

# THE COUNCIL OF THE CITY OF NEW YORK

Hon. Corey Johnson  
Speaker of the Council

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



Report of the Finance Division on the  
Fiscal 2022 Preliminary Budget and the  
Fiscal 2021 Preliminary Mayor's Management Report for the  
**Landmarks Preservation Commission**

March 24, 2021

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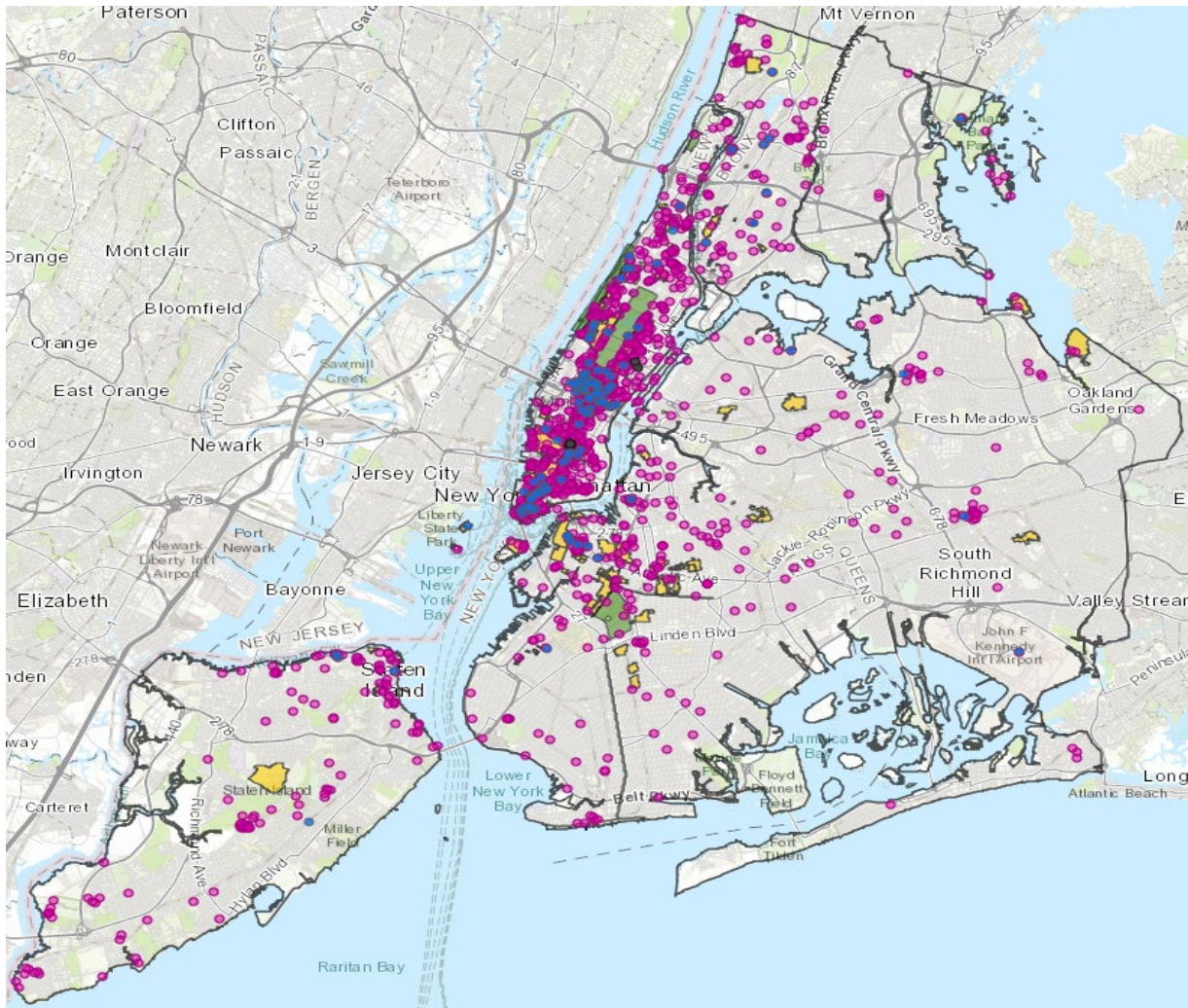
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## Department of Landmarks Preservation Commission Overview

The Landmarks Preservation Commission (LPC or the Commission) is the largest municipal preservation agency in the nation. It is responsible for protecting New York City's architecturally, historically, and culturally significant buildings and sites by granting them landmark or historic district status, and regulating them after designation.

