

# 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 2019 Preliminary Budget and the  
Fiscal 2018 Preliminary Mayor's Management Report for the  
**Landmarks Preservation Commission**

March 15, 2018

## **Finance Division**

Jonathan Seltzer, Financial Analyst  
Cirlhien Francisco, Unit Head

---

Latonia McKinney, Director  
Regina Poreda Ryan, Deputy Director

Nathan Toth, Deputy Director  
Paul Scimone, Deputy Director

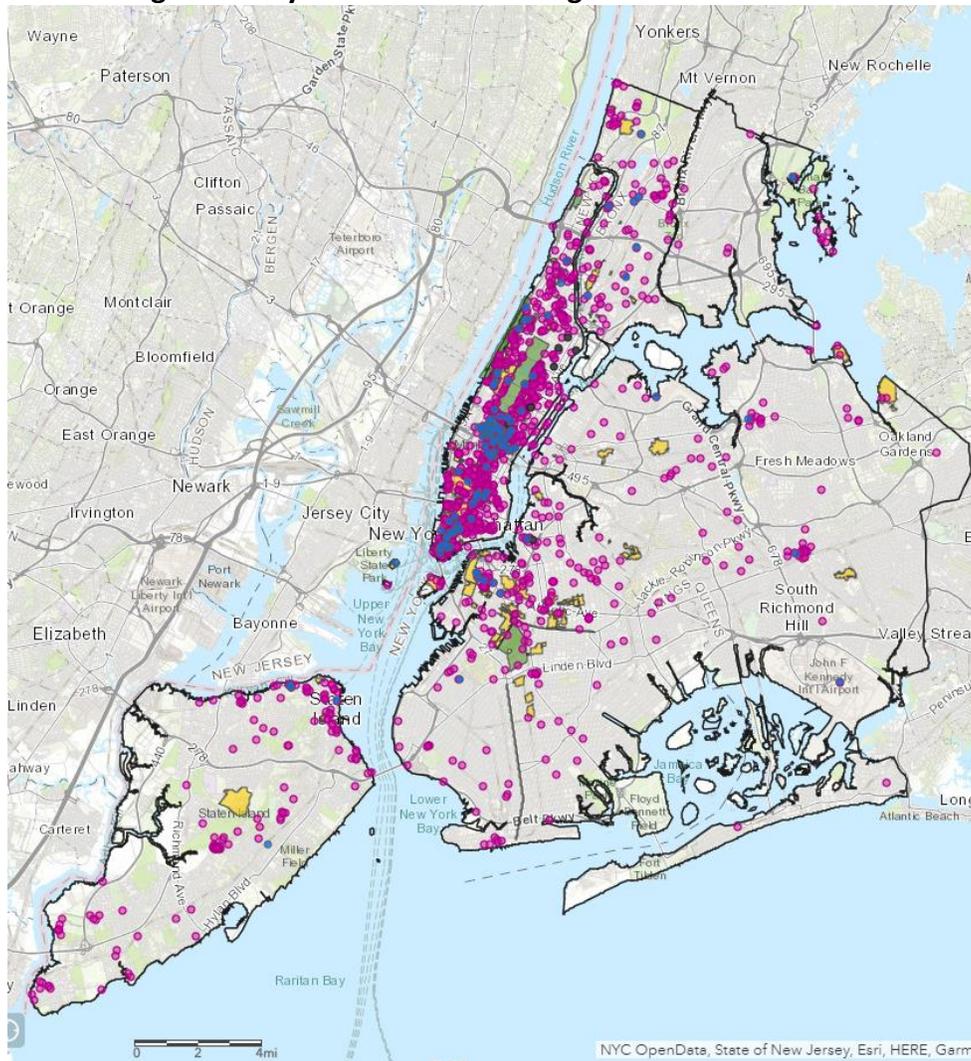
## Table of Contents

Department of Citywide Administrative Services Overview .....	1
Fiscal 2019 Preliminary Budget Highlights .....	2
Financial Plan Summary.....	3
Funding Sources.....	4
Headcount .....	5
Contract Budget.....	5
Miscellaneous Revenue .....	6
PMMR Performance Measures .....	6
Appendices .....	8
A: Budget Actions in the November and the Preliminary Plans.....	8
B: LPC Contract Budget.....	8
C: LPC Miscellaneous Revenue .....	8

