



THE COUNCIL
OF
THE CITY OF NEW YORK

May 26, 2016

Honorable Mayor Bill de Blasio
City Hall
New York, NY 10007

Dear Mayor de Blasio,

More and more nonprofit groups are operating with deficits and we've seen a growing number of them close. This is largely due to systemic under-funding from government contracts. A 2.5% increase on the OTPS ("Other Than Personnel Services") line of city contracts with nonprofits would begin to offer some critical budget relief and help them pay for important items – such as equipment, books, paper, food, technology, rent, and staff development – that many have been unable to invest in for years. This would offer funding for approximately 3,700 contracts for community services including afterschool, senior centers, homeless and domestic violence shelters, child care, mental health clinics, and more.

We are asking the Administration to fund \$25 million annually to reflect the 2.5% increase in OTPS.

Over the past year, the Committee on Contracts held two hearings which revealed the impact of this systemic under-funding. We learned that the budgets of half of New York City human services providers are in the red or barely breaking even. More troubling still is the fact that these contract service providers are one of the largest employment sectors in the City, and an overwhelming majority of employees are women and people of color, with women representing four out of every five workers.

As we move towards adopting the budget, we ask that the Administration baseline this annual OTPS cost.

Respectfully,



Helen Rosenthal,
Chair, Committee on
Contracts



Steve Levin
Chair, Committee on
General Welfare



Margaret S. Chin
Chair, Committee on Aging



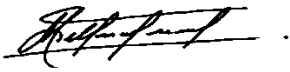
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Developmental Disability,
Alcoholism, Substance
Abuse, and Disability
Services



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Chair, Committee on Small
Business



Daniel Dromm
Chair, Committee on
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Waterfronts



Fernando Cabrera
Chair, Committee on
Juvenile Justice



Ritchie J. Torres
Chair, Committee on
Public Housing



Rafael Salamanca, Jr.
Council District 17

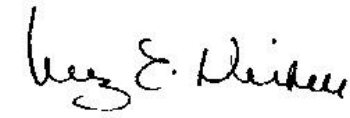

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Chair, Committee on State
and Federal Legislation



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Immigration



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Chair, Committee on Civil
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Council District 46

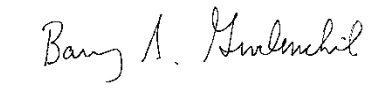

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Chair, Committee on
Courts and Legal Services


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Council District 19


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Chair, Committee on
Cultural Affairs, Libraries
and International
Intergroup Relations



Joseph C. Borelli
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Transportation



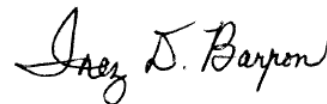
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Antonio Reynoso
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Sanitation and Solid
Waste Management



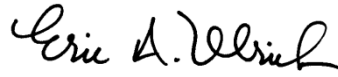
Brad Lander
Chair, Committee on
Rules, Privileges, and
Elections



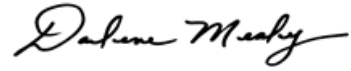
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Chaim M. Deutsch
Chair, Subcommittee on
Non-Public Schools



Eric A. Ulrich
Chair, Committee on
Veterans



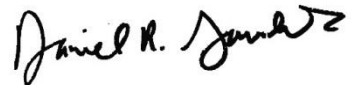
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