**Figure 1: Citywide Landmark Designations**



Source: LPC

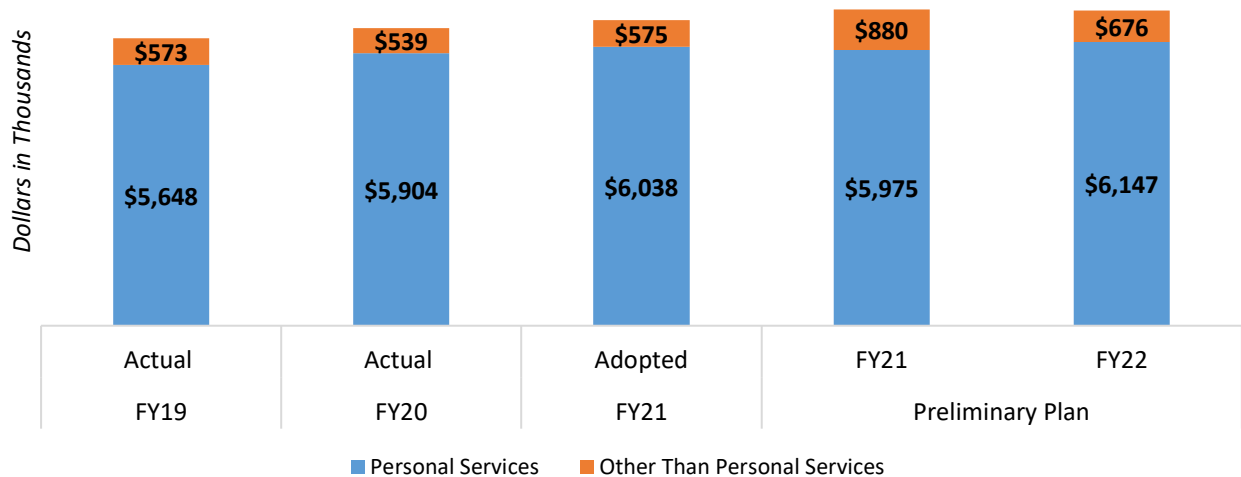
**LPC goals include:**

- Stabilize and improve property values;
- Foster civic pride;
- Protect and enhance the City's attractions to tourists;
- Strengthen the economy of the City; and
- Promote the use of historic districts, landmarks, interior landmarks, and scenic landmarks for the education, pleasure and welfare of the people of the City.

## Fiscal 2022 Preliminary Budget Highlights

LPC’s Fiscal 2022 Preliminary Budget totals \$6.8 million (including City and non-City funds). The Department’s Fiscal 2022 Preliminary Budget is \$210,000 more than its Fiscal 2021 Adopted Budget of \$6.6 million. The Fiscal 2022 budget for LPC includes \$6.1 million for Personal Services (PS) costs and \$676,000 for Other Than Personal Services (OTPS) costs. PS includes all full-time and part-time position costs as well as overtime spending, while OTPS includes property, equipment, supplies, and services contracted out to other entities. Since the Fiscal 2021 Budget adoption, PS spending for Fiscal 2022 has increased by \$109,000, while OTPS spending increased by \$101,000.

**Graph 1: PS vs. OPTS Breakdown**



The Fiscal 2022 Preliminary Budget includes no new needs and \$19,000 in other adjustments for the Landmarks Commission.

**Hiring and Attrition Management.** LPC’s Fiscal 2022 Preliminary Plan includes \$19,000 in identified savings for Fiscal 2021 due to its hiring and attrition management program. This reduces the Commission’s budgeted headcount by one position in Fiscal 2021.

The other key budget actions for LPC following the Fiscal 2021 Adopted Budget are as follows.

*Other Adjustments*

**City Service Corps LPC.** LPC’s 2020 November Plan includes an increase of \$20,000 in OTPS spending for the City Service Corps. The City Service Corps is an AmeriCorps program administered by NYC Service in which individuals are recruited to serve full time at select City agencies for 10 months.

