

THE COUNCIL OF THE CITY OF NEW YORK

Speaker of the Council  
Christine C. Quinn



Hon. Leroy Comrie, Chair, Land Use Committee

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

Department of City Planning

**March 8, 2012**

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## Agency Overview

The Department of City Planning (DCP) conducts planning related to the growth, improvement and future development of the City. It is responsible for initiating changes in the zoning maps and resolutions, providing technical and professional assistance to community boards, and preparing an annual capital needs and priorities report.

This report provides a review of the Department of City Planning'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 federal budget reductions that are impacting the agency. The report then presents the Preliminary Mayor's Management Report for Fiscal 2012.

## Fiscal 2013 Preliminary Plan Highlights

<i>Dollars in Thousands</i>	2011 Actual	2012 Adopted	2012 Feb. Plan	2013 Feb. Plan	*Difference 2012 - 2013
Personal Services	\$2,260	\$2,404	\$2,404	\$2,404	\$0
Other Than Personal Services	21,402	22,265	23,456	19,548	(2,717)
<b>Agency Total</b>	<b>\$23,662</b>	<b>\$24,668</b>	<b>\$25,859</b>	<b>\$21,951</b>	<b>(\$2,717)</b>

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

The Department of City Planning's (DCP) Fiscal 2013 Preliminary Budget is \$21.9 million, which is approximately \$2.7 million less than the \$24.6 million Fiscal 2012 Adopted Budget. The overall reduction is primarily due to the actions the agency has undertaken since Adoption to decrease City tax levy funds in the amount of \$2.5 million by Fiscal 2013. DCP's Fiscal 2013 funding sources consist of \$8 million in City funds, \$12.8 million from federal Community Development Block Grant funds, \$1 million from other federal sources and only \$3,144 in State funds. Since the Fiscal 2012 Budget Adoption the agency has implemented certain actions to reduce its expense budget. The agency has also had to deal with reductions in CDBG funding which has had an impact on staffing levels. These actions are summarized below:

- **Layoffs and Vacancy Eliminations.** The agency will achieve savings of 285,000 in Fiscal 2012 and \$525,000 in Fiscal 2013 through the elimination of six positions (see page 2).
- **DCP Headcount Reductions.** The agency's total headcount will decrease by 14 from a total of 245 in Fiscal 2012 to 231 in Fiscal 2013 (see page 2).
- **Hiring Freeze and Attrition Savings.** DCP will implement a hiring freeze of six positions that will save the agency 120,000 in Fiscal 2012 and \$187,000 in Fiscal 2013 (see page 3).
- **Other than Personal Services (OTPS) Reductions.** DCP will reduce OTPS funding by \$25,000 in Fiscal 2013 and the outyears (see page 3).
- **Federal CDBG Budget Reductions.** The agency's CDBG funding was reduced by five percent in Fiscal 2012 and is expected to be reduced by another 10 percent in Fiscal 2014 (see page 4).

## Financial Summary

<i>Dollars in Thousands</i>	2011 Actual	2012 Adopted	2012 Feb. Plan	2013 Feb. Plan	*Difference 2012 - 2013
<b>Budget by Program Area</b>					
Personal Services	\$2,260	\$2,404	\$2,404	\$2,404	\$0
Other Than Personal Services	21,402	22,265	23,456	19,548	(2,717)
<b>TOTAL</b>	<b>\$23,662</b>	<b>\$24,669</b>	<b>\$25,860</b>	<b>\$21,952</b>	<b>(\$2,717)</b>
<b>Funding</b>					
City Funds	NA	\$10,634	\$9,105	\$8,059	(\$2,575)
Federal - Community Development Block Grant	NA	12,802	12,802	12,802	-
Federal - Other	NA	1,088	3,807	1,088	-
State	NA	146	146	3	(143)
<b>TOTAL</b>	<b>N/A</b>	<b>\$24,669</b>	<b>\$25,860</b>	<b>\$21,952</b>	<b>(\$2,717)</b>
<b>Positions</b>					
Full-Time Positions - Civilian	235	245	246	231	(14)
<b>TOTAL</b>	<b>235</b>	<b>245</b>	<b>246</b>	<b>231</b>	<b>(14)</b>

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

- DCP Headcount Reductions.** DCP’s Fiscal 2013 Preliminary Budget includes a reduction of 14 positions from the Fiscal 2012 Adopted Budget total of 245. The headcount reduction is comprised of two layoffs and four positions eliminated through attrition during the Fiscal 2012 November Plan. An additional six positions were eliminated from previous financial plans in Fiscal 2011 and Fiscal 2012 that will be realized in Fiscal 2013. There are two positions that are federally funded but are not baselined in the Preliminary Plan due to federal funding sources not coinciding with the City’s fiscal year. It is expected that these two positions will be funded through adjustments made during Fiscal 2013.

