



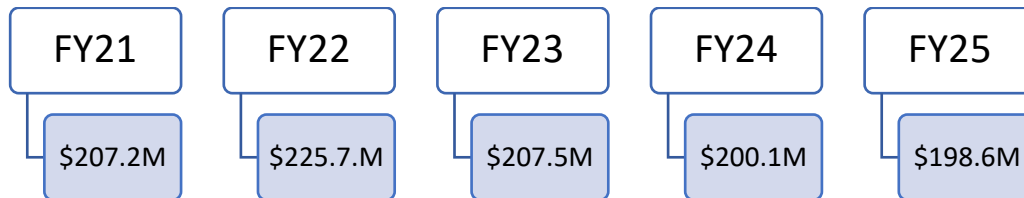
**NOTE ON THE FISCAL 2022 EXECUTIVE BUDGET FOR THE
DEPARTMENT OF BUILDINGS**

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The City’s Executive Budget for Fiscal 2022 totals \$98.6 billion. The Executive Budget for the Department of Buildings (DOB or Department) totals \$225.7 million and represents less than one percent of the City’s Executive Fiscal 2022 Budget. This Note provides a summary of the changes in the Executive Financial Plan for the Department of Buildings. Topics covered include changes to the Expense Budget and headcount, as well as issues and concerns with DOB’s budget.

Department of Buildings’ Executive Plan Overview



DOB’s Fiscal 2022 Executive Budget totals \$225.7 million, including \$163.8 million for Personal Services (PS) to support a budgeted headcount of 1,962 positions and \$61.9 million for Other Than Personal Services (OTPS) costs. The Fiscal 2022 Executive Budget increases the DOB’s total budget by approximately \$42.7 million when compared to the Fiscal 2021 Adopted Budget. This change is due to an increase of \$26.7 million in City-tax levy (CTL) funds and \$15.9 million in federal funds to support an increase to full-time salaried positions and \$21.2 million in OTPS funding for various supplies and professional contracted services. CTL funding remains the primary source of funding for the Department’s Fiscal 2022 Budget and consists of \$209.8 million, or nearly 93 percent of the total projected budget.

When compared to the Preliminary Plan, DOB’s Fiscal 2021 budget increases by \$9.6 million, or five percent. The main driver of change in the Fiscal 2021 Budget is the recognition of over \$15.5 million in federal grants, and an additional \$3.4 million in intra-city funding for services charged to other city agencies. Compared to the Preliminary Plan, DOB’s Fiscal 2022 budget increases by \$43.6 million. The main driver of change in Fiscal 2022 and the outyears is an increase in CTL funding that supports construction safety monitoring, façade safety, energy code enforcement, and expansion of the Department’s DOB NOW system. For more information on DOB’s budget please see the Fiscal 2022 Preliminary Budget report on the New York City Council’s website:

<https://council.nyc.gov/budget/wp-content/uploads/sites/54/2021/03/810-DOB.pdf>

Executive Plan Changes

Changes introduced in the Executive Plan increase DOB’s budget by \$9.5 million and \$43.6 million in Fiscal 2021 and Fiscal 2022, respectively. The Executive Plan introduces \$3.1 million in new needs for Fiscal 2021 and \$24.7 million in Fiscal 2022. The Executive Plan also makes other adjustments totaling a net of \$6.4 million in Fiscal 2021 and \$18.9 million in Fiscal 2022. The major changes are described in further detail below.

Year:	FY21	FY22	FY23	FY24	FY25
New Needs:	\$3.1M	\$24.7M	\$12.7M	\$9.4M	\$7.9M
Other Adj:	\$6.4M	\$18.9M	\$5.3M	\$1.3M	\$1.3M
Savings:	\$0	\$0	\$0	\$0	\$0

