

THE COUNCIL OF THE CITY OF NEW YORK

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Speaker of the Council

Hon. Rafael Salamanca, Jr.
Chair, Committee on Land Use



Report of the Finance Division on the
Fiscal 2020 Preliminary Plan and the
Fiscal 2019 Preliminary Mayor's Management Report for the
Department of City Planning

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Department of City Planning Overview

The Department of City Planning (DCP) is New York City’s primary land use agency and is instrumental in designing the City’s physical and socioeconomic framework.

DCP’s Strategic Objectives include:

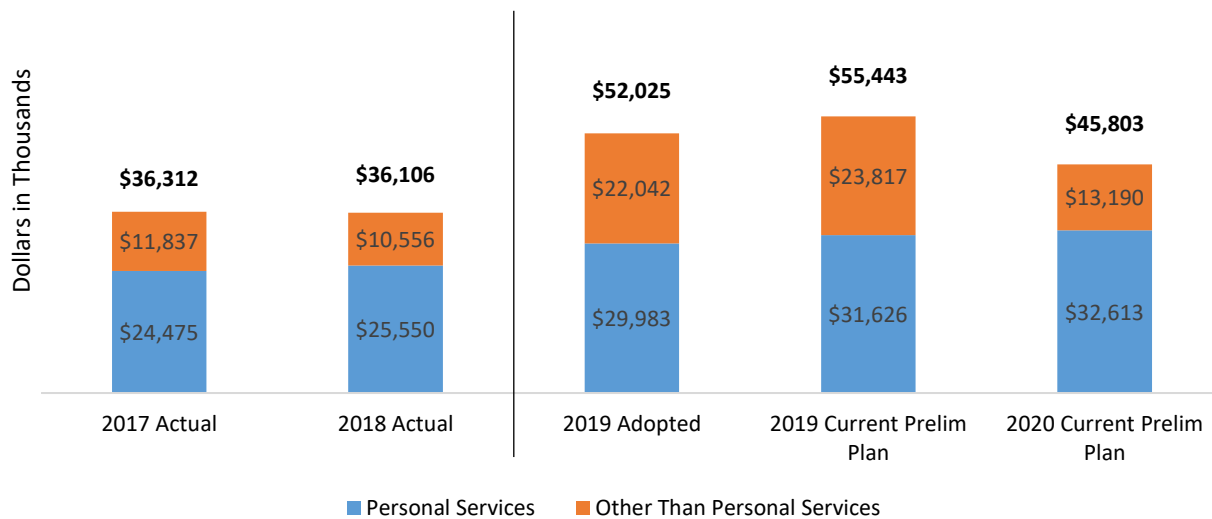
- Catalyze long-term neighborhood improvement through integrated planning;
- Encourage housing production, affordability, and quality;
- Promote economic development and job growth;
- Enhance resiliency and sustainability of neighborhoods;
- Ensure integrity, timeliness, and responsiveness in land use reviews; and
- Supply objective data and expertise to a broad range of planning functions and stakeholders.

Fiscal 2020 Preliminary Budget Highlights

The Department of City Planning’s Fiscal 2020 Preliminary Budget totals \$45.8 million (including City and non-City funds). DCP’s Fiscal 2020 Preliminary Budget is \$6.2 million or approximately 12 percent less than the Fiscal 2019 Adopted Budget of \$52 million. For Fiscal 2020, DCP’s budget includes \$32.6 million or 71.2 percent for Personal Services (PS) and \$13.2 million or 28.8 percent for Other Than Personal Services (OTPS). The PS costs includes all full-time and part-time positions as well as overtime spending. The OTPS costs includes property, equipment, supplies, and services contracted out.

Since the Fiscal 2019 Budget adoption, PS spending for Fiscal 2019 has increased by \$1.8 million or nearly six percent, while OTPS spending increased by \$1.2 million, five percent.