Over the past four years the agency has eliminated 63 positions which represents a 27 percent reduction in staffing levels. According to DCP these staffing reductions have had an adverse impact on the agency’s ability to process land use and environmental review applications as well as reducing the capacity to start new rezoning’s. This has resulted in DCP prioritizing requests for new neighborhood rezoning’s and the lower staffing levels have also impacted the time to review private applications. In addition DCP has had to do more with less by reassigning planners to multiple geographic areas rather than dedicating planners to a single community board.

### EXPENSE REDUCTIONS

- Layoffs and Vacancy Eliminations.** The agency will layoff two yet to be identified tax-levy funded positions based on an average salary of \$65,000 per employee which is expected to save the agency \$147,000 in Fiscal 2013 increasing to \$667,000 by Fiscal 2016. DCP will also eliminate an additional four positions through three attritions and one anticipated retirement

which will save \$285,000 for the remainder of Fiscal 2012 and \$378,000 in Fiscal 2013. The impacted positions will include four vacancies in the Land Use Review Division and one retirement in the Planning Support Division.

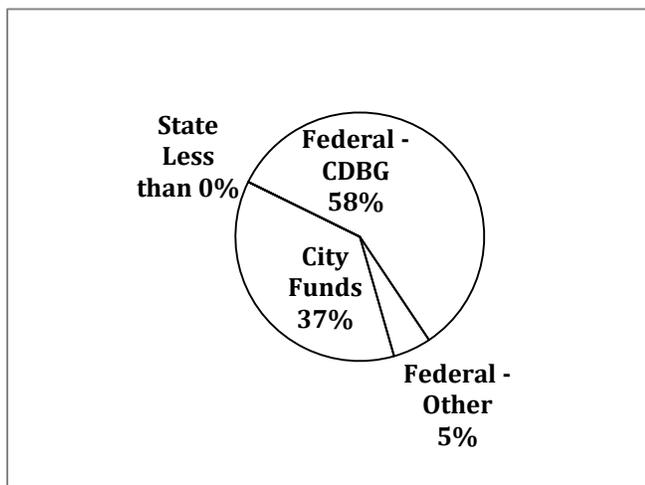
- **Hiring Freeze and Attrition Savings.** The agency will meet Office and Management and Budget (OMB) mandated expense reductions by imposing a hiring freeze that will impact six positions and save \$120,000 in Fiscal 2012 and \$187,000 in Fiscal 2013. OMB imposed this expense reduction partly to make up the difference in the shortfall of a revenue initiative from Fiscal 2011 which included the sale of the updated zoning resolution to the development community which was expected to generate \$277,000 in additional revenue in Fiscal 2011 and \$318,000 in Fiscal 2012.
- **Other than Personal Services (OTPS) Reductions.** DCP will reduce OTPS spending by \$25,000 in Fiscal 2013 and the outyears by reducing costs in the Commissioner's office and incurring savings from printing large works orders in-house rather than using outside vendors.

## Federal Budget Impact

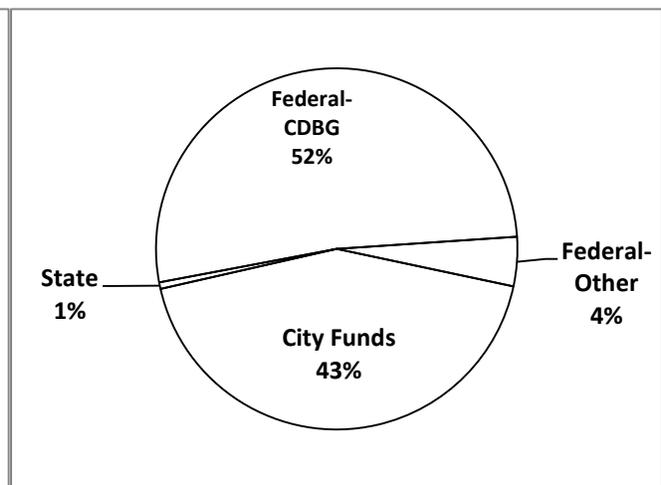
The federal Community Development Block Grant (CDBG) funds approximately 58 percent or \$12.8 million of DCP’s \$21.9 million Fiscal 2013 Adopted Budget. Another five percent, or \$1 million, is from the Federal Highway Administration to fund the federal mandates of the New York Metropolitan Transportation Council (NMTC). Approximately 37 percent or \$8 million comes from City tax levy funds, and less than one percent in funding comes from the State of New York (See chart 1 below).