**FY21 CDBG Rollover.** LPC’s 2020 November Plan includes a rollover of \$217,000 in community development block grant funding in Fiscal 2021 from the previous fiscal year due to delays in LPC preservation projects.

**FY21 CLG OTPS – Research.** LPC’s 2020 November Plan recognizes a state certified local government grant award of \$45,000 for OTPS funding.

**NYC Service Bureau Program.** LPC’s 2020 November Plan increases by \$25,000 in Fiscal 2021 due to funding for the NYC Service Bureau Program. This program is an internal volunteer capacity building model that equips City agency staff with volunteer management strategies.

**Office Supplies Spending.** LPC's Fiscal 2022 Preliminary Plan includes a reduction of \$3,000 in OTPS spending for office supply in Fiscal 2021.

#### *Savings Program*

**Furlough Savings.** LPC's 2020 November Plan includes \$42,000 in PS savings that are associated with the furlough of LPC staff.

**Furlough Savings for CD Funded Employees.** LPC's 2020 November Plan includes \$2,000 in savings associated with the furlough of LPC staff that are funded with federal community development grants.

## Financial Plan Summary

**Table1: Landmark Preservation Commission Financial Plan Summary**

| <i>Dollars in Thousands</i>         | FY19           | FY20           | FY21           | Preliminary Plan |                | *Difference  |
|-------------------------------------|----------------|----------------|----------------|------------------|----------------|--------------|
|                                     | Actual         | Actual         | Adopted        | FY21             | FY22           | FY20-FY21    |
| <b>Spending</b>                     |                |                |                |                  |                |              |
| Personal Services                   | \$5,648        | \$5,904        | \$6,038        | \$5,975          | \$6,147        | \$109        |
| Other Than Personal Services        | 573            | 539            | 575            | 880              | 676            | 101          |
| <b>TOTAL</b>                        | <b>\$6,221</b> | <b>\$6,443</b> | <b>\$6,613</b> | <b>\$6,855</b>   | <b>\$6,823</b> | <b>\$210</b> |
| <b>Personal Services</b>            |                |                |                |                  |                |              |
| Additional Gross Pay                | \$303          | \$107          | \$127          | \$126            | \$152          | \$25         |
| Full-Time Salaried - Civilian       | 5,141          | 5,501          | 5,643          | 5,582            | 5,709          | 66           |
| Other Salaried & Unsalaries         | 193            | 293            | 261            | 260              | 279            | 18           |
| Overtime - Civilian                 | 11             | 3              | 7              | 7                | 7              | 0            |
| P.S. Other                          | 0              | 0              | 0              | 0                | 0              | 0            |
| <b>SUBTOTAL</b>                     | <b>\$5,648</b> | <b>\$5,904</b> | <b>\$6,038</b> | <b>\$5,975</b>   | <b>\$6,147</b> | <b>\$109</b> |
| <b>Other Than Personal Services</b> |                |                |                |                  |                |              |
| Contractual Services                | \$165          | \$171          | \$211          | \$493            | \$216          | \$5          |
| Fixed & Misc. Charges               | 7              | 0              | 0              | 0                | 0              | 0            |
| Other Services & Charges            | 290            | 257            | 221            | 222              | 308            | 87           |
| Property & Equipment                | 46             | 55             | 29             | 41               | 30             | 1            |
| Supplies & Materials                | 65             | 56             | 114            | 124              | 122            | 8            |
| <b>SUBTOTAL</b>                     | <b>\$573</b>   | <b>\$539</b>   | <b>\$575</b>   | <b>\$880</b>     | <b>\$676</b>   | <b>\$101</b> |
| <b>TOTAL</b>                        | <b>\$6,221</b> | <b>\$6,443</b> | <b>\$6,613</b> | <b>\$6,855</b>   | <b>\$6,823</b> | <b>\$210</b> |
| <b>Funding</b>                      |                |                |                |                  |                |              |
| City Funds                          |                |                | \$5,992        | \$5,974          | \$6,202        | \$210        |
| State                               |                |                | 0              | 45               | 0              | 0            |
| Federal - Community Development     |                |                | 621            | 836              | 621            | 0            |
| <b>TOTAL</b>                        | <b>\$6,221</b> | <b>\$6,443</b> | <b>\$6,613</b> | <b>\$6,855</b>   | <b>\$6,823</b> | <b>\$210</b> |
| <b>Budgeted Headcount</b>           |                |                |                |                  |                |              |
| Full-Time Positions - Civilian      | 72             | 71             | 76             | 75               | 76             | 0            |
| <b>TOTAL</b>                        | <b>72</b>      | <b>71</b>      | <b>76</b>      | <b>75</b>        | <b>76</b>      | <b>0</b>     |