PS vs OTPS Breakdown



The key actions included in DCP's Fiscal 2020 Preliminary Plan are as follows: a new need of \$101,000 to hire a senior demographer; a \$603,000 reduction due to environmental consulting re-estimates, and \$225,000 in PS savings. The changes introduced in the Preliminary Financial Plan are listed in Appendix A on page 8, as are the changes included in the November 2018 Financial Plan. Major changes introduced in the Preliminary Plan include the following actions.

New Needs

Senior Demographer. The Fiscal 2020 Preliminary Plan includes \$57,000 in Fiscal 2019 and \$101,000 in Fiscal 2020 and in the outyears to hire a Senior Demographer. DCP is expecting a senior level departure and will bring in a new staff to enable an early transition.

Other Adjustments

DCP Collective Bargaining Agreement. The Fiscal 2020 Preliminary Plan includes \$292,000 in Fiscal 2019, \$501,000 in Fiscal 2020 and \$577,000 in Fiscal 2021 and in the outyears for collective bargaining agreements.

PS Savings. Due to hiring delays, the Fiscal 2020 Preliminary Plan includes savings of \$225,000 from PS costs in Fiscal 2019 only.

Building Elevation Study. The Fiscal 2020 Preliminary Plan includes federal funding of \$1.9 million in Fiscal 2019 only for a resiliency study that will use technology in coordination with other agencies to study elevation of buildings in the flood plain to identify those in danger. This study is part of DCP's work on resiliency and sustainability, one of the agency's six strategic initiatives.

Re-estimates

Environmental Consulting Re-Estimates. Due to a re-estimate, the Department anticipates a cost savings of \$603,000 in Fiscal 2019 only from costs associated with environmental consulting contracts.

Financial Plan Summary

Table 1: Department of City Planning Financial Plan Summary

| <i>Dollars in Thousands</i> | FY16 | FY17 | FY18 | FY19 | Current Preliminary Plan | | *Difference |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|--------------------------|-----------------|------------------|
| | Actual | Actual | Actual | Adopted | FY19 | FY20 | FY19-FY20 |
| Spending | | | | | | | |
| Personal Services | \$20,448 | \$22,342 | \$23,454 | \$27,532 | \$29,226 | \$30,051 | \$2,519 |
| Geographic Systems | 2,127 | 2,134 | 2,134 | 2,451 | 2,516 | 2,563 | 112 |
| Subtotal, PS | \$22,574 | \$24,475 | \$25,550 | \$29,983 | \$31,742 | \$32,613 | \$2,630 |
| Other Than Personal Services | \$8,379 | \$11,670 | \$10,334 | \$21,731 | \$22,910 | \$12,890 | (\$8,841) |
| Geographic Systems | 278 | 167 | 221 | 311 | 311 | 300 | (11) |
| Subtotal, OTPS | \$8,657 | \$11,837 | \$10,556 | \$22,042 | \$23,221 | \$13,190 | (\$8,852) |
| TOTAL | \$31,231 | \$36,312 | \$36,106 | \$52,026 | \$54,963 | \$45,803 | (\$6,223) |
| Funding | | | | | | | |
| City Funds | | | | \$30,980 | \$28,720 | \$26,246 | (\$4,734) |
| State | | | | 0 | 470 | 0 | 0 |
| Federal - Community Dev | | | | 19,703 | 24,101 | 18,215 | (1,488) |
| Federal - Other | | | | 1,343 | 1,672 | 1,343 | 0 |
| Intra City | | | | 0 | 0 | 0 | 0 |
| TOTAL | \$31,231 | \$36,312 | \$36,106 | \$52,026 | \$54,963 | \$45,803 | (\$6,223) |
| Budgeted Headcount | | | | | | | |
| Full-Time Positions - Civilian | 270 | 293 | 296 | 355 | 397 | 379 | 24 |

*The difference of Fiscal 2019 Adopted Budget compared to Fiscal 2020 Preliminary Budget.

