

THE COUNCIL OF THE CITY OF NEW YORK

Hon. Melissa Mark-Viverito
Speaker of the Council

Hon. David Greenfield
Chair, Committee on Land Use



Report of the Finance Division on the
Fiscal 2018 Preliminary Budget and the
Fiscal 2017 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 or the Department) plans for the strategic growth and development of the City through ground-up planning with communities, the development of land use policies and zoning regulations applicable citywide and its contribution to the preparation of the City's Ten-Year Capital Strategy. DCP promotes housing production and affordability, fosters economic development and coordinated investments in infrastructure and services, and supports resilient, sustainable communities across the five boroughs for a more equitable New York City. In addition, DCP supports the City Planning Commission in its annual review of land use applications for a variety of discretionary approvals. The Department also assists government agencies and the public by advising on strategic and capital planning and providing policy analysis, technical assistance and data relating to housing, transportation, community facilities, demography, zoning, urban design, waterfront areas and public open space.

This report provides an overview of the DCP's Fiscal 2018 Expense Budget, a summary of the Department's Contract Budget and revenue trends. The report then discusses initiatives included in the November and Preliminary Financial Plans, and reviews sections of the Preliminary Mayor's Management Report for Fiscal 2017.

Fiscal 2018 Preliminary Budget Highlights

The City's Preliminary Fiscal 2018 Budget is \$85.7 billion, \$2.6 billion more than the Fiscal 2017 Adopted Budget of \$82.1 billion. DCP's Fiscal 2018 Preliminary Budget totals \$42.5 million (including City and non-City funds); representing less than one percent of the City's total Budget. The Department's Fiscal 2018 Preliminary Budget is \$3.7 million, or eight percent less than the Fiscal 2017 Adopted Budget of \$46.3 million.

DCP Expense Budget						
	2015	2016	2017	Preliminary Plan		*Difference
<i>Dollars in Thousands</i>	Actual	Actual	Adopted	2017	2018	2017 - 2018
Personal Services	\$21,179	\$22,574	\$27,973	\$29,075	\$28,044	\$71
Other Than Personal Services	3,538	8,657	18,298	18,064	14,494	(3,804)
TOTAL	\$24,717	\$31,231	\$46,271	\$47,140	\$42,538	(\$3,733)

**The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.*

The key actions included in the agency's proposed budget include the following:

New Needs

- **Project Manager for Paperless Filing System.** The Fiscal 2018 Preliminary Budget includes \$104,000 in Fiscal 2017 and Fiscal 2018 to hire a consultant that will manage the implementation of the Department's paperless filing system.
- **Speed the Review of Applications.** The Fiscal 2018 Preliminary Budget includes \$134,000 in Fiscal 2017 and \$268,000 in Fiscal 2018 and in the outyears to hire four

employees to advance the implementation of the City's Mandatory Inclusionary Housing (MIH) program through the efficient review of private land use applications with a MIH component.

Savings

- **Efficiency Savings.** The Department expects to achieve a savings of \$750,000 in Fiscal 2017 due to a surplus of environmental consulting funds. The Fiscal 2017 consulting budget was based on cost projections set in Fiscal 2016. Once each project's land use actions and geography were solidified, the Department's vendors submitted revised estimates, resulting in a surplus for Fiscal 2017.
- **Paperless Filing Savings.** The Preliminary Budget includes a savings of \$303,000 in Fiscal 2017; \$257,000 in Fiscal 2018 and varying amounts in the outyears due to lower than anticipated maintenance costs associated with the Department's Paperless Filing System.

Financial Plan Summary

DCP Financial Summary <i>Dollars in Thousands</i>						
	2015 Actual	2016 Actual	2017 Adopted	Preliminary Plan		*Difference
				2017	2018	2017 - 2018
Spending						
Personal Services	\$19,223	\$20,448	\$25,694	\$26,796	\$25,749	\$55
Geographic Systems	1,956	2,127	2,279	2,279	2,295	16
Subtotal, PS	\$21,179	\$22,574	\$27,973	\$29,075	\$28,044	\$71
Other Than Personal Services	\$3,256	\$8,379	\$18,000	\$17,767	\$14,196	(\$3,804)
Geographic Systems	282	278	298	298	298	0
Subtotal, OTPS	\$3,538	\$8,657	\$18,298	\$18,064	\$14,494	(\$3,804)
TOTAL	\$24,717	\$31,231	\$46,271	\$47,140	\$42,538	(\$3,733)
Funding						
City Funds			\$30,317	\$29,689	\$25,854	(\$4,463)
Federal - Community Development			14,617	14,241	15,346	728
Federal - Other			1,337	3,102	1,338	1
Intra City			0	33	0	0
State			0	75	0	0
TOTAL	\$24,717	\$31,231	\$46,271	\$47,140	\$42,538	(\$3,733)
Budgeted Headcount						
Full-Time Positions - Civilian	250	277	349	353	348	(1)

**The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.*

The Department's Fiscal 2018 Preliminary Budget is projected at \$42.5 million, which is \$3.7 million or eight percent less than the Fiscal 2017 Adopted Budget of \$46.2 million. The majority of this decrease can be attributed to \$2.8 million in one-time costs in Fiscal 2017 that do not carry into Fiscal 2018 related to hiring a consultant for work on the paperless filing system, and environmental impact statements. This amount is slightly offset by an increase of approximately \$1 million in Community Development Block Grant – Disaster Recovery funding that was reallocated from Fiscal 2017 to Fiscal 2018.