*\*The difference of Fiscal 2021 Adopted Budget compared to Fiscal 2022 Preliminary Budget.*

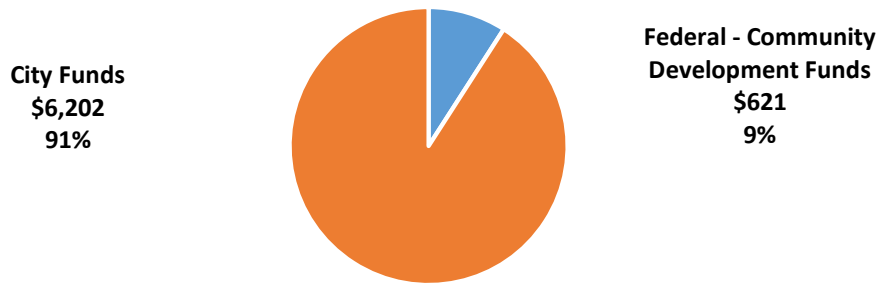
Since the Fiscal 2021 Adopted Budget, the Financial Plans have introduced several changes to LPC's Fiscal 2021 budget and no major changes to LPC's Fiscal 2022 budget. For Fiscal 2021, these include

\$217,000 in federal CDBG funding rollover and \$45,000 in state research grant for local governments.

See Appendix A, on page 7 for a breakdown of all actions.

### Funding Sources

*Dollars in Thousands*



LPC’s budget is supported through two primary funding sources. Of the total budget, City tax-levy accounts for \$6.2 million, or 91 percent, with federal CDBG funds accounting for the remaining nine percent. The Fiscal 2022 Preliminary Plan recognizes a total of \$621,000 in federal funding.

### Historic Preservation Grant Program Background

**Table 2: Number of Historic Preservation Grants Awarded**

|                             | FY17     | FY18     | FY19     | FY20     | FY21     |
|-----------------------------|----------|----------|----------|----------|----------|
| Homeowner Grants            | 2        | 1        | 1        | 3        | 3        |
| Non-profit Grants           | 1        | 2        | 3        | 2        | 2        |
| <b>TOTAL GRANTS AWARDED</b> | <b>3</b> | <b>3</b> | <b>4</b> | <b>5</b> | <b>5</b> |

LPC’s federally funded Historic Preservation Grant Program provides for grants ranging from \$10,000 to \$35,000 to income-eligible homeowners and non-profits. The two nonprofit recipients of the Historic Preservation grant in Fiscal 2021 are: Casa Belvedere and the South Bushwick Reformed Church.

- To qualify for a grant: 1) the building must be a designated New York City landmark building located in a historic district or an individual landmark; 2) owners must meet the federal CDBG income limits for household income; and 3) non-profit organizations must own a designated New York City landmark or a building located within a designated historic district, and must be a charitable, scientific, educational, literary, or other entity organized under section 501 (c)(3) of the Internal Revenue Code that can demonstrate the need for financial assistance.
- In addition, the type of work, nature of property and level of deterioration determines support.
- For applications that meet the CDBG requirements, the Grant Program Board also considers the architectural and historic importance of the building; the building’s condition and the significance of the repairs; the applicant’s financial resources, and the effect the grant will have on improving the building and/or district.
- Eligible façade work includes:



- Masonry rebuilding and repointing;
- restoration of façades, sills, lintels;
- Paint removal; and
- Stoop repair, and repair and replacement of windows, cornices, and front doors.