Since the Fiscal 2019 Budget adoption, the Financial Plans have introduced several changes to DCP's Fiscal 2019 and Fiscal 2020 budgets.

For Fiscal 2019, these changes include \$371,000 in new needs and an increase of approximately \$2.6 million in other adjustments for a total net change of \$2.9 million. The majority of this increase is due, in part, to a Disaster Recovery Elevation study and environmental consulting funded with federal and State grants. However, when looking at City funding alone DCP's budget shows a decreased of \$2.3 million since adoption.

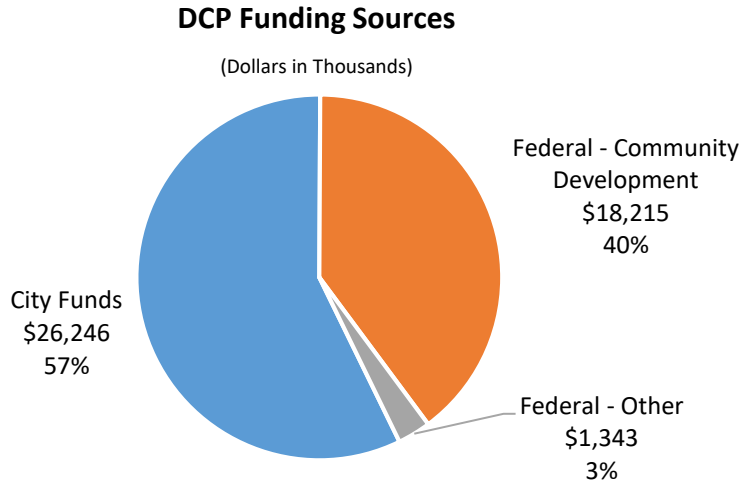
For Fiscal 2020, the changes include an increase of \$2.6 million in PS costs and a decrease of \$8.9 million in OTPS for a total net decrease of approximately \$6.2 million. This OTPS decrease is caused by a \$8.3 million expiration of Fiscal 2019 funds for one-time or temporary projects that are not currently in the Fiscal 2020 Financial plan including: \$2.0 million for the build-out of DCP's Paperless Filing System, \$3.2 million in Environmental Consulting that were a one-time transfer from prior years and \$3.1 million in Census Funding. The decrease in City funding for DCP in Fiscal 2020 is \$4.7 million since adoption.

See Appendix A, on page 20 for a breakdown of all actions.

Funding Sources

DCP's budget is supported through two primary funding sources. Of the total budget, City tax-levy accounts for 57.3 percent and federal funding accounts for 42.7 percent. The Fiscal 2020 Preliminary Plan recognizes a total of \$19.6 million in federal grants. Some major federal grants include:

- \$16.3 million in Community Development Block Grant for planning and administration;
- \$1.9 million in Community Development Block Grants for disaster recovery; and
- \$1.3 million for Urban Mass transportation Studies.



Headcount

Table 2: DCP Headcount Breakdown

| | Fiscal 2019 Adopted Headcount | Fiscal 2019 Budgeted Headcount | Actual Headcount | Under / (Over) | Fiscal 2020 Budgeted Headcount | FY19-FY20 Difference |
|---------------------|-------------------------------|--------------------------------|------------------|----------------|--------------------------------|----------------------|
| Full-Time Positions | 355 | 381 | 312 | 69 | 379 | 24 |

Note: a) Budgeted headcount is based on Preliminary Plan; b) Actuals based on Jan 2019