New Needs

- **Brooklyn Office Move.** City funds of \$275,000 are added in Fiscal 2021 to fund the DOB’s Brooklyn Borough Office move. Funding is to cover the cost of moving furniture, equipment and records from their current location at 210 Joralemon Street to 345 Adams Street.
- **Construction Safety Monitoring.** City funds totaling \$3.4 million are added in Fiscal 2022 and \$1.8 million in each of the outyears to support 22 positions, of which 20 are inspectorial and 2 are administrative. These positions will be incorporated into the construction safety enforcement program which has 218 dedicated positions and \$15 million in associated PS spending.
- **DOBNOW IT Project.** City funds totaling \$2.2 million in Fiscal 2021, \$11.7 million in Fiscal 2022, \$4.8 million in Fiscal 2023, and \$1.5 million in Fiscal 2024 for further expansion of the Department’s publicly facing online portal.
- **Energy Code Enforcement.** City funds totaling \$3.8 million in Fiscal 2022 and \$2.6 million in Fiscal 2023 and in the outyears to support 25 technical positions for energy code compliance.
- **Façade Safety.** City funds totaling \$3.1 million in Fiscal 2022 and \$1.7 million in Fiscal 2023 and in the outyears to support 20 positions; of which, 15 are inspectorial positions, 5 are technical plan review positions, and 1 is administrative.
- **Office of Building Energy and Emissions Performance.** City funds totaling \$630,000 in Fiscal 2021 and \$615,000 in Fiscal 2022 and in the outyears are added to support six positions in the Office of Building Energy and Emissions Performance, 3 are technical plan review positions and 3 are administrative.
- **Office of the Tenant Advocate.** City funds totaling \$44,000 in Fiscal 2021, \$494,000 in Fiscal 2022 and \$445,000 in Fiscal 2023 and in the outyears are added to support additional headcount positions in the Office of the Tenant Advocate. The funding will support two positions in Fiscal 2021 and six positions in Fiscal 2022 and in the outyears. The new headcounts include 2 inspectorial, 1 technical plan review, and 3 administrative positions.

- **On-call Emergency Contract.** City funds of \$330,000 are added in Fiscal 2021 and \$30,000 in Fiscal 2022 and in the outyears to support OEM's on-call contract in case of a citywide emergency.
- **Sidewalk Sheds.** City funds totaling \$1.3 million are added in Fiscal 2022 and \$727,000 in Fiscal 2023 and in the outyears to support nine budgeted positions; of which, 7 are inspectorial, 1 is administrative, and 1 is clerical.

Other Adjustments

- **COVID Inspections.** Federal funds totaling \$850,000 in Fiscal 2021 and \$5.7 million in Fiscal 2022 are added for COVID-19 related costs. This funding supports 20 inspectorial positions in Fiscal 2021 and 80 inspectorial positions in Fiscal 2022. In Fiscal 2023 and beyond, 20 of these positions will remain with baselined funding of \$1.1 million.
- **Situation Room.** Federal funds totaling \$14.7 million in Fiscal 2021 and \$10.3 million in Fiscal 2022 are added for the COVID Situation Room. This increase includes a funding swap of \$10 million in Fiscal 2021, swapping federal funds to replace City tax-levy funding.
- **Small Business Recovery.** City funds totaling \$546,000 in Fiscal 2022 and \$4.0 million in Fiscal 2023 as part of the Administration's Road to Recovery Plan. DOB will use this funding to expedite agency processes in order to help small businesses reopen as quickly as possible. DOB will establish dedicated Small Business Support Teams in each borough, to assist businesses seeking to open a new space or make alterations to existing space.
- **FEMA Intracity.** DOB's Executive Plan includes an intracity transfer of FEMA COVID funding totaling \$3.4 million in Fiscal 2021 which reimburses DOB the cost of security services for Health and Hospitals testing sites through February 2021.
- **Collective Bargaining Agreements.** The Financial Plan recognized spending increases related to collective bargaining agreements across multiple City agencies. The Executive Budget includes two actions related to collective bargaining in the Department of Buildings. First is baselined funding for of \$45,000 for staff in the technical guild, and second is the addition of baseline funding of \$7,000 for clerical staff.
- **Heat, Light and Power.** Due to a re-estimate, DOB anticipates a decrease of \$31,000 in Fiscal 2021 and an increase of \$50,000 in Fiscal 2022 and in the outyears for costs associated with heat, light and power.
- **Lease Adjustments.** Due to re-estimates, DOB anticipates an increase of \$31,000 in Fiscal 2022 and in the outyears for costs associated with leased space.
- **MS Enterprise Licensing Agreement Realignment.** City funds of \$225,151 are added in Fiscal 2021 to support the renewal of the Offices' Microsoft 365 Suite Software.
- **PS Savings.** The Department recognizes \$500,000 in personal services savings generated from the contracts and purchasing unit.

Budget Issues

Fiscal 2022 Preliminary Budget Response

The Council's response to the Fiscal 2022 Preliminary Budget included one recommendation for DOB of which was partially reflected in the Fiscal 2022 Executive Budget.