### LPC Headcount

|                     | Fiscal 2021 Adopted | Fiscal 2021 January | Fiscal 2021 Actual | Under/ (Over) | Fiscal 2022 January |
|---------------------|---------------------|---------------------|--------------------|---------------|---------------------|
| Full-Time Positions | 76                  | 75                  | 71                 | 5             | 76                  |
| <b>TOTAL</b>        | <b>76</b>           | <b>75</b>           | <b>71</b>          | <b>5</b>      | <b>76</b>           |

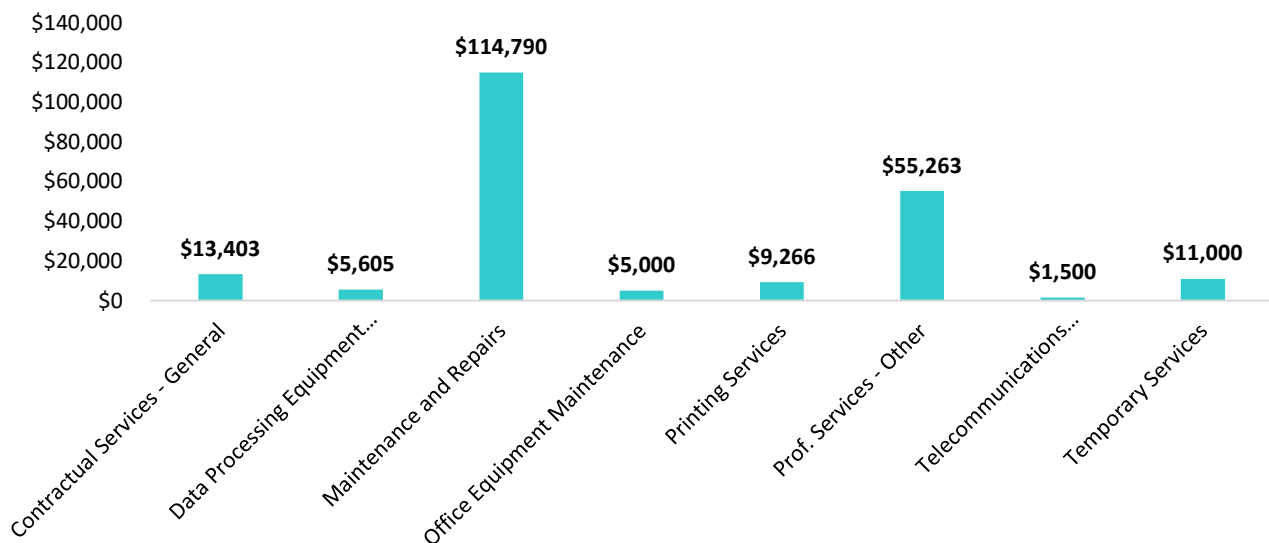
*Note: Actuals are as of February 2021*

The Department’s headcount has been reduced by one position in Fiscal 2021 due to a citywide hiring and attrition management savings program. However, the Fiscal 2022 Preliminary Plan restores this one position in Fiscal 2022. As of February 2021, the Department is five positions under its budgeted headcount when compared to the Fiscal 2021 Adopted Budget, as shown in the “LPC Headcount” table above.

### 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 2022 Preliminary Budget totals \$17 billion for procurement expenditures across all agencies over 17,851 contracts.