The Department's Fiscal 2018 budget is \$4.6 million, or nearly ten percent less than DCP's current Fiscal 2017 budget of \$47.1 million. The majority of this decrease can be attributed to a reduction of approximately \$2 million for data processing equipment, \$1 million for contractual services, \$1 million for personal services and \$880,000 for professional engineering and architectural services.

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 personal service provided to the City by means of a contract. A subset of the Other Than Personal Services (OTPS) portion of the City's Expense Budget, the Administration prepares a Contract Budget twice each fiscal year. In January, it is prepared with the Departmental Estimates, and in late April it is submitted to the Council with the Executive Budget. The following table provides DCP's Preliminary Contract Budget for Fiscal 2018.

DCP Fiscal 2018 Preliminary Contract Budget <i>Dollars in Thousands</i>				
Category	Fiscal 2017 Actuals	Number of Contracts	Fiscal 2018 Projected	Number of Contracts
Cleaning Services	\$30	1	\$30	1
Contractual Services - General	332	4	449	4
Data Processing Equipment Maintenance	232	3	632	3
Maintenance and Repairs - General	34	0	161	0
Office Equipment Maintenance	15	0	15	0
Printing Services	126	0	25	0
Prof. Services - Computer Services	824	1	1,000	1
Prof. Services - Engineering and Architectural Services	5,553	6	5,000	6
Temporary Services	35	2	10	0
Training Program for City Employees	35	1	40	1
TOTAL	\$7,215	18	\$7,362	16

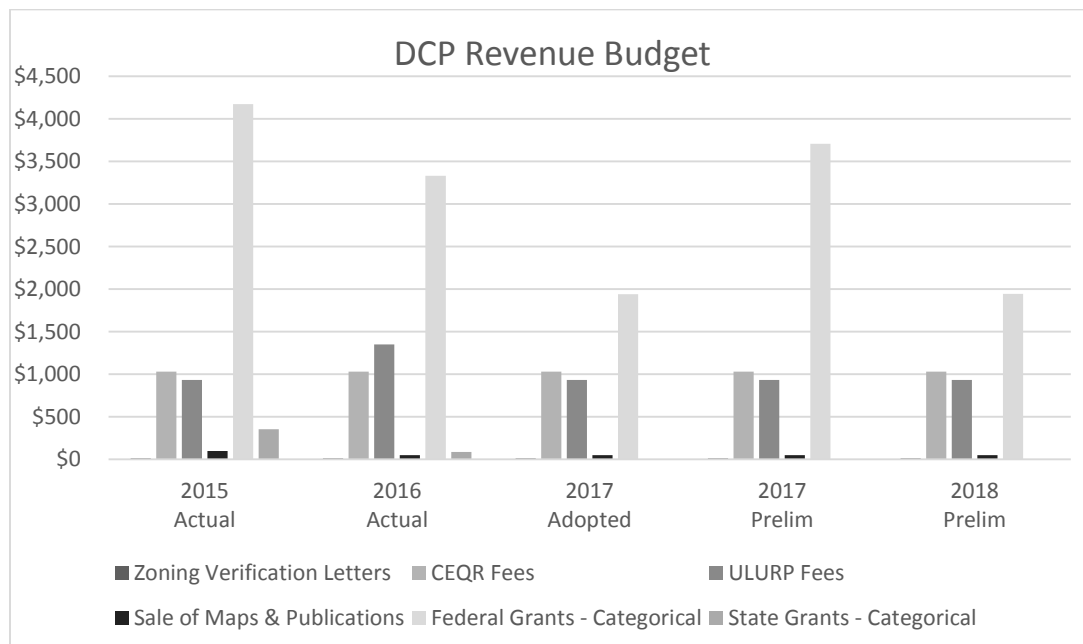
The City's Contract Budget totals \$14.4 billion in Fiscal 2018, a decrease of \$604.9 million or four percent when compared to the Fiscal 2017 Adopted Budget of \$14.99 billion. DCP's Fiscal 2018 Preliminary Budget includes 16 registered contracts for environmental consulting, office services and computer hardware and software. DCP's registered contracts reduced by two in Fiscal 2018 due one-time grant funding to hire temporary staff for document scanning. Despite a reduction in the overall number of contracts, costs will increase in Fiscal 2018 due to paperless filing software.

