

New York City Council

Hon. Adrienne Adams, Speaker of the Council
 Hon. Justin Brannan, Chair, Committee on Finance
 Hon. Pierina Sanchez, Chair, Committee on Housing and Buildings

**Note on the Fiscal 2025 Executive Plan for
 the Department of Buildings (DOB)**

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 Jonathan Rosenberg, Managing Deputy Director
 Chima Obichere, Deputy Director
 Eisha Wright, Deputy Director
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 Elizabeth Hoffman, Assistant Director

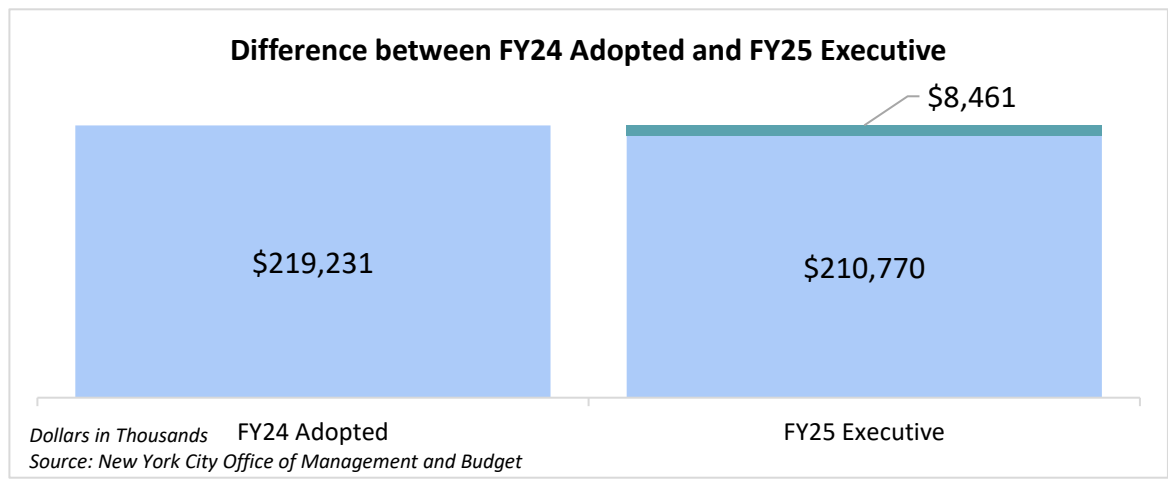
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Fiscal 2025 Executive Plan

FY24	FY25
(\$25.5) million since Adopt.	+\$19.9 million since Adopt.
(\$11.7) million since Prelim.	+\$32.1 million since Prelim.

Department of Buildings Budget Overview

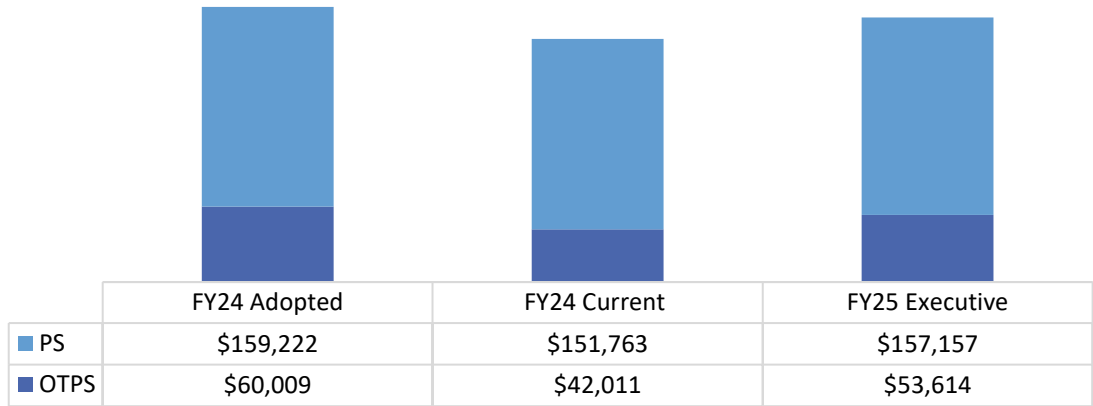
The Executive Financial Plan for Fiscal 2024-2028 (Executive Plan) includes a proposed Fiscal 2025 budget of \$210.1 million for the Department of Buildings (DOB or the Department). The Department’s Fiscal 2025 budget in the Executive Plan is \$32.1 million, 18.0 percent greater than its \$178.7 million Fiscal 2025 budget in the Preliminary Financial Plan presented in January, and \$8.5 million less than the Fiscal 2024 budget at adoption, as presented in the chart below. For additional information on DOB’s Preliminary Budget, please refer to the Fiscal 2025 Preliminary Budget report at: <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2024/03/810-DOB.pdf>