## Department of Citywide Administrative Services 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

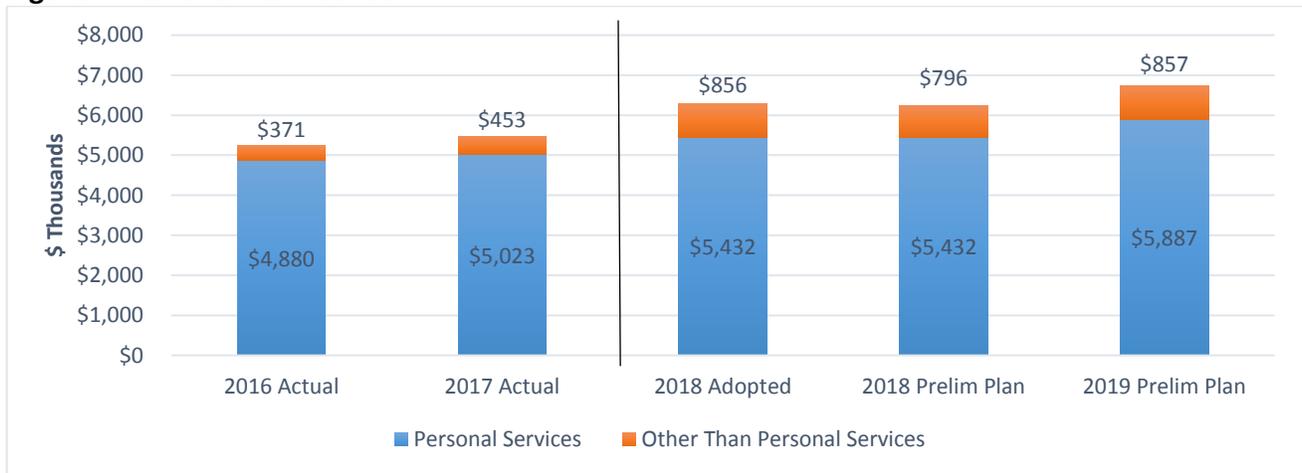
**LPC goals include:**

- 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 2019 Preliminary Budget Highlights

LPC’s Fiscal 2019 Preliminary Budget totals \$6.7 million (including City and non-City funds). The Department’s Fiscal 2019 Preliminary Budget is \$456,000 or nearly seven and a half percent more than the Fiscal 2018 Adopted Budget of \$6.3 million. For Fiscal 2019, LPC’s budget is \$5.9 million or 87.3 percent for personal services (PS) and \$857,000 or 12.7 percent for other than personal services (OTPS). PS includes all full-time and part-time positions costs. OTPS includes property, equipment, supplies and services contracted out to private corporations. Since the Fiscal 2018 Adopted Budget, PS spending for Fiscal 2019 increased by \$455,000 or 8.3 percent, while OTPS spending increased by \$1,000 or less than one percent.

**Figure 2: PS vs. OTPS Breakdown**



The key actions included in LPC’s Fiscal 2019 Preliminary Plan are as follows: \$268,000 in news needs and \$200,000 in other adjustments.

### *New Needs*

**Preservationist and Administration Staff.** The Fiscal 2019 Preliminary Plan includes \$268,000 in Fiscal 2019 to hire three full-time preservationist personnel and one administrative personnel for permit review and issuance, as well as procurement.

### *Other Adjustments*

**Funding Reallocation.** The Department’s Fiscal 2019 Preliminary Plan includes a \$200,000 reallocation from Fiscal 2018 to Fiscal 2019 for LPC’s move to 253 Broadway in Manhattan due to construction delays.