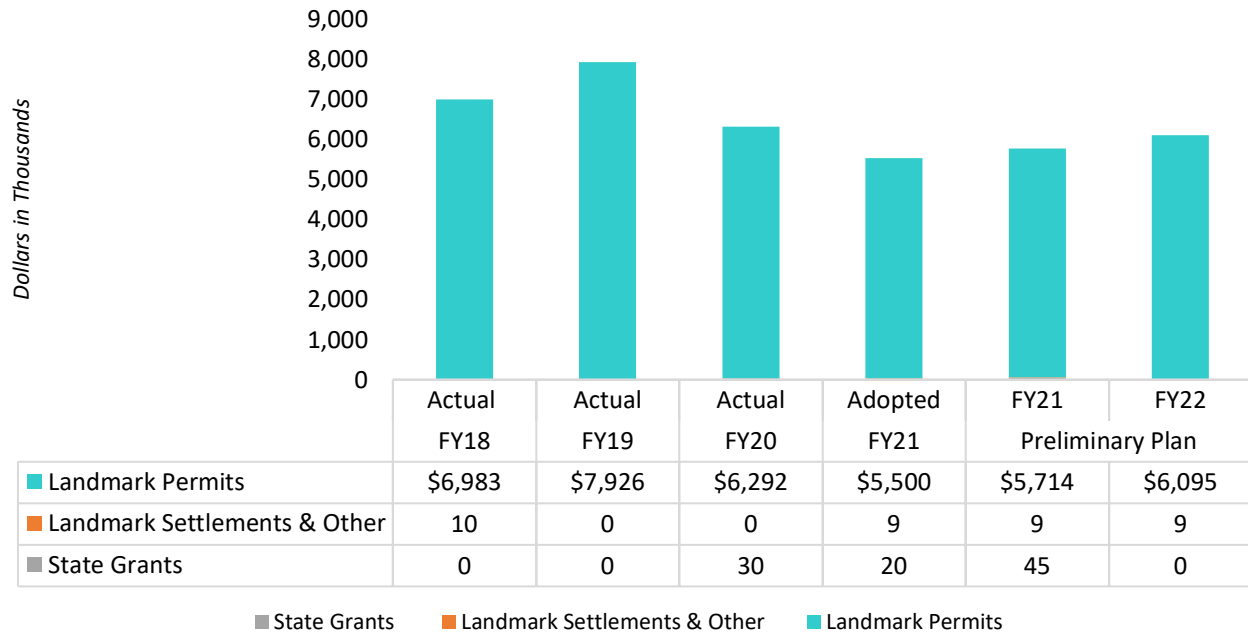
**Graph 3: LPC FY22 Contract Budget**



In the Fiscal 2022 Preliminary Plan, LPC’s Fiscal 2022 Contract Budget totals \$215,871 which funds 20 contracts across eight category types. Twelve contracts for maintenance and repairs comprise 53.2 percent of the Department’s total contact budget, with a total of \$114,790 for Fiscal 2022. These contracts are part of LPC’s restoration projects under the federally-funded Historic Preservation Grant Program.

### Miscellaneous Revenue

LPC collects revenue from the issuance of landmark permits and landmark settlements. After a rise in the number of applications for work on landmark buildings, in part, due to a resurgence in construction work across the City following the economic downturn, revenue from permits peaked in Fiscal 2017 at \$9.2 million. In the subsequent fiscal years, LPC has seen a decline in landmark permit revenue and its current forecast indicates that this will continue as the Commission estimates to collect approximately \$6.1 million from landmark permits in Fiscal 2022.



As reported in the Preliminary Mayor’s Management Report (PMMR), in the first four months of Fiscal 2021, the number of work permit applications received decreased to 3,487 from 4,610 during the same reporting period in Fiscal 2020. Actions taken on work permit applications in the first four months of Fiscal 2021 decreased by 29 percent, falling to 3,172 from 4,492 in Fiscal 2020. The Commission attributes these decreases to the halting of work on landmarked buildings due to COVID-19, despite their attempts to expedite permitting processes through e-filing and operational changes.