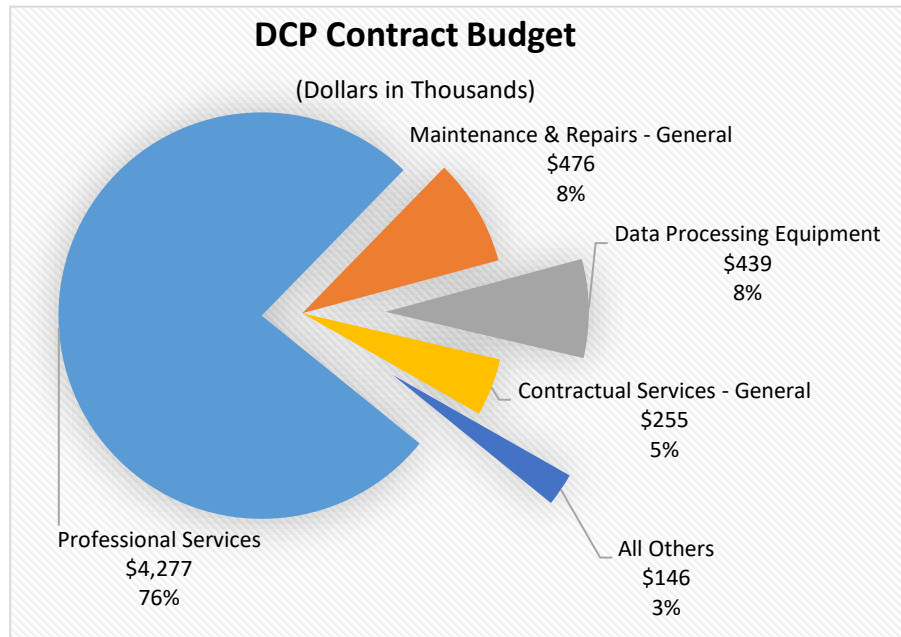
DCP’s headcount for Fiscal 2019 has increased by 26 positions, for a total of 381 positions, when compared to the Fiscal 2019 Adopted Budget. The net increase is mostly due to the addition of 17 positions for the disaster recover resiliency program. These positions are temporary as of January 2019, the Department is 69 positions under its budgeted headcount when compared to the Fiscal 2019 Preliminary Plan, as shown in the “DCP Headcount” table. Of the 69 vacant positions, 36 are currently in the hiring process and 19 are dormant – never to be filled. This is because the Community Development Block Grants budget anticipated these positions but failed to provide funding. An additional 14 positions dedicated to the census are yet to be filled.

DCP’s headcount for Fiscal 2020 is projected to increase by 24 positions over the Fiscal 2019 adopted headcount.

Contract Budget

The New York City Charter mandates the preparation of a Contract Budget to identify expenditures for contractual services, which are defined as any technical, consultant or personnel service provided to the City by means of a contract. The Contract Budget is a subset of the OTPS portion of the City’s Expense Budget. The Administration prepares a Contract Budget twice each fiscal year. The Fiscal 2020 Preliminary Budget totals \$15.9 billion for procurement expenditures across all agencies with over 17,655 contracts.