## Financial Plan Summary

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

<i>Dollars in Thousands</i>	FY16	FY17	FY18	Preliminary Plan		*Difference
	Actual	Actual	Adopted	FY18	FY19	FY18-FY19
<b>Spending</b>						
Personal Services	\$4,880	\$5,023	\$5,432	\$5,432	\$5,887	\$455
Other Than Personal Services	371	453	856	796	857	\$1
<b>TOTAL</b>	<b>\$5,251</b>	<b>\$5,476</b>	<b>\$6,288</b>	<b>\$6,228</b>	<b>\$6,744</b>	<b>\$456</b>
<b>Personal Services</b>						
Additional Gross Pay	\$109	\$145	\$120	\$120	\$120	\$0
Full-Time Salaried - Civilian	4,563	4,689	5,026	5,026	5,481	455
Other Salaried & Unsalari ed	203	174	279	279	279	0
Overtime - Civilian	5	16	7	7	7	0
<b>SUBTOTAL</b>	<b>\$4,879</b>	<b>\$5,023</b>	<b>\$5,432</b>	<b>\$5,432</b>	<b>\$5,887</b>	<b>\$455</b>
<b>Other Than Personal Services</b>						
Contractual Services	\$117	\$141	\$211	\$413	\$211	\$0
Fixed & Misc. Charges	1	0	0	3	0	\$0
Other Services & Charges	135	165	283	284	283	\$0
Property & Equipment	44	55	30	41	43	\$13
Supplies & Materials	74	92	332	56	320	(\$12)
<b>SUBTOTAL</b>	<b>\$371</b>	<b>\$453</b>	<b>\$856</b>	<b>\$796</b>	<b>\$857</b>	<b>\$1</b>
<b>TOTAL</b>	<b>\$5,251</b>	<b>\$5,476</b>	<b>\$6,288</b>	<b>\$6,228</b>	<b>\$6,744</b>	<b>\$456</b>
<b>Funding</b>						
City Funds			\$5,692	\$5,452	\$6,148	\$456
State			\$0	\$49	\$0	\$0
Federal - Community Development			\$596	\$727	\$596	\$0
<b>TOTAL</b>	<b>\$5,251</b>	<b>\$5,476</b>	<b>\$6,288</b>	<b>\$6,228</b>	<b>\$6,744</b>	<b>\$456</b>
<b>Budgeted Headcount</b>						
Full-Time Positions - Civilian	67	63	73	73	77	4

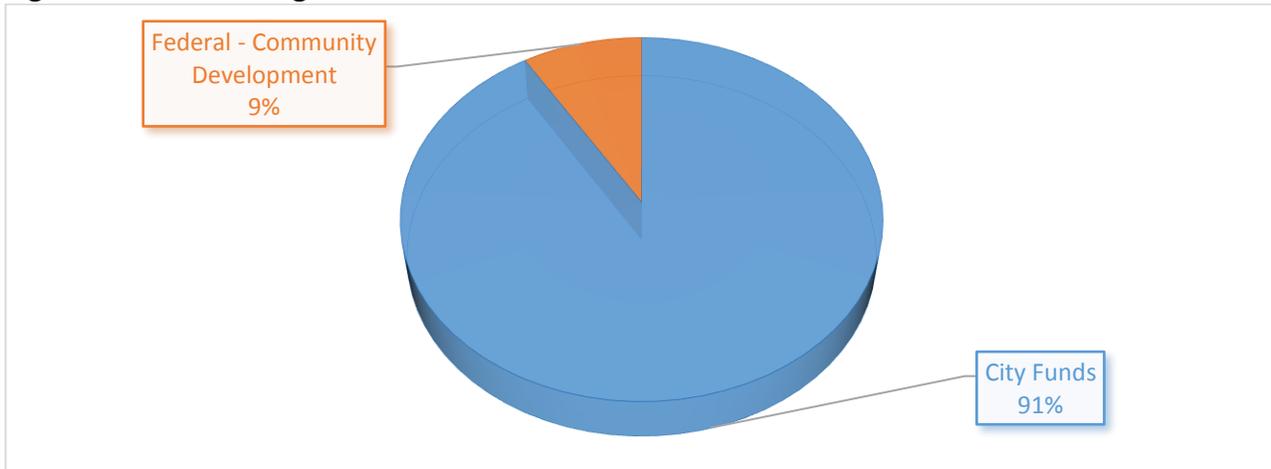
*\*The difference of Fiscal 2018 Adopted Budget compared to Fiscal 2019 Preliminary Budget.*

Since the Fiscal 2018 Adopted Budget, the Financial Plans have introduced several changes to LPC's Fiscal 2018 and Fiscal 2019 Budgets. For Fiscal 2018, these include \$60,000 in other adjustments related to a Community Development Block Grant funding and a delay in the occupancy of new office space within 253 Broadway in Manhattan. For Fiscal 2019, changes include \$268,000 in new needs to hire four full-time personnel for preservation and procurement, as well \$200,000 in other adjustments for LPC's office relocation.