Expand the Office of the Tenant Advocate

The Office of the Tenant Advocate (OTA) was established by Local Law 161 of 2017 to enforce Tenant Protection Plan requirements and to offer support for tenants subjected to unsafe living conditions. In 2020, the Office received a total of 2,236 inquiries from the public, a 28 percent increase from 2019, which resulted in the Department of Buildings (DOB) conducting 553 inspections and sending over 1,500 referrals to other local and state agencies. The majority of complaints were related to non-compliance with COVID-19 safety measures, work without permit complaints, failure to comply with Tenant Protection Plan complaints, and failure to post and/or insufficient posting of Tenant Protection Plans. The Department is expanding the OTA to include a Plan Exam Unit which will audit Tenant Protection Plans in occupied residential and mixed-use buildings; accordingly, the Council is calling for the OTA to be expanded by 10 positions to meet the future needs of this Office.

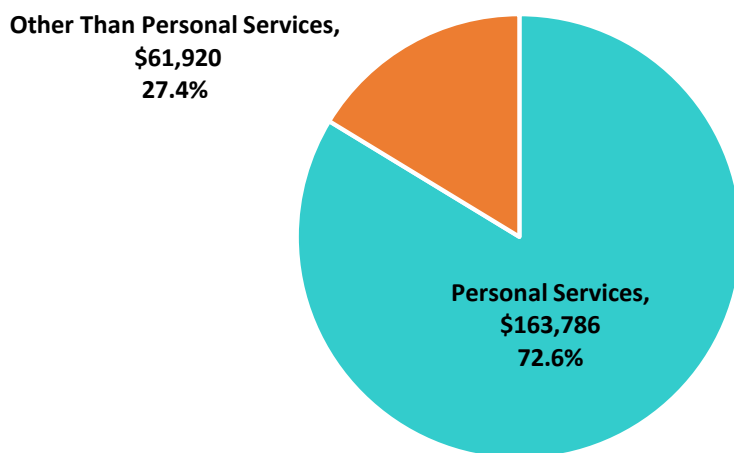
As of the Fiscal 2022 Executive Plan, the OTA’s total budgeted headcount is baselined at 6 positions with a personal service spending total over \$671,000 through Fiscal 2024. Of this total, 2 positions are technical plan examiners which are baselined at roughly \$144,000. The Council calls for a greater expansion of this office, bringing its total budgeted headcount to 11 positions. This addition should include four inspector titles, one for plan review, and another clerical position.

Budget Transparency Issues

Units of Appropriation

The Department’s Fiscal 2022 Executive Budget currently appropriates \$163.8 million, or 72.6 percent, of the Department’s \$225.7 million total budget in unit of appropriation 001-Personal Services. Adding more units of appropriation that reflect the core functions of the Department would achieve greater budget transparency.

Figure 1: DOB FY22 Units of Appropriation



Appendix 1: Financial Plan Summary

DOB Financial Summary						
<i>Dollars in Thousands</i>						
	FY19	FY20	FY21	Executive Plan		*Difference
	Actual	Actual	Adopted	FY21	FY22	FY21-FY22
Spending						
Personal Services	\$132,641	\$140,224	\$149,499	\$146,502	\$163,786	\$14,287
Other Than Personal Services	40,606	49,307	33,534	60,679	61,920	28,386
TOTAL	\$173,247	\$189,531	\$183,033	\$207,181	\$225,706	\$42,673
Personal Services						
Additional Gross Pay	\$4,941	\$3,290	\$1,566	\$1,566	\$1,598	\$32
Fringe Benefits	57	108	3	3	3	0
Full-Time Salaried - Civilian	118,669	126,410	144,012	141,015	158,267	14,255
Overtime - Civilian	7,486	8,805	2,992	2,992	2,992	0
P.S. Other	4	-1	0	0	0	0
Unsalariated	1,484	1,612	926	926	926	0
SUBTOTAL	\$132,641	\$140,224	\$149,499	\$146,502	\$163,786	\$14,287
Other Than Personal Services						
Contractual Services	\$11,369	\$14,442	\$11,890	\$20,346	\$12,887	\$997
Contractual Services - Professional Services	14,292	21,015	11,246	21,398	19,510	8,264
Fixed & Misc. Charges	380	269	0	144	0	0
Other Services & Charges	7,897	8,533	7,019	7,317	9,148	2,129
Property & Equipment	4,775	1,145	1,250	2,104	5,245	3,995
Supplies & Materials	1,893	3,903	2,129	9,370	15,130	13,001
SUBTOTAL	\$40,606	\$49,307	\$33,534	\$60,679	\$61,920	\$28,386
TOTAL	\$173,247	\$189,531	\$183,033	\$207,181	\$225,706	\$42,673
Funding						
City Funds	-	-	\$183,033	\$180,042	\$209,771	\$26,738
Federal - Other	-	-	0	15,544	15,935	15,935
Intra City	-	-	0	11,595	0	0
TOTAL	\$173,247	\$189,531	\$183,033	\$207,181	\$225,706	\$42,673
Budgeted Headcount						
Full-Time Positions - Civilian	1,611	1,676	1,731	1,744	1,962	218
TOTAL	1,611	1,676	1,731	1,744	1,962	218

