT Brooklyn  
Interfaith Assembly on Homelessness and Housing  
The Interfaith Center of New York  
Joint Ownership Entity NYC  
Lantern Community Services  
Latino Pastoral Action Center, Inc.  
Lifflander and Reich LLP  
LISC NY  
LiveOn NY  
Low Income Investment Fund  
MacQuesten Construction Management LLC  
MBD Community Housing Corp  
Mega Contracting  
Merchants Capital  
Ruth Messinger, former Manhattan Brough President and City Councilmember  
Midtown South Community Council  
Monadnock Development  
Mt. Moriah AME Church  
Nazareth Housing  
Neighborhood Coalition for Shelter, Inc.  
Neighborhood Restore HDFC  
Neighbors Helping Neighbors  
New Destiny Housing  
New York Housing Conference  
New York State Council of Churches  
NYCEEC  
NYSFAFH  
Office of Peace, Justice, and Ecological Integrity, Sisters of Charity of Saint Elizabeth

Open Hearts Initiative  
Presbytery of New York City  
Project Hospitality  
Project Renewal Inc  
Providence House  
Real Estate Board of New York (REBNY)  
Regional Plan Association  
RiseBoro Community Partnership  
Rockabill Development, LLC  
Rutgers Presbyterian Church  
Sadhana: Coalition of Progressive Hindus  
Samaritan Daytop Village  
SCO Family Services  
Selfhelp Realty Group  
Settlement Housing Fund  
Sisters of Charity Housing Development Corporation  
St. Nicks Alliance  
Shams DaBaron aka "Da Homeless Hero"  
South Bronx Overall Economic Development Corp. (SoBro)  
Supportive Housing Network of New York  
Tenants Political Action Committee  
Type A Projects  
UHAB  
UJA-Federation of NY  
University Neighborhood Housing Program  
Uptown Progressive Action  
Urban Architectural Initiatives RA P.C.  
Urban Pathways  
Urban Resource Institute  
Vocational Instruction Project Community Services, Inc.  
Volunteers of America-GNY  
WBP Development  
Wells Fargo  
West Side Democrats  
West Side Federation for Senior and Supportive Housing (WSFSSH)  
Win (Women in Need, Inc)  
Workers Defense League