See Appendix A, on page 8 for a breakdown of all actions.

## Funding Sources

**Figure 3: LPC’s Funding Sources**



LPC’s budget is supported through two primary funding sources. Of the total budget, City-tax levy accounts for 91 percent and federal accounts for nine percent. The Fiscal 2019 Preliminary Plan recognizes a total of \$596,000 in federal funding, of which \$115,000 is for the Historic Preservation Grant Program (HPGP), \$7,000 for office supplies and \$473,000 to support personal services costs.

### Historic Preservation Grant Program Background

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

	FY16	FY17	FY18*
Homeowner Grants	3	2	1
Non-profit Grants	1	1	2
<b>TOTAL GRANTS AWARDED</b>	<b>4</b>	<b>3</b>	<b>3</b>

\*Year to date

- LPC’s federally funded Historic Preservation Grant Program provides grants ranging from \$10,000 to \$30,000 to income-eligible homeowners and non-profits.
- 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.
- Also 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.

## Headcount

The Department’s headcount for Fiscal 2019 increases by four positions, for a total of 77 positions, when compared to the Fiscal 2018 Adopted Budget. The increase is a result of a plan to hire four new staff, of which three are for permit review and one for procurement. As of February 2018, the Department is nine positions under its budget headcount when compared to the Fiscal 2019 Preliminary Plan, as shown in the “LPC Headcount” table.

**Table 3: LPC Headcount**

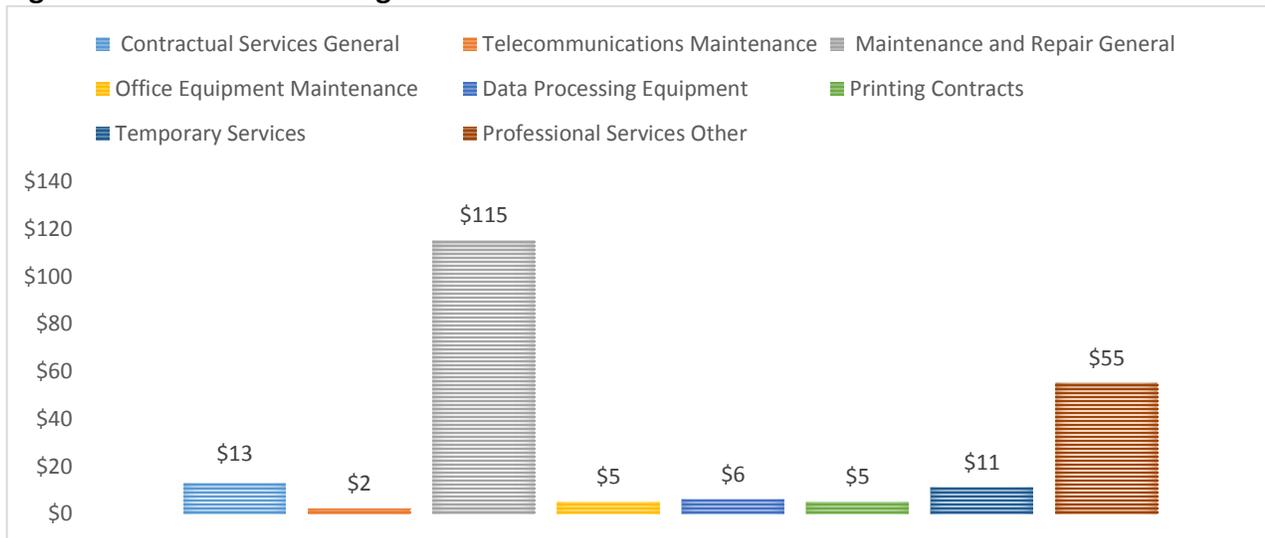
	Budgeted F/T Headcount	Actual Headcount	Under/(Over)
Full-Time Positions	77	68	9
<b>TOTAL</b>	<b>77</b>	<b>68</b>	<b>9</b>

*Note: a) Budgeted headcount is based on Preliminary Plan; b) Actuals based on Feb 2018*

## 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 actually a subset of the OTPS portion of the City’s Expense Budget. The Administration prepares a Contract Budget twice each fiscal year. The Fiscal 2019 Preliminary Budget totals \$15.6 million for procurement expenditures across all agencies.

