

THE COUNCIL OF THE CITY OF NEW YORK

Speaker of the Council
Christine C. Quinn



Hon. Leroy Comrie, Chair, Land Use Committee

Hon. Bradford Lander, Chair, Landmarks, Public Siting &
Maritime Uses Subcommittee

Hearing on the Mayor's Fiscal 2013 Preliminary Budget & the Fiscal 2012 Preliminary Mayor's Management Report

Landmarks Preservation Commission

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Agency Overview

The Landmarks Preservation Commission (LPC) protects the City's architectural, historic, and cultural resources. The Commission identifies, designates, and regulates buildings, districts, sites, and interiors, surveys potential landmarks and historic districts, evaluates proposals for landmark designations, and regulates alterations to designated sites and structures.

This report provides a review of the LPC's Preliminary Budget for Fiscal 2013. In the first section the highlight's of the Fiscal 2013 expense budget are presented, along with a discussion of revenue actions the Commission undertaking in Fiscal 2012 and 2013. The report then presents the Preliminary Mayor's Management Report for Fiscal 2012.

Fiscal 2013 Preliminary Plan Highlights

<i>Dollars in Thousands</i>	2011	2012	2012	2013	*Difference
	Actual	Adopted	Feb. Plan	Feb. Plan	2012 - 2013
Personal Services	\$543	\$627	\$627	\$565	(\$62)
Other Than Personal Services	3,936	4,131	4,131	4,157	26
Agency Total	\$4,479	\$4,758	\$4,758	\$4,722	(\$36)

The LPC's Fiscal 2013 Preliminary Budget is \$4.72 million, only 36,000 less than the agency's Fiscal 2012 Adopted Budget of \$4.76 million. The agency's funding sources consist of \$4.1 million in City tax levy funds, and \$557,992 in federal Community Development Block Grant (CDBG) funds. The share of City tax levy funding has increased since adoption by \$25,956 while the amount of CDBG funding has decreased by 11 percent or \$62,000 since adoption. The decrease in CDBG funding is due to nationwide cuts at the federal level for this program which has adversely impacted City agencies such as DCP which relies heavily on this funding source. The decline in CDBG funding at the federal level as well as at the local level will likely continue to impact DCP in Fiscal 2014 and the outyears which will be determined when the Executive plan is released in May. Since the Fiscal 2012 Adopted Budget the agency has implemented the following expense and revenue initiatives:

- **Personal Services Reduction.** Reduced agency personal by three positions which will save \$191,422 in Fiscal 2012 (see page 2).
- **Landmark Permit Fee Increase.** In Fiscal 2012 the LPC increased landmark permit fees which will generate \$2.5 million in Fiscal 2012 and the outyears. (see page 3)
- **Permit Revenue Increase.** The LPC expects to receive more revenue from an increased number of permit applications being processed which will generate \$99,000 for the remainder of Fiscal 2012 and \$304,000 in Fiscal 2013 and the outyears (see page 3).

Financial Summary

<i>Dollars in Thousands</i>	2011	2012	2012	2013	*Difference
	Actual	Adopted	Feb. Plan	Feb. Plan	2012 - 2013
Personal Services	\$3,936	\$4,131	\$4,131	\$4,157	\$26
Additional Gross Pay	90	126	126	126	-
Amounts to be Scheduled	-	22	22	22	-
Fringe Benefits	-	0	0	0	-
Full-Time Salaried - Civilian	3,566	3,585	3,585	3,611	26
Other Salaried and Unsalariated	275	389	389	389	-
Overtime - Civilian	6	7	7	7	-
P.S. Other	0	-	-	-	-
Other than Personal Services	\$543	\$627	\$627	\$565	(\$62)
Contractual Services	240	285	274	223	(62)
Fixed and Misc Charges	2	-	-	-	-
Other Services and Charges	230	274	272	274	-
Property and Equipment	15	19	27	19	-
Supplies and Materials	56	50	55	50	-
TOTAL	\$4,479	\$4,758	\$4,758	\$4,722	(\$36)
Funding					
City Funds	NA	\$4,138	\$4,138	\$4,164	\$26
Federal - Community Development	NA	620	620	558	(62)
TOTAL		\$4,758	\$4,758	\$4,722	(\$36)
Positions	50	61	61	61	0
TOTAL	50	61	61	61	0

**The difference of Fiscal 2012 Adopted compared to Fiscal 2013 February Plan funding.*

Expense Reductions

At 61 positions the agency's headcount in Fiscal 2013 will remain at the levels of Fiscal 2012. This headcount level is slightly lower than the Fiscal 2011 level of 64 which was reduced when the agency undertook initiatives to reduce its expense budget during Fiscal 2012. In addition the agency is also generating revenue for the City through an increase in permit fees and projecting a greater number of permits being processed. These actions are detailed below.