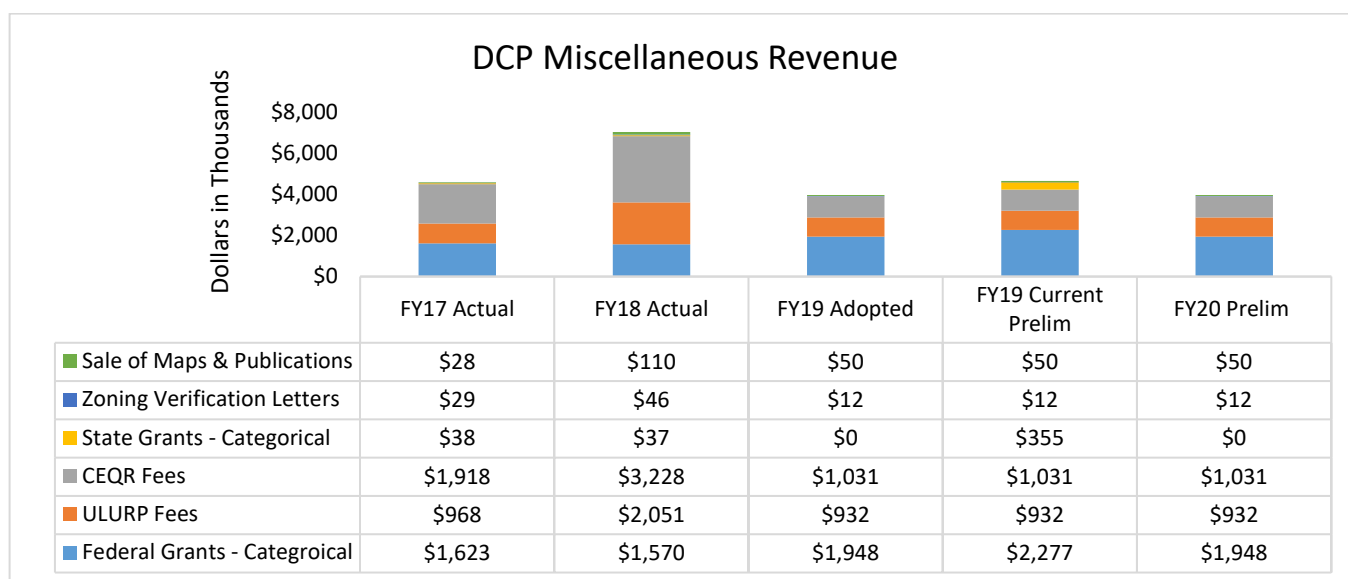
DCP’s Fiscal 2020 Contract budget totals \$5.6 million for 20 contracts, accounting for 42.4 percent of the Department’s OTPS budget. Contracts for professional services – engineering and architecture comprise 76 percent of the Department’s total contact budget, with a total of \$4.3 million for Fiscal 2020.



Contracts in this category support environmental consulting services for planning projects. Furthermore, DCP utilizes contractual services for office services, maintenance and repair of equipment, as well as for support of data processing hardware and software.

Miscellaneous Revenue

The Department of City Planning generates revenue from sources that include fees for Zoning Verification Letters, City Environmental Quality Review (CEQR), Uniform Land Use Review Procedure (ULURP), and the sale of maps and publications. In the Preliminary Budget, these fees associated with land use actions in the City, including the CEQR process and ULURP, are projected to account for approximately 51 percent of the Department’s total miscellaneous revenue for Fiscal 2020 with federal grants accounting for the rest.



PMMR Performance Measures

| Performance Indicators | Actual | | | | Target | | 4-Month Actual | |
|--|--------|------|------|------|--------|------|----------------|------|
| | FY15 | FY16 | FY17 | FY18 | FY19 | FY20 | FY18 | FY19 |
| Economic development and housing proposals completed and presented to the public | 29 | 42 | 45 | 74 | * | * | 14 | 3 |
| Neighborhood enhancement proposals completed and presented to the public | 30 | 14 | 28 | 25 | * | * | 15 | 8 |
| Planning information and policy analysis initiatives presented to the public | 212 | 222 | 262 | 267 | * | * | 64 | 138 |
| Zoning actions (simple) certified/referred | 95 | 59 | 66 | 63 | * | * | 21 | 15 |
| - Certified/referred within 12 months (%) | 66% | 71% | 65% | 68% | 70% | 70% | 62% | 80% |
| Zoning actions with CEQR certified/referred | 45 | 57 | 79 | 78 | * | * | 21 | 26 |
| - Certified/referred within 15 months (%) | 62% | 42% | 56% | 54% | 70% | 70% | 62% | 31% |
| City projects (non-zoning) certified/referred | 47 | 50 | 70 | 60 | * | * | 17 | 16 |
| - Certified/referred within 6 months (%) | 70% | 96% | 93% | 97% | 70% | 70% | 94% | 88% |
| Renewals and South Richmond actions certified/referred | 68 | 57 | 59 | 63 | * | * | 28 | 32 |
| - Certified/referred within 6 months (%) | 84% | 86% | 86% | 92% | 70% | 70% | 96% | 91% |
| E-mails responded to in 14 days (%) | 90% | 85% | 83% | 45% | 85% | 85% | 37% | 94% |
| Letters responded to in 14 days (%) | 64% | 72% | 71% | 51% | 50% | 50% | 59% | 76% |
| Completed customer requests for interpretation | 2 | 6 | 12 | 14 | * | * | N/A | N/A |
| CORE customer experience rating (0 - 100) | 92 | 100 | 99 | 99 | 90 | 90 | N/A | N/A |