**PS and
OTPS:**

**FY25 Contract
Budget** (Part of
OTPS):
\$36.1 million

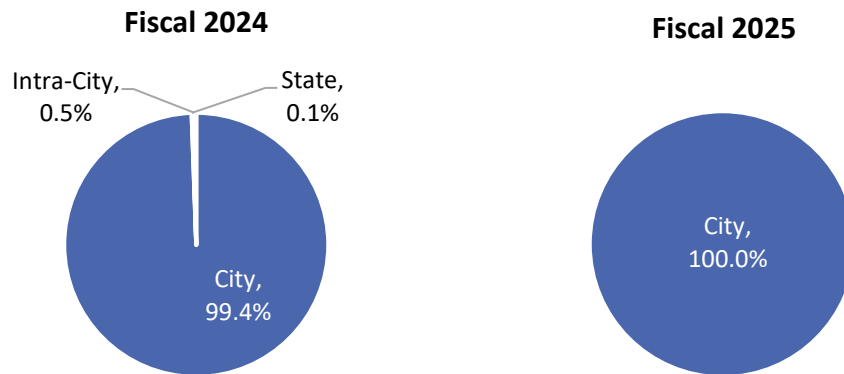
**Number of
Contracts in
FY25: 25**



■ OTPS ■ PS

*Dollars in Thousands
Source: New York City Office of Management and Budget*

**Agency
Budget by
Funding
Source**



*Source: New York City Office of Management and Budget
Note: Fiscal 2024 Current Budget is shown. The Fiscal 2024 Adopted Budget was comprised entirely of City funding.*