- Personal Services Reduction.** The LPC eliminated three positions through attrition from the Buildings Operations Unit for a savings of \$191,422 in Fiscal 2012, with that savings increasing to \$214,978 by Fiscal 2013. This action reduced the agency's headcount from 64 in Fiscal 2011 to 61 in Fiscal 2012.

Revenue Initiatives in Fiscal 2012 and 2013

- **Landmark Permit Fee Increase.** In Fiscal 2012 LPC collected additional revenue for the City's general fund as a result of a fee increase for landmark permits. Permits are required for landmark properties that are undergoing certain alterations to the property. The Commission and the Department of Buildings then reviews alteration proposals and determines if there is any significant effect on the features of a building or historic district. In previous fiscal years, the projected revenue from these fees has been approximately \$2 million. With the fee increase, the projected revenue will now be \$2.5 million starting in Fiscal 2012, a 22 percent increase. In particular, the current permit fee is \$50 for all work that is valued at \$25,000, which makes up 40 percent of the total revenue. The remaining 60 percent consist of a \$4 fee for every \$1,000 above \$25,000. For example, \$26,000 of work would therefore require a \$54 permit fee. The Commission will now increase the base fee to \$95 for work valued at \$25,000 and a \$5 increase for every \$1,000 above \$25,000.
- **Permit Revenue Increase.** In addition to increasing the landmark permit fee, the agency's financial plan assumes more revenue for the City in the continued growth in permit applications processed. As the Mayor's Fiscal 2012 Preliminary Management Report shows, the number of work permit applications processed increased from the 4-month reporting period in Fiscal 2012 of 4,003 compared to the same period in Fiscal 2011 which was 3,483. In fact the number of work order permit applications processed by the agency increased from 9,107 in Fiscal 2009 to 11,738 in Fiscal 2011 which is again likely to continue to increase by the end of Fiscal 2012.

The agency attributes the increase in permit applications to an improving economic environment as well as programmatic changes within the agency. Specifically, DCP launched a fast track service system which allows for permits to be expedited for certain types of work. This new system has led to approximately 25 percent of DCP permits being expedited. This initiative along with regulatory changes that made the permit application process more transparent has led to applications being processed in a timelier and more efficient manner which has allowed DCP to increase the pipeline in application permits. The increase in work permit applications is expected to generate \$99,000 for the remainder of Fiscal 2012 and \$304,000 in Fiscal 2013 and the outyears.

Appendix B: Contract Budget

Category	Number	Budgeted	Pct of LPC Total	Pct of City Total
Contractual Services General	1	\$13,403	6%	0%
Telecommunications Maintenance	1	500	0%	0%
Maintenance and Repairs Motor Vehicle Equipment	1	1,000	0%	0%
Maintenance and Repair General	35	114,790	51%	0%
Office Equipment Maintenance	2	4,500	2%	0%
Data Processing Maintenance	1	10,605	5%	0%
Printing Contracts	1	4,500	2%	0%
Temporary Services	1	3,500	2%	0%
Training Program City Employees	1	1,000	0%	0%
Professional Services Other	1	69,484	31%	0%
Preliminary Budget	45	\$223,282	100%	0%

Appendix C: Fiscal 2012 Mayor's Management Report Performance Measures

Performance Measures

	FY 09	FY 10	FY 11	FY 11 4-Month Actual	FY 12 4-Month Actual
Individual landmarks and historic districts designated	40	40	40	12	10
Total number of buildings designated	998	598	1,528	227	173
Percent of investigations resulting in enforcement action	58%	64%	61%	69%	58%
Notices of Violation upheld at the Environmental Control Board (%)	98%	98%	97%	98%	98%
Archeology applications received	328	298	273	102	91
Archeology applications reviewed within 10 days	89%	96%	96%	98%	98%