- In the first four months of Fiscal 2019, DCP had a large decrease in economic development and housing proposals presented to the public, decreasing to 3 proposals in Fiscal 2019 compared to 14 in the same four months period in Fiscal 2018. Similarly, neighborhood enhancement proposals completed decreased to 8 proposals from 15 compared to the same four months period in Fiscal 2018. The decrease is largely due to extensive outreach during the summer and fall of Fiscal 2018 related to Zoning for Flood Resiliency and the Gowanus Neighborhood Planning study.
- During the first four months of Fiscal 2019, planning information and policy analysis initiatives presented to the public rose to 138 from 64 in the first four months of Fiscal 2019. While this is an overall increase in DCP’s dissemination of data to the public, the lack of specificity in the scope of these initiatives makes their assessment difficult.

- The City Environmental Quality Review (CEQR) certification/referral process, which identifies any potential adverse environmental effects of proposed discretionary land use changes by applicants, continues to underperform in Fiscal 2019 hitting a new low of 31 percent of zoning actions with CEQR certified/referred within 15 months in the first four months of Fiscal 2019 compared to 62 percent in the first four months of Fiscal 2018. According to DCP, the majority of zoning actions with CEQR failed to certify within their 15-month target due to a significant increase in applications pertaining to complex projects.
- Letters responses in 14 days and email responses in 14 day dramatically rose in the first four months of Fiscal 2019: 76 percent of letters were responded to in within 14 days, up from 59 percent; while 94 percent of emails were responded to within 14 days, up from 37 percent.

Appendices:

A: Budget Actions in the November and the Preliminary Plans

| <i>Dollars in Thousands</i> | Fiscal 2019 | | | Fiscal 2020 | | |
|---|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | City | Non-City | Total | City | Non-City | Total |
| DCP Budget as of the Adopted 2019 Budget | \$30,980 | \$21,046 | \$52,026 | \$25,801 | \$16,023 | \$41,824 |
| New Needs | | | | | | |
| Citywide CEQR Chapter Automations | \$0 | \$226 | \$226 | \$0 | \$504 | \$504 |
| Public Transparency and Language Access | 0 | 0 | 0 | 0 | 100 | 100 |
| Regional Planning Support | 0 | 88 | 88 | 0 | 152 | 152 |
| Senior Demographer | 57 | 0 | 57 | 101 | 0 | 101 |
| TOTAL, New Needs | \$57 | \$314 | \$371 | \$101 | \$756 | \$857 |
| Other Adjustments | - | - | - | - | - | - |
| Collective Bargaining Agreement | \$407 | \$423 | \$829 | \$697 | \$725 | \$1,420 |
| DCP Reg Plan HC Conversion | (95) | 95 | 0 | (190) | 190 | 0 |
| EIS Budget Savings | (1,600) | 0 | (1,600) | 0 | 0 | 0 |
| Environmental Consulting Re-Estimates | (603) | 0 | (603) | 0 | 0 | 0 |
| PS Accruals | (200) | 0 | (200) | 0 | 0 | 0 |
| PS Savings | (225) | 0 | (225) | 0 | 0 | 0 |
| Vacancy Reductions | 0 | 0 | 0 | (164) | 0 | (164) |
| CMAQ Grant Funding | 0 | 329 | 329 | 0 | 0 | 0 |
| DR Building Elevation Study | 0 | 1,959 | 1,959 | 0 | 0 | 0 |
| Environmental Consulting | 0 | 1,537 | 1,537 | 0 | 0 | 0 |
| Flushing Creek | 0 | 95 | 95 | 0 | 0 | 0 |
| Grant Project Extension | 0 | 74 | 74 | 0 | 0 | 0 |
| Local Government Reco | 0 | 48 | 48 | 0 | 0 | 0 |
| ORR Staff Member | 0 | 54 | 54 | 0 | 100 | 100 |
| Re-align DR budget for FY19-21 | 0 | (25) | (25) | 0 | 1,766 | 1,766 |
| Rolling FY18 to FY19 | 0 | 294 | 294 | 0 | 0 | 0 |
| TOTAL, Other Adjustments | (\$2,316) | \$4,883 | \$2,566 | \$343 | \$2,781 | \$3,122 |
| TOTAL, All Changes | (\$2,259) | \$5,197 | \$2,937 | \$444 | \$3,537 | \$3,979 |
| DCP Budget as of the Preliminary 2020 Budget | \$28,721 | \$26,243 | \$54,963 | \$26,245 | \$19,560 | \$45,803 |