Since most of the agency’s funding comes from the federal government, budgetary actions in Washington D.C greatly impacted DCP funding priorities in Fiscal 2012. The federal allocation of CDBG funds to the City from the Department of Housing and Urban Development (HUD) was \$163.3 million in Fiscal 2012, which represented a 6 percent reduction from the previous fiscal year. DCP along with other City agencies phase-in the CDBG cuts in order to prevent a drastic one-year reduction in funding to the agency. Specifically, DCP’s CDBG budget was reduced by five percent or \$510,000 in Fiscal 2012 and will be reduced by another ten percent in Fiscal 2014, thereby not impacting Fiscal 2013 funding levels which will remain at \$12.8 million. As the two charts below show the agency’s dependence on CDBG funding increased in Fiscal 2013 compared to Fiscal 2012, while the share of City funds decreases from 43 percent to 37 percent. This is partly due to OMB mandated expense reductions in City funds that the agency had to implement for Fiscal 2013 as well as the expectation that there will be less CDBG funding flexibility in Fiscal 2014 as this source will decrease by 10 percent.

**Chart 1**  
Fiscal 2013 DPC Sources of Funding



**Chart 2**  
Fiscal 2012 DPC Sources of Funding



As charts 3 and 4 show DCP staffing capacity is also greatly depend on CDBG funding. In particular, 153 of the 231 employees in Fiscal 2013 are funded by federal CDBG dollars which has stayed consistent with Fiscal 2012 levels. The number of City tax levy funded positions has declined from 73 in Fiscal 2012 to 61 in Fiscal 2013 which is due to the OMB mandated expense reductions. With a looming 10 percent reduction in CDBG funds in Fiscal 2014 along with other future cuts to City tax levy dollars, the agency’s funding flexibility will be greatly diminished which may lead to further headcount reductions. As DCP has noted previously reduced headcount will continue to have an adverse effect on service delivery and program implementation throughout the agency.

### Funding Sources for DCP Employees for Fiscal 2012 and 2013

Chart 3: 231 DCP Employees in Fiscal 2013

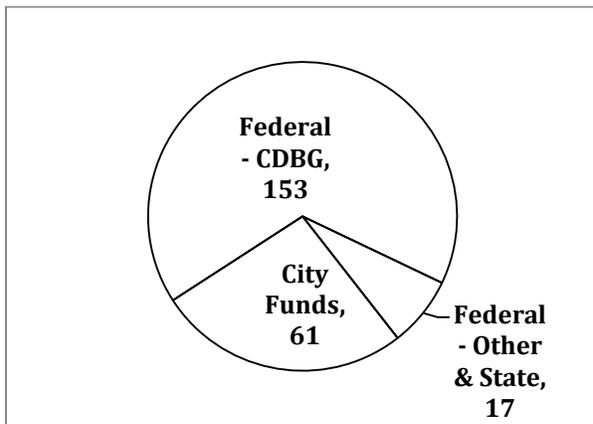
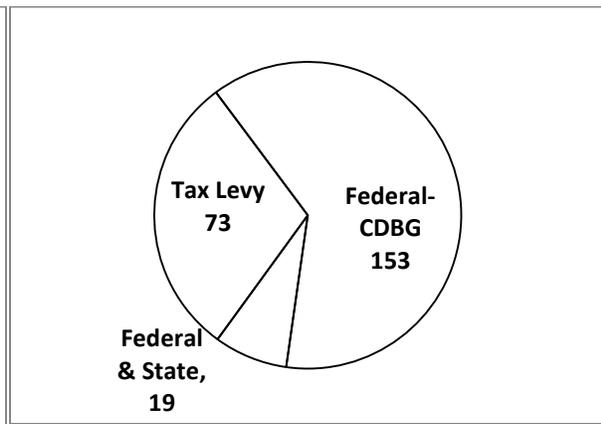