**FY24
Budgeted
Headcount:**

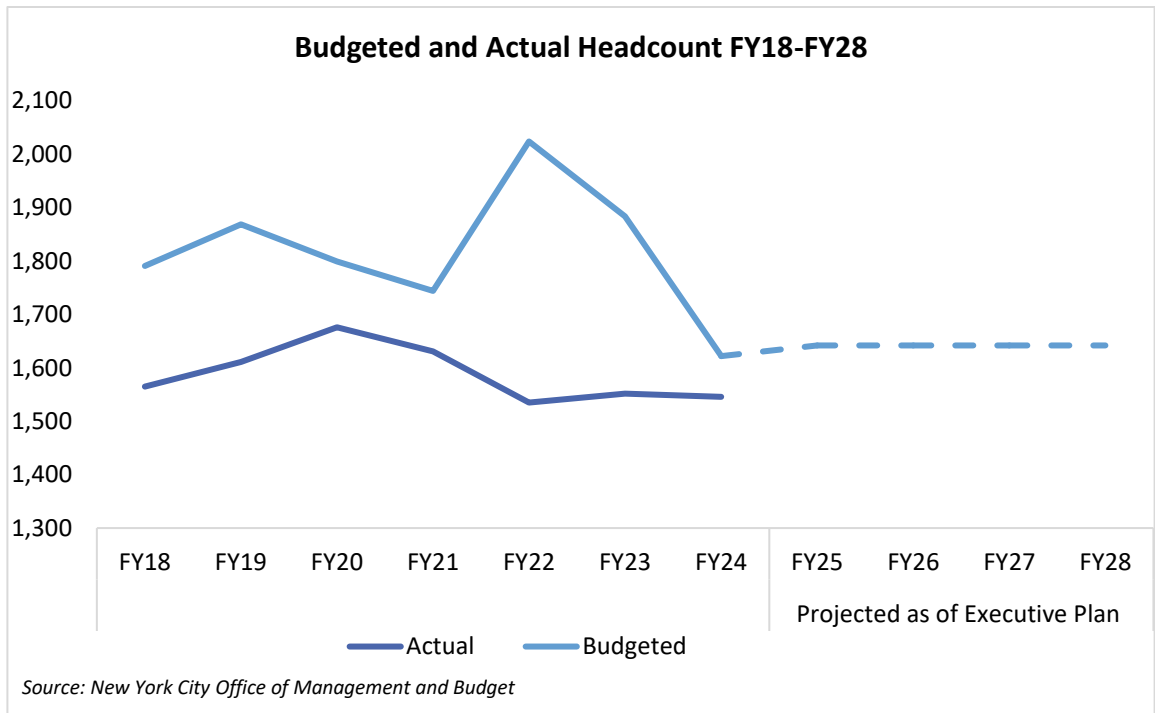
**Full-time
positions:**
1,642

25% of positions
have been
removed since
May 2022

**Actual
Headcount as
of March:**
1,546

**Vacancies as
of March: 76**

**Vacancy
Rate: 4.7%**
Vacancy Rate
was **30.1%** in
May 2022



**FY25
Changes in
Exec:
Total:
\$32.1 million
New Needs:
\$12.2 million
Other
Adjustments:
\$19.9 million**

Significant Executive Plan Changes

New Needs

- Local Law 97 Sustainability.** The Executive Plan includes the addition of 36 baselined positions associated with compliance and enforcement for Local Law 97 (LL97), the landmark buildings emission reduction legislation passed in 2019. This includes \$4.0 million in additional funding in Fiscal 2025 and \$3.9 million in Fiscal 2026 and in the outyears, all City funds.

Funding for the positions is offset by anticipated revenue generation from intake and processing of forthcoming LL97 building energy reports. Over 20 of the positions are new “energy auditors,” technical positions which may be hard to recruit given the civil service law and pay scale. Clerical and legal positions are also included, however there are no new inspectorial positions. Only two positions are associated with outreach and assistance.

- DOB NOW.** The Executive Plan includes an additional \$5.5 million in Fiscal 2025 and \$3.3 million in Fiscal 2026 (City funds) for DOB NOW, in an effort to try to close out the longstanding technology platform project with inspection and licensing modules, Local Law code updates, and other anticipated features. The Office of Management and Budget (OMB) does not anticipate any further funding for DOB NOW.

- **Course Provider Program.** The Executive Plan includes the addition of four baselined positions with an additional \$535,000 starting in Fiscal 2025 (City funds) for the Department’s course provider program. Previously offered at no cost, the necessary curriculum to receive construction site safety training (SST) cards will be provided for a fee. The cost of the additional positions at DOB is offset by the fee revenue generated.
- **Crane and Parking Garage Collapse Investigation Contracts.** The Executive Plan reflects the addition of \$200,000 for technical- and engineering-related investigations into a crane collapse (550 10th Ave. in Manhattan) and \$424,000 for a parking garage collapse (57 Ann St. in Manhattan), City funds, in Fiscal 2024 only. The parking garage investigation contract dates back to summer 2023. The increase reflects higher-than-anticipated costs for the investigation, which will likely total approximately \$1.2 million. The funding added for the crane collapse is intended to cover the full cost of the investigation. The DOB-contracted investigations should be complete by the summer. Notably, DOB’s investigations are separate from any other criminal investigations of misconduct that District Attorneys or other legal entities may undertake.
- **Sidewalk Sheds Contract.** The Executive Plan reflects an additional \$1.7 million in Fiscal 2025 (City funds) to make whole DOB’s \$3.5 million two-year contract for new shed designs, as part of its “Get Sheds Down” initiative. The contract vendor, Practice for Architecture and Urbanism (PAU), will refine ten concepts to a final six: four for sidewalk sheds protecting pedestrians underneath, and two for non-sidewalk situations (e.g. general construction).

Other Adjustments

- **Vacancy Reduction.** Although there are no associated financial savings, the Executive Plan includes the removal of 24 full-time positions in the baseline from Fiscal 2024. The action was taken to align DOB’s budgeted headcount with what its actual Personal Services (PS) funding can support. (PS budget totals \$157.2 million in Fiscal 2025). DOB did not request that OMB reverse previous rounds of vacancy reductions at the Department.
- **Contract Rolls.** The Executive Plan includes the roll of City funds from Fiscal 2024 to Fiscal 2025 to reflect delays for vendors to finish work on various projects. These include contracts for: DOB NOW (\$9.4 million), sidewalk sheds (\$1.8 million), sustainability (\$1.6 million), existing building code (\$1.4 million), waterfront (\$810,631), facades (\$800,000), and records management (\$126,000). Most contract work is now intended to be completed by December 2024, with DOB NOW’s estimated completion pushed to December 2025.
- **Asylum Seeker Operations Space Rental.** The Executive Plan includes an additional \$118,889 in State funds in Fiscal 2024 for a space rental (technically a “licensing agreement”) for the City’s asylum seeker operations center in lower Manhattan.