B: DCP Contract Budget

| DCP Fiscal 2020 Preliminary Contract Budget | | | | |
|--|---------------------|---------------------|----------------------------|---------------------|
| <i>Dollars in Thousands</i> | | | | |
| Contract Type | Fiscal 2019 Adopted | | Fiscal 2020 Current Prelim | |
| | Cost of Contracts | Number of Contracts | Cost of Contracts | Number of Contracts |
| Contractual Services - General | \$1,965 | 4 | \$255 | 2 |
| Data Processing Equipment Maintenance | 440 | 22 | 439 | 2 |
| Maintenance and Repairs - General | 698 | 12 | 476 | 3 |
| Printing Services | 20 | 1 | 20 | 1 |
| Prof. Services - Accounting Services | 1 | 1 | 1 | 1 |
| Prof. Services - Computer Services | 1,260 | 2 | 33 | 1 |
| Prof. Services - Engineering and Architectural | 6,937 | 1 | 4,244 | 6 |
| Telecommunications Maintenance | 60 | 2 | 60 | 1 |
| Temporary Services | 16 | 2 | 16 | 1 |
| Training Program for City Employees | 50 | 3 | 50 | 2 |
| TOTAL | \$11,447 | 50 | \$5,594 | 20 |

C: DCP Miscellaneous Revenue

| DCP Miscellaneous Revenue Budget Overview | | | | | | | |
|--|----------------|----------------|----------------|-----------------|--------------------------|----------------|--------------------------|
| <i>Dollars in Thousands</i> | | | | | | | |
| Revenue Source | FY16 Actual | FY17 Actual | FY18 Actual | FY19 Adopted | Current Preliminary Plan | | *Difference FY19-FY20 |
| | | | | | FY19 | FY20 | |
| Zoning Verification Letters | \$31 | \$29 | \$46 | \$12 | \$12 | \$12 | \$0 |
| CEQR Fees | 1,167 | 1,918 | 3,228 | 1,031 | 1,031 | 1,031 | 0 |
| ULURP FEES | 1,775 | 968 | 2,051 | 932 | 932 | 932 | 0 |
| Sale of Maps and Publications | 17 | 28 | 110 | 50 | 50 | 50 | 0 |
| Federal Grants - Categorical | 1,890 | 1,623 | 1,570 | 1,948 | 2,277 | 1,948 | 0 |
| State Grants - Categorical | 77 | 113 | 37 | 0 | 470 | 0 | 0 |
| TOTAL | \$4,957 | \$4,679 | \$7,042 | \$3,973 | \$4,772 | \$3,973 | \$0 |

*The difference of Fiscal 2019 Adopted Budget compared to Fiscal 2020 Preliminary Budget.