Chart 4: 245 DCP Employees in Fiscal 2012



## Appendix A: Budget Actions in the November and February Plans

<i>Dollars in Thousands</i>	FY 2012			FY 2013		
	City	Non-City	Total	City	Non-City	Total
<b>Agency Budget as of June 2011 Plan</b>	<b>\$10,633</b>	<b>\$14,034</b>	<b>\$24,667</b>	<b>\$7,535</b>	<b>\$13,889</b>	<b>\$21,424</b>
<b>Program to Eliminate the Gap (PEGs)</b>						
Administrative PS Savings	(\$66)		(\$66)			\$0
Attrition Savings from Hiring Freeze	(120)		(120)	(187)		(187)
Layoffs			0	(147)		(147)
Other Adjustments			0	20		20
OTPS Adjustments			0	(25)		(25)
PS Attrition Savings	(37)		(37)	(127)		(127)
Vacancy Eliminations	(248)		(248)	(251)		(251)
<b>TOTAL, PEGs</b>	<b>(\$471)</b>	<b>\$0</b>	<b>(\$471)</b>	<b>(\$718)</b>	<b>\$0</b>	<b>(\$718)</b>
<b>Other Adjustments</b>						
Fringe Benefit Offset			-	\$32		\$32
Fringe Benefit Offset for Vacancy Elimination	54		54	57		57
FY CMAQ PS&OTPS Funding		1,357	1,357			-
FY12 NYMTC PS & OTPS Funding		391	391			-
FY12 Sheridan Grant Funding		255	255			-
Sustainable PS &OTPS Fund		717	717			-
Blue Print Rollover	(498)		(498)	488		488
Lease Adjustment	40		40			-
Reallocation of EIS Contract Funding	(654)			654		654
<b>TOTAL, Other Adjustments</b>	<b>(\$1,058)</b>	<b>\$2,719</b>	<b>\$2,315</b>	<b>\$1,231</b>	<b>\$0</b>	<b>\$1,231</b>
<b>TOTAL, All Changes</b>	<b>(\$1,529)</b>	<b>\$2,719</b>	<b>\$1,844</b>	<b>\$513</b>	<b>\$0</b>	<b>\$513</b>
<b>Agency Budget as of February 2012 Plan</b>	<b>\$9,104</b>	<b>\$16,753</b>	<b>\$26,511</b>	<b>\$8,048</b>	<b>\$13,889</b>	<b>\$21,952</b>

## Appendix B: Contract Budget

Category	Number	Budgeted	Pct of DCP Total	Pct of City Total
Contractual Services General	3	\$34,500	3%	0%
Telecommunications Maintenance	3	5,438	0%	0%
Maint & Repair, General	11	92,540	7%	0%
Office Equipment Maintenance	3	17,800	1%	0%
Data Processing Equipment	15	149,891	12%	0%
Printing Contracts	3	35,000	3%	0%
Security Services	1	95,800	8%	0%
Temporary Services	2	8,200	1%	0%
Cleaning Services	1	5,540	0%	0%
Training Programs for City Employees	3	5,800	0%	0%
Professional Services: Engineer & Architect	0	767,418	61%	4%
Professional Services: Computer Services	1	36,000	3%	0%
Professional Services: Other	1	1,000	0%	0%
<b>Preliminary Budget</b>	<b>47</b>	<b>\$1,254,927</b>	<b>100%</b>	<b>1%</b>

## 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
<b>Growth, Improvement and Future Development of the City</b>					
Number of significant milestones achieved for DCP-facilitated projects related to Lower Manhattan	6	6	6	NA	NA
Number of significant milestones achieved for DCP-facilitated projects related to Hudson Yards	12	11	2	NA	NA
Number of significant milestones achieved for DCP-facilitated projects related to significant open-space proposals	5	5	5	NA	NA
<b>Land Use and Environmental Reviews</b>					
Land use applications referred within 6 months (%)	79%	80%	74%	82%	69%
Median time to refer land use applications (days)	33	28	37	44	62
Environmental review applications completed	224	249	208	95	60
Environmental review applications completed within 6 months	71%	61%	74%	73%	85%
Median time to complete environmental review applications (days)	22	47	39	85	13

A total of 117 land use applications were referred by DCP from July to October in 2011. Of this amount 69 percent were referred within six months of receipt which was below the target of 70 percent. In addition the median time to refer applications increased by 18 days to 62 days. This is due to a higher proportion of complex long-term projects that originated from prior fiscal years having an adverse impact on referral times for land use applications.

The number of environmental review applications completed during the Fiscal 2012 reporting period was 60 which was lower than the 95 applications completed in Fiscal 2011. Approximately 85 percent of the 60 applications completed during the Fiscal 2012 reporting period were completed within six months of receipt which represented an improvement over the 73 percent in Fiscal 2011. In addition the median time to complete application review decreased from 85 days to 13 days. These trends are due to the fact that applications during the reporting period had a larger proportion of less complex applications expedited through the reforms of the City Environmental Quality Review system.