## Appendices:

### A. Budget Actions in the November and the Preliminary Plans

| <i>Dollars in Thousands</i>                                | FY21           |              |                | FY22           |              |                |
|--|----------------|--------------|----------------|----------------|--------------|----------------|
|  | City           | Non-City     | Total          | City           | Non-City     | Total          |
| <b>LPC Budget as of the Adopted Fiscal 2021 Budget</b>     | <b>\$5,991</b> | <b>\$621</b> | <b>\$6,612</b> | <b>\$6,202</b> | <b>\$621</b> | <b>\$6,823</b> |
| <b>New Needs</b>   |                |              |                |                |              |                |
| N/A  | \$0            | \$0          | \$0            | \$0            | \$0          | \$0            |
| <b>Subtotal, New Needs</b>                                 | <b>\$0</b>     | <b>\$0</b>   | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>   | <b>\$0</b>     |
| <b>Other Adjustments</b>                                   |                |              |                |                |              |                |
| City Service Corps LPC                                     | \$20           | \$0          | \$20           | \$0            | \$0          | \$0            |
| FY21 CDBG Rollover   | 0              | 217          | 217            | 0              | 0            | 0              |
| FY21 CLG OTPS - Research                                   | 0              | 45           | 45             | 0              | 0            | 0              |
| NYC Service Bureau Program                                 | 25             | 0            | 25             | 0              | 0            | 0              |
| Office Supply Spending                                     | (2)            | 0            | (2)            | 0              | 0            | 0              |
| LPC Permit Revenue Increase                                | 0              | 0            | 0              | 0              | 0            | 0              |
| <b>Subtotal, Other Adjustments</b>                         | <b>\$43</b>    | <b>\$262</b> | <b>\$305</b>   | <b>\$0</b>     | <b>\$0</b>   | <b>\$0</b>     |
| <b>Savings Program</b>                                     |                |              |                |                |              |                |
| Furlough Savings   | (\$41)         | \$0          | (\$41)         | \$0            | \$0          | \$0            |
| Furlough Savings for CD Funded Employees                   | 0              | (2)          | (2)            | \$0            | \$0          | \$0            |
| Hiring and Attrition Management                            | (19)           | 0            | (19)           | \$0            | \$0          | \$0            |
| <b>Subtotal, Savings Program</b>                           | <b>(\$60)</b>  | <b>(\$2)</b> | <b>(\$62)</b>  | <b>\$0</b>     | <b>\$0</b>   | <b>\$0</b>     |
| <b>TOTAL, All Changes</b>                                  | <b>(\$17)</b>  | <b>\$260</b> | <b>\$243</b>   | <b>\$0</b>     | <b>\$0</b>   | <b>\$0</b>     |
| <b>LPC Budget as of the Preliminary Fiscal 2022 Budget</b> | <b>\$5,974</b> | <b>\$882</b> | <b>\$6,856</b> | <b>\$6,202</b> | <b>\$621</b> | <b>\$6,823</b> |

### B. LPC Contract Budget

| LPC Contract Budget                   |                  |                     |                  |                     |
|---------------------------------------|------------------|---------------------|------------------|---------------------|
| Category                              | FY21 Adopted     | Number of Contracts | FY22 Preliminary | Number of Contracts |
| Contractual Services - General        | \$13,403         | 1                   | \$13,403         | 1                   |
| Data Processing Equipment Maintenance | 5,605            | 1                   | 5,605            | 1                   |
| Maintenance and Repairs - General     | 114,790          | 12                  | 114,790          | 12                  |
| Office Equipment Maintenance          | 5,000            | 2                   | 5,000            | 2                   |
| Printing Services                     | 4,500            | 1                   | 9,266            | 1                   |
| Prof. Services - Other                | 55,263           | 1                   | 55,263           | 1                   |
| Telecommunications Maintenance        | 1,500            | 1                   | 1,500            | 1                   |
| Temporary Services                    | 11,000           | 1                   | 11,000           | 1                   |
| <b>TOTAL</b>                          | <b>\$211,061</b> | <b>20</b>           | <b>\$215,827</b> | <b>20</b>           |

C. LPC Miscellaneous Revenue

| <b>LPC Miscellaneous Revenue Budget Overview</b> |                |                |                |                 |                     |                |                          |
|--|----------------|----------------|----------------|-----------------|---------------------|----------------|--------------------------|
| <i>Dollars in Thousands</i>                      |                |                |                |                 |                     |                |                          |
| Revenue Sources                                  | FY18<br>Actual | FY19<br>Actual | FY20<br>Actual | FY21<br>Adopted | Preliminary<br>Plan |                | *Difference<br>FY21-FY22 |
|  |                |                |                |                 | FY21                | FY22           |                          |
| Landmark Permits                                 | \$6,983        | \$7,926        | \$6,292        | \$5,500         | \$5,714             | \$6,095        | \$595                    |
| Landmark Settlements &<br>Other                  | 10             | 0              | 0              | 9               | 9                   | 9              | 0                        |
| State Grants                                     | 0              | 0              | 30             | 20              | 45                  | 0              | (20)                     |
| <b>TOTAL</b>                                     | <b>\$6,993</b> | <b>\$7,926</b> | <b>\$6,322</b> | <b>\$5,529</b>  | <b>\$5,768</b>      | <b>\$6,104</b> | <b>\$575</b>             |

*\*The difference of Fiscal 2021 Adopted compared to Fiscal 2022 Preliminary Budget.*