**Figure 5: LPC’s Contract Budget**

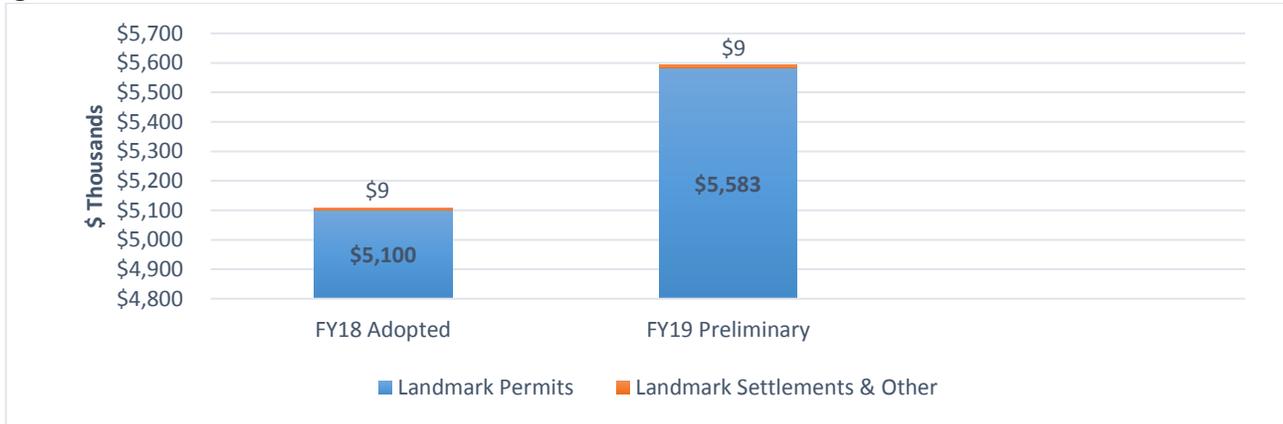


LPC’s Fiscal 2019 Preliminary Budget includes an estimated 20 city contracts, at a total cost of \$212,000. Of these 20 registered contracts, 12 are for maintenance and repairs as part of restoration projects under the agency’s federally funded Historic Preservation Grant Program (HPGP). These contracts are anticipated to cost approximately \$115,000 in Fiscal 2019.

### Miscellaneous Revenue

LPC collects revenue from the issuance of landmark permits and landmark settlements. LPC anticipates additional revenue from the continued growth in permit applications. Applications for work on landmark buildings have been on the rise in recent years, partly due to the resurgence of construction across the City since the economic downturn, and partly as a result of the expansion of landmark protection to thousands of additional buildings to meet community demand. LPC continues to designate landmarks on an ongoing basis, which correlates with an increase in the volume of permit applications. In total, the Commission has roughly estimated that the City will realize approximately \$5.5 million in revenue in Fiscal 2019 from the issuance of landmark permits.

**Figure 4: LPC Miscellaneous Revenue**



### PMMR Performance Measures

Performance Indicators	Actual			Target		4-Month Actual	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
Individual landmarks and historic districts designated	15	20	30	20	20	1	5
Total number of buildings designated	2,013	1,411	324	*	*	1	7
Archaeology applications reviewed within 10 business days (%)	97%	95%	96%	85%	85%	93%	99%
Work permit applications received	13,273	13,963	13,874	*	*	4,657	4,686
Actions taken on work permit applications received	15,446	14,081	13,533	*	*	4,593	4,108
Certificates of No Effect issued within 10 business days (%)	91%	96%	93%	85%	85%	93%	85%
Expedited Certificates of No Effect issued within two business days (%)	90%	99%	94%	100%	100%	85%	91%
Permits for minor work issued within 10 business days (%)	92%	95%	92%	*	*	92%	83%
Number of complaints received	772	792	677	*	*	238	220
Investigations completed	755	997	661	*	*	301	280
Enforcement actions taken: Total warning letters, NOVs, and stop work orders issued	1,014	1,221	937	*	*	403	61
Violations admitted to or upheld at the OATH Environmental Control Board (%)	98%	98%	98%	*	*	98%	98%
Archaeology applications received	308	297	318	*	*	86	118
Letters responded to in 14 days (%)	85%	80%	85%	*	*	65%	97%
E-mails responded to in 14 days (%)	100%	98%	99%	*	*	98%	98%