Revenue

The Department of City Planning generates revenue from sources that include charges for services for land application fees and miscellaneous revenue from fees and publications. In the Preliminary Budget, fees associated with land use actions in the City, including the City Environmental Quality Review (CEQR) process and Uniform Land Use Review Procedure (ULURP), are projected to account for approximately 50 percent of the Department's total for Fiscal 2018. In total, DCP expects to generate about \$4 million in revenue in Fiscal 2018.

DCP Miscellaneous Revenue Budget Overview						
<i>Dollars in Thousands</i>						
Revenue Sources	2015 Actual	2016 Actual	2017 Adopted	Preliminary Plan		*Difference 2017 - 2018
				2017	2018	
Charges for Services						
Zoning Verification Letters	\$12	\$12	\$12	\$12	\$12	\$0
CEQR Fees	1,031	1,031	1,031	1,031	1,031	0
Miscellaneous						
ULURP Fees	932	1,350	932	932	932	0
Sale of Maps & Publications	100	50	50	50	50	0
Federal Grants - Categorical	4,172	3,330	1,942	3,707	1,943	1
State Grants - Categorical	355	88	0	0	0	0
TOTAL	\$6,602	\$5,861	\$3,967	\$5,732	\$3,968	\$1

**The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.*



Appendix A: Budget Actions in the November and the Preliminary Plans

<i>Dollars in Thousands</i>	FY 2017			FY 2018		
	City	Non-City	Total	City	Non-City	Total
DCP Budget as of the Adopted 2017 Budget	\$30,317	\$15,955	\$46,272	\$25,740	\$15,548	\$41,288
New Needs						
Project Manager for Paperless Filing	\$104	\$0	\$104	\$104	\$0	\$104
Speed the Review of Applications	134	0	134	268	0	268
Subtotal, New Needs	\$238	\$0	\$238	\$372	\$0	\$372
Other Adjustments						
Local Government Records Management Improvement Fund	\$0	\$75	\$75	\$0	\$0	\$0
Grant Reimbursement	0	13	13	0	0	0
Intra City w/DCP for Teletown hall	0	20	20	0	0	0
Paperless Filing Savings	(303)	0	(303)	(257)	0	(257)
Community Development Block Grant – Disaster Recovery Reallocation	0	(377)	(377)	0	1,137	1,137
DCP Efficiency Savings	(750)	0	(750)	0	0	0
FY17 Congestion Mitigation and Air Quality Funding	0	1,307	1,307	0	0	0
FY17 New York Metropolitan Transpiration Council Budget	0	457	457	0	0	0
Lease Adjustment	188	0	188	0	0	0
Subtotal, Other Adjustments	(\$865)	\$1,495	\$630	(\$257)	\$1,137	\$880
TOTAL, All Changes	(\$627)	\$1,495	\$868	\$115	\$1,137	\$1,252
DCP as of the Preliminary 2018 Budget	\$29,690	\$17,450	\$47,140	\$25,855	\$16,685	\$42,538

Appendix B: Preliminary Mayor's Management Report for Fiscal 2017

Performance Measures

Performance Indicators	Actual			Target		4-Month Actual	
	FY14	FY15	FY16	FY17	FY18	FY16	FY17
Economic development and housing proposals completed and presented to the public	10	29	42	NA	NA	9	7
Neighborhood enhancement proposals completed and presented to the public	8	30	14	NA	NA	2	6
Planning information and policy analysis initiatives presented to the public	NA	212	222	NA	NA	62	75
Zoning actions (simple) certified/referred	41	60	31	NA	NA	7	7
- Certified/referred within 12 months (%)	93%	72%	68%	70%	70%	43%	57%
Zoning actions (complex) certified/referred	38	40	55	NA	NA	12	11
- Certified/referred within 15 months (%)	68%	63%	44%	70%	70%	67%	46%
City projects (non-zoning) certified/referred	62	47	50	NA	NA	12	23
- Certified/referred within 6 months (%)	87%	70%	96%	70%	70%	100%	87%
Renewals and natural area approvals certified/referred	133	117	94	NA	NA	31	28
- Certified/referred within 6 months (%)	73%	63%	68%	70%	70%	65%	79%
E-mails responded to in 14 days (%)	87%	90%	85%	85%	85%	70%	98%
Letters responded to in 14 days (%)	44%	64%	72%	50%	50%	90%	90%
Completed customer requests for interpretation	1	2	6	NA	NA	NA	NA
CORE customer experience rating (0 - 100)	89	92	100	80	80	NA	NA

- In the first four months of Fiscal 2017, DCP advanced and publicly presented 88 projects, proposals and initiatives. This is an increase of 15 projects, or a 20 percent change when compared to the first four months of Fiscal 2016.
- The percentage of simple zoning actions certified/referred in the first four months of Fiscal 2017 was 57 percent. This is an increase of 14 percent when compared to a 43 percent referral/certified rate in Fiscal 2016.
- City projects (non-zoning) were referred is down 13 percent to 87 percent in the first four months of Fiscal 2017, when compared to 100 percent during the same period in Fiscal 2016. In addition, the percentage of renewals and natural area approvals is up 14 points from 65 percent to 79 percent.