

## LETTER TO CITY COUNCIL ON BEHALF OF NEW YORK'S NONPROFITS

Tuesday, April 21, 2020

## Letter to City Council on Behalf of New York's Nonprofits

By Nonprofit New York ▶ Share | Print | Download

Nonprofits are calling on City Council to include us in economic recovery efforts and assure FY20 Council appropriations will be honored. Sign on to our letter today to show we are united in calling for nonprofits to be included in economic recovery plans.

## SIGN ON

Letter to City Council on Behalf of New York City's Nonprofit Sector Nonprofits Must Be Included in Economic Recovery Plans

Dear Speaker Johnson.

On behalf of the undersigned organizations, thank you for your leadership and all you are doing to sustain our communities through the COVID-19 pandemic and recession. Nonprofits are a vital part of our city's economy, but our organizations and the communities we serve have experienced severe impacts due to COVID-19. New York City's nonprofits employ 16% of the private workforce, 6% higher than the national average. In the Bronx we are 34% of the workforce, in Staten Island 25%, in Brooklyn 21%. The 45,000 nonprofits in New York City employ close to 700,000 people paying \$42 billion in wages [1]. We are faith centers, shelters, nature conservancies, schools, theatres and arts education centers, advocates, environmental justice champions, musicians, philanthropic institutions, and sites of housing, community, and economic development among many other fields. Nonprofits celebrate, employ, and serve: undocumented people, people of color, transgender and gender nonconforming people, people with disabilities, women- identifying, immigrants, and people living in poverty. Communities left out of federal relief efforts and communities bearing the brunt of the virus in New York City. City Council's discretionary appropriations include initiative funding that is essential for New York City's communities bearing the brunt of COVID-19. The City has confirmed these Council appropriations might not be honored as recently as this week. Nonprofits request the following of City Council to ensure we can do our part to end the pandemic and maintain our city's vibrancy, economy, and infrastructure.

We ask that City Council:

- -Specifically name nonprofits in the Council's \$12 billion relief plan and economic stability recommendations for the city budget as significant employers and economic engines
- -Include nonprofits in decision-making and cross-sector task forces in the same way the city is including for-profit business and philanthropic leaders
- -Allow nonprofits to help shape programs and structures for relief to ensure nonprofit business models can be included and eligible for relief
- -Extend proposed tax, fee, utility payment deferrals, and future relief grants and loans for businesses to nonprofits
- -Ensure and expedite execution of all City Council appropriations committed for FY20; Waive the requirement that contracts larger than \$100,000 go through a public hearing while no public hearings are happening
- -Extend the same protections to City Council discretionary appropriations that MOCS committed to other city contracts
- -Assure nonprofit Council item and capital commitments be honored and expedited for organizations who have experienced significant revenue loss; pay nonprofit expenses already incurred on the City's behalf
- -Allow City-contracted nonprofits who provide essential services flexibility to use contracted dollars to support their staff, including incentive pay
- -Convert discretionary funding to general operating support so nonprofits have the flexibility to meet immediate needs
- -Center equity in the city's economic recovery; include resources for undocumented New Yorkers fully left out of federal relief, communities of color disproportionately impacted by COVID-19, and the nonprofits led-by and serving these communities

Even before COVID-19 much of our sector struggled to provide services to communities on limited budgets [2]. Now with even higher demand for services, nonprofits in New York City have lost significant revenue, laid off staff, or closed entirely [3]. Larger organizations who will be critical for the city's survival [4] have been left out of the CARES Act forgivable loan program [5], and recent city decisions to cut programs have made certain nonprofits ineligible for federal relief efforts [6].

New York's Congressional Delegation and state leaders have all attempted to specifically include nonprofits in economic recovery plans, but the city has largely excluded nonprofits from economic relief. SBS's employee grant retention program, now closed, was available for nonprofits with less than five staff. No other city relief or services have been made available to nonprofits. City government launched robust programs and made multiple public commitments to support small businesses impacted by COVID-19. This same relief has not been extended to the nonprofit sector. The City Council's response to the Mayor's FY21 budget proposal calls on the Administration to take measures to stabilize the small business community, specifically extending the emergency small business loan program, which excludes nonprofits. There is no City agency or office dedicated to serving nonprofits. While MOCS works with organizations contracted by the City, many nonprofits do not have government contracts, and do not have a designated office or agency to reach out to for relief.

The nonprofit sector has been active in shaping federal COVID-19 action, and will continue to work with our Congressional Delegation to advocate for economic relief for our state and city. We are calling on Congress to work with New York's government leaders to provide federal relief for our budget deficits, and include at least \$4 billion for New York's nonprofits. We are committed to doing our part to support our communities and our city government to survive, and ask that the City Council recognize our sector as a vital component of our City's economy worthy of economic recovery efforts.

Signatories (as of April 20, 2020):

82nd Street Academics Acacia Network Advocacy Institute Alice Austen House Alliance for Coney Island America on Tech Asian American Arts Alliance Asian American Federation Association for Neighborhood & Housing Development

Ballet Tech

Ballet Tech Foundation

Banana Kelly Community Improvement Association, Inc.

Big Reuse

Bonnie Youth Club

**BOOM!Health** 

Boys & Girls Club of Harlem

Bronx Arts Ensemble

Brooklyn Arts Council

Brooklyn Lifelong Learning

Brooklyn Perinatal Network

**BUILD NYC** 

BWICA Educational Fund, Inc.