Budget Response:

In the City Council’s Fiscal 2025 Preliminary Budget Response, the Council identified a number of areas of concern related to the Department of Buildings. The budget response called on the Administration to restore \$19.0 million worth of eliminated positions, specifically inspectorial vacancies. It also encouraged steeper penalties for both failure to

FY25 Estimate:
\$19.0 million in expense (\$28.0 million) in revenue

Included in the Executive Budget: \$0

provide building access to inspectors and failure to maintain or remove sidewalk sheds. The Executive Plan did not include these proposals, as shown in the table. For more details on the budget response, please see: <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2024/04/Fiscal-2025-Preliminary-Budget-Response-4.pdf>, p. 31-32.

FY25 Budget Response Items			
#	Response Priorities	Amount Requested	Amount in the Exec Budget
1	Inspector Position Restoration	\$19 million	\$0
2	Failure to Provide Building Inspector Access Penalty - REVENUE	(\$13 million)	\$0
3	Get Sheds Down Penalties - REVENUE	(\$15 million)	\$0

Budget Action Chart

<i>Dollars in Thousands</i>	Fiscal 2024			Fiscal 2025		
	City	Non-City	Total	City	Non-City	Total
DOB Budget as of the Preliminary Plan	\$204,290	\$1,162	\$205,452	\$178,491	\$190	\$178,681
New Needs						
Course Provider Program	\$0	\$0	\$0	\$535	\$0	\$535
Crane Collapse Contract	200	0	\$200	0	0	0
DOBNOW Project	0	0	\$0	5,465	0	5,465
Licensing Exams	0	0	\$0	458	0	458
LL97 Sustainability	0	0	\$0	4,016	0	4,016
Parking Garage Collapse Contract	424	0	\$424	0	0	0
Sidewalk Sheds Contract	0	0	\$0	1,700	0	1,700
Subtotal, New Needs	\$624	\$0	\$624	\$12,174	\$0	\$12,174
Other Adjustments						
Asylum Seeker AAHC: FY24	\$0	\$79	\$79	\$0	\$0	\$0
Asylum Seeker AAHC: FY24 Nov	0	40	40	0	0	0
Asylum Seekers Funding Realignment	0	(190)	(190)	0	(190)	(190)
DOBNOW Project Roll	(9,386)	0	(9,386)	9,386	0	9,386
Existing Building Code Roll	(1,396)	0	(1,396)	1,396	0	1,396
Facades Contract Roll	(800)	0	(800)	800	0	800
Heat, Light and Power	(135)	0	(135)	(187)	0	(187)
Managerial OJ Increases	2,726	0	2,726	3,241	0	3,241
Minimum Wage Funding Increases	24	0	24	52	0	52
OSA CB Increases.	1,076	0	1,076	1,083	0	1,083
Records Management Contract Roll	(126)	0	(126)	126	0	126
Sidewalk Sheds Roll	(1,800)	0	(1,800)	1,800	0	1,800
Sustainability Contract Roll	(1,600)	0	(1,600)	1,600	0	1,600
Telecommunication Adjustment	(2)	0	(2)	(3)	0	(3)
Waterfront Contract Roll	(811)	0	(811)	811	0	811
Subtotal, Other Adjustments	(\$12,230)	(\$71)	(\$12,301)	\$20,105	(\$190)	\$19,915
Grand Total	(\$11,606)	(\$71)	(\$11,677)	\$32,279	(\$190)	\$32,089
DOB Budget as of the Executive Plan	\$192,684	\$1,090	\$193,774	\$210,771	\$0	\$210,771

Source: New York City Office of Management and Budget

**Budget by
Program
Area**

<i>Dollars in Thousands</i>	FY22	FY23	FY24	Executive Plan		*Difference
	Actual	Actual	Adopted	FY24	FY25	FY25 - FY24
Budget by Program Area						
Administration	\$196,424	\$192,134	\$174,448	\$148,661	\$143,303	(\$31,144)
Administration Program	0	0	44,784	45,114	53,382	8,599
Development	0	0	0	0	14,085	14,085
TOTAL	\$196,424	\$192,134	\$219,231	\$193,774	\$210,770	(\$8,461)
Funding						
City Funds			\$219,231	\$192,684	\$210,770	(\$8,461)
Intra-City			0	903	0	0
State			0	187	0	0
TOTAL	\$196,424	\$192,134	\$219,231	\$193,774	\$210,770	(\$8,461)
Budgeted Headcount						
Full-Time Positions - Civilian	1,535	1,552	1,833	1,622	1,642	(191)
Full-Time Equivalent Positions	26	28	28	30	33	5
TOTAL	1,561	1,580	1,861	1,652	1,675	(186)

**The difference of Fiscal 2025 Executive Budget compared to Fiscal 2024 Adopted Budget.*

Source: New York City Office of Management and Budget