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

Appendix 2: DOB Budget changes Since Fiscal 2021 Adopted Budget

<i>Dollars in Thousands</i>	FY21			FY22		
	City	Non-City	Total	City	Non-City	Total
DOB Budget as of the FY21 Adopted Budget	\$183,033	\$0	\$183,033	194,853	\$0	\$194,853
New Needs						
<i>Situation Room</i>	\$10,000	\$0	\$10,000	\$0	\$0	\$0
Subtotal, New Needs	\$10,000	\$0	\$10,000	\$0	\$0	\$0
Other Adjustments						
21 T2 DOB FEMA	\$3,140	\$0	\$3,140	\$0	\$0	\$0
Citywide Discretionary Training Freeze	(41)	0	(41)	0	0	0
Citywide Wireless Services	(46)	0	(46)	(147)	0	(147)
Furlough Labor Savings	(404)	0	(404)	0	0	0
IT Contract Savings	(24)	0	(24)	0	0	0
Managerial/OJ Furlough Savings	(11)	0	(11)	0	0	0
Vehicle Purchase Freeze	(247)	0	(247)	(557)	0	(557)
FY21 DOB SRS	1,056	0	1,056	0	0	0
FY21 T2 DOB Adjustment	(3,140)	0	(3,140)	0	0	0
FY21 T2 DOB Q2 IC	7,119	0	7,119	0	0	0
Office Supplies Spending	(63)	0	(63)	0	0	0
Subtotal, Other Adjustments	\$7,339	\$0	\$7,339	(\$704)	\$0	(\$704)
Savings Program						
Contract Savings	\$0	\$0	\$0	(\$4,100)	0	(\$4,100)
Hiring Freeze	(289)	0	(289)	(386)	0	(386)
PS Savings	0	0	0	(2,700)	0	(2,700)
Hiring and Attrition Management	(562)	0	(562)	0	0	0
PS Savings	(1,900)	0	(1,900)	(4,900)	0	(4,900)
Subtotal, Savings Program	(\$2,751)	\$0	(\$2,751)	(\$12,086)	\$0	(\$12,086)
TOTAL, All Changes	\$14,588	\$0	\$14,588	(\$12,790)	\$0	(\$12,790)
DOB Budget as of the FY22 Preliminary Budget	\$197,620	\$0	\$197,620	\$182,063	\$0	\$182,063
New Needs, Fiscal 2022 Executive Plan						
Brooklyn Office Move	\$275	\$0	\$275	\$0	\$0	\$0
Construction Safety Monitoring	0	0	0	3,404	0	3,404
DOBNOW IT Project	2,200	0	2,200	11,700	0	11,700
Energy Code Enforcement	0	0	0	3,787	0	3,787
Façade Safety	0	0	0	3,053	0	3,053
Office of Building Energy and Emissions Performance	630	0	630	615	0	615
Office of Tenant Advocate	44	0	44	494	0	494
On-call Emergency Contract	0	0	0	330	0	330
Sidewalk Sheds	0	0	0	1,347	0	1,347
Subtotal, New Needs	\$3,149	\$0	\$3,149	\$24,730	\$0	\$24,730
Other Adjustments						
21 T2 DOB FEMA	\$2,899	\$0	\$2,899	\$0	\$0	\$0
Collective Bargaining for Clericals	7	0	\$7	7	0	7
Collective Bargaining Agreement for T/C	45	0	45	45	0	45
COVID Inspections	0	849	849	0	5,672	5,672
FEMA for DOB	521	0	521	0	0	0
Heat, Light and Power	(30)	0	(30)	50	0	50
IT Reallocation	(2,299)	0	(2,299)	2,299	0	2,299
Lease Adjustment	0	0	0	31	0	31
MS Enterprise Licensing Agreement Realignment	225	0	225	0	0	0
PS Savings	(500)	0	(500)	0	0	0
Situation Room	0	4,695	4,695	0	10,263	10,263
Small Business Recovery	0	0	0	546	0	546
Subtotal, Other Adjustments	\$868	\$5,544	\$6,412	\$2,978	\$15,935	\$18,913
TOTAL, All Changes	\$4,017	\$5,544	\$9,561	\$27,708	\$15,935	\$43,643
DOB Budget as of the FY22 Executive Budget	\$201,637	\$5,544	\$207,181	\$209,771	\$15,935	\$225,706