CAAAV Organizing Asian Communities

Callen-Lorde Community Health Center

Caribbean Cultural Center Afrian Diaspora Institute

Catholic Migration Services Cause Strategy Partners

The Center for Anti-Violence Education

Children"s Rights

Children's Aid

Children's Aid-Goodhue Center

Chinese Methodist Center Corporation

Chinese-American Planning Council

Chocolate Factory Theater

Churches United for Fair Housing

City Parks Foundation

Coalition for Asian American Children and Families

Commission on the Public's Health System

Community Resource Exchange

Cooper Square Community Land Trust

CP Unlimited/Cerebral Palsy Associations

Dance/NYC

Day One

East Harlem/El Barrio Community Land Trust

El Museo del Barrio

EngageWell IPA

Engineering Conferences International

Exponents, Inc.

Flatbush Development Corporation

Foundation for Filipino Artists

The Fortune Society

**FPWA** 

Friends of Karen, Inc.

Friends of Wheels

Garden of Hope

Genesis Transitional Housing

Goodwill of New York and Northern New Jersey

Gowanus Canal Conservancy

Gowanus Dredgers Canoe Club

The GRACE Foundation

Grant writer for NYC nonprofits

Greater Bethel Community Development Corporation

HANAC Inc.

Health People

Hester Street

Housing Works, Inc.

Human Services Council Hungarian Human Rights Foundation

India Home

Japanese American Social Services

**JBFCS** 

Junior Achievement of New York

KidzHOME

Kingsbridge Heights Community Center, Inc.

The Lesbian, Gay, Bisexual & Transgender Community Center

Lineage Project

Love Gospel Assembly

Mary Mitchell Family and Youth Center

Mott Haven Port Morris Community Land Stewards

National Lighthouse Museum

Nazareth Housing Inc.

New Economy Project

New York City Anti-Violence Project

New York City Employment & Training Coalition

New York State Council for Community Behavioral Healthcare

New York State Sickle Cell Advocacy Network

NIA Afterschool Program

NIA Community Services Network

Nonprofit New York

Northfield Community LDC of Staten Island, Inc.

Northwest Bronx Community and Clergy Coalition

NY Gender Diversity Coalition

NYC Mission Society

OSF

Partnership for After School Education (PASE)

Phipps Neighborhoods

Piatigorsky Foundation

Planned Parenthood of Greater New York

The Possibility Project

Princess Janae Place Inc.

Queens Historical Society

Read Alliance

Riverdale Neighborhood House

Rockaway Artists Alliance, Inc.

Sakhi for South Asian Women

SC Group

Sheltering Arms Children and Family Services

S.O.U.L. Sisters Leadership Collective

South Asian Youth Action

South Bronx Unite

Southwest Brooklyn Industrial Development Corporation

Staten Island Museum

Staten Island Not For Profit Association

Sunnyside Community Services

Supportive Housing Network of NY.

TakeRoot Justice

The TechLinc Project

Teens for Food Justice, Inc.

Tell Every Amazing Lady About Ovarian Cancer

Tottenville Historical Society

Turning Point for Women and Families

United Neighborhood Houses

United Way of New York City

Urban Pathways

Urban Youth Alliance

USA Mali Charitable Association of NYC

Violence Intervention Program

Voices of Ascension

Waterfront Alliance

We Stay/Nos Quedamos

Women Creating Change

Women's Rights Information Center

YMCA of Greater New York

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[1] Bureau of Labor Statistics. (2017) Research Data on the Nonprofit Sector.

[2] SeaChange Capital Partners. (2016). Nonprofit Risk Management Report.

[3] In March 2020 Nonprofit New York surveyed member organizations about the impact of COVID-19 on their organizations. Of respondents, 85% had to cancel programs or events, 70% experienced reduced revenue, 63% experienced a disruption of services, and over half expected a drop in revenue as a result of COVID-19. New Yorkers for Culture & the Arts COVID-19 impact survey found organizations canceled events cost some close to \$900,000 in revenue and \$500,000 in rentals. On March 29th, the <a href="New York Post">New York Post</a> reported 1/3 of food pantries in New York City have closed due to COVID-19.

- [4] SeaChange Capital Partners. (April 2020). Too Big to Fail: New York City's Largest Human Service Providers.
- [5] Paycheck Protection Program (PPP) SBA 7(a) loan programs exclude nonprofits with more than 500 staff. <u>Public Law 116-136</u>, Section 1102.
- [6] The City's decision to cancel SYEP with one day's notice required organizations to lay off staff making them ineligible for PPP loan forgiveness. Section 1106 of the CARES Act requires organizations to rehire or retain staff for PPP loan forgiveness.

[7] The federal Families First Coronavirus Act established quarterly payroll tax credits to reimburse nonprofit employers for paid sick and family leave. The CARES Act included nonprofits in the Small Business Administration's PPP, EIDL, and Industry Stabilization loans. The following state legislation introduced between March 24th and April 8th specifically name nonprofits along with small businesses for economic relief efforts: A10247 (Niou)/ S08139 (Gianaris); A10208 Buchwald); A10212 (Otis)/ S02520C (Harckham); A10266 (Barclay).