In the first four months of Fiscal 2018, the number of individual landmarks and historic districts designated was five, an increase of four when compared to the same period in the prior fiscal year.

The total number of buildings designated in the first four months of Fiscal 2018 was seven, an increase of six when compared to the same period in the prior year.

In the first four months of Fiscal 2018, the number of investigations completed was 280, a decrease of 21 when compared to the same period in the prior fiscal year.

## Appendices

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

<i>Dollars in Thousands</i>	FY18			FY19		
	City	Non-City	Total	City	Non-City	Total
<b>LPC Budget as of the Fiscal 2018 Adopted Budget</b>	<b>\$5,692</b>	<b>\$596</b>	<b>\$6,288</b>	<b>\$5,680</b>	<b>\$596</b>	<b>\$6,276</b>
<b>New Needs</b>						
Additional Staffing	\$0	\$0	\$0	\$268	\$0	\$268
<b>Subtotal, New Needs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$268</b>	<b>\$0</b>	<b>\$268</b>
<b>Other Adjustments</b>						
Fy18 CDBG Rollover	\$0	\$131	\$131	\$0	\$0	\$0
Funding Roll	(240)	0	(240)	200	0	200
Fy18 CLG Grant - OTPS	0	49	49	0	0	0
<b>Subtotal, Other Adjustments</b>	<b>(\$240)</b>	<b>\$776</b>	<b>(\$60)</b>	<b>\$200</b>	<b>\$0</b>	<b>\$200</b>
<b>TOTAL, All Changes</b>	<b>(\$240)</b>	<b>\$776</b>	<b>(\$60)</b>	<b>\$468</b>	<b>\$0</b>	<b>\$468</b>
<b>LPC Budget as of the Fiscal 2019 Preliminary Budget</b>	<b>\$5,452</b>	<b>\$776</b>	<b>\$6,228</b>	<b>\$6,148</b>	<b>\$596</b>	<b>\$6,744</b>

### B: LPC Contract Budget

<b>LPC FY19 Preliminary Contract Budget</b>				
<i>Dollars in Thousands</i>				
Category	FY18 Adopted	Number of Contracts	FY19 Preliminary	Number of Contracts
Contractual Services General	\$13	1	\$13	1
Telecommunications Maintenance	2	1	2	1
Maintenance and Repair General	115	12	115	12
Office Equipment Maintenance	5	2	5	2
Data Processing Equipment	6	1	6	1
Printing Contracts	5	1	5	1
Temporary Services	11	1	11	1
Professional Services Other	55	1	55	1
<b>TOTAL</b>	<b>\$212</b>	<b>20</b>	<b>\$212</b>	<b>20</b>

### C: LPC Miscellaneous Revenue

<b>LPC Miscellaneous Revenue Budget Overview</b>						
<i>Dollars in Thousands</i>						
Revenue Sources	FY16	FY17	FY18	Preliminary Plan		*Difference
	Actual	Actual	Adopted	FY18	FY19	FY18-FY19
Landmark Permits	\$6,300	\$9,200	\$5,100	\$5,315	\$5,583	\$483
Landmark Settlements & Other	9	30	9	9	9	0
State Grants Categorical	0	0	0	49	0	0
<b>TOTAL</b>	<b>\$6,309</b>	<b>\$9,230</b>	<b>\$5,109</b>	<b>\$5,373</b>	<b>\$5,592</b>	<b>\$483</b>

\*The difference of Fiscal 2018 Adopted Budget compared to Fiscal 2019 Preliminary Budget.